

KENT COUNTY COUNCIL

SELECT COMMITTEE - COMMISSIONING

MINUTES of a meeting of the Select Committee - Commissioning held at Swale 1, Sessions House, County Hall, Maidstone on Monday, 3 February 2014.

PRESENT: Mr M J Angell (Chairman), Mr M A C Balfour, Mr H Birkby, Mr N J D Chard, Mr G Cowan, Mr T Gates, Mr C R Pearman and Mr M J Vye

IN ATTENDANCE: Mrs P Cracknell (Research Officer Scrutiny & Evaluation, Business Intelligence), Ms J Sage (Assisting Research & Business Intelligence) and Mrs C A Singh (Democratic Services Officer)

UNRESTRICTED ITEMS

7. 10.00am - Angela Slaven, Director of Service Improvement (KCC)
(Item. 3)

(1) The Chairman welcomed Angela Slaven to the meeting.

(2) Angela Slaven gave an overview of her role and responsibility for commissioning which she explained spanned 20 years. She advised that she had worked across statutory services and provider agencies. She explained that her experience was predominantly in the provision of services that required demonstrable outcomes that improved the lives of people in communities – drug and alcohol treatment services, supporting people, housing related support services, services to prevent offending or re-offending by young people, employment training and skills provision, youth services and services that support community safety initiatives including domestic abuse and work with adult offenders.

(3) Angela explained that commissioning was the process through which the need for service was assessed, shaped and designed based upon a needs analysis – defined by the needs of the service user group; the required outcomes and available budget. She went on to explain that procurement was the process through which appropriate services are achieved – the tendering and awarding of contracts and the legal process of commissioning. Angela concluded her statement by flagging up service user input at both the provider and the governance level for example they are represented at and are part of the Drug and Alcohol Board

QUESTION - How does the voluntary sector achieve what we at KCC are looking for in the local community - for example a lady that had voluntarily run a local youth club for 30 years is now expected to take on additional business-like responsibilities - managing the accounts and keys to the premises etc? How do you feel the voluntary sector is dealt with?

(4) Angela responded that KCC describes the voluntary sector as an a homogenous group and they aren't! Competitiveness comes into play and organisations can begin to focus on perpetuating themselves 'existence above all else' with a real risk they lose sight of their outcomes. She explained that

commissioning is always achieved more successfully when an agreement focuses on service user and outcomes.

(5) Small organisations are always going to struggle as KCC is too bureaucratic – we need to streamline and simplify. It is always necessary to demonstrate how the Council's money is spent responsibly but need to make our routes for accountability / delivery / demonstrability as simple as possible with a strong focus on building relationships with the sectors we commission from. on out. Procurement should simplify things further for the commissioning and contracting of services provision of services but in some circumstances grant funding is still appropriate.

QUESTION - When we commission a service – how do we monitor? How do we put right when things go wrong? Is there a facility within the contract if there are concerns?

(6) Angela replied by advising that when she had arrived at KCC seven years Kent Probation Service was not hitting the mark – no VFM, no performance values, no need analysis. KCC was performing in the bottom of the national league table and the Home Office had intervened. The KCC Commissioning team were restructured with a real focus on needs analysis and rigorous contract monitoring working with the provider not simply procurement.

(7) Angela added that a clear assessment of contracts was needed, if it had not been performance managed correctly and there was no indication of value for money or how the needs of the community had been ascertained and met then analysis methods was not being used correctively. Improvement was needed and this had been achieved by creating teams with a clear understanding of what was required. Commissioning priorities were agreed and put out to external tender. This brought competition into Kent and the market. Two contracts were subsequently re-commissioned with clear outcome defined and agreed. Angela advised that the Commissioners would continue to assess and monitor and if there were any areas of concern a clear period of improvement notice would be served and appropriate support given where required. Contract monitoring should include the viability of the contract as well as compliance and service users should always be asked for their judgement.

(8) Angela advised the Committee that KCC needs to be careful not to change provider too often as the service can lose momentum and more importantly service users.

QUESTION - Reference has been made to two contracts across the County. Many voluntary organisations are doing good jobs – should we not be thinking more locally?

