

Report & Action Plan

Strategic planning and joint commissioning in Herefordshire

Research Project - Barbara Parkinson, December 2005

Contents list

- 1. Executive Summary**
- 2. Introduction and purpose**
- 3. Policy background**
- 4. The strategic planning and joint commissioning framework and roles of third sector**
- 5. What is happening locally now?**
- 6. Implementation of integrated strategic planning and joint commissioning - issues and solutions**
- 7. The way forward – Action Plan**
- 8. Appendices:**
 - i. Older People services**
 - ii. Children and Young People services**
 - iii. Glossary of Terms**
 - iv. Methodology**
 - v. Reference material list**
 - vi. Lists of interviewees and workshop attendees**

1. Executive summary

The research project set out to determine **what is meant by “joint commissioning”** for all sectors and **to determine how voluntary, community and other not for profit organisations could best engage in strategic planning and joint commissioning in Herefordshire.**

The policy arena for public service reform in health and social care is flooded with a huge agenda creating significant changes to traditional ways of behaving in all sectors. The fundamental aims are for services to be user focused and joined up with the public sector moving away from direct provision to commissioning from a wider range of providers, including the third sector.

The **joint commissioning process is cyclical and can be described in four stages:** analyse, plan, do and review. All sectors are involved in analysing needs and planning service specifications in response to the analysis. Once commissioning plans are agreed, the public sector agencies procure and contract services as specified, with a range of providers. Delivery is monitored and reviewed to adjust provision to meet changing needs.

Implementation of fully integrated joint commissioning presents real opportunities to be innovative and deliver improved services as well as presenting a complex environment for all to manage. **The culture of all sectors needs to change to meet the challenges in working differently together.** The capacity and skills of organisations to manage relationships, focus on agreed outcomes, develop a whole systems approach, commission and de-commission services, deliver and monitor flexible services, will be very demanding and will need resources to develop the necessary structures and processes. **Examples of good practice in joint working across all sectors and organisations highlight the need for joint arrangements to be agreed and established as early as possible,** including joint appointments of staff to create a level playing field and generate mutual aims.

If the third sector is to fully engage equitably with planning and joint commissioning a **number of actions** are required:

- The current size and scope of the sector needs to be researched to understand provision and gaps
- The role of representatives on client specific commissioning groups need clarification and support
- Communications within the sector and with users and carers need to be fully functioning
- The third sector’s response to the procurement and contracting stage needs to be effectively managed, individually and collectively
- Input into the monitoring, reviewing and evaluating of services needs to be from the deliverer’s perspective and also collectively as an advocate of users and clients
- Confidence that public sector partners are willing to work collaboratively and work inclusively with the third sector as equal partners

These developments are fully supported by Herefordshire’s Compact Code of Practice – Funding and Procurement, launched in November 2005 and the commitment to develop a Code of Practice Policy Development, Service Design and Consultation by April 2007.

2. Introduction and purpose

Introduction

The Alliance, the health and social care network of voluntary and community, and not for profit organisations in Herefordshire, recognised the need to research and identify the implications of strategic planning and joint commissioning for all partners and in particular the role of the third sector, in the government's reform of public services.

Regional Health Funds were secured for the research project to:

“Lay the foundations for strengthening the input of VCS and non-profit organisations into the joint commissioning process in Herefordshire and to influence developments elsewhere in the West Midlands.”

Purpose

The project objectives were clearly defined as:

a. To research the policy background and guidelines that form the basis of a strategic planning and joint commissioning process in health and social care, in which the third sector is a full partner and draw out the implications for practice for all partners:

- Define what is meant by joint commissioning and the expectations of statutory partners and the third sector
- Clarify the different stages of the joint commissioning process and the implications for third sector engagement/involvement
- Make the links between involvement in joint commissioning and the third sector gearing up to deliver more services

b. To provide the policy and practical context for effective sector input into the planning and commissioning of services for Older People, and for Children and Young People.

c. To produce a final report and model for implementation for Herefordshire which will improve structures and processes to achieve high quality services in health and social care.

The methodology used is outlined in Appendix D.

2. Policy background

The reform of public services is at the forefront of the Government's domestic policy agenda. The aim is to improve the quality and range of public services that are framed around national minimum standards whilst reflecting local needs through joint strategic planning and commissioning. The key to success will be effective partnerships led by local government and NHS working to provide better solutions and outcomes in health and social care. Central to this is the recognition of the role of the third sector can play in developing greater choice of provider – not to replace, but to improve services.

Commissioning is about enhancing the quality of life of service users and their carers by:

- having the vision and commitment to improve services
- connecting with the needs and aspirations of users and carers
- making the best use of all available resources
- understanding demand and supply
- linking financial planning and service planning
- making relationships and working in partnership

A definition of commissioning from the Audit Commission's, Making Ends Meet, implementation guidance for Every Child Matters, October 2003 is:

“The process of specifying, securing and monitoring services to meet people's needs at a strategic level. This applies to all services, whether they are provided by the local authority, NHS, other public agencies, or by the private and voluntary sectors.”

Government's intentions to make the sector's involvement a practical reality is borne out by the government policies and guidance studied which have a strong common theme – a commitment to involve the sector in the planning and delivery of public services as part of an integrated approach to the commissioning of services alongside the NHS and Local Authorities. This is in terms of the valuable contribution voluntary and community groups can give in the development of services, from the user perspective, in their role as advocates and campaigners, as much as their ability to deliver services.

It is clear that the aim of commissioning is about meeting the needs of people using services and their carers, their well being is the paramount concern; it is about outcomes rather than processes. The needs and aspirations of these people have to be the starting point. Ongoing consultation with present and potential users of services should explore what to them are the most attractive options and how these can be provided or expanded. Where new services or changes are planned it is critical to involve potential providers in early planning discussions.

The Independence, Well-being and Choice Green Paper¹ - vision for the future of social care for adults, published in March this year for consultation (pending the White Paper), sets out the vision for the next 10 – 15 years. It highlights the need to develop collaborative partnerships for joint commissioning with the NHS and the third sector to design and deliver seamless services. It's key themes of independence, empowerment and choice, are linked to the wider well being agenda, for example Choosing Health White Paper and the National Service Frameworks for client groups, with a shift towards provision of preventative services. It makes clear references to the benefits of agencies working together through Local Strategic Partnerships and the opportunities Local Area Agreements introduce by enabling partners to bringing together the range of diverse funding streams. Within the shift in focus to preventative care it suggests building and supporting the third sector to extend the range and quality of services.

¹ Independence, Well being and Choice, future of social care for adults, Green Paper, Department of Health 2005

Commissioning a Patient-Led NHS² comes half way through the NHS 10 year improvement plan and focuses on changes to the organisation of primary care. It sets out the Government's ambition to encourage innovation and new models of provision through "expert and imaginative commissioning" with the aim of developing more diverse community services which are closer to meeting the needs of local people.

