



AGENDA

SELECT COMMITTEE - COMMISSIONING

Thursday, 6th February, 2014, at 10.00 am

Ask for: **Denise Fitch**

**Swale 2, Sessions House, County Hall,
Maidstone**

Telephone **01622 694269**

Tea/Coffee will be available 15 minutes before the start of the meeting in the meeting room

Membership

Mr M J Angell (Chairman), Mr M Baldock, 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

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

- 1 Declarations of Interests by Members in items on the Agenda for this meeting.
- 2 Questions/themes that the Committee are investigating as agreed in the Terms of Reference (16/12/13) (Pages 3 - 6)
- 3 **10.00am** - Pete Turner, CEO Carers First (provide carers support in West Kent) Lorraine Williamson, CEO, Crossroads Care East Kent (provide respite services for carers in East Kent) (Pages 7 - 16)
- 4 **11.00am** - Diane Aslett, Development Officer, Age UKs in Kent Consortium plus two Consortium Managers: Nigel Vian, CEO, Age UK North West Kent & Gillian Shepherd Coates, CEO, Age UK Sevenoaks and Tonbridge (Pages 17 - 24)
- 5 **12.00am** - Emma Hanson, Head of Strategic Commissioning - Community Services (Pages 25 - 26)
- 6 Wrap up/key points

EXEMPT ITEMS

(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)

Peter Sass
Head of Democratic Services
(01622) 694002

Wednesday, 29 January 2014

KCC Commissioning and Procurement Select Committee Themes

The questions/themes that the Committee are investigating as agreed in the Terms of Reference (16/12/13) are:-

What do we (KCC) need to do next to become a better commissioning authority – with a particular focus on removing barriers to entry for the provision of KCC services from new providers, particularly small to medium sized enterprises (SMEs) and members of the voluntary, community and social enterprise sector (VCSE).

Is KCC using its commissioning processes to ensure it meets its duties under the Social Value Act?

How, in becoming a commissioning authority can the voluntary, community and social enterprise sector (VCSE) play a more important role in the provision of KCC services.

The issues to be explored are

- a) the strategic context and our role as a commissioning organisation
- b) the costs of entry into KCC commissioning and procurement exercises, and if these costs present a significant barrier to new providers
- c) how any barriers to entry for new providers might be mitigated or removed
- d) the extent to which KCC decommissions and re-commissions services based on provider performance
- e) How KCC can best discharge its responsibilities through the Social Value Act
- f) the type of social benefits that should be sought through commissioning /procurement practices (e.g. apprenticeships)
- g) the extent that social value requirements be sought throughout the KCC supply chain

Themes in detail: This is intended to give a flavour of the issues that the Committee might wish to explore through their Hearings, it is not intended to be prescriptive or relate to a specific witness and is to aid thinking.

a) Role as Commissioning Organisation and Strategic Context

- What is Commissioning?
- Do we understand as an organisation what we want or are trying to achieve? Are we sufficiently focused? Are we a provider or commissioning organisation?
- Do we have a clear understanding of our role as a commissioning organisation?
- What is our commissioning strategy?
- Are there any strategic barriers to achieving the transformation Kent needs through commissioning? How might we mitigate these?
- Is there clarity around budgets & commissioners ability to enact the strategic direction?
- What does successful commissioning look like? What do we do well and what can we improve? Are we an intelligent client? Do we know what we want and don't want?
- How do we balance our service requirements and budget of council and using the VCSE sector?
- Where can County Council Members add most benefit within a commissioning organisation?

b) Market Development - What are the costs of entry into KCC commissioning and procurement exercises and do these costs present a significant barrier to new providers?

- What are the costs of entry into KCC commissioning? Is access to the market equitable?
- How does this affect the sectors? Business return/profit?
- What does this mean from a provider perspective?

c) Market Development - How might any barriers to entry for new providers be mitigated or removed?

- What are the barriers for providers? How might these be mitigated? e.g. costs of insurance, contract length, capacity, skills, Legal/Tupe)
- How proportionate is paperwork to spend/contract value? What have we/can we do online to reduce burdens?
- How much of our provision is with VCSE, SME's? What are our targets/guidelines for procuring Kent business? Services from VCSE? SMEs?
- How are we supporting VCSE? How can the VCSE play a more important role in the provision of KCC services as we become a commissioning authority? What else might we do?
- How do we work with SME's? What else might we do?
- What are the implications of subcontracting? What are the learning points about large suppliers using SME's/VCS's? What might we do to support large private suppliers and VCS sector working together?
- How is Kent actively shaping and developing the market, what else might we do?
- What part does the construction of the proposal and contract type chosen influence which providers tender?
- Can VCSE sector and SME's build own capacity? Maintain rate of growth?

d) Commissioning/Contract Management –

Do we decommission / re-commission services based on performance?