(9) Angela replied that her heart absolutely says yes! She believed that if Kent is able to offer contracts within service specifications and encourage small groups to form consortiums then this could be the way forward. She referred to Supporting People, Drug and Alcohol, and Youth Justice consortiums which had been encouraged to be part of bigger contracts.

(10) Angela emphasised that grant aiding is distinct and a completely different agenda to Commissioning - it is about working out exactly what is required and the viability of organisations. She explained that the problem with grants was that organisations are just left to get on with it and there need to be mechanisms of support. Angela advised that Kent has a responsibility to ensure that the sector is developed to enable best practice for commissioning. But, the sector also has a responsibility to get their own house in order to support their communities.

QUESTION - If we were to recommend in favour of voluntary sector – how would you react?

(11) Angela replied that her expectation would be for the best organisation to deliver the best outcomes.

QUESTION - Service user is paramount; if service delivery is failing and you have to re-commission how long it does take?

(12) Angela explained that there were a number of ways of managing – the hope would be that performance management would be carried out well and would prevent abject service failure. If the situation did develop into a critical state it would mean the Commissioners had initially got it wrong or not done their job properly i.e. the organisation not capable of delivering the service or incorrect staff etc. She explained that there is always an opportunity to novate but there should never be a break in service delivery as there is always an opportunity to use another organisation. If a contract has broken down then contract conditions can be applied. It is all about having adult conversations about our concerns as it is not in any organisations interest to fail. Equally we must recognise that it can also be the model that has failed.

QUESTION - What if there is not another provider?

(13) Angela responded that when re-commissioning is necessary the original details do not need to be altered and you can go out to tender quite quickly (if it is within 12 months) and this could therefore be achieved within three months.

QUESTION - Would there ever be off the record talks with another provider?

(14) Angela replied emphatically that this would never happen. She explained that the Sector knows itself extremely well – if failing point is ever reached a clear “Notice of Improvement” would be served. All agreements and safe transfer of personal data etc would be correctly administered.

QUESTION – Is the sector robust enough to keep going?

(15) Angela explained that Supporting People contracts had endured the most significant changes. This sent the right message to the sector if we deliver performance management effectively and well. Angela went onto advise that she had attended a meeting the previous week regarding Pilot Areas for Drugs/Alcohol – “Payment by Results Model”. This had been flawed so adjustments would be needed.

QUESTION - Continuing with help and supporting providers. At what point would the Commissioning partnership/management of the contract be put at

risk? Reference was made to the KCC Enterprise / Amey Partnership Contracts?)

(16) Angela responded by advising that the commissioner role boundary must not be crossed. It is not our role to get too involved, otherwise who is managing whom? Help and support should include advice giving together with action to be taken and clear contract management.

(17) Angela stated did not know enough about the highways partnerships contract referred to, to comment.

QUESTION - Angela was asked by the Chairman to give some thought to member involvement within the process – he advised that Member's needed clarity and guidance as to how they could become more involved.

QUESTION - The success of the contract is the success of the contract management wrapped up in the relationship between the commissioner and the provider – would we not be better to commission the commissioner?

(18) Angela explained the key is better value and a number of the services that she was responsible for had a number of different issues regarding KCC statutory obligations and responsibilities. There were significant obligations around safeguarding and clinical guidance which required specialist knowledge. Governance was critical. Angela advised that she couldn't think of any organisation that would be able to do this and therefore didn't see it as a solution.

QUESTION - Why is it better to Commission than to deliver in-house?

(19) Angela replied that if KCC retained all services the organisation would be even larger.

QUESTION – Should KCC retain services in-house?

(20) Angela responded yes. It is important to retain some in-house provision.

QUESTION - If we do need to de-commission a service what is in place to take over or provide backup; and with reference to Page 8 – Ensuring Quality of Service – is this untested? What is put in place to test?

(21) Angela advised that the Supporting People contracts had remained untested for a long time the contract register provided accurate and up to date information and services were now being tendered and commissioned with redrafted service specifications and models of provision. She advised the risk was that the demand was managed. Angela explained that the numbers of contracts particularly Supporting People were originally in excess of 400 individual contracts – she advised that she was moving that forward and there were now 281. A three year Commissioning Plan had been implemented. Previously provision had been unmanageable due to volume / types of contracts and ring fencing of certain funds. Through due diligence and market testing the team had an understanding of the services needed and the knowledge to take commissioning and contracting process forward.

