



# **Integrated Commissioning: A Collaborative Regional Approach to Voluntary Sector Engagement**

Report of the event for West Midlands NCVCCO  
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to improve social results

**252B Gray's Inn Road, London WC1X 8XG**

**tel: 020 7239 7800 fax: 020 7837 5800 email: [office@opm.co.uk](mailto:office@opm.co.uk) web: [www.opm.co.uk](http://www.opm.co.uk)**

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## 1. Introduction

The National Council of Voluntary Child Care Organisations West Midlands (NCVCCO), supported by the Government Office for the West Midlands (GOWM), drawing on Department for Communities and Local Government (formerly ODPM), 'Change Up' funding, has established a short life project to explore how to more effectively engage the voluntary sector in the commissioning of children's services. The project involves the initiation of what is intended to be a continuing dialogue between local authority lead elected members and directors of children's services, representatives of the Government Office of the West Midlands (GOWM) and senior managers from children's voluntary organisations in the region. The objectives of the dialogue are to generate:

1. A greater understanding of each sector's role, needs and potential added value with respect to commissioning services
2. A greater degree of strategic engagement between the two sectors at a senior leadership level
3. A greater sense of regional identity, scope and possibility with respect to strategic engagement and commissioning
4. A range of practical steps that can be taken to ensure that commissioning is effective for all
5. Practical measures to ensure that effective commissioning is sustained into the future.

The Office for Public Management (OPM) was commissioned to initiate the dialogue by means of a one-day workshop involving all of the parties held at West Bromwich Albion Football Club's stadium on June 8 (see Appendix 1 for a list of attendees). In preparation for the workshop OPM was also commissioned to undertake a series of interviews with a small sample of directors of children's services, lead elected members for children's services, senior managers in voluntary sector organisations and staff in the GOWM. The aim of the interviews was to highlight key issues as well as commonalities and differences between the parties to fuel the workshop discussions around the following topics:

- The scope of commissioning

And the role of the voluntary sector in:

- Setting strategic priorities
- Supporting involvement of children, young people and parents in commissioning
- Providing contracted services

A report summarising the outcomes of the interviews was prepared and circulated, in advance, to all workshop participants.

## 2. The workshop

The workshop (see Appendix 2 for the programme) aimed to enable participants to further develop the dialogue on local and regional collaboration in integrated commissioning between the statutory and the voluntary sectors.

The workshop began with three presentations providing participants with a range of contextual information on the integrated commissioning of children's services and the role of the voluntary sector within that process.

Participants were then assigned to three groups, each comprising a mix of representatives from the different sectors. Each group was tasked to focus on one of the following key issues identified from the pre workshop interviews:

- Voluntary sector involvement in needs assessment and priority setting
- The role of the voluntary sector in supporting service user engagement
- Voluntary sector engagement in contracting

In each group, participants were asked to describe examples of good, local level, collaborative practice and further developments that would be required to ensure effective involvement of the voluntary sector in integrated commissioning. Based on these discussions, participants were then asked to identify and report back issues on which they felt regional action should be taken.

The afternoon session focused on building the regional agenda. Each of the three groups was asked to concentrate on one of the issues that they had identified, during the morning's session, as requiring regional action. The groups were then tasked to discuss the issue in greater depth and develop regional action plans, indicating key players and timescales where possible. This was followed by a plenary session, with each group reporting back on its issue and proposed actions and a discussion about how best to take forward the plans.

The report that follows outlines the findings for the day as follows:

- Summary of presentations
  - Commissioning the future
  - Integrated commissioning – a regional dialogue
  - Every Child Matters and the evolving practice of commissioning

- Commissioning and the voluntary sector: developing local collaborative practice and identifying regional issues:
  - Voluntary sector involvement in needs assessment and priority setting
  - The role of the voluntary sector in supporting service user engagement
  - Voluntary sector engagement in contracting
  
- Building the regional agenda:
  - Moving from competitive to collaborative commissioning
  - Supporting voluntary sector engagement in strategic planning and joint commissioning
  - Changing the role of local authorities from providers to commissioners
  
- Next steps

## 3. The presentations

The three initial presentations are summarised below.

### 3.1 Commissioning the future (Andrew Gilyead)

Participants were welcomed by Andrew Gilyead, the Chair for the NCVCCO West Midlands Forum (also the Regional Director of The Children's Society). He provided the background to the day by outlining the context as well as the aims and expectations.

The workshop is focused on commissioning as it is considered the key space in which the statutory and voluntary sectors meet to deliver change for children – it is considered a process which facilitates dialogue. The workshop is timely as government, through its new commissioning framework, is seeking to redefine this space with the providing a range of players with the opportunity to contribute towards its reshape.

The aims for the workshop and the subsequent regional dialogue are:

- A greater understanding of each sector's role, needs and potential added value with respect to commissioning services
- A greater degree of strategic engagement between the two sectors at a senior level
- A greater sense of regional identity, scope and possibility with respect to strategic engagement and commissioning
- A range of practical steps that can be taken to ensure that commissioning is effective for all
- Practical measures to ensure that effective commissioning is sustained for the future

The workshop is designed to initiate this strategic dialogue and collaborative action to develop effective joint planning and commissioning processes that deliver improved outcomes for children, young people and their families.

### 3.2 Integrated commissioning: a regional dialogue (Roger Crouch)

Roger Crouch, Director for Children and Learners in GOWM, described the changing role and structure of the Government Office, how the region is supporting collaboration between the statutory and voluntary sectors as well as the central role of the voluntary sector in commissioning.