- Why is re-commissioning/de-commissioning important? Are the processes clear?
- Do we have a clear picture of what we are spending and with whom?
- How are we developing the market through decommissioning and re-commissioning? What are the benefits of particular procurement models (e.g. Dynamic purchasing model)?
- How is decommissioning influenced by nature of service and market?
- Contract monitoring – What are the realities of outcome focused commissioning? How successfully are we monitoring outcome focused contracts? Are the outcomes specified the right ones for contract – activity or outcome based? Do we understand model procuring into/service pathways and key part supplier plays, interdependencies and specific attributable outcomes? What can we learn?
- How do we reward providers for past performance? Do we assess past experience of providers in procurement process? How can we build previous experience of providers into procurement process?
- What is our approach to managing contracts, in particular poorly performing providers? What do we need to get better at?

- Is there clarity of roles between commissioner and provider/supply? Do we understand our role as a commissioning organisation and have the skills to support this? Are we good commissioners?
- How can the right commissioning and contract management help meet KCC's savings targets? In managing contracts what do we do well, what should we do better? How might we modernise our approach? Do contracts include good specifications and the necessary levers? How have other LA's approached this e.g. Essex?
- How should we balance the need for contracts that give time for innovation, companies to make a return and enable Kent to decommission and ensure good market development? Within our contracts is there capacity through length of contract for service re-design and innovation?
- What are our relationships like with suppliers – how could these be better?
- What impact does length of contract have on providers entering the market, performance managing a provider on outcomes, provider gain and added social value?

e) How can KCC best discharge its responsibilities through the Social Value Act

f) What type of social benefits should be sought through commissioning and procurement?

- Are we meeting the duties of the social value act?
- How can we use commissioning to ensure meet duties under social value act?
- How have we worked with providers to achieve social value? (e.g. apprenticeships, waste)
- Do our procurement systems allow wider public value judgements to be included in the assessment of tenders so that the added value of the voluntary and community sectors can be recognised in the decision about procuring our goods and services?
- How does the nature of the added social value depend on the procurement model, sector or individual provider?
- To what extent should social value requirements be sought throughout the KCC supply chain?

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External Witness Biographies – 6th February 2014

External Panel 1: Carers First & Crossroads Care East Kent

Carers First

Carers First and Medway Carers Centre is an independent, charitable organisation supporting and helping carers in Tonbridge & Malling, Tunbridge Wells, Sevenoaks, Edenbridge, Medway and the surrounding areas.

Carers First aims to give comprehensive help to all carers, through access to information and resources, discussion, advocacy, one-to-one support, and groups where they can meet other carers in similar situations. Carers First also provide young carers support groups and activities as well as a befriending service for carers and older people.

Carers First Home and Community Support service provides flexible short breaks to carers funded by self-funding, direct payment or agreements with the local authority.

Attending the Select Committee today is Peter Turner, Chief Executive.

Crossroads Care East Kent

Crossroads Care East Kent support Carers and the people they care for. They help Carers to make a life of their own outside caring by providing quality care services offering peace of mind while they enjoy some time to themselves.

Crossroads Care East Kent aim is to keep loved ones and the caring unit together by providing:

- Short breaks
- Palliative Care
- Bathing / dressing and undressing
- Meal preparation and assistance with eating
- Management of continence
- Support to access social activities and hobbies
- Support in a crisis
- Specialist dementia support staff
- Cogs clubs (Cognitive stimulation for people with a dementia)
- Macmillan Volunteer support

Attending the Select Committee today is Lorraine Williamson, Chief Executive.

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Briefing Paper

Carers FIRST in Kent & Medway

Context

Carers FIRST have existed since 1991, firstly as a project in Tonbridge VCS and then a registered charity. It became a company limited by guarantee in 1996.

In 2009 Carers FIRST became the parent company of Medway Carers Centre and those two organisations formally merged into one charity entitled Carers FIRST in Kent & Medway in April 2012. It is now a medium sized charity with a annual turnover of £2 million per annum and a staff team of 83. It is the largest Carers Centre in the United Kingdom.

