

Overview & Scrutiny Committee



SCRUTINY PANEL E

Commissioning Framework for the Voluntary
and Community Sector

March 2011



NORTHAMPTON
BOROUGH COUNCIL

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Foreword

The objective of this Scrutiny Panel was to investigate the development of a Commissioning Framework for the Voluntary and Community Sector.

The Scrutiny Panel was made up of Members of the Scrutiny Committee: myself (Chair of the Scrutiny Panel); Councillors Penny Flavell, Jane Hollis and Judith Lill and three other non-Executives: Councillors Matthew Golby, Tess Scott and Tony Woods. Four co-opted Members, with expertise within this field, were co-opted to the Review: Sandra Bell, Northampton Voluntary and Community Forum, Dominic McLean, Chief Executive, Northampton Volunteer Centre, Victoria Miles, Chief Executive, Northamptonshire Community Foundation and Claudette Wray-Chambers, Commissioning Manager, Northamptonshire County Council.

The Review took place between June 2010 and March 2011.

This Scrutiny Panel has worked to prepare this report in close cooperation with the Voluntary and Community Sector. Various organisations from the sector have gladly given their time to give their evidence to the review. They are detailed below and I thank them for the informative and passionate way they have put their views across to us. Other organisations have both given evidence to the Panel and joined the Panel to help to arrive at the proposals contained in this report. Their knowledge and expertise have proved invaluable and I thank Dominic McClean Chief Executive Northampton Volunteer Centre, Sandra Bell from the Northampton Voluntary and Community Sector Forum and Victoria Miles, Chief Executive, Northamptonshire Community Foundation, for all their help and insights.

The Panel was also fortunate to have the advice and support of Claudette Wray-Chambers Commissioning Manager from Northamptonshire County Council and I thank her for her valuable input and assistance. I hope that this close cooperation between Northampton Borough and Northamptonshire County Councils can be maintained and improved over the coming months and years to the undoubted benefit of the sector.

It is clear that the Voluntary and Community Sector plays a vital role in Northampton in supporting those who, for whatever reason, need our help and support. It gives hundreds, if not thousands, of Northampton people the opportunity work voluntarily and it helps the volunteers to grow in capability and confidence whilst they do so. We recognise their important role and thank them all.

The Councillor role is an important one and the Councils Scrutiny process is a good place for Councillors to make areal difference. I believe that in this report the Panel has done that and I would like to express my sincere appreciation to my fellow Councillors for their work on this Panel.

My final thank you then, is to Thomas Hall, Head of Policy and Community Engagement, and Joe Biskupski, Community Engagement Manager, and to Tracy Tiff, Scrutiny Officer, without whose hard work this Panel would not have been so successful.

I trust that the incoming Cabinet will ensure the continued successful partnership working with the Voluntary and Community Sector and accept and implement the recommendations in the report which will go some way to doing that whilst ensuring that the Council is able to meet its objectives in the way that is most beneficial to the people of Northampton.



A handwritten signature in black ink that reads "D Garlick".

Councillor David Garlick

Chair, Scrutiny Panel E, Commissioning Framework for the Voluntary and Community Sector

Acknowledgements to all those who took part in the Review: -

- Councillors Penny Flavell, Matthew Golby, Jane Hollis, Judith Lill, Tess Scott and Tony Woods who sat with me on this Review
- Sandra Bell, Chair, Northampton Voluntary and Community Sector Forum, Dominc McClean, Chief Executive, Northampton Volunteer Centre, Claudette Wray-Chambers, Commissioning Manager, Northamptonshire County Council and Victoria Miles, Chief Executive, Northamptonshire Community Foundation, for sitting on this Review as Co-opted Members and also for providing evidence to inform the Review
- Thomas Hall, Head of Policy and Community Engagement, for his support to this Review
- Councillor Paul Varnsverry, Portfolio Holder (Community Engagement), Northampton Borough Council (NBC) Councillor David Perkins, Portfolio Holder (Finance), NBC, Garry Pyne, Head of Procurement Services, Northants Area, Francis Fernandes, Borough Solicitor, NBC, Lesley Hamilton, Associateship Director for Partnerships and Relations, NHS Northamptonshire, Pat McCarthy, Associate Director for Programme Delivery for Mental Health and Learning Disability, NHS Northamptonshire, Olive Gray, Afro Caribbean Elders' Society (ACES), Anjona Roy, Chief Executive, NREC for providing expert advice to inform this Review
- Chris Swinn, Treasurer, Northampton Federation of Residents' Association. Sadly, Mr Swinn passed away recently and the Scrutiny Panel recognises the interest that he showed in this Review
- Andrea McAuliffe, Bellinge Community House, Martin Lord, Manager, CAB (Northampton), Ben King, OPEN Northamptonshire and Jeannette of Lesbian Line for providing expert advice to inform this Review