QUESTION - Would it be possible to terminate a contract and the company reinvent itself and come back under a different name?

(22) Angela responded by advising that the voluntary sector was interesting - DWP contracts get re-cycled, the voluntary sector had different agendas under Charity Law and the Charity Commission – company's limited by guarantee have a different relationship to the private sector.

QUESTION - Do you think we are good at getting suppliers to innovate?

(23) Angela explained that the services providers she was responsible for were all real innovators. The specifications required all organisations to demonstrate what they would bring in terms of VFM / innovation – this was part of the core requirement not just a tick box exercise. Angela used the Drug and Alcohol Project as an example - in the West of the county and in conjunction with Royal Society of Arts, the whole model of delivery had changed. They had created access to services on the High Street. This was also the same with Housing and Supporting People – boundaries are pushed and innovation is always key. The difficulty is how do you performance manage innovation? .

QUESTION – How do we get the best outcome for our service users and not just best price?

(24) Angela responded that the Supporting People programme had made savings of £8million over the past 3 years. The procurement rules currently say best price wins although this may change. It is all part of the relationship built up with the sector and recognition that we do not have an open cheque book. and there are economies of scale. Angela mentioned she was also a trustee and a real impact on many organisations was that salaries were reducing particularly in the care sector.

QUESTION - What is the percentage split between grant funds and commissioning?

(25) Angela replied that she could not really answer but that all Drug & Alcohol and Supporting People services were contracted: commissioned and tendered - no grants were given.

Question: Could you do a rough/ready split regarding the amount of funding for statutory/discretionary?

(26) Angela advised that statutory would be a very small - for example less than 3% in youth provision, as distinct from Public Health which had no statutory spend

QUESTION - The Chairman returned to his question about Member involvement that he had raised earlier in the session.

(27) Angela responded that the Supporting People Commissioning Body was Member led and this is how she anticipated it should move forward. Angela thought that Members have a role to play in the governance of commissioning – the decisions to act and to hold everyone to account.

QUESTION - Is the management of the process going the right way?

(28) Angela replied that governance is the decision to act in that way and deliver services. But KCC needs a clear definition of commissioning.

(29) The Chairman thanked Angela.

8. 11.00am - Nigel Baker, Head of Integrated Youth Services with Andy Jones Planning and Development Manager (KCC) (Item. 4)

1. The Chairman of the Select Committee welcomed Nigel (Nigel) and Andy (Andy) to the meeting and asked Members in attendance to introduce themselves.

2. Nigel, and Andy, had received questions and themes that the Select Committee were investigating in preparation for the meeting. A copy of their response was included in the papers and considered by the Select Committee.

3. Nigel began by explaining the Youth Service Transformation Model. He advised that a meeting was held with Customer and Communities senior management team, approximately 4 years ago, to discuss how to evolve the delivery of Youth Services over the forthcoming years. The discussions were not financially led, but how to be more effective, how to deliver a more appropriate service that meets the needs of young people, what is our relationship with the voluntary sector - especially with the number of grants which tended to have a lack of appropriate monitoring. The discussions and subsequent thinking evolved into a commissioning model, where KCC would keep a core number of services and commission private and voluntary sector organisations to compliment that core. It was clear that the commissioning model should be attractive to organisations of different sizes as the voluntary youth sector is a diverse market.

4. The outline of the proposed model was discussed extensively with the Cabinet Member and the Corporate Board. The model included; having smaller directly delivered services (the same in each district with building, street and school based elements), community wide, from a range voluntary sector provision, which would compliment the model already operating and would increase the likelihood of smaller organisations bidding for contracts. .

5. Locality Boards were consulted on the process and all were signed up to the modelling. [This process was taking place during the development of the Locality Boards]. The Leader of the County Council directed the sign up of the Locality Boards to this model.

6. Nigel explained that it took time to get “sign up” to the model by Members on the newly established Locality Boards, which were not set up in all areas of the county. Initially, Boards were consulted on the model, and subsequently were asked to contribute to the detailed provision in each area. There were advantages and disadvantages to the process – it was extremely time consuming, but there was a lot of “buy in” from county and district members/officers.

