

DELIVERING DIFFERENTLY BIDDERS' AFTERNOON – EVENT WRITE UP

This write up is intended to provide a summary of the presentations and question and answer session from the Bidders event on 4th April 2014.

Further clarification questions should be asked through the eSourcing Suite. All responses to Potential Providers' questions will be published in a "Questions and Answers" document, which will be available in the "Attachments" section of the eSourcing Suite.

*If you have any trouble accessing the eSourcing suite please email ExpressionOfInterest@ccs.gsi.gov.uk quoting the procurement reference **RM1096**.*

INTRODUCTION TO THE EVENT

Natasha Price, Cabinet Office

1. Delivering Differently has, in part, been established to address a gap in the support offered to Local Authorities to explore alternative models of delivery for public services.
2. The Delivering Differently programme has build on learning from the Community Right to Challenge in the Department for Communities and Local Government and the work undertaken by the Cabinet Office Mutuals Support Programme, which aim to support and implement new models of delivery.
3. Those potential providers who are successful in bidding for any of the ten lots will work with the Local Authorities to support them in considering a range of alternative delivery models for public services. This support, as set out in the Invitation to Tender and the attached annexes, specific to each lot, is the following:
 - a. An options review – to work with the Local Authority to appraise a range of possible options by which the service(s) can be delivered.
 - b. An implementation plan – to work with the Local Authority to develop a detailed implementation plan, so should the Local Authority wish to implement the selected alternative delivery model, they can do so.

INTRODUCTION TO THE ROLE OF THE RSA – KNOWLEDGE MANAGERS

Matthew Taylor, RSA

1. Matthew introduced his role on the programme as the Knowledge Manager
2. Matthew outlined to the Beneficiaries and the potential providers that their role was to ensure the bids succeed and achieve their visions of appraising options and developing an implementation plan for their project as above.
3. The role of the RSA is to work with all stakeholders to ensure that learning is captured. This will be disseminated across the wider public sector.
4. The RSA's interest in capturing such learning straddles two objectives:

- a. Capturing common underlying themes of each project – organisational or political culture issues; motivating staff; etc
- b. Capturing failure – what does and does not work. Exploring the granularity of obstacles, solutions and what would projects have done differently. A report showing success only tells half the story.

PROJECT PRESENTATIONS

Manchester City Council (Lot 3)

Domestic Violence and Abuse (DV&A) Services

1. Manchester City Council (the “Beneficiary”) is seeking to explore alternative delivery models by which they can deliver their DV&A Services.
2. Currently, the service is complex (in part, due to the number of stakeholders) and reactionary. Moving forward they are seeking to explore the viability of implementing a model which will better able the Local Authority to tackle the root causes of DV&A.
3. In terms of scale and cost; there are 60,000 DV&A reported incidents a year at a cost of £20m p/a to the Local Authority.
4. The Beneficiary is seeking to shift investment into proactive interventions, moving away from their current traditional, reactionary model. The Beneficiary identified a wish to explore best practice opportunities; e.g. data and technological improvements.
5. The drivers for doing so are three-fold:
 - a. Aim of reducing the number of victims;
 - b. Aim of reducing the number of perpetrators;
 - c. Overall aim of reducing the number of individuals going through the DV&A system.
6. Meeting these objectives will have obvious fiscal benefits for the Local Authority, but also wider social benefits for the community.
7. If a selected and implemented model proves successful, there exists the opportunity of expanding it to the Greater Manchester area.

Question and Answer Session – Manchester City Council

Q: Are there links between your project and the probation services in the Manchester area?

A: The Beneficiary has engaged with the Prime contractors seeking to compete for the Greater Manchester and Cheshire contract package area under the Ministry of Justice’s live national probation competitions (Transforming Rehabilitation). The DV&A landscape is complex, and messy, and there are links to the probation services.

Q: Do you already have a ‘systems map’ for DV&A and what is the current landscape?

A: We know the ‘as is’ picture of the DV&A landscape but are looking to translate our ambitions into reality by moving beyond the more traditional outcomes based delivery approach and towards a proactive rather

than reactionary model of delivery. To do so, we will need to change practice and behaviours, particularly for young women aged 16-18yrs as they represent the group most at risk in DV&A cases.

Q: Do you currently have a savings target?

A: No, this work is about changing practise, facilitating a culture shift that is more preventative and developing the delivery mechanisms to enable that change.

Q: Will culture change be a particular focus of your project, and if so, has any work already been undertaken on this?