Carers FIRST in Kent & Medway delivers a range of services to carers of all ages and all cared for specific conditions in South West Kent, Dartford, Gravesham, Swanley (DGS) and Medway.

Carers First in Kent & Medway also delivers in partnership with Voluntary Action within Kent (VAWK) the young carers service for the whole of Kent and the care navigator service in five of the six districts of West Kent.

Commissioning Carers Services in Kent

The transformation agenda for adult social care in Kent is a wide ranging programme that seeks to change fundamentally how we deliver adult social care services in the county. The focus is on early intervention and prevention thereby reducing expensive costs in residential care and hospital admissions resulting from crisis.

One of the four main themes of the transformation agenda is supporting carers to continue their role. It has been estimated that carer breakdown is responsible for over 30% of residential care and hospital admissions. Consequently, KCC have invested heavily in carer services, both universal support services and crisis support such as respite and advice and guidance.

In April 2012 KCC and their health partners in the clinical commissioning groups of Kent commissioned universal carer support services for the whole county, split into six localities. Carers FIRST in Kent & Medway were successful in winning the tender for two of those localities, South West Kent and DGS.

Strategic context for Carers FIRST in Kent & Medway and our experience of Kent Commissioning

For the seven carers centres (ten including Crossroads) this contract letting represented a big opportunity and a huge threat. Failure to win the contract and not be a 'carer's centre' in Kent would have been a significant blow to the ability to continue to function as a charity. For some, that has unfortunately proved to be the case.

This contract was tendered with quality as the overwhelming criteria for award. When examining our strategic approach to the tender we quickly came to some fundamental conclusions.

Firstly, we had to build a service and model of delivery that would be able to bring many more carer's into the system. This required fundamental changes to how we worked to increase the capacity of the organisation and put more money into front line service delivery at the expense of back office costs. We did this through adopting a remote (community) working model.

Secondly, it needed a overhaul of our performance management practices to 'professionalise' what we did and link performance of individuals within the charity to outcomes and outputs for our client base, the carer's of Kent.

Thirdly, we had to devise systems that would show good, academically robust evidence that what we did was producing outcomes (mostly positive) for carer's.

Fourthly, we had to produce a system that allowed us to show commissioners how we could break down individual interventions into unit cost and again link it to outcomes.

All of this was designed with one aim in mind, to give us the Ability to compete successfully in a commissioning market place with other voluntary sector providers and the private sector. To do so we adopted and imitated commercial sector practices and a business sector approach to how we designed and delivered our services. Using good quality marketing and advertisement techniques taken from the professional private sector, good analysis of cost versus outcome, increased productivity, investment in good equipment and technology, investment in a unique selling point (USP) for carers services, namely a life coaching model (we currently have 20 accredited life coaches who provide a different model of carer support based on empowerment of the carer in their role) and professional, properly costed tender management and procurement.

I now turn to your summary paper to make comment from Carers FIRST in Kent & Medway perspective.

KCC Strategic Context

In your summary paper for members it states "the small to medium sized Kent and Medway third sector organisations are at risk from themselves (a reluctance or inability to adapt to the new commission based environment) from their more commercially minded peers and from commercial competitors with the resources and capacity to secure public service contracts-who appear a more reliable option for procurement staff.

Kent based research shows that frontline organisations are ill equipped to play a prominent role in the delivery of public services without significant intervention".

I agree with the description of the problem for third sector organisations, I fundamentally disagree with the solution. We are in a period of an unprecedented squeeze on public sector budgets, not least in the area of Local Authority spending. Therefore organisations like KCC must provide cost effective solutions to how they deliver more for less and maintain services in a time of diminishing resources. To do that both KCC and the organisations who deliver on their behalf must find new, innovative ways of achieving these aspirations.

This is about changing systems to put more resource into delivery instead of management, it is about being more commercially aware and using the techniques of the private and

commercial sector, it is about being consumer led rather than producer led and it is about being professional and efficient in order to put yourself in a position to compete equally rather than complaining the private sector have in built advantages.

Of course, what commissioners and KCC must do is make sure that the commissioning process is a level playing field and the conclusion to the KCC select committee summary paper is absolutely correct. However, third sector organisations also have responsibilities. If they do want to compete in a highly competitive market place for public sector contracts, they must make changes themselves so that the product they are offering to commissioners is one that meets the service specification, one that provides quality, one that is cost effective and one that does provide social value and outcomes to the tax payers of Kent.