7. The County Council approved the model and the holistic model was launched in January 2013. The successful 22 providers were local Kent based

organisations with one exception) ranging from small to countywide voluntary organisations delivering lots across the county.

8. The voluntary and community sector were provided with ongoing support which included training in the commissioning process.

9. Andy explained that the Service were using a Dynamic Purchasing Model which allowed new providers to join during the contractual period of the framework. With traditional Frameworks, an organisation either got on or they did not at the start. This model allowed flexibility allowing new providers the opportunity to join at anytime during the life of the Framework or reapply if they had previously been unsuccessful.

10. He explained that 'mini competitions' could be held to engage the market quickly. This model:

- reduced the amount of paperwork which was particularly beneficial to smaller organisations - a 30 day turnaround with a 10 page (not 80page) terms & conditions document as an example
- led to organisations being paid up front rather than in arrears
- led to the ability to lease out KCC buildings at a peppercorn rent

11. The issues were that:

1. KCC wanted to offer more training as organisations cannot currently access a broad range of training as their staff and volunteers are not employed by KCC
2. With Quality at 40% of the overall score given to a bid and the remaining 60% divided equally between the 'number of young people worked with' and price, if the bidder got these two elements wrong they would not win the contract.

Question – Do you commission a Providerto grant fund certain organisations?

(12) The Integrated Youth Services gave direct support to commissioned providers and the commissioning of 'Young Kent' to support the wider voluntary sector in Kent who provided grants to the Scout and Guides.

Question – How do we support the market – those who are good service providers but not good bid writers?

(13) Andy gave an example of how contract management was used with one provider, which included a number of visits being made by the Integrated Youth Service Managers and Youth Workers when the service provided was not judged as good.

(14) He advised that organisations that wrote good bids won the commission and learnt from the process and were more likely to win again. It was identified that support was needed for those that were good at youth work but poor at writing bids.

(15) There were a number of organisations who reported their wish to move away from KCC funding as they saw that it was vulnerable given that recent large contracts had been bought in-house.

Question - In some parts of the county the services worked well but there was chaos in others; were the contracts written before the model was designed?

(16) Nigel said that he would not use the word “chaos” and explained that officers did not want to write this before the views of the young people etc were sought. The contracts were not written before the model was confirmed in its entirety. He considered that innovation was key. The process lead to looking at new ways to deliver the services and this was done through writing a specification around the outcomes. He stated that he would have the same expectation of KCC staff, he would expect them to look at new ways of doing their jobs. This was a way of challenging the market.

Question what about the issue of measuring the outcomes for young people are the interventions successful?

(17) Members were advised that the specifications terms included eference to ‘accredited’ outcomes or ‘recorded’ outcomes. Both are regularly monitored and provide an effective way of judging providers’ performance and their work with young people alongside other measures such as attendances and number of individual young people worked with.

Question - how are the youngsters with the greatest need reached?

(18) Nigel explained that officers had tried to design the model by specifically engaging young people from the beginning. Delivery takes place in a range of settings, especially street, school and building (youth centre). Schools have been identified based on previous GCSE performance. Many of the youth centres are located in areas of known deprivation. Street-based work is targeted according to a number of measures including rural isolation and crime.

(19) During the process of setting up the model a wide range of young people were spoken to including members of the Kent Youth County Council, some of whom now represent young people who are at risk and needy young people. Officers also engaged with young people who used open access youth services who tended to be more needy than average. Nigel felt a reasonable job had been carried out to meet what the young people wanted from the service.

Question – It is a shame that more schools had not took up the offer of having a Youth Worker working with their school. Will this be revisited?

(20) Nigel explained the Direct Delivery Model of the Community Youth Tutors (CYT) who were in approximately 20 Kent schools previously identified with KCC as “Club 25” where less than 25% of the cohort had achieved five A to C grades in their GCSEs. Members were reminded that some districts did not have many secondary schools, but in the new delivery model every district had at least one CYT. This would form part of the Services Transition. Each school had to buy in to the service. KCC contributed 60% and the school contributed 40% of the funding which was spent in the locality, which helped to secure buy in. This worked but

there were problems when a school was in financial difficulty which has happen to 4 or 5 schools over last ten years.