Since April 2006 there have been changes in structures both within the Department for Education and Skills (DfES) as well as in the Government Offices. This has been supported by significant investment from the DfES, which is the only government department that has increased its investment in the Government Office network. GOWM has a Children and Learners Group, including a Director, Deputy, Children Services Advisors and Teams, all tasked with brigading and co-coordinating other DfES regional resources, for example, those focusing in on teenage pregnancy. All of these resources had previously been working in an uncoordinated fashion. Children services advisors are crucial to the coordination process, introducing some coherence, cutting down on duplication, and in so doing, reducing the burden placed on local authorities as well as the voluntary sector.

The remit of the GOWM's Children and Learners Group runs across the whole of the DfES agenda (i.e. from early years through to life-long learning and higher education) but with Children's Services and the Every Child Matters agenda as the priority. The four key roles GOWM's Children's and Learners Group are:

- Performance management of all 14 local authorities and their partners through a series of processes
- Service improvement, for example, in response to Joint Area Review (JAR) reports
- Communicating policy developments to regional partners and providing regional input to policy to ensure that national policy is informed by the reality on the ground
- Programme management, a role that has decreased with a shift away to a more strategic influencing role for Government Offices

Broadly speaking, the roles through which the Government Offices relate to the third sector (which includes the voluntary sector, social enterprises and the independent sector) include:

- Engaging with government policy, beyond the DfES
- Public service reform around customer services and individualisation
- Government Office's own direct engagement with the voluntary and community sector
- Engagement with local authorities through Priorities Conversations (key process for their performance management role, looking at priorities and achievements); Annual Performance Assessments (APAs) and Joint Area Reviews (JARs); sharing good practice across a diverse region; and challenging local authorities

The role of the third sector in commissioning in particular includes:

- Involvement in commissioning at the strategic level, as distinct from acting as a service contractor, helping to maintain a balance between need and provision. This will require clarity on everybody's part about what is meant by commissioning and the joint commissioning framework and how it might work
- There is a clear role for the third sector beyond the margins. The voluntary sector should now be included as a major provider of mainstream services.

- For some voluntary organisations this will involve a shift in role from provider of specialist services more towards being strategic managers of a range of services often provided by smaller, and more locally based, voluntary organisations.

There are lessons to be learned from Looked after Children (LAC), the Children's Fund as well as from Early Years Services. LAC is a negative example. The placement of large numbers of LAC outside local authorities in expensive, private provision has resulted in lack of educational attainment for these children. There are lessons to be drawn from how the voluntary sector has been used to build capacity in this area. Recent evaluations and conferences on the Children's Fund and Early Years Services have highlighted their good track record in establishing a mixed economy of provision.

There is a need for a long-term strategic approach to developing a mixed economy of provision reflecting the Every Child Matters (ECM) timescales. ECM is a ten-year national programme to integrate children's services and shift resources to intermediate and preventative services. This should be undertaken cautiously, without building excessively high expectations at this early stage. Capacity building for the third sector will take time, particularly within a context where organisations are living from year to year. There is a need to recognise the set up costs of this process.

### **3.2 Every Child Matters and the Evolving Practice of Commissioning (Kay Whyte-Bell)**

The background to the Every Child Matters agenda was provided by Kay Whyte-Bell, Children's Services Advisor at the GOWM. Participants were provided with a summary of the tasks underpinning ECM, namely co-ordinating and creating stronger accountability for children's services around the five national outcomes:

- Be Healthy
- Stay Safe
- Enjoy and Achieve
- Make a Positive Contribution
- Achieve Economic Well-being

ECM will also be implemented through the setting up of Children's Trust arrangements. These provide good opportunities for the voluntary sector to contribute to strategic planning including establishing agreed local outcomes and priorities. The DfES welcomes participation from the voluntary sector to deliver change for children and young people and recognises that:

- Voluntary sector organisations are already significant providers of services for children, young people and families
- Voluntary sector organisations are key strategic partners
- There is a need to create the right conditions at national, regional and local level for effective partnership working

- There is a need to ensure that (DfES's) commitment to working with the sector runs through the whole of the ECM programme

Regional and local evaluations have shown that local areas are committed to the vision and are working well on engaging partners. There are good examples of delivery at local level, including the Children's Fund. Evaluations have suggested government should not underestimate the scale of the task and the capacity issues involved. Some local authorities have highlighted the challenges posed to the engagement of the voluntary and community sector particularly the limited capacity of smaller organisations. There are a number of other challenges with respect to joint commissioning:

- Local authorities working together to agree common specifications for shared services, establishing the required cross authority commissioning arrangements and selecting and managing common service providers
- Agreeing how to resource new services, including the use of decommissioning
- Putting robust reviewing, performance monitoring and evaluation arrangements in place (the challenge for voluntary sector organisations here is providing the soft data this requires)
- Capacity building within the voluntary sector to deliver on the new agenda

Joint planning and commissioning is at the heart of improving outcomes for children and young people through children's trusts. It is a key product and manifestation of children's trust strategic inter-agency governance arrangements. The transition to the new processes requires clear leadership, new partnerships, a redistribution of power towards the user and a strategic understanding and more commercially minded approach to procurement.