The enhanced focus that the Government is placing on getting commissioning right and the desire to provide patients with choice in primary and community services gives rise to changes in the PCT's role from internal delivery to commissioning out.

As part of the Government's commitment to enable the third sector to take on a role in public service delivery, the Treasury Cross Cutting Review³ was undertaken to inform the 2002 Spending Review. This Review produced an Action Plan with clear recommendations setting out how the sector can be actively involved in public service investment and reform whilst recognising and seeking to address the barriers to making this a reality.

The Review identified the value of involving the sector as equal partners in the planning and design of services as well as its capacity for innovation in service delivery. The foundation to achieving this is based on local implementation of the Compact principles.

Policies and programmes reflect the recommendations of this review; it heralded the change agenda for joint working between the public and third sectors based on the intent to improve the quality and range of public services and the enhanced role of the third sector. These include Change Up⁴ and Future Builders⁵.

The policy framework does not ignore the work already undertaken by the sector, but rather acknowledges it and suggests that providing the right environment creates more opportunity for the sector to shape and deliver services where it is best placed to do so.

The Building Capacity and Partnerships in Care published in 2001, sets out principles of good commissioning that were agreed by government, independent sector providers and health, housing and social care commissioners. In particular this places great importance on commissioners and providers working together, placing the individual at the centre of commissioning decisions and seeking to ensure improved outcomes.

This was followed by a discussion document "Implementing Building Capacity and Partnerships in Care"⁶ produced in 2003 by a national joint group of the Association

² Commissioning a Patient-Led NHS, Department of Health, 2005

³ The Role of the Voluntary and Community Sector in Service Delivery – A cross cutting review - HM Treasury, 2002

⁴ ChangeUp the cross-Government framework on capacity building and infrastructure in the voluntary and community sector, Home Office, June 2003

⁵ Future Builders, An Investment Fund for Voluntary and Community Sector Public Service Delivery, Home Office, 2004

⁶ Implementing Building Capacity and Partnerships in Care "from principles to practice", Association of Directors of Social Services, December 2003

of Directors of Social Services and the independent sector, which provided practical examples to guide partnership commissioning of care and support services. In conclusion it identified the need for more transparent and collaborative local partnerships that need to be dynamic to respond to changing service needs:

“change cannot effectively take place without proper pooling of the knowledge, expertise and innovation contained within the independent and statutory sectors.....independent providers have a strong track record of developing new services as an effective flexible response to changing need and this contribution needs to be harnessed”

Practical guidance and support has also been made available by the Department of Health Change Agent Team’s A Catalyst for Change - a workbook intended to help local authorities and health organisations improve commissioning of non acute services, principally for older people and manage change in a coherent and sustainable manner. The specific drivers for change are identified as:

- Building partnerships, encouraging innovation, maximising resources, understanding the market, creating viable market conditions and commissioning and contracting practices

The objective is to improve the range and effectiveness of community-based services for the sake of individuals and to help the commissioning authorities meet their own performance criteria and increase the capacity and utilisation of non-acute services.

This is complemented by the Department of Health Change Agent Team’s practical checklist “Commissioning and the independent sector – a good practice checklist”⁷ It is a practical self assessment tool to help Councils and their NHS partners review their current commissioning arrangements and identify what changes may be needed to make their working relationships with local independent providers more effective.

The Minister for Communities and Local Government, David Miliband, in February 2006 is strongly endorsing the heightened emphasis on the role of the third sector in the Government’s reform ambitions, particularly on “the need to address the feeling that people want more control over their own lives.” He referred to ‘double devolution’ which he described as power given from central government to local government, but then power that goes from local government to local people, often through the voluntary sector. He made clear that the enhanced role of the sector will be “earned by merit”, stressing the importance of the sector being fit for purpose.

The detail of how this vision will be implemented will be set out in a local government white paper, expected in the summer.

This is concurrent with the preparation for the Comprehensive Spending Review 2007 which includes a new debate on the future role of the voluntary and community sector, focused on the role and strategic direction of the

⁷ Commissioning and the Independent Sector, good practice guidance Department of Health, Health and Social Care Change Management Team, 2003

sector in the context of the long term policy challenges that it may face. The scope of the HM Treasury Cross Cutting Review is being prepared in consultation with the sector.

Conclusion

The current level of interest in the third sector, its values and the work that it does, is previously unparalleled. This heightened focus sits alongside the changing role of the public sector from that of being a direct provider to being a commissioner of services. All of these developments clearly change the traditional relationship between the public and third sectors, from that of grant giving and service level agreements to that of procurement and a business relationship. Developments are happening at quite a pace presenting the inherent challenge of maintaining healthy relationships throughout the change process, at all levels. Cultural change is more than in the air, if the transformation of public services is to be realised all parties need to grasp the opportunities with both hands, agree common aims and work openly together with determination to achieve real results.

3. The strategic planning and joint commissioning framework - role of the third sector

Commissioning can be defined as:

The process of assessing needs, allocating resources, defining priorities and choices, determining how they are best delivered, overseeing implementation and delivery, evaluating impact and learning from the process.

Four Stages of Commissioning:

As the following diagrams illustrate, commissioning is a cyclical process with four clear stages,

1. **analysing**, mapping and forecasting supply and demand to meet current and evolving need, identifying available resources, assessing risks, configuring local needs with national drivers, using local statistics/demographic trends
2. **planning**, getting agreement on what needs to be achieved, clear definitions of outcomes and priorities, being imaginative about how services can be delivered, allocating resources and bringing all this together into a commissioning plan
3. **do**, applying the resources effectively to deliver agreed services; managing the process of procurement, de-investing to commission new or remodelled services, maintaining communications with users and providers
4. **review, monitor** and evaluate effectiveness and impact to learn from the process and to make adjustments or to re-provision to meet changing needs

There are six key principles that underpin integrated commissioning and purchasing:

- focus on client group needs across agencies
- all four activities are equally important
- the activities follow sequentially
- the commissioning plans must drive contracting
- the contracting experience must inform the ongoing development of the commissioning plans
- there is an on-going dialogue with service users/carers and providers

Understanding the role of the third sector in each stage of commissioning:

Stage 1: analysis of needs – understanding the market

Collectively and proactively

Government directives make it clear that the contribution of the third sector is essential at this stage, not optional. This is based on the expertise and knowledge to inform commissioning that the sector has to offer in being closer to the needs of service users and carers. In addition the sector brings added value and the understanding of needs because it is:

- independent, free from institutional pressures
- strongly linked to views of local communities
- informative about current provision and unmet needs
- experienced in delivering flexible and responsive services
- experienced in providing innovative solutions and learning from them
- contributing the client groups perspective

The sector's contribution at this stage will need to be based on individual organisations' experiences to gain the full breadth of information required including what is currently provided, the levels and type of demand, where there is unmet need and gaps in provision.