(21) There was no more 60% funding available from KCC and a minimal commitment of one CYT per district. This service was not offered to Grammar schools. Schools that converted to academy status continued with the service. In response to a question, Nigel advised that there was no reason why there could not be a school based model to include grammar schools. Members raised concerns regarding 60% KCC funding being received by academy schools and Nigel said this had been raised with previous chief officers and considered that this should be reviewed again as the number of academies grows.

Question regarding how KCC measuring the success of the contracts in terms of outputs - qualifications achieved rather than outcomes - opportunities for young people to 'hang out' and the negative impact that the new model had had on youth services in a village in the Tonbridge and Malling electoral division

(22) Nigel advised that officers held quarterly meetings with each organisation to monitor performance against agreed outcomes/targets, this included a footfall measure. The proximity and community safety measures were not part of the providers remit.

(23) Nigel identified that there were numerous examples and studies that showed a clear linkage to young people engaging in positive activity and community safety. Nigel referred to Kent being diverse and stated that this model reached 25%-30% more young people when compared to the former model. He acknowledged that some communities were less happy because of the impact the new model meant for them e.g. where a youth centre had closed. Andy added that the Youth Workers made observations through visiting and talking to young people and the outcome of those visits were brought to the quarterly meeting with the provider.

Question: measuring outcomes are difficult unless 'we' are on the ground seeing it, so have we got the financing right? Can you provide budgets to Members to spend so we can help?

(24) Nigel stated that if the Members' grant were to receive a small amount of funding from the Youth Services budget to directly fund youth service projects in their electoral division this would mean funding being withdrawn from another Youth Service activity area, making it an unviable. He recognised that Youth Services had been a benefactor of Member Grants and hoped Members would continue support through the Members' grants to youth service organisation within their local communities.

(25) Nigel spoke about the Kent Integrated Adolescent Support Services (KIASS). He stated that he hoped the new model would sustain 'open access' youth work providing invaluable early help to young people and there was no wish to create services that only dealt with extremely vulnerable young people. It was not clear yet how the model would operate in detail, including future commissioning models – this is work in progress; existing contracts would continue until the end of the contract i.e. March 2016. Nigel advised that he did not know how much of the new KIASS model would involve commissioning services.

Question: What are you doing to make things easier for the sector i.e. Kent Business Portal, to support smaller 'non business based' but quality organisations?

(26) Andy stated that KCC needed to work with / support small providers so they could use the Dynamic Purchasing System

(27) Nigel advised that they were still in a transition period. The use of the Dynamic Purchasing Model had been a quantum leap for the county council, previously used for the purchase of biros or contracting of transport – taxis. The modelling opened up opportunities for smaller providers to apply and brought in “buy in” from KCC Members and the District Councils. It was hoped that lessons could be learnt from work carried out in the process of developing this model, which included the attendance of hundreds of meetings (primarily due to Locality Boards but also with young people). It was hoped that the process and cost involved achieved results and that the council can learn from both the positive and negative outcomes

Question: Local Member oversight is critically important through the Youth Advisory Groups, but how do you manage de-commissioning?

(28) Nigel agreed that YAGs have a useful role to play in monitoring the local district 'Youth Offer'; he advised that where there was commissioning but there must be the ability to decommission. He gave the very recent example of a contract that was not working and agreement was reached with the provider to decommission. There was no Member involvement in the process.

(29) Nigel reaffirmed that the model was not financially lead. He confirmed that in some parts of the county there was still a journey in trying to develop the model in an under developed market and where some voluntary groups need more support than others.

(30) Nigel referred to contract management saying that the contract could be reviewed at any time and gave the example of two services that were under contract management. The contracts had been operating for one year which was a critical time in reviewing their performance and if they were not performing what should be done. Young People were part of the process as trained inspectors including 'mystery shoppers'.

(31) Nigel stated that he considered that the service was in a better place than in the past.

(32) Members of the Select Committee thanked Nigel and Andy for attending the meeting.

9. 12.00 - Jason Martin, Director - CAP Enterprise
(Item. 5)

(1) The Chairman welcomed Mr Martin to the meeting and asked him to introduce himself before answering questions from Members of the Committee.