The principles underpinning joint planning and commissioning include:

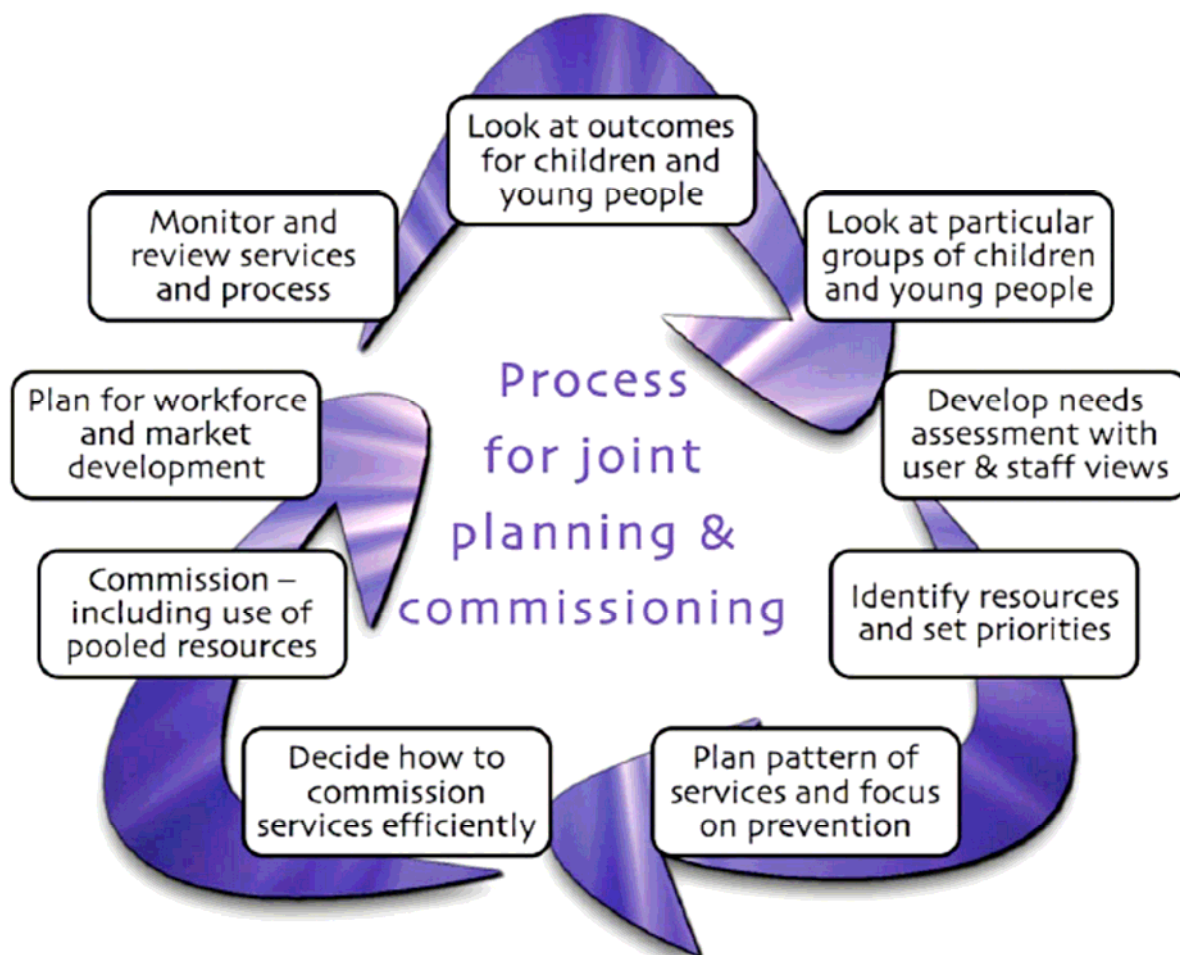
- All decisions are based on a clear rationale for improving outcomes for children and young people
- There is one strategic plan for children and young people's services in the local area
- Planners and commissioners should make sure that outcomes are sustainable in the long term
- Children, young people, their families and communities must participate meaningfully

Steps in the process include:

- Defining outcomes and measuring impact
- Redesigning services
- Monitoring, review and evaluation
- Satisfying the needs of government, local and individual requirements
- Flexible approaches to commissioning
- Support to smaller organisations

The new framework (see Figure 1) includes guidance in the form of a nine step process which describes joint planning and commissioning. It accepts transition to joint planning and commissioning is a challenging and complex culture change and includes examples of new approaches from across the country.

**Figure 1: Joint planning and commissioning of children’s services**



Source: 'Joint planning and commissioning framework for children, young people and maternity services', DfES, March 2006 - [www.everychildmatters.gov.uk](http://www.everychildmatters.gov.uk)

Some of the challenges, which could also be potential opportunities, are:

- The need for a common understanding of commissioning, contracting and procurement
- Moving towards collaborative commissioning
- Handling the changing role of voluntary sector organisations at different stages of the commissioning process, for example, in informing needs assessment and as providers competing for service provision contracts.
- Voluntary sector representation and capacity

## 4. Commissioning and the voluntary sector: developing local collaborative practice and identifying regional issues

The presentations were followed by group work during which participants were tasked to describe examples of good, local level collaborative practice and further developments that would be required to ensure effective integrated commissioning. Based on these discussions, participants were then asked to identify and report back on regional issues where they felt regional action should be considered.

### 4. 1 Voluntary sector involvement in needs assessment and priority setting

The outcomes of the work of the group tasked to focus on voluntary sector involvement in needs assessment and priority setting and the ways in which it could be supported are reported below.

#### Current examples of collaboration

Current examples of ways in which the voluntary sector is involved in needs assessment and priority setting are:

- **Neighbourhood Boards (Worcestershire)**

Neighbourhood boards were trialled in 4 neighbourhoods with groups of 14 very local stakeholders, typically 11 from the voluntary and 3 from the statutory sector. A single meeting is held in a neutral place with external facilitation. A simple process is used to get their views on what are the priority local needs and who should do what to commission the changes in services needed to tackle them:

- Identify a real neighbourhood need
- Describe what is working well, what is not working well and three things that will make a difference ('quick fix', medium and long term)
- Identify who can do what to deliver the changes at the following levels:
  - Street
  - District
  - County
  - Regional or national

- **Young carers' project (Wolverhampton)**

The project collects a large amount of information on young carers. These carers would be fearful of the consequences of being identified by the local authority hence the LA is dependent on the voluntary sector to be able assess the type and extent of need. As part of its work, the young carers' project is funded to carry out action research feeding back the aggregate results to the local authority. This has taken two to three years as it has taken that amount of time to make contact with the young carers and gain their confidence.