A: We have made a start at exploring the nature of changing culture under the DV&A Service and the Local Authority is supportive of helping to drive forward a culture change, as can be seen through our change in approach to the 'troubled families' initiative. However this work will be more ambitious, and there is work to be done engaging staff on the frontline.

Kingston upon Hull (Lot 2)

Adult Social Care (ASC) Services

1. Hull City Council (the "Beneficiary") is seeking to redesign the delivery of Adult Social Care (ASC) services. The city was described as traditionally minded – linked to the way services tend to be delivered. In that respect, a significant proportion of ASC direct services remain in-house.
2. However, the aim is to develop an alternative delivery model that promotes choice and control for the local population, whilst ensuring value for money is met due to the need to save money.
3. The drivers for exploring an alternative delivery model include: changing demography; increased demand; decreased budget.
4. Finding fiscal efficiencies, and working with a smaller (but undefined) budget, was emphasised throughout the presentation. Real, bankable savings are required.
5. The options for delivery that have been explored include: establishing a wholly owned company owned by the Local Authority (this has gained momentum amongst relevant individuals in the Local Authority); creating a Social Enterprise; or, merging the service with an existing Social Enterprise such as City Health Care Partnership (CHCP) CIC.
6. The Beneficiary requires bidders to bring complementary expertise in analytics, and in areas that the current project team do not possess (clarified below).

Question and Answer Session – Kingston upon Hull

Q: Can you elaborate on those areas of expertise which you require?

A: The Beneficiary requires expertise predominantly in two areas:

- a. Technical expertise – e.g. taxation implications, assets, etc across different models.
- b. Best practice knowledge, market analysis and recommendations – exploring what others are doing in this space and how this may translate for Kingston upon Hull.

Q: Is a wholly owned organisation the favourite alternative delivery model being pursued, or are there other models that you wish to appraise?

A: Hull already has a wholly owned organisation called KWL, whose board is made up of councillors. The traditional route of the council keeping services in-house, or if not, running a wholly owned organisation that delivers the service is currently seen as best practice. We are open to a range of models and would like expertise from the successful bidder(s) in being able to appraise a variety of options to then present alongside the 'wholly owned' option currently favoured.

Q: What is your relationship with the CCGs and the social enterprise with whom you may merge – is integrating the service your preferred model?

A: This is not the only option that we are considering. The social enterprise City Health Care Partnership have a successful infrastructure that we would consider joining up with them to deliver services, but we need to ensure that we retain the flexibility to allow us to manage our services.

Kirklees Council (Lot 4)

Environment (Open Spaces)

1. Kirklees Council (the "Beneficiary") is seeking to examine options for sustainable, community-led approaches to maintaining public and open spaces in the borough.
2. Under the current model, management of these sites is unsustainable. The Beneficiary receives a single one-off payment to take on the management and maintenance of the sites in perpetuity from the companies that build the housing developments.
3. However, this one-off payment evaporates after c10 years and budget constraints have meant that taking on more open spaces in the future is unsustainable.
4. Moreover, the Beneficiary currently outsources the management of these spaces to a private company. It is becoming apparent, due to complaints from residents about the poor state of repair of the spaces, that they are not based local enough to be able to manage and maintain the spaces as efficiently as is desired.
5. Consequently, the Beneficiary incurs additional costs in further maintaining the spaces.
6. Thought has already been given to alternative delivery options, e.g. community group led for each public open space. An umbrella body could then manage the group as a whole.

Question and Answer Session – Kirklees Council

Q: Will current staff transfer over to a new organisation to deliver these services?

A: We are currently expecting that any new delivery vehicle will focus initially on new public open spaces with the possibility of including existing public spaces in the future, if a viable model can be found. The options appraisal should therefore consider new models for both new and existing public spaces.

Q: Have you engaged the communities who use the public open spaces, and if so, have they bought in to the possibility of a community-led approach?

A: We have engaged with some community groups, and there is currently a range of involvement among community members, which includes the management of open public spaces by members. There exist a number of pilot projects of this kind that we could develop into a more consolidated approach to manage and maintain open public spaces, and indeed, part of the support requirement will involve support to facilitate networking among the existing community groups to develop a more cohesive model of delivery for the future. Overall, residents have expressed discontent with the state of the spaces and how they are managed as is.

Q: Is the intention to retain current arrangements, and have an additional model to take on new open public spaces?

A: Our intention is to test the newly selected model initially for new public spaces. If this model is successful, in the future we could expand and create an organisation for the management of all open public spaces and if appropriate, for the management of those public open spaces already in existence – this should therefore be part of the options.

