



Haringey Council

London Borough of Haringey – Adult Social Care and Commissioning response to *Modernising Commissioning: Increasing the role of charities, social enterprises, mutuals and cooperatives in public service delivery* Green Paper.

1. In which public service areas could Government create new opportunities for civil society organisations to deliver?

From a local authority perspective, prevention and socially inclusive services provided under the Adult Social Care umbrella may be one area that has the ability to create new opportunities for civil society organisations.

As local authorities move towards complete implementation of the Personalisation agenda, eligible individuals will be acting as contractors and commissioners in their own right. Individuals will be looking for services / support that meet their needs, giving them greater choice and control over their lives. The market will need to respond to the individuals and what services / support they may be choosing to help them meet their needs, and allow community and voluntary sector groups to work together to deliver services to their own communities.

Further, the recent announcements in the Comprehensive Spending Review (CSR) mean that many local authorities are not in a position to continue providing the adult social care services that are not seen as statutory. If the local authority is not in a financial position to provide these services, this may be an opportunity for civil society organisations to deliver some of the preventative activities that help to build confidence and encourage individuals to be part of their community, such as lunch clubs, drop-in and day centres, particularly services for people with mental illness or learning disability.

Sub-Question: What are the implications of payment by results for civil society organisations?

Given the experience of implementing payment by results in NHS acute sector, arguably payment by results should be reviewed. Adoption of payment by results by civil society organisations means there is a danger that there will be growth the administrative burden for civil society organisations where there is a requirement to demonstrate performance in order to receive payment. Another implication may be that civil society organisations will be required to have substantial reserves to maintain their cash flow during the period of delivery. Many smaller organisations are only able to exist through receiving payment ahead of providing services. Payment by results may prohibit organisations from getting involved in public services in the way the government intends.

Sub-Question: Which public services areas could be opened up to more civil society providers? What are the barriers to more civil society organisations being involved?

Recreation and leisure services provided by local authorities may be one area that could be opened up to civil society providers. This has proved successful in thirteen London boroughs, where a social enterprise manages the leisure centres in partnership with the local authority. Prevention and early intervention in terms of adult social care, brokerage

and service finding services (adult social care) is an area that could be opened to more civil society providers.

Local libraries may also be another area that could be opened up to civil society providers.

One of the barriers to involving more civil society organisations is the creation of a 'postcode lottery' in that depending on where you live, you may have different levels of service, even within a borough.

Another barrier may be the inability for local and often smaller civil society organisations having an opportunity to provide the above mentioned public service areas, as larger national civil society organisations move in to the area and successfully tender for the work (national organisations may offer better value for money), and/or have the organisational infrastructure and experience to move into a particular market offering a larger service delivery model

Consortia of civil society organisations should be actively encouraged (with necessary support) to achieve economies of scale and better value for money.

Sub-Question: Should Government explore extending the right to challenge to other local state-run services? If so, which areas and what benefits could civil society organisations bring to these public service areas?

If the Government is committed to implementing the Right to Challenge in regards to local authority services, it is only reasonable to extend the right to challenge to other local state-run services.

The areas that could be subject to Right to Challenge include:

- Some NHS community services– such as community mental health

Benefits that civil society organisations could bring include:

- A local connection and greater awareness and understanding of local people;
- Enabling local people and communities to get more involved in the delivery of services and have a greater say on how they operate to meet local needs; and
- Added value – often civil society organisations who are contracted to provide a service, actually end up providing added outcomes that weren't necessarily part of original contract.

Disadvantages

- Larger, national civil society organisations will likely be in a better position to move into new market places, 'squeezing' out small local organisations;
- Growth of 'back office' functions across if the number of organisations providing services grows;
- Chaotic, fragmented array of service delivery; and
- Risk of duplication; increased duplications, administration and management costs.

Sub-Question: Are there types of assets whose viability, when transferred to civil society management or ownership, would be particularly dependent on a continuing income stream from service contracts or public sector tenancies?

Yes, many community buildings will have long leases to particular organisations, many of whom host other, smaller organisations, whose rental income is dependent on public sector grants and contracts. Many other (smaller) organisations treat local authority grants as their main source of income; their salary as it was.

Sub-Question: What are the main barriers that prevent civil society organisations taking over asset-based services?

Buildings maintenance costs may be prohibitive in the long term.

Sub-Question: How can we encourage more existing civil society organisations to team up with new employee-led mutuals?

Employees from local authorities or the NHS have a vast variety of skills, such as budgeting, HR, and general finance skills that may compliment the skills of civil society organisations and share best practice: robust 'back office' management and systems – strong 'performance' culture.

One way of encouraging civil society organisations to team with employee-led mutuals may be to ~~promote the complimentary skills and experiences of the employees~~, which in turn create a robust civil society organisation. Often in civil society organisations these positions are part-time or are provided by someone who is also providing frontline services.