The development of the Compact Code of Practice – Policy Development, Service Design and Consultation between all partners will ensure clarity and transparency on how this process effectively carried out.

Stage 2: planning - agreeing the commissioning plan

Strategic and representative

All stakeholders/partners involved in the shaping of the commissioning plan have a responsibility to agree the service priorities and the final plan. This is focused on the outcomes required based on client groups, which will require the third sector's strategic input from a collective view point rather than as an individual organisation. The shaping and design of delivery models is also agreed at this stage prior to procurement. The third sector's experience of providing innovative solutions and learning from them will be invaluable. This stage presents the opportunity to be innovative and introduce new ways of working, new partnership arrangements, different styles and models of delivery – focused on meeting the needs of people in the most effective way possible.

This of course will mean de-investing in current services to diversify resources into these new arrangements – maximising the available resources and changing the nature of the market place. This does not necessarily mean that the sector loses out,

but rather that it might need to change how it currently delivers services and expand to meet new or increased demand.

It is vital that users and providers are kept fully briefed of the changes to service provision throughout this process.

Stage 3: procurement, delivery and monitoring

Individual/Consortia – Commercial and reactive

The responsibility for procuring and contracting is within the public sector; this is where the third sector's role as providers is uppermost, rather than commissioners.

User feedback on services delivered will be central to monitoring effectiveness. The process and criteria for doing this needs to be agreed during the contractual negotiations to ensure clarity and embed the necessary processes from the outset. Standardised monitoring is part of the Compact Code along with proportionality, what is relevant to the size and scope of the contract.

Compliance with the Compact Code: Funding and Procurement is fundamental throughout the procurement process, in issuing, negotiating and agreeing tenders, contracts and other funding arrangements

Collaborative working arrangements will need to be managed, across sectors and/or within the third sector. This may mean collective tendering, bringing providers together, both large and small. The focus will remain on achieving the outcomes as set out in the commissioning plan and how this can be achieved most effectively. There is a challenge here for the third sector to be clear about how they engage, if at all, (dependent on the organisation's mission and considered benefits to their users) as individual organisations and how they can be encouraged to be more collaborative in their approach to achieve maximum effect for service users.

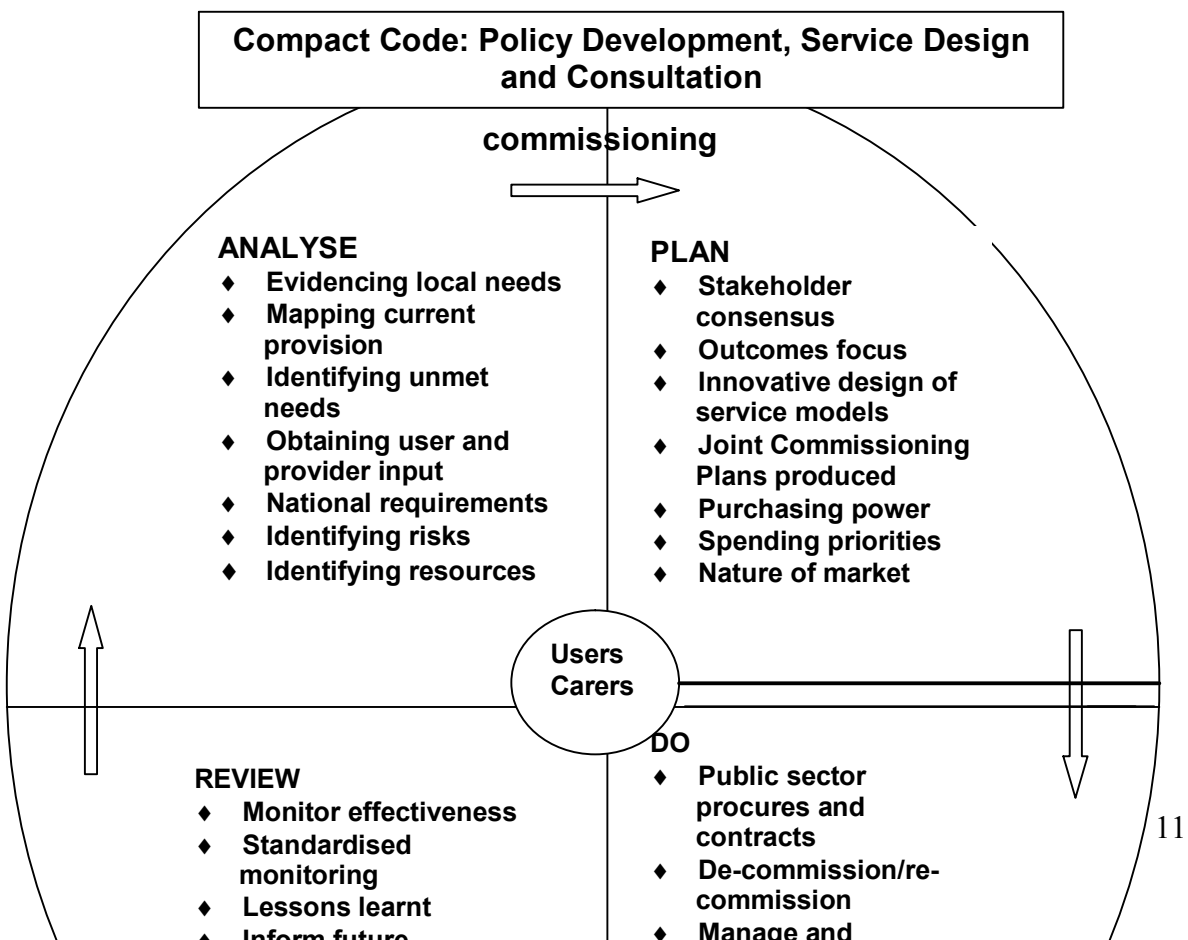
Stage 4: review and evaluate

Collectively evidenced

The impact of services must be measured and evaluated to understand what has been achieved and what has changed – this is an essential ingredient of the continual process of commissioning, to understand changing needs and to make the necessary adjustments in provision. The procedures of reviewing provision are agreed during Stage 3 and implemented in Stage 4.

The role of the third sector in challenging the use of public funds as part of the review stage, presents the opportunity to be collectively focused on the impact and outcomes achieved for specific client groups, as opposed to the views of an individual organisation – this process will need to be managed if it is to be effective.