EXECUTIVE SUMMARY

The purpose of the Review was to investigate the development of a Commissioning Framework for the Voluntary and Community Sector.

The Scrutiny Panel investigated the development of an overall Commissioning Framework at a strategic level and did not consider the finer details of such a Framework or its application to particular cases.

The Leader of the Council addressed the Overview and Scrutiny Work Programming event for 2010/2011 and informed non-Executives of the Council's priorities and challenges for the forthcoming year. The establishment of a Commissioning Framework for the Voluntary and Community Sector was recognised as a key priority. This issue was therefore included within the Overview and Scrutiny Work Programme 2010/2011.

A Scrutiny Panel was established comprising Councillor David Garlick (Chair) and Councillors Penny Flavell, Matthew Golby, Jane Hollis, Judith Lill, Dennis Meredith, Tess Scott and Tony Woods. Four co-opted Members, with expertise within this field, were co-opted to the Review: Sandra Bell, Northampton Voluntary and Community Forum, Dominic McLean, Chief Executive, Northampton Volunteer Centre, Victoria Miles, Chief Executive, Northamptonshire Community Foundation, and Claudette Wray-Chambers, Commissioning Manager, Northamptonshire County Council.

The Review commenced in June 2010 and the Scrutiny Panel concluded its work in March 2011.

This Review links to the Council's corporate priorities - Corporate priority 4 (Strong partnerships and engaged communities). The Corporate Plan also prioritises value for money, which a Commissioning Framework should provide.

CONCLUSIONS AND KEY FINDINGS

A significant amount of evidence was heard, details of which are contained in the report. After gathering evidence the Scrutiny Panel established that: -

The Scrutiny Panel acknowledged the need for a Commissioning Framework to be developed to establish the Council's policy and associated standards and procedures when commissioning services or outcomes from voluntary, community and similar organisations. It further concluded that the Commissioning Framework should:

- demonstrate best value for money
- not discriminate against smaller or local organisations
- provide for contracts or other agreements of sufficient length to encourage investment and development, in accordance with the Compact

- where possible support the growth within Northampton of social capital, in the skills, resources and energy of local people
- ensure that accessible and interactive specifications and process are developed collaboratively with the local voluntary and community sector
- ensure that specifications clearly define minimum outcomes and also objectives which support the Council's priorities; definition of outputs may be required if outcomes are not directly measurable
- ensure that specifications are built on a robust evidence base, including using data from Voluntary and Community organisations working in the area, and existing community intelligence such as the Joint Strategic Needs Assessment
- encourage flexibility and innovation in delivery of outcomes, through not being unnecessarily prescriptive about process or mode of delivery
- provide for effective but proportionate performance management, particularly monitoring of outcomes, and adequate resources for this role
- strengthen connections between activities provided directly by the Council and those provided by V and C organisations
- include payment arrangements that fit with V and C organisations' financial situations
- ensure that Commissioners involve and take account of the needs of people including those the protected characteristics i.e. the areas of:
 - Race
 - Disability
 - Gender or Gender Identity/Gender Assignment
 - Pregnancy and Maternity (including breastfeeding)
 - Sexual Orientation
 - Age (including children, youth, midlife and older people)
 - Religion, Faith and Belief
 and of their Human Rights
- Commissioning expertise, knowledge and skills be included within the skills base requirement for the Authority
- encourage and facilitate where appropriate the formation of partnerships and consortia between the Voluntary and Community organisations involved in commissioning as much as possible.