- **Community projects (Father Hudson's Society)**

80% of the organisation's services are spot purchased by the statutory sector. Other projects are directly funded by the organisation and through grants from trusts. The 'Hope Community' runs community projects in neighbourhoods, for example, those with large numbers of asylum seekers, and makes contact with people through knocking on doors. This also provides a rich picture of local needs but often not in the form that is normally used in needs assessments.

- **Common assessment (Coventry)**

Common assessment is at the core of identifying needs and commissioning services at the level of individual children, young people and their families. There is all round sign up to using the Common Assessment Framework (CAF) in Coventry where it is seen as being worthwhile and useful.

- **Providing affordable child care through Sure Start projects**

Sure start has found that parents in their areas want part time care 8 am – 3 pm not 8 am - 6 pm as they are part time workers. Other parents are not in work and require family support which requires child care and other support often on a 2 hour drop in basis. Local authorities are very amenable to discussing these issues but do not understand that, in deprived areas, child care can only cover its costs unless it can include nursery education. There is resistance from extended schools in allowing this to happen. Schools cannot conceive that anyone, other than a school, could be capable of delivering such services.

- **Neighbourhood nursery**

Sure Start projects are now being absorbed into children's centres. There is a requirement for each centre, as part of its core offer, to provide a 30 place nursery. In many areas where children's centres are sited local people can't afford the places and there aren't enough people living close by who can afford to take up full cost places to subsidise those for local people. The national aim of children's centre's providing affordable day care is right. Having them provide it from the beginning rather than growing local demand through regeneration activity that enables people to start their own businesses or gain employment and hence be able to pay for day care does not make sense. The LA understands the problem but the national policy gets in the way.

- **Enabling effective primary to secondary school transition (Worcestershire)**

Three primary and one secondary school in a local cluster approached the voluntary sector to provide support to children that primary schools predicted would have problems in making the transition to secondary school. This support has succeeded in both avoiding transition problems and in tackling those that did arise.

### Future local collaboration

Whilst there was much good practice participants also identified a number of issues that limited or slowed down the voluntary sector's ability to get involved in local needs assessment and priority setting. These were:

- **Needs analysis is often a developmental process** – this involves getting to know communities and individuals, winning their trust by providing them with practical support and so getting to know about their needs and what they would see as effective services.
- **VCS has a richness of knowledge of a community that is difficult to feed into conventional needs assessments** – the soft data on needs that the voluntary sector can provide does not sit easily alongside the hard data that is also rightly required as part of conventional needs assessments. This can lead to soft data being either undervalued or not used.
- **Some children, young people and families perceive a danger in providing information to the statutory sector** – here the non-statutory role and image of the voluntary sector (see the above example of the young carers' project) can be an essential part of gaining access to these groups and understanding their needs.
- **Resistance to new approaches** - Neighbourhood Boards, see above, have been shown to be a good way of both getting local action going and identifying local authority level action that needs to be incorporated into the Children and Young People's Plan. However these were initially seen as risky and potentially very time consuming. This concern was overcome by ensuring the facilitator was both skilled and had the local knowledge to recruit effective board members.

Looking forward the group concluded that the following should be taken into consideration to ensure that the voluntary sector is effectively involved in needs assessment and priority setting:

- Accept that the existing knowledge of needs is patchy and that it could be improved through collaboration with the voluntary sector
- Use 'full cost recovery' as a way of dealing with the capacity issues
- Clarifying and simplifying performance management would reduce the burden on the voluntary sector and free up capacity
- Funding larger voluntary organisations to enable smaller voluntary sector organisations to engage in commissioning.

## Regional issues

The group identified three issues on which regional action should be considered:

- **The changing role of local authorities**

The changing role of local authorities from providers to commissioners and what this means for local authorities

- **Democratic deficit**

The “Democratic deficit” for local authorities in the context of partnerships and commissioning

- **Building on good practice regionally**

Creating a framework so that building of capacity, structure and dialogue happens consistently across the region, based on what is already working well

## 4.2 The role of the voluntary sector in supporting service user engagement

The outcomes of the group that was tasked to focus on the role of the voluntary sector in supporting the engagement of service users in the strategic commissioning process are reported below.

### Existing collaboration

Examples of ways in which the voluntary sector currently enables engagement in the strategic commissioning process are:

- **Children’s Fund**

One local Children’s Fund has 50% voluntary sector representation on its management board, as well as on its commissioning group. Bids go through a children’s group to ensure that their views are included. Peer evaluators are in place to monitor the work. There is good engagement of children, young people and families. The model devised is similar to that being used for youth service commissioning.

- **Children’s Trust (Dudley)**

In Dudley, the Children and Young People’s Partnership will become a children’s trust by April 2007. The use of the Big Lottery Fund for the development of children’s play opportunities will be strategically endorsed by the Local Strategic Partnership (LSP), with children deciding on where the funds will be allocated. There are processes already in place so that a needs analysis can go forward, including involvement of the Youth Council. There are also plans for every child to have a vote on decisions. This

bold move is necessary to enable the partnership to learn as much as possible and engage young people directly in commissioning.

- **Children's Fund (Stoke on Trent)**

The Children's Fund in Stoke on Trent has set up School Councils in the city and launched a Primary Congress for School Council representatives. This enables the views of children and young people on the Every Child Matters outcomes to be fed into the Children and Young People's Plan.