Devon County Council (Lot 5)

Youth, Libraries and Older People Services

1. Devon County Council (the “Beneficiary”) is examining its options for how youth, library and information, and, day opportunities for older people and people with a learning disability can be delivered.
2. The Beneficiary has chosen the localities of Totnes, Tavistock and Ottery St Mary with which to explore how these services can be delivered together.
3. The successful bidder(s) will therefore need to appraise options for delivery of the three services in each of the three localities.
4. It was emphasised, and is of particular importance for the Beneficiary, that community-led initiatives be explored and fully appraised.
5. Whilst much community engagement has already taken place in Tavistock and Totness (as stated in the Background to the Requirement), Ottery St Mary represents more of a challenge. The local CCG has engaged with the community and the Beneficiary is keen to build on this, testing their approach with the links and networks of the local CCG.
6. The Beneficiary identified some areas of the project which were of strategic importance:
 - a. Community engagement and providing the community with an independent voice
 - b. Taking a bottom-up view and approach, led by the community;
 - c. Capturing lessons learnt for future community-led projects; and,
 - d. If successful, this project is on-going and live. Options will be evaluated to expand it to other services and/or localities in the Devon area.

Question and Answer Session – Devon County Council

Q: Does your preferred community-led approach amount to a devolvement of power to the community?

A: This is not devolving power per se, rather giving the local community the opportunity to influence the decision making process as to the management of local services, ensuring they respond to local priorities. Our approach is about shifting power, rather than devolving it.

Q: As you are seeking to appraise delivery options for three service areas in three separate localities, diversity in granularity might be an issue – have you considered this?

A: Yes – tensions need to be managed between the communities, the three identified services, and indeed other linked services, e.g. children's services and youth services.

North East Lincolnshire (Lot 7)

Environment

1. North East Lincolnshire Council (the "Beneficiary") is exploring alternative delivery models for the majority of its Environmental services.
2. These services employ c500 staff members and cost the Beneficiary c£30m p/a to run.
3. The Beneficiary has a 7 year history of exploring and implementing alternative delivery models. For example, it has established five public service mutuals in recent years to deliver a range of services. Services involved are health, adult social care, mental health and sports and leisure.
4. The Beneficiary is currently faced by three major challenges, low levels of social capital and effective community engagement; expensive and out-dated public services and red tape that is inherent in large and complex organisations.
5. The Beneficiary has a real desire to implement alternative delivery options and to commercialise services expanding into domestic markets. The Beneficiary is seeking practical deliverable advice to help them deliver this.
6. In terms of support, the Beneficiary enjoys support from the Council's Leader and Chief Executive to pursue this programme. Staff are also interested, however the Beneficiary requires support to engage this large group of people effectively and appropriately.

Question and Answer Session – North East Lincolnshire

Q: Why have you not out-sourced the service to the private sector?

A: Out-sourcing is appropriate for some services, but not all. We don't believe it is appropriate in this case as this is about more than finding efficiencies. It's about building and growing a local economy by creating jobs for North East Lincolnshire. It's about ensuring as far as is reasonably possible that the income generated remains in the borough and builds the social capital of North East Lincolnshire.

Q: Have the staff been engaged on proposals, and, if so what were their reactions?

A: In 2010 we floated the idea of out-sourcing other services, and at that time there were more negative reactions amongst staff groups. However, in recent times, there has been lower resistance to the idea of creating public service mutuals that are also social enterprises; staff are more engaged with this model as they identify with its ethos. We expect to encounter some resistance, regardless of our selected model, and

will need to engage staff effectively and appropriately, outlining tangible benefits and what changes in the delivery approach will mean for them. North East Lincolnshire is also a member of the Employee Ownership Association.

Q: Why is Community Learning part of this service?

A: Community Learning Services currently fall within the Environment directorate and therefore will be included in the options appraisal for an alternative delivery model.

Walsall Council (Lot 1)

1. Walsall Council (“the Beneficiary”) is seeking support to explore alternative delivery models for its Adult and Community College (WACC).
2. WACC is focused on community-based learning and training, providing post-sixteen learning for 5,500 (mostly disaffected, hard to reach and long-term unemployed) learners each year.
3. WACC has succeeded in engaging the most challenging learners, and its teaching and learning has been assessed as ‘Outstanding’ by OFSTED, providing a strong platform from which to develop and prosper.
4. The Beneficiary is seeking support to test whether the organisation could go further by operating as an independent company / or other entity. WACC finds it hard to deliver the responsiveness required in the education marketplace because fulfilling local government policy and regulatory requirements limits WACC’s competitiveness.
5. Support is required to develop a plan of engagement with Walsall Council.