Pete Turner
Chief Executive Officer
Carers FIRST in Kent & Medway

27 January 2014

1. Working Connections

Bring commissioners, procurement staff and frontline organisations closer together. Commit to and resource a single, independent point of access to the sector, which actively reduces the distance between strategic partners and frontline service delivery in order to drive joint-working and mutual support.

2. Impact-based Strategic Framework

Develop an authority-wide impact framework, against which deliverers can measure core impacts and value-adding impact. This establishes impact overlaps, complementary social value and a more cohesive and client-focussed delivery of services.

3. Impact-based Commissioning vs Output-based Procurement

A system where experts are told how best to deliver a service by non-experts seems a nonsense and is the product of a lack of quality co-design. The solution – invest in talking directly to us, not via “infrastructure” partners and move away from the misconception that a single voice can represent the diverse and complex sector. This communication does not always need to be face-to-face – modern technology simplifies mass two-way communication and is a cost-effective alternative.

4. Consortium Leaders

Consortium formation and leadership is being mystified within the sector and because of this viable consortia are not being formed; leaving smaller deliverers to be sub-contracted by larger third sector organisations and public service companies, such as Serco, G4S, Avanta, Interserve etc, who provide a practical opportunity for joining a consortium, ie. being sub-contracted by them. The evidence of the London work programme demonstrates that this model of consortium engagement puts small, vulnerable frontline organisations at increased risk of closure due to: crippling cashflow, prime contractor creaming off the low-hanging fruit and frontline organisations being sub-contracted to only work with the hard-to-reach/challenging/vulnerable.

5. Sector Governance

At a time when strategic minds are needed to steer organisations through the challenges of a commission-based landscape a large number of trustees and board members lack basic commercial sensibilities and drive to make a positive impact. Board development and new trustee recruitment are imperatives. Boards are also highly risk averse and place internal limits on the abilities of organisations to undertake more commercial activities.

6. Business Development Capacity

The majority of the sector does not have access to dedicated business development resource. Building capacity in this area is time-consuming, tender submission is time-consuming and daunting. Many smaller organisations are not able to commit the resource to this as meeting the needs of their clients is always their priority.

7. Intra-Sector Networking & Peer Network Development

Insufficient resource allocated to developing the sector’s internal linkages. Infrastructure organisations are putting too little time into sector-led consortium development. Maybe because many of the infrastructure organisations are also frontline deliverers and don’t want to foster competition from their peers.

8. Commission-Specific Capacity Development

In 2012 Suffolk County Council invested £150,000 in supporting its third sector public service deliverers to develop their bid-writing, tender preparation and business development capacity; to increase their chances of securing public service contracts and to equip them with the resources to survive if they failed to secure public service contracts.

9. The Match Funding Myth

Third sector organisations do not automatically have access to funds to supplement the value of under-monetised public service contracts. This dangerous myth (allied to the perception that there are armies of capable volunteers willing to give up significant amounts of time and expertise) must be quashed.

10. Market Intelligence & Ongoing Consultation

A recent online survey asked the simple question, “Does your organisation feel connected to its strategic partners?” Over 70% responded with a “No”. A small number of well-organised sector engagement events throughout the year, supplemented by more frequent online consultation activities will provide valuable insight into community-level intelligence.

11. Social Value built into contracts?

Ensure that public service companies winning contracts collaborate with frontline third sector organisations by including auditable social impact results in each contract.

12. Ethical Leadership

Some smaller organisations will only get involved in the commissioning agenda if they are led into it by a lead organisation they trust and who manages consortia ethically, without competing for delivery, drives up the quality of service delivery, ameliorates financial risk and seeks to build capacity.

In simple terms, commissioning has created a highly competitive marketplace, which a large number of frontline organisations are ill-equipped to break into. As a result KCC is failing to commission or procure from expert, well-established frontline delivery organisations. The simple solution is to create a commissioning process which targets social value and to invest in dedicated infrastructure services which inform, inspire and lead frontline organisations to more-effectively engage with the commissioning agenda.

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From: Crossroads Care East Kent
To: KCC Commissioning and Procurement Select Committee.