- **Shadow board (Herefordshire)**

Herefordshire has established a shadow board which comprises co-opted Looked After Children, traveller children, children from special needs schools and children with disabilities. The Shadow Board has met to look at the Children and Young People's Plan and has been responsible for editing down a young person's version of the Plan. Two of the shadow board members are also represented on the Children and Young People's Board.

- **Children and Young People's Plan (Sandwell)**

Sandwell involved children and young people, including hard-to-reach groups and the consultation of the Youth Parliament, in priority setting to feed into the Children's and Young People's Plan and looked into different communication approaches by using various techniques including the re-shaping the language in Every Child Matters.

Sandwell is also involving young people in developing a single referral point supported by input from organisations such as Young Men's Christian Association (YMCA) and voluntary sector providers of Supported Housing.

- **Barnardo's**

Barnardo's has a track record of actively involving young people in problem-solving and commissioning

- **Fathers and Sure Start**

A group of fathers affiliated to a Sure Start project have forged links with other fathers' groups and are in the process of organising a conference to lobby on fathers' issues. This has been slow to develop and is not as yet a very structured or consultative process.

- **Participation team (Shropshire)**

Shropshire have just recruited a Participation Team that will be working with voluntary sector sub-groups to help them develop ways to engage with children and young people

### Future local collaboration

Participants identified the following as areas in which further local developments are required to ensure effective integrated commissioning:

- **Community development** – is an essential investment to enable many groups of children, young people and their parents who are currently unengaged to participate.
- **Short-term funding issues** – relying on year to year funding is inefficient both for the voluntary sector and commissioners.
- **Capacity building** – smaller organisations need the opportunity to build the capacity to be able to participate and enable their service users to do so.
- **Risk management** – new ways should be developed by local authorities and the statutory sector to support the Voluntary and Community Sector (VCS) in managing risks in areas such as health and social care sector, Criminal Record Bureau (CRB) checks, insurance, financial management and personal responsibility. The voluntary sector itself also has a role to play, for example, in safeguarding, and there is scope for sharing both training and good practice
- **Competition between service users groups** – given there are scarce resources and competing priorities it must be expected that there will be competition between groups of service users in gaining access to participative processes and wanting to have their voices heard. Constructive ways of handling this competition are required.
- **Feedback to people who have been involved in providing their views** – whilst partnerships are getting better at enabling participation there is still much to be done to ensure that those who have been involved know how their views have been taken into account in the decision making process.
- **Service users need to be aware of limitations of funding in consultation** – service users need to be briefed on the likely availability of resources in order to participate effectively.
- **Improving communication between the community and voluntary sector and local authorities** – participation should not be a one off exercise but part of a continual two way stream of communication between the community, the voluntary sector and the local authority. In most places this has yet to be developed.

### Regional issues

The group identified three issues on which regional action should be considered:

- **Local democracy and the commissioning process**

What should be the role of 'local democracy' within the commissioning process? Lead members can decide to go in a different direction to the priorities agreed in the Children and Young People's Plan. For example, 18 months negotiation by a

voluntary organisation over the use of a building was reversed following an election, even when the ruling party did not change.

- **Government office action**

The GOWM should consider setting up a lead members' network focused on children's services to ensure that the views of the voluntary sector and service users are taken into account. Participants identified a further role for GOWM in checking progress on the implementation of the Hear By Right standards and enabling the sharing of good practice in the region.

- **Voluntary sector participation in commissioning**

For much of the voluntary sector, being involved in joint planning and commissioning is becoming the job. There is a need to think about how to both fund engagement but also how to make more efficient use of the time of voluntary sector staff. One way forward would be the contracting out of the enablement of voluntary sector engagement to the local CVS.

### 4.3 Voluntary sector engagement in contracting

The outcomes of the group that was tasked to focus on the involvement of the voluntary sector as providers within the contracting part of the strategic commissioning cycle are reported below.

#### Existing collaboration

Examples of good practice, identified by the group, in contracting between partnerships and the voluntary sector are:

- **Sure Start (Herefordshire)**

The commissioning of integrated services in Sure Start is managed via the Early Years Partnership board. Collaboration is easy because of the existing knowledge that has been built up about providers. This same approach is also reflected in the operation of the Children's Fund.

- **Voluntary sector "alliances" (Herefordshire)**

Herefordshire only awards contracts to the voluntary sector through 'alliance', a new umbrella organisation of voluntary sector organisations, based on an accreditation system. Organisations outside of this group are not awarded contracts. Member organisations have to contribute towards running costs and some external funding is available through the Bulmer Foundation. This approach has been particularly helpful in enabling smaller voluntary sector organisations to participate in commissioning.

- **Brokering the involvement of smaller voluntary organisations (Worcestershire)**

Larger voluntary sector organisations take on brokerage roles enabling smaller voluntary sector organisations to become involved in commissioning. Capacity building work is also supported via the Children's Fund.

- **Integrated looked after children's services (Worcestershire)**

The voluntary sector is a key partner in the provision of integrated children's services for looked after children aimed at increasing their educational attainment.