Question and Answer Session- Walsall Adult Community College

Q: Have you been inspired by any of the other adult learning services currently operating as a social enterprise?

A: We are more interested in the social enterprise and charity models, and have already looked at a number of options; clearly leaving the council will have an impact on finance so these models will help address any VAT implications

Portsmouth City Council (Lot 8)

Community Safety

1. Portsmouth City Council (“the Beneficiary”) is exploring alternative ways by which it can deliver community safety services.
2. To do so, the local authority is working with the safer Portsmouth partnership (the statutory community safety partnership for Portsmouth), comprised of the five responsible authorities, namely: the beneficiary; police; probation services; fire services; and the clinical commissioning group.

3. Representatives from the voluntary and community sector, and local councillors also hold a key interest in this work.
4. Services that make-up community safety are broad, and include, for example: youth service provision and domestic violence and abuse services.
5. The Beneficiary has known for a period of time that they are to face 30% budget restrictions over the next 3 years. Indeed, some services are not statutory and so are more at risk than others in seeing their budget reduced. Therefore, they have been exploring alternative vehicles by which they can sustainably deliver the service for the past 12 months.
6. The project has visited the Minerva initiative (Kingston upon Hull) and the Glasgow Community Safety initiative. Lessons and inspiration have been learnt from both of these community safety programmes.
7. The Beneficiary has already identified some community safety initiatives that would be early adopters of a new alternative delivery model. If successful, other services would be rolled into the model.
8. Currently, the Beneficiary is looking at establishing a charitable structure with a trading arm subsidiary. Whilst the final legal form is of course yet to be decided, the Local Authority wishes to develop new community safety initiatives for Portsmouth to then export to localities outside of its borders.

Question and Answer Session – Portsmouth City Council

Q: Do you have any specific requirements or expertise you'd like the successful bidder(s) to bring to the table?

A: Expertise in Teckal; TUPE; financial and commercial modelling; employment law, would be most beneficial. Equally, individuals who can bring the level of commercial awareness to challenge the legal form that has been explored to date: a charitable structure with a trading arm.

Nottinghamshire County Council (Lot 9)

Children's Disability Services

1. Nottinghamshire County Council ("the Beneficiary") is seeking to explore alternative models with which it can deliver its Children's Disability Services ("CDS").
2. CDS is organised into three strands at present across the Local Authority: Social Work; Regulated Service Provision; and, Personalisation and Occupational Therapy.
3. Budget cuts have meant that the service has been unable to deliver the same provision and provide universal access to children with a disability across the county. Consequently, the service has been forced to redefine who the most vulnerable children are and therefore re-focus support provision.
4. The Beneficiary noted it was important that the alternative delivery model selected should increase the standard of care through providing a more customer focussed delivery that is both responsive and flexible. Residential care for example takes a rather traditional delivery model, though the belief is that a higher standard of care could be obtained through exploring either community or 'at home' care.

Q: Will you be including specialist education needs in the provision of services for children?

A: Yes we have looked closely at integrating services. We also want a service that can deliver tangible results, from which we can draw evidence of success. Doing so will allow us to show that the alternative model is working, is sustainable and delivering better results for children than the current model, meaning there would be potential to expand other services for children with disabilities.

Q: Is there a link with children and adult services, or are they operating in silo?

A: We would work closely with both services to allow for a successful transition from a service user to move from children's services to adult services once they reach the appropriate age. There is also the option of broadening the age range for services available to children with a disability to 25yrs

Q: Do you need a service review or an options appraisal?

A: We have conducted a service review already. An options appraisal for how to best deliver the service is now needed. Further information on this is provided in the annex to our Invitation to Tender. A key issue is the excess of residential care services; this is far too high, when we need to be able to offer parents a more diverse range of care options.

Cheshire West and Chester Council (Lot 10)

School Support Services

1. Cheshire West and Chester Council and Wirral Borough Council (together, the "Beneficiary") are looking to explore alternative delivery models by which they can deliver a broad range of school traded services.
2. School support services already operate fairly separately to the Local Authorities, however the Beneficiary wishes to examine options to externalise the service. The Authorities are particularly interested in creating a consumer led mutual, but are not sure what form this should take. Currently, plans have focused on the mutual organisation delivering the services to schools (the "buyers"). These "buyers" of the services will then own a share(s) in the organisation depending on the model agreed. Questions around profit sharing will need to be explored.
3. Schools, such as academies, have increased flexibility when it comes to purchasing their support services. A market therefore exists for organisations to provide such services. Between 2011-14 the school support service market grew by 4% p/a. It is this market that the Beneficiary wishes to tap into.
4. The Beneficiary is aware of the different stakeholder interests that will need managing. The Beneficiary would therefore welcome stakeholder management expertise from the successful bidder(s).
5. Equally, as far as the Beneficiary believes, a consumer led mutual has not previously been established. Therefore, expertise in developing a robust and commercial 5yr business plan with an updateable financial model would be welcomed. Expertise in successfully sourcing investment and particularly in

marketing the service is needed (the latter being emphasised as an area of weakness by the project team).