Background

Crossroads Care East Kent is a charitable company providing home based practical respite and support for family and friends of someone who is dependent upon them through ill health or disability. Our core service is the provision of a trained member of staff who provides regular replacement care (usually weekly) for the family Carer, thereby enabling them to have some time to themselves away from their caring role. The service does not replace a statutory care package, but care staff will carry out all necessary caring responsibilities, including personal care, during their visits. Our normal activity is provided to approximately 500 different families each week, and West Kent Crossroads Care operates at a similar level.

Last year we merged with the formerly independent charity, Volcare, in order to provide a measure of protection for this small but immensely valuable service, whilst a full review takes place of the overall provision of services for Carers.

In partnership with Macmillan, we also commenced a volunteer service to support people with cancer. This has rapidly developed into a thriving service which has now formed a formal partnership with the 3 Pilgrim's hospices in East Kent, to support people with all life ending conditions, not just cancer.

In partnership with West Kent Crossroads Care, we recently successfully tendered for a Kent wide KCC contract to provide additional support for 400 new Carers; crisis support for Carers, pre bookable replacement care to allow Carers time to attend their own health appointments, and additional support at times of particular difficulties for example, if a Carer needed extra help to care for someone if they are ill themselves, or if they need short term extra support when the person they care for is discharged from hospital.

Issues around commissioning

- Historically protracted consultation periods followed by very short notice tender processes
- Costs incurred consulting with service users to inform specifications.
- Lack of timely information around service specifications i.e. full information not available about service specifications until after expressions of interest have been made. This could lead to hasty decisions being made by staff or Trustees as to whether to apply or not, leading to significant risk of losing good potential applicants.
- Complicated process for new market entrants
- Limited information available at market events, potential for conflict between possible competitors and potential partners
- Very time consuming application process – made more difficult by character word count reducing opportunities to showcase qualities needed to successfully compete. This is often enough to put organisations off applying.
- Entry onto competitive framework has not led to any relevant funding opportunities

Barriers

- 'Encouragement' to work in partnership and the council's desire to contract with fewer providers means in reality that mergers, takeovers, or consortiums are generally the only options for some organisations in order to meet requirements of contracts.
- Lead contractor option needs to have watertight legal contracts with clear accountability for liabilities – again, takes money and time to negotiate and set up
- Process of due diligence may influence or restrict choice of partners and incur legal costs
- Charitable Aims and Objectives, as well as area of benefit are defined by constitution. To close/merge/alter these involves membership decisions and Trustee commitment, all of which takes time and has the potential for conflict and pressure on Trustees.
- Reluctance of existing Trustees to take on additional growth, risk and responsibility for additional or new services
- Organisations need to be resilient and have enough resources and the appropriate skills to support capacity for successful contract delivery
- Lack of VCS experience when pricing for tenders against commercial providers who may be able to support cheaper hourly rates subsidised from other commercial enterprises or trading arms
- TUPE – unknown quantity for many SME's – liabilities may prove too great and discourage applicants. Expert advice to manage TUPE is usually required and costly – volunteer Trustees cannot afford to take responsibility for TUPE staff without this advice.

Risks

- Over diversification of applicant in order to win the contract
- Overstretching resources, lack of capacity issues
- Lack of expertise if applying for more than areas of specialisms – dilution of skills if working on a broader contract
- Over expectations of outcomes during the life of the contract – these may take longer to evidence
- TUPE – if handled incorrectly could prove costly and risk of provider defaulting on contract

General

Of the tender processes we have been involved with to date, two have been quite prescriptive with regards to outputs. This reduces the opportunities to be creative and develop innovative outcome based services that would previously have been available under a grant.

Performance monitoring can be time consuming and counterproductive unless clear and essential outcomes are set at the outset of the contract. Collecting data for the sake of it is an unaffordable price extravagance in competitive commissioning.

Added Social Value

Crossroads has been fortunate to have benefitted from grant funding from Social Services and Health since it first commenced service delivery in Kent and Medway, over 30 years ago. During this time we have successfully applied for additional funding from various charitable organisations and trusts, and received hundreds of donations from individuals over the years bringing many extra thousands of pounds worth of support to Kent's Carers and into the Kent economy

External Witness Biographies – 6th February 2014

External Panel 2: Age UKs in Kent Consortium

6 Age UKs in Kent, covering the whole county, each very different in style, size and operational approach came together through shared values. Age UKs in Kent Consortium relationship was built on trust, openness and a willingness to share. Their core services are for older people, their carers and families.