### Future local collaboration

Participants identified the following as areas in which further local developments are required to ensure effective integrated commissioning:

- **Needs analyses** - it is essential that the views of children and young people are obtained and are clearly visible as part of the overall analysis. Currently the views of professionals form the major part of needs analyses. There should be consistency in the definition of what constitutes a needs analysis and the role to be played by the voice of children and young people.
- **National targets** - are a straight-jacket that prevent authorities from commissioning services that will best meet local needs.
- **Infrastructure for voluntary sector engagement** – it is not easy for voluntary sector organisations to get engaged in contracting for services. The rationale behind decisions about whether services are put out to tender, when the voluntary sector is to be considered as a potential contractor and what should be the process for issuing invitations to tender are unclear. The support that many of the smaller voluntary sector organisations need to engage with the contracting process is either patchy or non-existent.
- **Making extended schools and extended school clusters more functional and effective** – extended schools present a major opportunity for contracting for mainstream services with the voluntary sector. However both the way that extended schools and extended school clusters are being organised and developed and the lack of knowledge on the part of heads about the voluntary sector is hampering dialogue.
- **Performance management** - the expectations of local authorities are not always easy for voluntary sector organisations to meet.
- **Using the voluntary sector to make Gershon savings** – local authorities are seen as passing on the role of making their Gershon savings to voluntary sector providers. For example, tenders and contracts are being issued that require providers to find the 2.5% year on year efficiency savings.

- **How does all of this fit in with Local Area Agreements (LAAs)** – what will be the impact of LAAs on the commissioning process and how will it impact on contracting with the voluntary sector?

### Regional issues

The group identified four issues on which regional action should be considered:

- **Moving from competitive to collaborative commissioning** - the current commissioning culture encourages competition between commissioners, the different provider sectors and between providers and commissioners. Whilst contestability is a requirement the current competitive culture is wasteful and also leads to missed opportunities for collaboration. For example, the development of regional collaborative commissioning around thematic areas such as services to looked after children (LAC), the provision of respite care and of services to vulnerable and disabled children.
- **Enabling partnerships to develop appropriate infrastructures for strategic engagement** – the VCS needs to be involved in all stages of the strategic commissioning process. There are many examples of good practice as well as gaps. Bringing together the good practice and developing ways of bridging the gaps would provide partnerships with a resource for further developing their local processes.
- **Support a network of lead voluntary sector representatives on Children and Young People Strategic Partnerships** – this would enable learning across partnerships as well as providing the GOWM with a useful way of understanding voluntary sector perspectives on commissioning.
- **Agreement on outcomes and the performance management framework** – the frameworks for performance management used by partnerships and partners are overly bureaucratic and lose sight of outcomes. More appropriate forms of outcome focused performance management need to be developed.

## 5. Building the Regional Agenda

In the afternoon the workshop focused on progressing the regional agenda that had been identified from the morning's group work. Each group was asked to focus on one of the regional issues that it had identified. The issues were selected on the basis that they focused on critical aspects of the joint commissioning process and were central to voluntary sector engagement.

Each group was asked to discuss its issue in greater depth and develop a regional action plan. Participants were asked to identify: what should be done by the regional office, the statutory sector and the voluntary sector; the first regional steps that should be taken and what immediate local action they could start to undertake themselves.

The three issues that were selected for group discussion were:

- Moving from competitive to collaborative commissioning – developing common principles and identifying good practice
- Supporting voluntary sector engagement in strategic planning and joint commissioning – developing principles and processes for funding
- Changing the role of local authorities from providers to commissioners – establishing a regional dialogue and identifying good practice

### 5.1 Moving from competitive to collaborative commissioning

Within commissioning there is competition between a range of different partners such as:

- Providers, commissioners and users – all wishing to influence the commissioning outcomes in different ways
- Between authorities – for example, in competing to secure the services of particular providers where specialist expertise and facilities are in short supply
- Between voluntary organisations – competing for the same contract
- Between voluntary organisations and authorities – for example, where a voluntary organisation may wish a particular service to be contested but the local authority chooses to provide it “in house”

There is a need to balance the requirement for contestability against that for obtaining Best Value. Any changes would have to be evidenced in terms of their impact, efficiency and effectiveness. Collaboration should be seen as a prerequisite to competition as it enables best intelligence to be gathered and applied. Voluntary sector collaboration in the commissioning process should go beyond needs analysis. This will require the development of common approaches to voluntary sector engagement in the other stages of the commissioning process that are then systematically and consistently implemented. Some stages of the process will take longer to complete and require flexibility for dialogue within the context of contestability.

### Action plan

The following possible steps were outlined for supporting the transition from competitive to collaborative commissioning:

#### Government Office:

- Identify and assess the barriers with support from partners and, drawing on the LAA experience, challenging those that appear unrealistic
- Establish principles and gain agreement
- Identify real opportunities to challenge current cultures and mindsets

#### Voluntary sector:

- Demonstrate that collaborative commissioning is possible **and** will lead to improved outcomes
- Clarify perceived benefits and conduct research and evaluations to identify evidence that demonstrates where improved outcomes have been achieved
- Explore geographic and thematic opportunities for change on a sub-regional basis

#### Local authorities:

- Achieve collaboration within local authorities around enabling voluntary sector involvement in the development of extended schools
- Agree on a common position on the true cost of overheads so that local authority providers and the voluntary sector follow the same cost model

NCVCCO agreed to hold further conversations with GOWM around identifying barriers, looking into ways to demonstrate how collaborative commissioning would be possible and evidencing how it can lead to improved outcomes for children, young people and their families.

## 5.2 Supporting voluntary sector engagement in strategic planning and joint commissioning

The group focusing on this issue began by identifying some of the key points that will need to be considered to better support voluntary sector engagement in strategic planning and joint commissioning:

- Engagement of the voluntary sector needs to go beyond providing information. It must include consultation and dialogue. Clarity is needed on roles and responsibilities
- The commissioning process must be open and transparent. Effective scrutiny is required including the use of Joint Area Reviews (JARs)

- Engagement must be extended to include children and young people, and their families
- Clear processes of funding are required through the compact, covering both service deliverers and those who are in jointly funded posts
- Effective voluntary sector representation is required on Children and Young People's Partnership's Board and at all other levels within those partnerships

### Action plan

This issue should be progressed through joint regional and local action plans. High priority should be given to the mounting of a mapping exercise to establish what is happening in local areas around supporting the voluntary sector. The exercise should compare and contrast the views of Directors of Children's Services (DCSs) and those of the voluntary sector.