2. How could Government make existing public service markets more accessible to civil society organisations?

There are a number of barriers, particularly around the procurement and contracting processes, which make it difficult for some civil society organisations to access the public service market. One way to make the process easier may be to introduce a ~~passport system~~ that would require organisations to provide key information only once.

Further, organisations that may be affiliated with or a member of a governing body relevant to their work may be fast tracked or less information may be asked of them. For example, organisations that are registered with the Care Quality Commission are required to provide CQC with a significant amount of information that local authorities and other public services may also ask for as part of their tender and contracting processes. Removing duplication and repetition of information required (where appropriate) would reduce the administrative burden.

National programmes such as those offered by BASSAC (collaboration) and NAVCA (procurement) need to be continued to build the capacity of many civil society organisations.

Sub-Question: What issues should commissioners take into account in order to increase civil society organisations involvement in existing public service markets?

There are number of issues that commissioners should take into consideration if they wish to increase the number of civil society organisations involved in the public service market. These may include, but are not limited to:

- Length of contracts – for some civil society organisations short contracts (for example, 1 year) are not always viable, which limits those organisations applying;
- The tender process – development of a standard and proportionate PQQ across London boroughs;
- Tender Panels – learn lessons from London Borough of Merton and their new commissioning process for adult social care funding, which aims to ensure that the council gets value for money and good outcomes. The local voluntary sector (VCS) to worked with the council to design a fair and transparent process to look at how existing investment is used, and to give local voluntary groups the chance to bid for grant funding using criteria and documentation drawn up by the voluntary sector.

Once the process was agreed, the council then worked with the voluntary sector to establish a joint panel to assess applications. VCS representatives were elected to the panels. Terms of Reference were developed which ensured that the VCS representatives on the panels were accountable to the wider VCS. The monitoring and questioning that was part of the reapplication process was designed by the VCS;

- Market development strategy – building capacity – local authority commissioners may need to reassess their focus and move towards being capacity builders and have more of a market development focus; and
- Technical expertise (commissioning and contracting).

Sub-Question: In the implementation of the above mentioned measures (see pages 13 & 14), what issues should the Government consider in order to ensure that they are fully inclusive of civil society organisations?

The Personalisation of Adult Social Care means that social care will not necessarily be delivered through large contracts for services. Many civil society organisations are closely aligned to social care, in terms of the communities they serve and services they provide. Any changes to procurement processes may not be relevant where civil society organisations are involved or wish to become involved in the delivery of social care.

Infrastructure support and capacity building will be as important for these organisations.

Sub-Question: What issues should the Civil Society Red Tape Taskforce consider in order to reduce the bureaucratic burden of commissioning?

Please see response to question two.

However, the Taskforce should consider the issue and the implications of local authorities working across local authority boundaries and the move towards shared services in a number of London boroughs.

Sub-Question: How can commissioners achieve a fair balance of risk which would enable civil society organisations to compete for opportunities?

Within a local authority, the development of strategic commissioning framework should enable commissioners to achieve a balance of risk and in turn enable civil society organisations to compete for opportunities.

A move towards outcomes based commissioning that is focussed on meeting the needs of individuals and improving things is also required. It is focused on evidence and what difference the service / organisation has made, that is the outcomes.

Social Return on Investment (SROI) is also another framework that would help commissioners to balance risk. SROI would help commissioners to measure the added value of a project / service using traditional accounting methods. This framework is being tested within Hertfordshire County Council.

Sub-Question: What issues should Government consider in order to ensure that civil society organisations are assessed on their ability to achieve the best outcomes for the most competitive price?

Working to an outcomes framework, with a minimum of performance indicators, and good Value for Money (VfM).

Sub-Question: What issues should Government consider in the development of the Big Society Bank, in order to enable civil society organisations to take advantage of public service market opportunities?

The Big Society Bank should include:

- Small business support, including advice on HR, tax etc;
- Payroll services;
- Reasonable interest rates, where organisations borrow money; and
- Legal advice and insurance.

Sub- Question: What barriers prevent civil society organisations from forming and operating in consortia? How could they be removed?

From a local authority adult services commissioning perspective, we perceive some of the barriers that prevent civil society organisations from forming consortia include:

- Organisations ~~working in silo~~ and not having the capacity or confidence to work together
- Management Boards – ~~resistance from Trustees~~ or management boards to consider forming consortia
- Constitution – some organisation's constitutions may prevent them from forming consortia
- Existing contracts with local authorities – constraints working across boroughs

Barriers could be removed by having a strong umbrella organisation (eg local Association of Voluntary and Community Sector Organisations) representing all civil society organisations with a remit to support and encourage developing of consortia where appropriate – arms length board with a Managing Director.

Other civil society organisations that have successfully developed and are operating consortia may be able to offer support or mentor the development of other consortia, sharing best practice or lessons learnt.

3. How could commissioners use assessments of full social, environmental and economic value to inform their commissioning decisions?