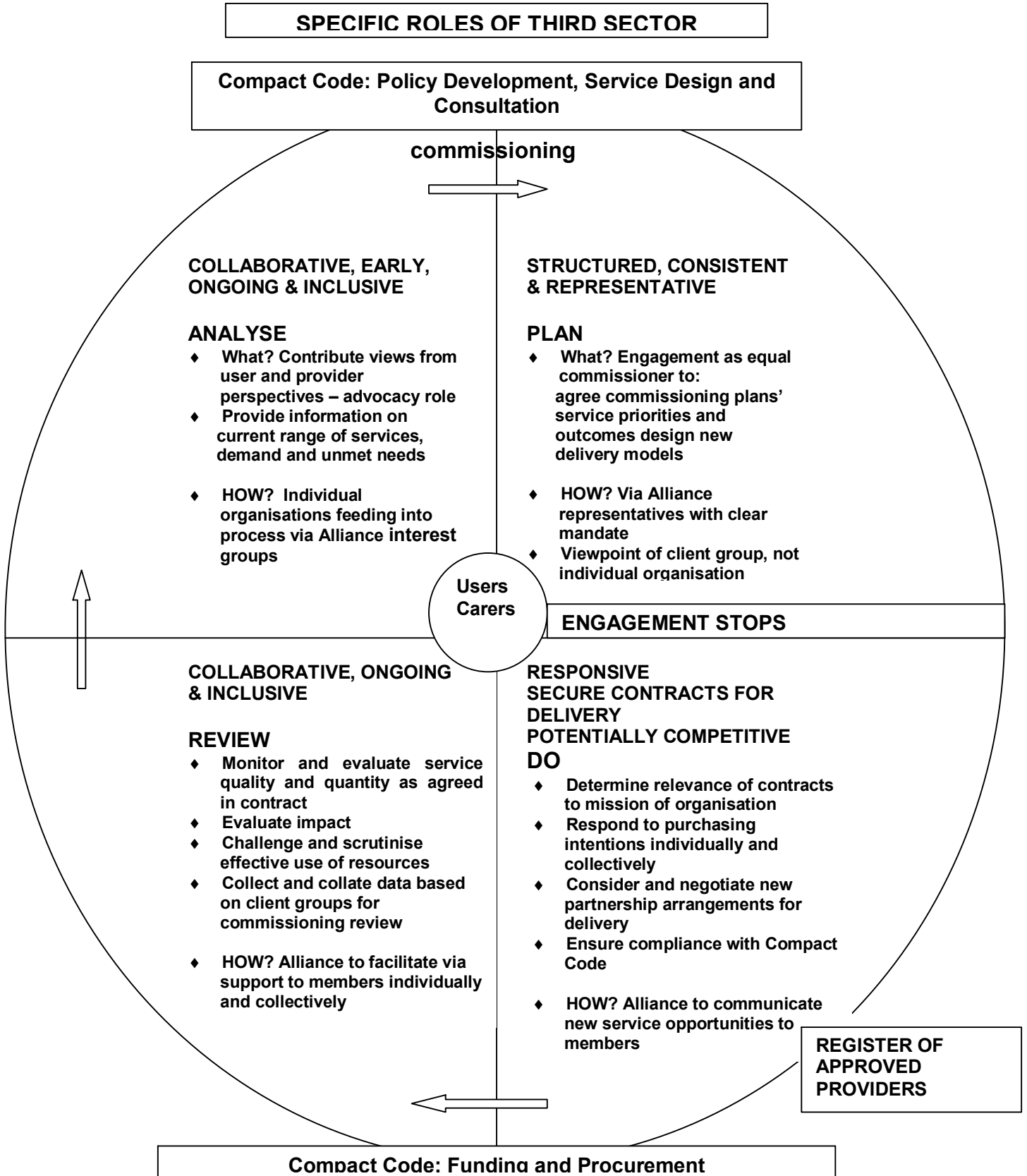
HEREFORDSHIRE STRATEGIC PLANNING AND JOINT COMMISSIONING FRAMEWORK



**REGISTER OF
APPROVED
PROVIDERS**

3. Strategic planning and joint commissioning framework and roles of the third sector

HEREFORDSHIRE STRATEGIC PLANNING JOINT COMMISSIONING FRAMEWORK



4: what is happening locally now?

There is a sound understanding and strong will to support strategic planning and joint commissioning within all partner agencies locally and what this means in relation to changing how partners work together for effective implementation. However, current practice is variable depending on the capacity of the third sector to engage due to inadequate resources to contribute and participate fully and equally along with capacity in terms of the required skills and understanding of the public sector to move towards equitable planning and commissioning

Joint planning and commissioning groups have been restructured to comply with the emerging Health and Social Care Planning and Commissioning Structure with ultimate accountability to the Herefordshire Partnership, the Local Strategic Partnership. Four client based Programme Boards have been established for Older People; Physical Disability and Long Term Conditions; Mental Health and Learning Disability. Their role is to co-ordinate the preparation of commissioning plans for endorsement by the Joint Commissioning Group. All Programme Boards will meet on the same day with a core group attending all four Boards to ensure issues and solutions are joined up. The Wider Reference Groups are separate forums of stakeholders involved and/or concerned with a specific service area whose role is to monitor and provide feedback to the Programme Boards which will help to inform the process of planning and commissioning future services.

The development of Commissioning Plans for older people, children and young people, mental health, carers, physical disabilities are under development. A three year (2005 – 2008) commissioning plan for users with learning disabilities is in place. The PCT publishes a three year Local Delivery Plan.

Herefordshire now has Local Area Agreement status. Local Area Agreements have been introduced to secure local delivery of national priorities, reinforce joint working and bring together different funding streams in ways that reflect local priorities. The focus for organising joint working is based on four blocks: children and young people; safer and stronger communities; healthier communities and older people; economic development and enterprise. The Local Strategic Partnership is responsible for aligning partner engagement and activities within these parameters and accountable to Government Office.

The recent development (Autumn 2005) of the Council's draft Voluntary and Community Strategy defines the role of the Council in ensuring that the sector is fit for purpose. A formal consultation process is due. This strategy and action plan clearly sets out how the Council will work together with the sector to maximise resources and provide outcomes and solutions in meeting the needs of the population of Herefordshire. Agreement and implementation will guide how the Council's recently re-organised directorates, Children's Services and Adult and Community Services, engage with the third sector in developing and delivering health and social care service provision. This will build on existing good practice established through joint work with the Alliance.

The Joint Commissioning workshop held in November 2005 asked delegates (from all sectors) to identify the current status of joint working. The following points were clearly made:

- too many tiers of planning, lack of clarity, lack of communication between tiers
- third sector involvement is often ad hoc, not joined up
- sector not fully informed about planning and commissioning and expectations of their role
- unsure about lines of communication and accountability within the third sector
- poor channels of communication generally – issue of capacity in statutory sector?
- Need more emphasis on outcomes
- National guidance and information does not get interpreted locally
- Relationship between statutory sector and third sector is focused on contractual arrangements rather than joint planning and commissioning
- Information supplied by the third sector does not seem to be fully utilised
- “Playing catch up”
- Third sector needs to be better at marketing their services

5. Implementation of integrated planning and joint commissioning – issues and solutions

This radical shift in how services are shaped and delivered in a complex environment presents real opportunities to reconfigure services tailored to meet the needs of local communities. To manage these changes effectively, both the statutory and third sectors need to build on existing good practice and develop relationships that are transparent, clearly understood and valued - and make a difference for service users.