Question and Answer Session – Cheshire West and Chester Council

Q: Have you done any engagement with the local schools, and if so, how engaged are they with your current thoughts?

A: We have conducted engagement work and the answer is that they're very engaged. We have established a Steering Group that has been developing current plans of creating a consumer led mutual to try and help explore whether this is the correct model. Steering Group members include head teachers.

Q: Do the Local Authorities want ownership or a voice in the running of the consumer led mutual?

A: We're uncertain, but envisage the answer to be a 'yes'. The details of any ownership still need to be brokered and we require support in this area.

Q: What is the current satisfaction rating towards the way school services are currently being provided?

A: Satisfaction is high; however schools and the Local Authority recognise that the current model is unsustainable due to budget constraints. We need to maintain this high level of satisfaction but find an appropriate delivery model by which we can do so.

Dover District Council (Lot 6)

Heritage

1. Dover District Council (the "Beneficiary") has a wide range portfolio of heritage assets. All of these assets provide Dover with a sense of identity and are of aesthetic and economic value. Despite that, not all assets are able to be made available to the public.
2. Dover is also Britain's strategic gateway to Europe. 3m individuals p/a visit Dover, but only 400,000 stay one night in the vicinity.
3. The Beneficiary wishes to use its strategic location and wealth of heritage assets to develop a new local strategy with which it can attract more individuals to stay in the locality.
4. Further, 120,000 sq ft. of new residential and retail development is planned for leisure and retail in the town centre. There are plans to build up to 14,000 new homes in the district over the next 10 years as well.
5. The Beneficiary believes that this will act as a further pull factor to bring individuals into the region either as residents or visitors – they wish to take advantage of this.
6. The Beneficiary has identified that, currently, it wishes to create stronger links between the region's heritage and the community. Implementing a new delivery model that encourages more assets to be made available to the public through community involvement is expected have the following benefits:
 - a. Increase accessibility to the region's heritage;
 - b. Reduce the numbers of those unemployed (7%) aged between 18-25yrs;

- c. Increase the numbers of visitors staying one night (or more) in the locality; and,
 - d. Increase the numbers of jobs created in the region.
7. Current thinking suggests that the Beneficiary wishes to create a community owned heritage group to allow for the above socio-economic benefits to be realised.

Question and Answer Session – Dover District Council

Q: In terms of whom own the heritage assets, are the current owners bought in to the envisioned model?

A: To clarify, the assets won't transfer across but the management of these assets is what's under consideration. Already, some heritage assets are owned by separate trusts – many are fully engaged with current thoughts.

OPEN FLOOR QUESTIONS

Q: Could you clarify what is meant by the sub-contractor clause in the Invitation to Tenders around the limit of sub-contractors to work on multiple projects?

A: The provisions of Clause 2.3 of the over-arching ITT (Attachment 1) apply. To aid interpretation, any organisation that is proposed to perform more than five days on any Lot is deemed to be a material part of the bid (hence the phrase "Material Contractor"). Organisations cannot be involved in the *delivery* of more than two successful bids in this material capacity. To clarify, that is a limit on featuring in the *delivery* of two successful bids/Lots; there is no limit on the number of bids/Lots anyone (in any role) may *tender* for.

Q: Will the PowerPoint slides following today's event be made available to all interested bidders?

A: Yes, along with a write up of the event.

Q: How will you account for the important of local delivery in the scoring criteria?

A: There are no hidden criteria against which we will be marking: all criteria have been made available in the Invitation to Tender and accompanying project specific annexes. Further, each Beneficiary has been given the opportunity to participate in the evaluation of tenders and so knowledge of the specific projects will be reflected here. The individual evaluator's scores (including that of the Beneficiary's) will be agreed via a consensus meeting, chaired by the Crown Commercial Service, in accordance with EU procurement regulations to ensure a fair and open competition between all bidders for all ten lots.

Q: Will interested bidders be able to submit an expression of interest for the lots before bidding, so that, we can network and potentially agree partnerships to bid together?

A: We will circulate an attendance list amongst potential bidders. You will be able to use that list to network with each other if relevant parties wish to do so.

---Ends---