Age UKs in Kent Consortium deliver:

- Person centred services
- Advocacy on behalf of our older people and their families
- Compassionate, specialist services
- Services driven by local needs
- High quality services

Age UKs in Kent Consortium have a robust Memorandum Of Understanding signed by all six Trustee Boards, a business and marketing plan and has succeeded in winning several contracts from Kent for service delivery, contributing to continued consortium success.

Attending the Select Committee today are:

- Diane Aslett, Development Officer, Age UKs in Kent Consortium, with two Consortium Managers:
 1. Nigel Vian, Chief Executive, Age UK North West Kent &
 2. Gillian Shepherd Coates, Chief Executive, Age UK Sevenoaks and Tonbridge

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Age UK North West Kent witness submission to Kent County Council Commissioning and Procurement Select Committee

Age UK North West Kent is primarily responsible for providing a wide portfolio of services to older people in the two Boroughs of Dartford and Gravesham. Some of our services extend into North Sevenoaks District.

Age UK North West Kent is one of the founding and leading members of the 'Age UKs in Kent Consortium'. The Consortium has already been successful in the last twelve months with recent grant or contract tenders commissioned by KCC.

Previously Age Concerns and now Age UKs have had a long history of association through the annual allocation of Day Opportunities Grants in Kent as well as a range of other service related grants including Professional Advocacy and Assisted Bathing.

Issues to explore

The Process of Commissioning:

Portals

The on-line portals (SE Business and Kent) are not designed for the new emerging consortiums like 'Age UKs in Kent Consortium' and present real technical difficulty in registering appropriately.

Communication

- a) When key commissioner contacts for a particular grant or contract have changed the information on occasions has not been confirmed to stakeholders quickly enough.
- b) In the event of a major problem occurring which may or will place the grant/contract/project at risk then this must be immediately advised in writing to the principal stakeholders with a clear statement of what has happened, why and what any next step will be.
- c) Whilst KCC may be the principle commissioner, where there are third parties involved e.g. Health, that are fundamental to the chain of delivery then it is critical that those third party process stakeholders are advised at the same time as the successful bidder of any changes which impact on the eventual delivery of the service.

Funding commitment

There has been a recent example where funding has been clearly identified at the point of commissioning, only for it to be removed after the whole process of bid submission and win. This can only undermine future confidence for bidders as well as cause them unnecessary frustration, expense and time. There needs to be improved clarity about the status of the funding from the outset, e.g. fully committed, committed but subject to, or allocated but not fully confirmed or similar.

Timescales

At the outset timescales for bid completion are clearly set out with an indication of when the project or service is expected to be implemented. However, there has been a recent example where timelines have been extended by commissioners, with no further explanation and remaining uncertainty. In this case where a particular funding source has suddenly been withdrawn and attempts made to find an alternative have been left open ended. Strategic partners and suppliers need to understand certainty about whether the service will now go ahead as commissioned.

Performance Monitoring

Quite correctly it is expected that spending public money should be held to account, particularly when enabling third party external organisations to deliver the strategic objectives of the commissioning body. The methods involved in delivering performance monitoring and measuring outputs is often majored upon within grant or contract specifications. Whilst much has been made of outcome based commissioning more is needed to identify outcome Key Performance Indicators both on a quantitative and qualitative basis.

Age UK North West Kent welcomes this process of examination and is committed to assisting its strategic partners to improve commissioning throughout the wider Kent market.

Nigel Vian

Chief Executive Age UK North West Kent

6th February 2014

Age UK Sevenoaks and Tonbridge is one of six organisations that make up the Age UKs in Kent Consortium. The consortium was set up in 2013 to bid for county – wide contracts and to deliver consistency of service provision for older people in Kent.

Age UK Sevenoaks and Tonbridge has a long history of delivering day support and other associated services for older people within its area of benefit, funded largely through a KCC grant.