(2) Mr Martin said he was attending the meeting in two capacities – as CEO of KentCan which had linked policy makers, commissioners and decision makers with 2,500 voluntary sector organisations until it ceased operating on 31 January 2014 and as Director of CAP Enterprise which provided business support to social enterprises.

(3) Mr Martin referred to the paper that had been circulated with the agenda for the meeting which was based on over ten years of experience. He said the voluntary and social sector was very diverse and all bar the very largest faced some risk from the change to a commissioning based environment. Reliance on grants should diminish as organisations increase, but the opposite is occurring.

(4) Mr Martin said it was essential to bring commissioners and frontline organisations closer together and in particular to develop and use a single independent point of access. He also said those commissioning services within KCC had to increase the amount of communication to enable frontline organisations to engage. There was also need to develop a framework to enable commissioners to understand the social impact of frontline services.

(5) Mr Martin said the development of consortia was not common and often when large national organisations facilitated the establishment of consortia smaller frontline organisations were used as “bid candy”. In addition the large organisations often creamed off the most profitable work and passed work with hard to reach groups to smaller voluntary organisations which in turn put the most vulnerable at increased risk.

(6) Mr Martin said an influx of commercial minds was needed on many boards of trustees. Many boards were risk averse and lacked the skill sets to undertake more commercial activities. He also said that most organisations in the sector did not have access to resources that would facilitate business development and found the process for the submission of tenders too onerous and time-consuming. For example, it had taken him over a week to prepare a tender for a two-year contract worth £50,000. Many organisations did not have this capacity and would be unable to compete.

(7) Mr Martin said the linkages within the sector were relatively weak and there was evidence of partnerships fragmenting, silos building, and organisations becoming isolated when should be working together. Infrastructure organisations tended to invest insufficient time to developing sector-led consortia possibly because to survive many were also delivering frontline services and competing against their peers. He also said that many board members had been in post for more than 20 years and in some cases moral and emotional fatigue had set in. He referred to an investment of £150K made by Suffolk County Council in 2011 to enable third sector organisations to develop their ability to secure public sector contracts.

(8) Mr Martin said it was a myth that third sector organisations could automatically access match funding or that there were significant numbers of capable people just waiting to volunteer. He said that the voluntary sector did not engage directly with the EU and that although 20% of the LEP’s work should be directed at addressing poverty it was essential to allocate technical assistance to enable frontline organisations to play a role. In a recent on-line survey over 70% of respondents thought they were not well connected with their strategic partners and wanted

better direct links with the county's commissioners, decision-makers and senior politicians..

(9) He concluded by saying that some smaller organisations would only get involved in the commissioning agenda by joining consortia that were lead and managed ethically by trusted lead organisations. He also emphasised that KCC needed to collaborate with social organisations to identify and measure the social value of each contract as part of the commissioning process.

Question – There are many professional people in the voluntary sector but is the red tape involving in bidding for tenders inhibiting activity?

(10) Yes. Making tender bids is complex and many organisations lacked the expertise, scale or capacity to bid. KCC needed to consider a budgetary mix of both grant aid and commissioned contracts. Such a mix could be highly effective but communication was vital. It was important to hear the voices of as many frontline organisations as possible, as they are the county's community-level experts. He felt that the aged model of representation was a flawed one; and that with appropriate use of technology and creativity the county's commissioners and procurement staff could benefit from better links with frontline community organisations.

Question – Are you saying that providing grants enables voluntary/social organisations to acquire professionals to deliver services whereas the commissioning model takes away this opportunity?

(11) Consultation and communication are essential early in the commissioning process to ensure the voluntary sector is not excluded and that the voices of those delivering the services are heard. Currently too many organisations are relying on "representatives" to speak on their behalf at County Hall, and frontline organisations have little opportunity to have their voices heard. If these voices were heard then more organisations could embrace the commissioning process more effectively.

Question – Could you give me a feel for Kent Can, how big was it? Could KCC assist CAP Enterprises to develop?

(12) KentCAN was established to be the voice of the voluntary sector and to network with strategic partners. KentCan represented over 12,000 organisations and 17 infrastructure organisations - CVSs and volunteer centres. By 2014 this structure had fragmented as a result of competition and reduced funding and Kent CAN no longer had the mandate to represent the whole sector. CAP Enterprise was set up in 2011 to help increase the number of Kent-based social enterprises through the delivery of specialist, accredited business support.