For the **statutory sector** to effectively manage this cultural shift and the high level of expectations, there are issues to resolve:

- effective communications within their own organisations, with other statutory organisations, with the third sector and with service users
- the right skills mix to manage joint commissioning, to take a whole system approach to the design, delivery and resource management
- to effectively manage risk taking in developing new solutions and to pilot new service models
- to incorporate locality based commissioning within the wider strategic context
- to manage changes in provision and maintain healthy relationships

Similarly, for the **third sector** to meet the challenges and opportunities this new environment presents there are a number of issues to be addressed:

- in managing their contribution to the planning and design of services they will need to be assured that it is worthwhile
- they will need adequate resources and infrastructure to organise their input into the analysing and planning stages of commissioning
- representation of the sector will need to be robust with clear terms of reference stipulating roles and responsibilities, with representatives fully supported
- clear communications processes to ensure all groups, small and large understand the processes and implications are essential.
- engagement with the potential expansion of provision highlights the need for groups to have the capacity to make informed decisions and to negotiate the changes in contractual arrangements
- moving from existing to new ways of working, either individually or collaboratively, will need leadership and facilitation

Feedback from delegates attending the Joint Commissioning Workshop in November identified key points and actions to make commissioning work as follows:

1. Culture needs to change on both sides to meet the challenges and change ways of working

- Full implementation of Compact Codes of Practice
- Traditional solutions no longer work
- Quality versus quantity – particularly at analysis stage, need for quality outcomes, rather than just activity/numbers
- Statutory sector – more transparency (to include service users); end result would be more effective the closer the joint commissioning is to the end user
- Competition between third sector organisations;
- Third sector concern over involvement in planning and service changes resulting in individual organisation not getting the contract for delivery
- Not always about money, about new ways of thinking
- Pace of change needs to keep everyone on board
- Organisations and services willing to change and develop in response to new needs

2. Capacity, skills and resources required to engage in all stages of commissioning

- Fair and equal involvement in needs analysis, communicating client views and defining possible solutions - co-ordinated commissioning processes
- Effective representation of third sector at all levels, need for effective resources and capacity to do this – adequate infrastructure in place
- Interest groups could provide working/focus group on issues, to feed into commissioning
- Training and information needed
- Developing services, defining outcomes, agreeing funding, designing models of service – being innovative and pilot testing services
- Full Cost Recovery to fund core services to support foras, good feed back mechanisms. Third sector no long just absorb additional/supplementary work
- Developing third sector as consultants to develop service specifications
- Economy of scale in third sector, small versus large

3. Communications processes, at all level and stages, between and within sectors

- Having clear systems that enable joint communication, also between third sector organisations, which everyone is aware of
- Information from front line gets fed into planning processes; need clear lines of communications and how to influence decisions
- Allow small organisations with limited resources, access to the decision making process through improved communications
- Email, newsletter, up to date mailing lists – Alliance and statutory officers to take responsibility to lead on this
- Need to monitor contracts to see we are getting results we want; monitoring includes feedback from users

4. Other remarks/ concerns:

- Do voluntary organisations know how to change and affect decisions and priorities?
- Disinvest – who will have the guts to stand up and say yes take my money?
- Lack of workforce will be an issue – need steps to attract and keep workers
- Organisations that cross boundaries (service/age/geography) find difficulties in making all connections
- Living hand to mouth – concerns about sustainability
- Services could be lost or be expensive to set up

5. Future vision

- 2008 – joint work force
- a single health and social care organisation
- fewer large providers
- services outcome based
- asking what third sector organisations can do
- integrated system
- strong third sector partner
- maintain service diversity, smaller providers supported

Good Practice

To assist the development of partnership arrangements and processes locally, good practice examples were identified through the research.

1. In Coventry, the co-terminus PCT and Local Authority have appointed joint Partnership managers for the following client groups: older people, children and young people, mental health and learning disabilities, with a co-ordinating group for physical disabilities and sensory impairment and a user involvement officer. These joint and neutral arrangements underpin the development of the joint commissioning framework and commissioning plans. The Audit Commission's Area Profile tool is being used to identify the baseline and key needs for all partners. They are working within the Local Area Agreement Framework, for example services for older people is broken down into five areas. In developing a whole system approach to commissioning, they are currently working through each agency's priorities to identify duplication and gaps and a partnership monitoring system with uniform performance criteria. There are two parallel processes to identify service objectives for older people, a quarterly meeting of over 80 people to build consensus which informs a steering group of 14 people representing key organisations, including two representatives from the third sector and two older people.

2. The London Borough of Tower Hamlets has developed, in partnership with the sector, the Third Sector Commissioning Code of Practice provides guidance for engaging the sector in service delivery through commissioning and supports the Council's Third Sector Strategy. It states that:

“Commissioning the 3rd sector to deliver certain services not only harnesses these advantages to produce more effective, better quality services for users but also provide opportunities to achieve wider social and economic objectives such as increasing local employment, improving local skills and

increasing the self-esteem and confidence of local communities.”

3. The DoH Change Agent Team (CAT) Building Bridges Pilot emerged following a study of good practice in commissioning with the independent sector, “An Engaging Process” which considered existing practice across local authorities and PCT’s, through the London and the South-East Capacity Development Programme. Based on the findings of this study and the concerns raised, CAT funded two pilot brokerage schemes in Surrey and East Sussex, Brighton and Hove. The pilot projects set out to find better ways of working and improving relationships between all commissioners and providers by funding a full time post in each area of Independent Sector Development Director reporting to multi-disciplinary management groups. In January 2005, the report on early findings from both projects are favourable, related to more professional relationships with the independent sector, “an understanding of each others points of view enabling logic to prevail”. The statutory bodies in East Sussex want to continue the post and make it part of core services. The project has produced a workbook to help others establish a similar project, although it states that “It cannot be emphasised strongly enough that each scheme will be different as commissioners, providers and market conditions in local economies will vary, as will the challenges faced.....for economies wanting their market to remain broad with the involvement of smaller, independent providers, a Building Bridges project is possibly essential”.

In conclusion, the general theme in these examples of good practice is that of agreeing joint aims and objectives with the necessary procedures and structures being put in place, to ensure all partners gain from the developments, to realise benefits for all involved. Establishing this common ground and achieving clarity on the mutual aims from the very outset achieves the commitment of all partners from a neutral base as far as possible. For instance, establishing jointly agreed Partnership Managers appointments ensures joint ownership of developments is undertaken equitably throughout, including the reporting and lines of accountability. All partners need to feel totally included, with all issues and ambitions heard and understood, in an atmosphere of openness with the ability to challenge as appropriate. Maintaining the focus on outcomes and generating a whole systems approach to service planning and delivery is essential.