Issues to explore:

- Risk to services for older people
 - Transition from grants to contracts has created a great deal of uncertainty and has, to a degree, stifled innovation and development. Currently we are funded for our building based day support services. If that is lost and we have to vacate premises, we cannot guarantee continuation of services. This has stopped us from investing further until we are sure of a base from which to grow.
- Timing
 - Opportunities are advertised on the portal with very short turnaround times., This puts enormous pressure on staff within small charities who are already working to (and above) capacity. We do not have staff dedicated to writing bids.
- Consistency of commissioning
 - The approach to commissioning has been mixed in our experience. Whilst, we have been pleased to have the opportunity to co –produce what may become an Older People’s core offer, we were disappointed to discover that funding for another opportunity was withdrawn without any dialogue. Having spent time setting up the required partnerships (some with other statutory services), it was then difficult to explain to them that the funding was now not available and that the service could not be delivered.

Age UK Sevenoaks & Tonbridge

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- Cost of setting up consortium
 - In order to be ready to bid for contracts, Age UKs have set up a consortium. This has been onerous and each Age UK has incurred additional costs which may increase depending on whether the consortium in its present form can bid for a contract. We would like to have some clarity about this as soon as possible.

Recommendations

- Communication channels should be open and transparent
- Commissioners need to be clear about what they are commissioning and develop specifications with organisations that work on the front line
- Commissioners should set out a timetable of upcoming contracts or grants
- Commissioners should be mindful that small charities may incur additional costs to become tender ready and that early guidance on appropriate structures would be welcome

Gillian Shepherd Coates
Chief Officer

28.1.2014

Age UKs in Kent Consortium

The Age UKs in Kent Consortium was set up in 2013 to ensure consistency of service provision for older people in Kent.

The founding members are organisations that have delivered high quality services for older people for many years including day support, Information and Advice, bathing, advocacy, befriending and community meals services.

We are committed to working with statutory partners to ensuring that services are of a consistently high quality and centred on our older people's needs and requirements.

Process of commissioning

We have been pleased that commissioners have engaged with us during the last year in an effort to co-produce a county – wide offer for older people. This has involved several meetings and has led to a series of focus groups with our clients and staff to ascertain how older people access services and support. We have all felt that this is a positive way forward for developing services that meet the needs of older people and is to be commended.

However, this has not been matched by the method for advertising interim arrangements for additional support services via the online portal. These "opportunities " appear almost randomly with no prior discussions and the tight deadlines have been a challenge for smaller organisations with lack of capacity.. This has been exacerbated by a lack of communication during the process.

Outcomes

We are also pleased to hear that commissioners are moving towards an outcomes based focus for new contracts but again, the interim "opportunities " do not match this aspiration and are numbers and service based rather than outcomes focussed. It would be good to have some consistency of approach.

One of the consortium members was disappointed that a pre tender quality audit was a paper based exercise rather than an outcomes based audit and felt that this was a missed opportunity.

It would be useful to have an open discussion about how outcomes can be measured to show true value for money for KCC.

Timing

We all understand that KCC has to make some difficult decisions and welcome the opportunities that have been afforded to us to help in this process. We also have some difficult decisions to make and some indication from KCC about timescales would be welcome. Our current grant funding runs till March 2015 and we will need to make staff and clients aware of any changes to employment and services in plenty of time to abide by employment legislation and our moral obligations to our clients.

Diane Aslett

Age UKs in Kent Consortium

29.1.2014

From: Emma Hanson, Head of Strategic Commissioning, Adult Community Support

To: Select Committee, Commissioning and Procurement, 7 February 2014

Subject: **Commissioning for Community Support**

Classification: Unrestricted

Background: The new commissioning structure in Families and Social Care was established in October 2012 with three distinct teams; Children's Commissioning, Adult Community Support and Adult Accommodation Solutions. This report covers the commissioning function for Adult Community Support Services; this portfolio includes all services designed to support and enable people to live as independent as possible lives in their own homes in the community. We commission for the following adult client groups; older people, people with physical disabilities, people with learning disabilities, people with mental health needs, people with autism and people with sensory disabilities. The community support unit is organised into three teams: **Community Support Services; Home Care and Enablement** and **Integrated Commissioning**.

Key Challenges: Ensuring that all services are strategically aligned to KCC Vision and FSCs Transformation Blueprint. Strategically commissioning to end the postcode lottery and ensure that equitable services are available across Kent. Ensuring that we have a firm grip on cost and quality and we develop and embed a culture of performance management with all providers. Developing a better understanding/evidence base regarding return on investment, including how to monitor preventative services for their impact in demand management and prevention. Promoting and supporting collaboration and joint working with providers across sectors to ensure we develop circles of support or networks of supply designed to support independence and reduce crisis situations.