It is anticipated that the bulk of the Council's financial support for the Voluntary and Community Sector will in the future come through commissioned services, adopting this Framework, rather than grants. From the evidence gathered the Scrutiny Panel noted that the key points to delivering a Commissioning Framework are felt to be:-

- Robust evidence base

- Robust performance management
- In advance payments to the Voluntary and Community Sector
- Long term contract subject to performance
- Training and development – exploit partnership opportunities
- Ensure Voluntary and Community Sector representation on decision making groups – need to support and understand who providers are in the potential market
- Be proactive in engaging with the Voluntary and Community Sector
- Reference to the Joint Strategic Needs Assessment (JSNA) for evidence of need and do further needs assessment (involving Voluntary and Community Sector) where necessary

The Scrutiny Panel further recognised that a Commissioning Framework must be measurable and quantifiable. General procurement advice is available but there is a limit on the information available. No resource is available for consultancy work but assistance can be found on the Website for Procurement. Procurement checks applications, help and advice organisations accordingly.

The benefits of a Commissioning Framework will include greater clarity for both parties on the outcomes required, better and more demonstrable value for money, and a closer link between activity and the Council's objectives, leading to improved outcomes for local people. It should also encourage the strengthening of the sector and developing local social capital.

The Scrutiny Panel acknowledged the challenges surrounding the funding of small grants.

The Scrutiny Panel highlighted that Supporting localities – Neighbourhoods Localism would need to form part of the Commissioning Framework. The Council would need to ascertain how it could support organisations in the best possible way.

The Scrutiny Panel recognised that Bellinge Community House as an example of good practice and it being at the centre of the community was important.

The Scrutiny Panel acknowledged that the City of Westminster's approach to commissioning as a whole, whilst not directly related to the VCS, was very beneficial to the evidence base of this Review.

The Council will need to ascertain how it could support organisations in the best possible way.

There is also a need for Cabinet to explore partnerships between the Council and the Voluntary Sector so that the administrative process is improved and there is also improved value for money for local people.

The Scrutiny Panel agreed that the Council's relationship based on grants programme could be improved, but acknowledged that the Council has a good record of working with smaller organisations and would want to build on this. The Scrutiny Panel further recognised the challenges surrounding the funding of small grants.

From the evidence received, the Scrutiny Panel realised that funding for the Voluntary and Community Sector is available through other sources and Groups.

It was recognised that increasing social capital can make a vast difference to the community

Commissioners need to be making themselves more visible to the VCS and actively engaging TSO's in the commissioning process

The Scrutiny Panel concluded that there are two types of questions to be raised on grants and commissioning. The first was grants versus contracts being whether the grant was the right way as opposed to the contractual way. The second was financial, was there a view as to how much money could be dedicated to a partnership form of funding. Therefore, there was a need to decide when a grant is awarded and when appropriate to commission through contractual arrangement. There was also the ability to be more precise about ideal outcomes achieved from the service and there would be less risk attached to what the money is used for. Some organisations might not be able to work in that environment and to go through the full contractual process was not the best way forward for them. To have the guarantee of some small grants available was not to detriment or prioritise.

The Scrutiny Panel agreed that there could be an alternative Organisation to the Council to administer the small grants and the capacity of the Borough Council and the contractor should be taken into account. There would be no point in setting up a process whereby the Charity could spend most of it's time putting in bids for funding.

The Scrutiny Panel realised that it is salient to consider the changing Sector within the town and that decisions could be of benefit to some organisations but to the detriment of others.

The Scrutiny Panel noted that no BME groups had received funding through the current grants process. This issue was referenced within its EIA (Screening) document for a Commissioning Framework.

RECOMMENDATIONS

The above overall findings have formed the basis for the following recommendations: -

The consultation draft of a Commissioning Framework (as attached at Appendix D) for the Voluntary and Community Sector be developed by a Partnership Working Group made up of representatives of the Council, CEFAP, and the Voluntary and Community Sector (VCS).

Cabinet manages the process of change from grants to commissioning, acknowledging that transitional arrangements may be required.

It is ensured that technical and professional advice and support is available to Voluntary and Community organisations to enable them to take a full part in the commissioning process. Advice could be provided through the local Infrastructure Organisation or other organisations supported by Northampton Borough Council (NBC).