(13) There is a need for a single county-wide organisation which would work to establish a clear and highly accessible gateway to the voluntary and community sector – working to reduce the gap between commissioners and the frontline. It would act as an honest broker and would not require significant resources. Two people could run market events, grow a database and extend its reach.

Question – Social Enterprises operating as trading organisations - what successes / failures?

(14) In Medway £400k funding was allocated over four years to develop infrastructure organisations. Ten commercially minded voluntary sector organisations were assisted to move from being grant-oriented to being able to trade. In 2011 CAP was commissioned to help KCFN develop business processes which would lead to it increasing its turnover to £0.5m per annum.

Question – Are CVS effective? Are some service areas better at commissioning than others?

(15) Some CVS are excellent - they have a clear understanding of the environment and are very well connected with their member organisations. Others are less focussed on supporting their frontline members. The availability of expertise is patchy at best. A market event at which eighty organisations were represented was held in the early stages of the commissioning process for early years' services. Rather than using this event as an opportunity to co-design models of service and specification, KCC presented a model of best practice picked up from elsewhere in the UK. The end result was the disengagement of the majority of the organisations present and the loss of their combined knowledge and expertise.

Question – How do you think we should pull this together?

(16) Be brave. Consider radical change. A hub and spoke model is one possibility - a local presence coupled with a central hub providing quality expertise across the county on a range of issues such as intellectual property rights, governance, HR, social enterprise, training, and TUPE. Procure a service rather than funding an organisation.

Question – What should KCC be doing about commissioning with the voluntary sector? How can we assist with the formation of consortia?

(17) KCC should be investing in difference and facilitating some management processes for the voluntary sector. KCC should invest in infrastructure that narrows the communication gap between commissioners and frontline service providers. There is also a need to recognise and value the existing partially formed communications structures. The general feeling within the sector is that KCC tells them what to do rather than engaging in genuine consultation and co-operative working. Support a trusted and capable organisation to lead consortia.

Question – Why do grants become more important as organisations get bigger?

(18) Smaller organisations are often more experienced at managing a diverse income structure and at being lean. Larger organisations often lack adaptability and may face diseconomies of scale – one of them being the inability to adapt to change quickly enough.

Question – Do you think KCC should be organising the communication layer?

(19) No. An independent and dedicated organisation should be commissioned to take on this role with sensible targets of growing the data base to widen links with frontline VCSOs.

Question – Local government tends to use “approved lists”. Would the abolition of such lists broaden the market place?

(20) Barriers exist within the procurement process itself. Language is important in fostering good relationships between voluntary sector and commissioners. The procurement process appears to be daunting to the voluntary sector – 78% of KentCAN members do not like current procurement model.

Question – Would fear of ideas being stolen inhibit the coming together of commissioners and providers to brainstorm ideas and co-design service or would it be better to negotiate a contract?

(21) It would be possible to co-design. KentCAN was going to form a consortium to bid for a tender and 30 of its member organisations expressed an interest. In this instance KentCAN would have operated as the contract manager and would have sub-contracted work to its member organisations. In the end a confidentiality agreement was drawn up with 12 partners to cover the tender preparation process.

Question – How do you transfer risk?

(22) Risk is not transferred. It remains with the umbrella organisation, ie. the organisation proposing to lead the consortium.

Question – How do you see the elected member role in this process?

(23) Read the Voluntary Sector Compact and keep pressure on to sure it continues to be applied and push for change in the way the frontline voluntary sector is supported.

10. Wrap up/key points (Item. 6)

This Select Committee may wish to feed into the Compact group.

There is not a clear mechanism to amend and improve contracts as they near completion.

There is a lack of trust between providers and commissioners.

There needs to be a mechanism to review what is commissioned and to identify and deal with any issues at an early stage in the process.

Have heard about difficulty pulling performance back on track. There is no clear mechanism.

The voluntary sector is unable or unwilling to bid for tenders but wants to and is well able to deliver frontline services. It would be terrible to lose the voluntary sector just because they lack the capacity to bid for tenders.

The job descriptions and person specifications for those commissioning services need to be overhauled to include relationship building. They need to help the voluntary sector organisations doing the work on the ground to get contracts.