Community Support Services - this team is currently designing a programme to explore and better understand the role that informal community support plays in preventing or delaying the need for statutory services. This will lead us to developing a commissioning strategy for community capacity including a core offer or menu of services to support wellbeing, social inclusion and independence across the county. The core offer will consist of a range of services for each client group developed through co-production principles and built on an understanding of what people need to remain active, well and connected to their communities. All services will be designed to support self-management, enabling people to find their own care and support solutions and prevent or delay the need for statutory assessment and services. For those who do require statutory services, the core offer will offer cost effective alternatives to traditional social care provision, providing increased choice and control.

This is not a programme of voluntary sector transformation rather a programme to ensure the right community based services and support are available across Kent to promote independence and wellbeing, delaying or preventing the need for statutory services. However, in reality most of these services are currently provided by the voluntary sector and predominantly through grant funding (circa £14 million annually). Our aim is to where possible move away from grant funding and secure services via contracts.

Home Care and Enablement - Kent County Council spends £43m on home care with the majority of our provision provided by the private and sector; only enablement provision remaining an in-house provision. We are currently in the process of re-letting all our home care contracts which are ten years old and no longer fit for purpose. Since the contracts were let there has been significant growth in the home care market at the point of going out to tender we were doing business with 147 providers. However, the top twenty providers have 71% market share and 30% of business is supplied by 3 large providers.

Our current commissioning strategy has been designed to rationalise the market in order to gain control of quality and cost. The new contract has a revised service specification with new terms and conditions and a robust performance management framework. Working with fewer providers will ensure that we can more closely monitor care standards and work to develop more innovative and responsive services. The next stage of our commissioning strategy will allow us to move away from time and task orientated home care to outcome focussed support where we incentivise providers to reduced dependence and support recovery and reablement wherever possible.

We will look at breadth of services provided and further develop our thinking about key strategic partners and developing local networks of supply. We will also consider the future commissioning of reablement services into the private sector and jointly commissioning these services with the NHS.

Integrated Commissioning - this team focusses on developing commissioning strategies and plans with all seven of Kent's Clinical Commissioning Groups. Over the last year the team has worked to develop networks and relationships with NHS commissioners and district and borough council commissioners. There are now well established integrated commissioning groups whose focus is on looking for opportunities to jointly commission support services. This developing programme of commissioning will support and underpin Kent's pioneer status and will ensure the Better Care Fund is used to support change across the whole system. The integrated commissioning team also leads on the commissioning of assistive technology and community equipment two key areas for future development and joint investment with the NHS.

Priority is to understand each organisation priorities and where they affect or compliment the other organisations key transformational priorities. A mixture of ensuring Kent wide initiatives such as addressing the implementation of a falls programme to support people to continue to live independently so they do not have to access long term support or a hospital admission as well as addressing local priorities such as supporting rise in health inequalities in some areas. Another priority is identifying where there is duplication to commission jointly and makes most effective use of resources. Challenges are trust and sharing of information, different language meaning the same thing and time required to make it work.

Supporting Providers – the costs of entry into KCC commissioning and procurement exercises are minimal, but it does require skills and expertise in order to understand and respond to tender invitations. We recognise that there is a significant skills gap with some organisations and to this end we are working to develop a business case for joint funding by KCC and local CCG for a Market Development Service. This service will support and work towards improving the abilities of voluntary and community organisations to tender for contracts and where appropriate grants with contract and grant awarding bodies (especially KCC) for the benefit of vulnerable adults in Kent. The overarching outcomes to be reported upon will be: Training and/or mentoring provided to organisations to identify potential funding opportunities, writing competitive bids and completing tendering processes. Networks and collaborations are developed amongst voluntary and community sector organisations working with vulnerable adults and with the business sector and evidence that organisations are helped to develop their professional and business skills.

Use of Social Value Act in all recent commissioning activities we have included stipulations in our evaluation criteria regarding the Social Value Act. We are working with corporate procurement to understand and develop commissioning guidelines, consideration including adopting the Birmingham City approach and having a charter that all contracted providers sign up to.

Co-production is at the heart of the ethos of the community support unit we seek to work with a wide range of stakeholders to understand need and ensure that services are developed to reflect what people need to live independent lives. We work with providers and people using services to develop our commissioning strategies, service specifications and evaluation criteria. In recent commissioning activities people using our services formed part of the evaluation process their perspective being weighted and used as part of overall scoring.

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