The mapping exercise should begin by workshop participants reflecting further on the issue of supporting voluntary sector involvement in the strategic planning and joint commissioning to identify questions that the exercise should address. For example, how influential is the voluntary sector in the engagement process with local authorities and its partners? Is its contribution acknowledged and valued? The questions should be sent to NCVCCO who will then collate the responses.

Roger Crouch, the Director for Children and Learners in GOWM, commented that a number of Directors of Children's Services were experiencing difficulties with the new Joint Commissioning Framework and that their next meeting, scheduled in six weeks' time, would provide a good opportunity to provide DCSs with feedback from this event.

### 5.3 Changing role of local authorities from providers to commissioners

Greater voluntary sector participation in service provision will inevitably mean a move away from services being provided by the statutory sector. The group focusing on this issue began by identifying some of the key points that will need to be considered to enable the change in role of local authorities from providers to commissioners:

#### Current position

- Local authorities are already in dialogue
- Some local authorities are going in the opposite direction. For example, those who are taking services back in-house after having used voluntary sector organisations to sort out poorly performing services
- Commissioning decisions about whether to contract with the voluntary sector were often perceived as not being taken on "objective" grounds such as obtaining best outcomes
- Local authorities need to be open and honest in terms of progress or lack thereof

### Change considerations

- Principles should be developed that must underpin the development of fair, transparent and legitimate commissioning processes.
- Decisions needed within local authorities about what they will commission at a strategic and what at a more devolved level.
- Local authorities will have to make both substantial changes as well as remain accountable.
- Statutory sector partners must address what it means for them individually and collectively. The scale of the change is large. Current commissioning plans are short-term – there is a need for longer term planning to enable an effective changeover.
- The statutory sector needs to be open and spell out the implications of decommissioning of their own services for their staff
- There is a need to assess the voluntary sector's capacity to act as providers on the larger scale that will be required – is it currently available and, if not, how can it be developed?
- Help in brokering the change will be required.

### Action plan

The following action points were identified:

#### Government Office:

- Reassure local authorities that the GOWM understands the difficulties and will support the change
- Agree with local authorities a framework for managing the change
- Set a deadline for the implementation of the existing policy and recognise that delays translate into children and young people not having access to the services they need

#### Local authorities:

- Decide on who to involve in the dialogue and prioritise these discussions
- Challenge the historical “set menu” of services to be commissioned – devise a toolkit in order to manage the risks of moving away from this menu
- Prioritise the decommissioning and recommissioning of services that are both expensive and under-performing
- Clarifying the basis to be used to cost services, including what should count as overheads as part of service provision, and what is included as part of full cost recovery for other functions such as resourcing voluntary sector engagement in the wider strategic commissioning process

#### Voluntary sector:

- Make the building of local infrastructure in preparation for taking on new services a priority

The action points were then used to formulate a four step action plan:

### **Step 1:**

- GOWM to establish the change process including the facilitation of the voluntary sector and LA forums
- GOWM to fund voluntary sector involvement
- GOWM to agree on, and set deadlines for, the process and ensure that decisions made will lead to outcomes that are beneficial for children and young people

### **Step 2:**

- The regional voluntary sector forum critically evaluates the voluntary sector's capacity to act as a provider on the larger scale that is now envisaged and identifies how to develop that capacity
- The regional local authority forum identifies the principles, the challenges and ways forward to enable it to decommission existing service and recommission from the voluntary sector

### **Step 3:**

- Participants from the local authority and the voluntary sector regional forums meet to produce a joint change agenda
- Formation of joint development teams to take forward the different parts of the action plan

### **Step 4:**

- Produce deliverables, for example:
  - A risk management "tool kit"
  - Guidelines for handling the impact of decommissioning on local authority staff
  - A transparent, comparative costing framework
  - Principles and examples of good practice that should underpin transparent and open commissioning processes
  - An outline strategy for decommissioning and recommissioning that focuses on both cost and performance
  - How to build "advance capacity" in the voluntary sector
- GOWM to engage local authorities to develop individual timetables, action plans and agreed deliverable

### Immediate action

The following immediate local and regional actions were proposed:

#### Local

- Start the local dialogue on implications for change
  - Locally, the voluntary sector should promote the change within its sector adopting an optimistic approach to conversations with local authority colleagues
  - Within local authorities, interagency commissioning groups should be set up so as to be ready to challenge the regionally developed outline process, test out its assumptions in the local context and develop a locally tailored approach

#### Regional

- GOWM to provide reassurance to LAs that it understands the difficulties and will support them in making the change

## 6. Next steps

The table below summarises the action plans developed by the three working groups. It was recognised that there was overlap between them and that further development would now be required to refine them.

|   | GOWM  | Local Authorities   | Voluntary Sector   |
|---|---|---|--|
| <b>Competitive to collaborative commissioning</b>   | <p>Identify and assess barriers with support from partners, and challenge those that appear unrealistic (using the LAA experience)</p> <p>Establish principles and gain agreement</p> <p>Identify real opportunities to challenge current culture and mindsets</p>  | <p>Achieve collaboration across each authority on voluntary sector involvement in extended schools</p> <p>Agree a common position on the true costs of overheads so that local authority and voluntary sector provider follow the same cost model</p> | <p>Demonstrate that collaborative commissioning is possible and will lead to improved outcomes</p> <p>Clarify perceived benefits and conduct research and evaluations to identify evidence that demonstrates whether improved outcomes are achieved</p> <p>Explore geographic and thematic opportunities on a sub-regional basis</p> |
| <b>Supporting voluntary sector engagement in strategic planning and joint commissioning</b> | <p>Provide feedback on the outcomes of this workshop to the next regional meeting of the directors of children's services</p> <p>Undertake mapping exercise to establish what is happening in local areas</p> <p>Participants to think of possible questions NCVCCO could ask as part of the mapping exercise</p> | <p>Participants to think of possible questions NCVCCO could ask as part of the mapping exercise</p>   | <p>Participants to think of possible questions NCVCCO could ask as part of the mapping exercise</p> <p>NCVCCO to collate the questions</p>   |