**ACTION PLAN - HEREFORDSHIRE STRATEGIC PLANNING AND JOINT COMMISSIONING DEVELOPMENTS:
INVOLVEMENT OF THE THIRD SECTOR**

Expectations	What needs to happen	How this could be achieved	Resource implications
<p>Stage 1: ANALYSE</p> <p>Commissioning intelligence/needs analysis:</p> <ul style="list-style-type: none"> ◆ Evidencing local needs ◆ Mapping current provision ◆ Identifying unmet needs ◆ Obtaining user and provider input ◆ National requirements ◆ Identifying risks ◆ Identifying resources <p>NB: early and ongoing contribution of third sector is essential – not optional</p>	<p>1. Thorough understanding of third sector activities and services, what is available and what is needed</p>	<p>1. Comprehensive mapping of Alliance members, approved providers and affiliate members</p>	<p>1. Research; database; capacity to keep updated</p>
	<p>2. Views captured of users and non-users of services re availability and quality of services</p>	<p>2. Effective dialogue between Alliance members and statutory agencies focused on outcomes and based on trust via Service specific Interest Groups</p>	<p>2. Support and maintain Interest Groups and communication processes</p>
	<p>3. Development of Compact Code: Policy Development, Service Design and Consultation. Planned for April 2007</p>	<p>3. Joint working across sectors and all partner agencies</p>	<p>3. Compact Working Group; Compact Manager</p>

Expectations	What needs to happen	How this could be achieved	Resource implications
<p>Stage 2: PLAN</p> <p>Strategic planning – relationship between partners, engagement of third sector as partners in modernising services and as problem solvers:</p> <ul style="list-style-type: none"> ◆ Stakeholder consensus ◆ Outcomes focus ◆ Innovative design of service models ◆ Joint Commissioning Plans produced ◆ Purchasing power ◆ Spending priorities ◆ Nature of market 	<p>1. Honest broker role of representatives of third sector; contributing to planning service provision and feeding back to constituent members of Alliance</p> <p>2. Joint agreement of all partners on priorities and delivery models within commissioning plan</p>	<p>1a. Representatives of third sector through Alliance who are skilful and knowledgeable and can represent the diversity of providers with a clear mandate</p> <p>1b. Contribution of representatives has credibility, confidence and trust of all partners, is neutral and accountable</p> <p>1c. Role and remit of representatives jointly agreed and fully transparent</p> <p>1d. Open and transparent integrated liaison and engagement through existing and emerging structures, e.g. Interest Groups</p> <p>2a. Statutory partners fully signed up to process of engagement</p>	<p>1a. Training and support to grow capacity and capability of representatives</p> <p>1b. On-going support for representatives to reflect views of members</p> <p>2a. Alliance working with other partners to challenge effective partnership working between Council and NHS partners</p>

		2b. Role of Alliance to facilitate effective partnership working between third sector and statutory partners	2b. Capacity to negotiate and solve any tensions between Alliance members
	<p>3a. Statutory partners working openly and collaboratively</p> <p>3b. Communicating changes in provision to providers, users and carers</p>	<p>3a. Communications processes in place with Alliance membership and wider, to consult and to feed back</p> <p>3b. To keep all informed about changes in service configurations, especially users and carers.</p>	3. Communications processes with all stakeholders, via events and meetings, information bulletins, website
<p>Stage 3: DO</p> <p>Procurement - service contracts and models of delivery</p>			

<ul style="list-style-type: none"> ◆ Public sector procures and contracts ◆ De-commission/re-commission ◆ Manage and communicate changes and plans ◆ Response of Third Sector as service delivery contractors ◆ New delivery models <p>Respond to purchasing intentions individually and collectively (dependent on relevance of service objectives with own organisations mission)</p> <p>Consider and negotiate new partnership arrangements for delivery</p> <p><i>NB: Expectation that statutory agencies provide information on purchasing intentions to third sector providers - whether engaged in new service proposals or not</i></p>	<ol style="list-style-type: none"> 1. Concepts and design of services implemented and tested 2. Where services need to be de-commissioned or re-commissioned, contracts should be explicit about co-operative role of providers to ensure smooth transition for service users <p>3a. Range of Contract types</p>	<ol style="list-style-type: none"> 1. Alliance network for providers 2a. Alliance to be honest broker and facilitator of development service delivery models, within third sector and between statutory and third sector to meet commissioning plan objectives 2b. Consultation meetings and procedures; promoting and facilitating collaborative approach to service delivery models; supporting smaller service providers (to ensure mix of provision) 3. To be developed as appropriate to service 	<ol style="list-style-type: none"> 1. Accreditation Scheme delivered, ensuring members are fit for purpose for inclusion on Register of Approved Providers. 2. Open communications processes maintained with providers, users and carers 2b. Alliance and members capacity to effectively manage change through liaison and negotiation, and develop necessary business development skills. 3. Compliance with Compact
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	3b. To challenge and establish equitable balance of risk between commissioners and providers	specifications/volume of service – in compliance with agreed Funding and Procurement Code of Practice	Code of Good Practice in Funding and Procurement
<p>4. REVIEW Monitoring, evaluation and review</p> <p>Monitor and evaluate service quality and quantity as agreed in contract Evaluate impact Challenge and scrutinise effective use of resources Collect and collate data based on client groups for commissioning review</p> <p>NB: Expectation that providers keep themselves up to date on types of services available, what works well and contribute own ideas of new service directions for particular type of care service</p>	<p>1. The range and quality of services being provided needs to be reviewed along with performance evaluation against agreed criteria – to effectively manage service changes</p> <p>2. Evaluation methods agreed from perspective of all stakeholders, including service users</p>	<p>1. Awareness of service providers and Alliance representatives of responsibilities to ensure that service delivery reflect these criteria</p> <p>2a. To support organisational development appropriate to modernising service provision</p> <p>2b. Engagement in strategic planning and review processes</p>	<p>1. Training and awareness promotions and events</p> <p>2a. Business development, advice and support to include audits of user satisfaction, good practice in negotiating and building business case.</p> <p>2b. On-going policy and information support</p>

Appendix A Older People's services

The policy context for older people's services is extensive in the reform of public services. Independence and empowerment, ensuring active ageing are the key themes and are drawn together in the Green Paper, Independence, Well being and Choice - Vision for the Future of Social Care for Adults (Department of Health). The White Paper is pending following the consultation period.

The framework sets out the vision for the next 10 – 15 years, with a central focus on service improvement and delivery and radical different ways of working, from the perspective of customer choice, control and accessibility. There is a shift towards preventative services linked to the wider well being agenda, including Choosing Health and an emphasis on strategic commissioning in partnership with the NHS and other partners.