Local authority commissioners are already using assessments of social, environmental and economic needs within their local populations. The Joint Strategic Needs Assessment (JSNA) assesses the social, environment and economic needs of the population. It looks at the local population, specifically groups whose needs are not being met. This approach will help commissioners to look to the future – over the next 5, 10, 15 and 20 years – so that they can plan now for likely changes in need.

Complimenting the JSNA, local authorities also undertake population needs assessments, which help to provide commissioners with a better match between need and service delivery, and can highlight opportunities for efficiency and inform commissioning decisions.

As detailed earlier, it will become increasingly important for commissioners to consider the added value of a project / organisation or service to help inform their commissioning decisions. Further, Civil Society Organisations need to strengthen their ability to demonstrate the value of their work.

Sub-Question: What approaches would best support commissioning decisions that consider full social, environmental and economic value?

See response to sub-question *How can commissioners achieve a fair balance of risk which would enable civil society organisations to compete for opportunities?*

4. How could civil society organisations support greater citizen and community involvement in all stages of commissioning?

Many local, community-based civil society organisations have strong connections to the community, so these organisations have the reach to engage citizens and encourage them to be part of the commissioning process. User-led engagement should be part of their day-to-day work to help them understand and measure the impact of their service. This information must then be shared with commissioners to inform commissioning decisions. Feedback should be gathered continuously, as opposed to only when a decision is being made.

Another way of promoting citizen and community involvement in commissioning, may be for local authority contracts to have a standard clause, which requires the organisations they are commissioning to involve and work with the local community and people using the services. This engagement work would need to be measured and outcomes and added value captured and fed back to commissioners.

Sub-question: What role and contributions could civil society organisations place, through Local HealthWatch, in informing the local consumer voice about commissioning?

Local HealthWatch should operate using the principles of open two-way communication. Feedback and views from patients and the public via civil society organisations needs to be shared with HealthWatch, who should be responsible for sharing this information with commissioners. Commissioners then need to feedback to the local community on how this information has or has not been used or what may have changed or is being considered, as a result of this information. The two-way communication process may help to breakdown some barriers and misunderstandings in regards to commissioning and the commissioning cycle.

Sub-Question: How could civil society organisations facilitate, encourage and support community and citizen involvement in decision making about local priorities and services commissioned?

Please see response to question 4.

Sub-Question: What forms of support will best enable statutory partners and civil society organisations to improve their working relationships?

The development of a local Voluntary & Community Sector strategy by local authorities is one way of improving the working relationship between the local authority and civil society organisations. The Voluntary & Community Sector strategy is about working to agreed and accountable local priorities, demonstrating good VfM.

A commissioning framework should also be developed to support the strategy. The strategy and framework aims to enable civil society organisations to understand strategic commissioning in terms of future need and community driven desired outcomes, and ensure decisions are transparent and accountable.

Sub-Question: What issues should the government consider in the development of the future programme of training public service commissioners?

The following areas should be considered in the development of a training programme for public service commissioners:

- Outcomes based accountability – measuring outcomes;
- Social return on investment – ability to measure added value;
- Capacity building – helping civil society organisations to build their capacity (move away from reliance on public sector/local authority funding) and where appropriate develop consortia; and
- Local market forces / cultural change –how to respond and what impact of personalisation and individuals acting as commissioners.

Sub-Question: What contributions could civil society organisations make to the extension of personal budgets across a range of service areas?

If personal budgets are extended across a range of service areas, there would be a clear role for civil society organisations, particularly those that provide advocacy, brokerage support, personal care support, information and advice services or preventative initiatives, especially those offering support to people with learning disabilities or mental illness. There would also be opportunities for civil society organisations to develop services that support individuals in a more holistic way, across health and social care barriers, in the delivery of personal health and social care.

Sub-Question: What changes do both commissioners and civil society organisations need to make to adapt to an environment where citizens are commissioning their own services?

Changes local authority commissioners are required to make include:

- Acting as capacity builders and enablers – having increased knowledge of alternative sources of funding (helping organisations to move away from relying on public sector funding);

- Stimulating and developing the market – this is particularly important as people choose services that meet their needs as opposed to the local authority only choosing the services they commission;
- Greater understanding on measuring outcomes and SROI; and
- Emphasis on quality assurance role, to enable individuals to have the confidence in the services they are choosing.

Changes civil society organisations are required to make include:

- Operating in a competitive business-like environment – having a business savvy approach to operating;
- Working across local authority boundaries and even with other organisations – working in partnership;
- Ability to secure alternate sources of funding – moving away from relying on public sector funding;
- Managing a number of contracts with individuals as opposed to one contract from a public sector body;
- Improve and expand engagement and involvement mechanism to ensure feedback is captured on a day-to-day basis;
- Working to local priorities; and
- Commitment to working collaboratively with other community organisations to maximise organisations impact and greater VFM and improve performance.

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