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**Integrated Commissioning: A Collaborative Regional Approach to Voluntary Sector Engagement**

|   | <b>GOWM</b>  | <b>Local Authorities</b>   | <b>Voluntary Sector</b>   |
|---|--|--|---|
| <b>Changing role of local authorities from providers to commissioners</b> | <p>Reassure local authorities that the GOWM understands the difficulties and will support the change</p> <p>Agree on change management framework with local authorities</p> <p>Set a deadline for the implementation of the existing policy and recognise that delays translate into children and young people not having access to the services they need</p> | <p>Decide on who to involve in the dialogue and prioritise these discussions</p> <p>Challenge the historical “set menu” of services to be commissioned – devise a toolkit in order to manage the risks of moving away from this menu</p> <p>Prioritise the decommissioning and recommissioning of services that are both expensive and under-performing</p> <p>Clarify the basis to be used to cost services including what should count as part of service provision and what as part of the full cost recovery for other functions such as resourcing voluntary sector engagement in the wider strategic commissioning process</p> | <p>Make the building of local infrastructure in preparation for taking on new services a priority</p> |

Andrew Gilyead concluded the workshop by thanking all of the participants for their hard work and explained that the next steps to be taken following the workshop would be:

- OPM to produce a draft report that will be finalised by GOWM and NCVCCO and then circulated to all participants
- Roger Crouch (GOWM) will discuss the report with the Directors of Children's Services at their next regional network meeting, Roger Crouch also invited Andrew Gilyead to attend
- Local authority and voluntary sector participants are asked to take the local action outlined in the report
- GOWM and NCVCCO will discuss how to take the workshop's regional agenda forward

## Appendix 1. List of Attendees

Jasbant Mann – Sandwell Metropolitan Borough Council

Darren German – Kids

Bruce M Kirk - Spurgeons Child Care

Pat Jewkes - Herefordshire Council

Don Rule - Herefordshire Council

Margaret Jones - Pre-school Learning Alliance

Lindsay Newton - Dudley Metropolitan Borough Council

Kevin Caffrey - Fathers Hudson's Society

Gerry Smith – Staffordshire Consortium of Infrastructure Organisations

Izzi Seccombe - Warwickshire County Council

Cathy Clement – West Midlands Voluntary Youth Sector Forum

Pam Goodwin - Staffordshire Children's Trust

Dharmita Harkison- Hall – Worcestershire County Council

Liz Eyre – Worcestershire County Council

Geoff Taylor Smith – Worcestershire County Council

John Blundell – Coventry City Council

Sam Monaghan - Barnardo's

Liz Elgar - NCH

Ruth Proctor - Home Start UK

Sandra Smith - Sandwell Children's Trust

Vic Jones – Warwickshire Children's Fund

Anne Williams - Shropshire County Council

## Appendix 2. Programme

### Integrated Commissioning: A Collaborative Regional Approach to Voluntary Sector Engagement

Hawthorns Conference Centre, West Bromwich Albion Football Stadium  
June 2, 2006  
Facilitators' Programme

#### Objectives

The workshop aims to enable participants to further develop the integrated commissioning dialogue between the statutory and the voluntary sectors to enable effective:

- Local collaboration
- Regional collaboration

#### Programme

##### 09.30 Arrival registration and coffee

- Room laid out cabaret style with three group tables
- Each participant is pre - allocated to one of the groups

##### 10.00 Welcome and Background (Andrew Gilyead, NCVCCO)

- The project and how is funded
- Discussions that led up to today

##### 10.10 The Regional Commissioning Dialogue (Roger Crouch GoWM)

- The changing role and structure of the Government Office
- How the region is supporting collaboration between the statutory and voluntary sectors
- The central role of the voluntary sector in commissioning

##### 10.30 The Evolving Practice of Commissioning (Kay Whyte-Bell GoWM)

- The DfES joint planning and commissioning guidance
- How the guidance relates to the voluntary sector
- Examples of good statutory – voluntary sector collaboration

##### 11.00 Coffee

### **11.15 Commissioning and the Voluntary Sector: Developing Local Collaborative Practice and Identifying Regional Issues (Clive Miller)**

#### *Briefing*

#### *Group work*

- Each group is tasked to:
  - Focus on one of the following:
    - Involvement in needs assessment and priority setting
    - Supporting service user engagement
    - Engagement in contracting
  - Describe examples of good, local level, collaborative practice and further developments that are now required to ensure effective integrated commissioning
  - Identify two issues on which regional action should be considered.

#### **12.30 Plenary**

- Each group reports back on its two regional issues

#### **1.00 Lunch**

#### **2.00 Building the Regional Agenda (Clive Miller)**

#### *Group work*

- Clusters of issues from the morning session that require regional action are placed on the three group tables.
- Group members are asked to choose a cluster of issue on which they wish to work and, if possible, ensure a mix of organisations at each table.
- Each group is tasked to:
  - Put more flesh on the bones of their cluster of issues
  - Develop a regional action plan that includes who will do what and by when to begin putting the plan into action

#### **2.45 Plenary**

- Each group reports back on its issue and proposed actions

#### **3.15 Next Steps (Andrew Gilyead)**