The framework's strategic objectives are linked with the National Service Frameworks, Local Strategic Partnerships, Local Area Agreements and Local Public Service Agreements. There are explicit links made with housing and transport services and provision following the theme of greater independence. This theme is endorsed by the suggestion of the wider use of direct payments and piloting individual budgets to stimulate the development of modern services.

The rationale for involving the voluntary and community sector is to build and support the sector to extend the range of quality services and to encourage the sector to work with users to develop new models of care that meet the proposed outcomes. Engagement of the sector in the planning, design and delivery of services includes the recognition of the need to factor in overhead costs for service delivery. The document also recognises the element of competition within the sector and the need to engage with smaller organisations.

Involving people in designing services to meet their needs will challenge the capacity and range of options available. There is a requirement to strategically plan for 10 – 15 years taking into account the care and support needs of the whole population and ensuring that the market place can provide across a range of providers. Arrangements need to be in place to support this dynamic and collaborative commissioning approach to the design and delivery of services that are responsive to user needs and can be delivered seamlessly. Local Authorities are charged with being innovative in working with people and providers to achieve outcomes, regardless of their direct provision to users and to involve users, carers, the voluntary and community sector and the NHS in so doing.

Commissioning plans must include a range of preventative care, including providing opportunities for all to contribute to society, supporting volunteering and encouraging greater social inclusion (by getting the helped to be the helpers).

Longer term planning will provide information and therefore improved scope for the voluntary and community sector to plan to meet future and expanding needs - including where services are not directly commissioned by local authorities. This underlines the intention to take a whole approach in planning to meet the needs of older people. This is particularly relevant in Herefordshire given the above average percentages of older people in the population, for example the predicted growth of people over 65 years of age up to 2011 is 27% compared to the national figure of 10%.

Opportunity Age produced by the Department of Work and Pensions this year in recognising the challenges posed by the demographic changes of longer life, sets out proposals based on three priority areas:

- to achieve higher employment rates overall and greater flexibility for over 50s in continuing careers, managing any health conditions and combining work with family (and other) commitments;
- to enable older people to play a full and active role in society, with an adequate income and decent housing; and
- to allow us all to keep independence and control over our lives as we grow older, even if we are constrained by the health problems which can occur in old age.

The emphasis is on the need to change cultural attitudes to old age from that of dependence to what older people can contribute, (for example extending working lives, “reducing levels of economic inactivity”) and gain, from greater access to culture and leisure activities and from the provision of greater choice and flexibility in care and support.

Public service reform is focused on services being joined up, simplifying access to them and increasingly offer a range of choices to put individuals in control of their lives

- focused on the promotion of well-being and independence;
- easy to access;
- customer focused; and
- aimed at tackling social exclusion.

In order to make active ageing a reality, central government and local authorities, and the voluntary sector where appropriate, will work together to:

- identify and tackle issues which limit older people's ability to get the most out of life, including rooting out age discrimination and tackling the fear of crime and poor housing;
- ensure that older people can be actively engaged locally in influencing decisions which affect their lives, such as planning local public transport;
- ensure that older people have access to opportunities locally, such as learning, leisure and volunteering; and
- promote healthy living at all ages: older people are better able to enjoy good health in later life if they looked after themselves when they were younger.

Local flexibility to respond to local conditions and challenges is clearly supported with the voice of older people central to the consultative processes in decision making along with other partners in ensuring better ways to plan ahead in response to ageing and managing and growing the contribution from older people to society as a whole.

In Herefordshire the Older People Programme Board has been established with attendance of a representative of the Alliance. A detailed commissioning plan is being developed which is due to be considered by the Programme Board for approval. The Alliance Older People's Interest Group has been invited to nominate three representatives to attend the emerging Wider Reference Group for Older People.

Appendix B

Children and Young People services

The Children's Act 2004 and the linked Every Child Matters: Change for Children and Every Child Matters: Next steps, sets out the Government's commitment to improving outcomes for children and young people.

The Government's vision is of an environment where third sector organisations, central government, Government offices for the regions, local authorities and other public and private sector partners are enabled to work together, from their different perspectives, to make the lives of children and young people better.

To achieve improved outcomes, Government guidance expects services to be reconfigured based on the needs of the child and a shift to preventative services whilst strengthening the protection of children at risk. A strong, vibrant and diverse voluntary and community sector is seen to be a crucial aspect of achieving this in terms of both strategic planning and commissioning and in integrated frontline delivery. The objectives of the strategy build on the foundations laid by the 2002 Cross Cutting Review and are clearly linked to the ChangeUp programme, which aims at building the capacity of front line organisations in the sector through the provision of adequate infrastructure. Local authorities are expected to develop their relationships with the sector based on Compact principles.

Every Child Matters: Change for Children guidance document: Working with voluntary and community organisations to deliver change for children and young people has clear aims for promoting effective sector engagement at the local level:

- set an expectation of the sector's involvement in all aspects of local change and raise awareness of issues and possible solutions and monitor local authorities' performance on their involvement and
- enable the increased involvement of third sector organisations by investing and encouraging others to invest in capacity building activity and infrastructure provision and signposting guidance on good funding practices

It is recognised that Local authorities, other public sector agencies and voluntary and community organisations have a great deal of experience of partnership working in support of work with children, young people and families on which they can build in delivering change for children and young people. Also that there is much we to be learnt from the experiences of Children's Fund Partnerships, Connexions Partnerships, Youth Offending Teams, Sure Start local programmes and Early Years Development and Childcare Partnerships.

For their part, voluntary and community organisations need to ensure that they are accountable to the full range of their stakeholders and that their processes are transparent and in line with good practice. They need to demonstrate that they are committed to delivering high quality services, and to reaching those children, young people and families that are hardest to reach.

The implementation of new arrangements for co-operation between partners will lead to more integrated services for children, young people and families.

- Children's trusts are a new way of working at local level that puts improved outcomes for all children and young people at the heart of how services are delivered. They provide the basis for harnessing the contribution of all agencies working with children, young people and families in the planning, commissioning and delivery of services. Local authorities are responsible for developing children's trusts, or similar arrangements to ensure that local needs can be met in seeking to improve service outcomes via integrated processes, front line delivery, strategy and governance. The Children and Young People's Partnership is the leading on this work locally.
- Children and Young People's Plan, from April 2006 local authorities are required to publish a three year plan which will cover all the services available to children in the locality including those provided by partners.
- To improve integrated front line delivery the national Pay and Workforce Strategy 2005 analyses what the workforce, including the voluntary and community sector needs to equip it to improve outcomes for children and young people. As part of this a common core of skills and knowledge has been developed.
- Children's Centres aim to deliver a range of services including integrated childcare, early learning, family support and outreach services. This programme is linked to the Extended Schools Prospectus: access to services and opportunities for all, which sets out the intention to develop and offer a range of services to meet the needs of children, families and the wider community. The voluntary and community sector is seen as a key partner in these developments.
- A Common Assessment Framework, with the consent of the young person or parents is being developed to provide effective, earlier identification of children's additional needs and improve multi-agency working, supporting the shift in focus to preventative services.
- Information sharing and Assessment, systems are expected to be developed which address systemic and cultural barriers to effective information sharing across and within agencies and that service delivery plans incorporate effective mechanisms across services and professional boundaries.
- On-line directories of services which include those services provided by voluntary and community groups are to be make available to enable more effective referrals by local practitioners and to help children, young people and families to find out more easily about the services that are available to them.

In Herefordshire the Children and Young People's Partnership Board is organised in accord with the statutory guidance on inter-agency co-operation to improve the well-being of children as set out in Every Child Matters. A shadow board of young people is to be formed, of whom one will have a seat on the main board. The Alliance

supports representation on the main board through a member organisation and maintains communication to and from the network's Children's Interest Group.

The Commissioning Plan for children and young people has been produced and is currently available for consultation with stakeholders. It includes priorities which have taken into account the feedback from the recent Joint Area Review. The Children's strand of the Local Area Agreement is being developed to reflect the priorities agreed in the Children's Plan.

Appendix C

Glossary of Terms

- ◆ **Whole system approach:** whole system refers to all of the organisations, parties, associations, stakeholders, users and other key individuals and groups who have an interest in and influence (real or potential) the overall performance of care services

- ◆ **Decommissioning:** the process of planning and managing a reduction in service activity or terminating a contract in line with commissioning objectives.

- ◆ **Market:** a mixed economy of heterogeneous services provided by a variety of organisations whose range and complexity of services needs constant mapping, understanding

- ◆ **Independent sector:** mix of diverse businesses, including small local and personal, larger and national, voluntary and community organisations and housing associations

- ◆ **Third sector:** non profit distributing, voluntary, community and charitable organisations which provide health and social care services

- ◆ **National Service Frameworks:** a set national standards and identify key interventions for a defined service or care group

Appendix D

Methodology

1. Research the policy background, guidelines and good practice:

Desk study undertaken into list of reference materials as Appendix E across range of specific client groups and into good practice lessons.

2. Engagement with key stakeholders locally via semi-structured interviews

Local partners from across the sectors interviewed to inform current practice in Herefordshire and proposed developments, views, aspirations, concerns. This information was used as part of the evidence gathering to inform the analysis.

3. Analysis of findings

The material gathered was evaluated and informed the drawing together of the Joint Commissioning Framework for Herefordshire, the material presented to the 17th November workshop and the final report and agenda for action.

4. Herefordshire workshop

A half-day workshop was held on 17th November 2005 with delegates attending who represented all sectors and a range of services.

Presentations were given by:

- Herefordshire Council's Director of Children's Services, Sue Fiennes;
- Herefordshire Council's Director of Adult and Community Services, Geoff Hughes;
- Primary Care Trust's Head of Commissioning, Paul Ryan and
- The independent consultant, Barbara Parkinson, working on the research project.

Small groups of delegates were engaged in workshop discussions to identify current structures and practices and to inform the Action Plan. The workshop findings are given in the report.

Appendix E

Reference material

- ◆ The Role of the Voluntary and Community Sector in Service Delivery – A cross cutting review - HM Treasury, 2002
- ◆ Implementing Building Capacity and Partnerships in Care “from principles to practice”, Association of Directors of Social Services, December 2003
- ◆ Commissioning a Patient-Led NHS, Department of Health, 2005
- ◆ Choosing Health, Public Health White Paper, Department of Health, 2004
- ◆ Every Child Matters: Changes for Children, Department of Education and Skills, 2003
- ◆ Making Ends Meet, Social Services Inspectorate, Audit Commission
- ◆ Commissioning and the Independent Sector, good practice guidance Department of Health, Health and Social Care Change Management Team, 2003
- ◆ The Commissioning Joint Committee guide to The Commissioning of Social Care (The Chartered Institute of Public Finance and Accountancy - CIPFA) 2003
- ◆ Exploring the role of the third sector in public service delivery and reform – HM Treasury, dti, Home Office, 2005
- ◆ Working with the Third Sector - Home Office, National Audit Office 2005
- ◆ Independence, Well being and Choice, future of social care for adults, Green Paper, Department of Health 2005
- ◆ Catalyst for change: work book Department of Health, Change Agent Team, 2003

Appendix F

Lists of people interviewed and attending the November event and workshops

People interviewed:

Gladys Brooks, General Manager, Ledbury Community Health & Care Centre”
Stephanie Canham, Head of Adult Services, Herefordshire Council
Philip Dazeley, Alliance Trustee
Sue Fiennes, Director of Children’s Services, Herefordshire Council
Jan Frances, Women’s Aid
Simon Hairsnape, Director of Health Development, Primary Care Trust
Jill Hiscox, Homestart
Jill Jones, Carers Action
Henry Lewis, Head of Children’s Services, Herefordshire Council
Paul Ryan, Commissioning Manager, Primary Care Trust
Martin Smith, Commissioning Manager, Herefordshire Council
Andrew Strong, Mind
Marion Tweed Rycroft, Centre for Independent Living
Richard Watson, Children’s Fund Manager

Delegates attending the 17th November 2005 event and workshops:

Richard Betterton, HCVYS
Gladys Brooks, Shaw Healthcare
Brian Burrows, Age Concern Hereford
Stephanie Canham, Head of Adult Services
Philip Dazeley, Alliance Director
Steph Dunn, Alliance Membership Manager
Tony Featherstone, Adult and Community Services
Sue Fiennes, Guest Speaker-Director of Children's Services
Jan Frances, Alliance Director
Nick Gray, Shaw Trust
Jenny Goldsbury, Adult and Community Services
Jo Hart, Community Equipment Service
Helen Horton, Chief Executive Alliance
Geoff Hughes, Guest Speaker-Director of Adult and Community Services
Elaine Ivis, Alzheimer's Society
Margaret James, Carers Support
Jill Jones, Carers Action
Claire Keetch, CAB
Chris Lewis-Davies, CLD Youth Counselling Trust
Leslie Libetta, Operational Project Manager
Martin Neicho, Envirobility
Isobel Peabody, Cruse Bereavement Care
Doreen Powell, Access for All, Hereford
Tony Powell, Herefordshire Heartstart
Lin Rabbetts, British Red Cross
Fiona Ritchie, Echo
Mary Simpson, HCVYS Chair of Trustees
Diane Topham, Commissioning Mgr Mental Health
Lynne Wilkins, Age Concern Leominster & District
Susan Yoxall, Alliance Administrator