The Scrutiny Panel believes that a Small Grants Fund is essential and therefore reminds Cabinet of its decision of 5th August 2009 to introduce a Small Grants Fund.

The Council works with Northamptonshire County Council and other Local Authorities and Health Commissioning bodies to align processes for applications for funding and/or contracts.

Cabinet agrees the requirement to include within the Corporate Service Planning process an obligation to consider opportunities to commission services from the VCS.

In order to identify outcomes to be commissioned, where appropriate, the Council, together with the VCS undertakes an Assessment of Needs.

Expertise, knowledge and skills in commissioning be included within the skills base requirement for the Authority.

Cabinet reaffirms this Council's commitment to the Northamptonshire Compact.

Northampton Borough Council

Overview and Scrutiny

Report of Scrutiny Panel E – Commissioning Framework for the Voluntary and Community Sector

1. Purpose

- 1.1 The purpose of the Scrutiny Panel was to investigate the development of a Commissioning Framework for the Voluntary and Community Sector.

The Scrutiny Panel investigated the development of an overall Commissioning Framework at a strategic level and did not consider the finer details of such a Framework or its application to particular cases.

- 1.2 A copy of the Scope of the Review is attached at Appendix A.

2. Context and Background

- 2.1 At its meeting on 5th August 2009, Cabinet resolved to:

- **Introduce a commissioning system** to procure benefits for the community through the Voluntary and Community Sector, as outlined in the report, commencing in 2010-11 with advice and guidance services and Voluntary and Community Sector infrastructure support services;
- **Introduce a small grants fund**, drawn from the existing grants budget, to be administered on this Council's behalf by the Northamptonshire Community Foundation (subject to agreement of terms by the end of September 2009);
- **Operate an interim grant award scheme** for 2010-11 only, to provide a period for the Council and the Voluntary and Community Sector to prepare for more general commissioning of outcomes from 2011-12;
- **Restrict eligibility to this award scheme to Voluntary and Community Sector organisations**, ensuring that funding for other functions is provided for in other appropriate budgets.

- 2.2 The Leader of the Council addressed the Overview and Scrutiny Work Programming event for 2010/2011 and informed non-Executives of the Council's priorities and challenges for the forthcoming year. The establishment of a Commissioning Framework for the Voluntary and Community Sector was recognised as a key priority. This issue was therefore included within the Overview and Scrutiny Work Programme 2010/2011. The Review commenced in June 2010 and the Scrutiny Panel concluded its work in March 2011.

2.3 A Scrutiny Panel was established comprising Councillor David Garlick (Chair) and Councillors Penny Flavell, Matthew Golby, Jane Hollis, Judith Lill, Dennis Meredith, Tess Scott and Tony Woods. Four co-opted Members, with expertise within this field, were co-opted to the Review: Sandra Bell, Northampton Voluntary and Community Forum, Dominic McLean, Chief Executive, Northampton Volunteer Centre, Victoria Miles, Chief Executive, Northamptonshire Community Foundation and Claudette Wray-Chambers, Commissioning Manager, Northamptonshire County Council.

2.4 The Scrutiny Panel agreed that the following needed to be investigated and linked to the realisation of the Council's corporate priorities:

- Data from other (best practice) Local Authorities
- Published Guidance
- Evidence from internal Officers
- Evidence from appropriate external witnesses
- Evidence from partners
- Evidence from the Voluntary and Community Sector overarching body
- Site visits and desktop research

2.5 This Review links to the Council's corporate priorities - Corporate priority 4 (Strong partnerships and engaged communities). The Corporate Plan also prioritises value for money, which a Commissioning Framework should provide.

2.6 At an early stage within the Review process the Scrutiny Panel agreed its definition of commissioning :-

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

"This involves the Council and the Voluntary and Community Sector working together in an open, transparent, mutually respectful and honest manner to reach agreement on the delivery of services. This method of commissioning is meant to ensure that both the council and the provider have a clear understanding and joint ownership of the services delivered to the users, mutual respect for each other and contracts that are driven by the performance of both parties."

3. Evidence Collection

3.1 In scoping this Review it was decided that evidence would be collected from a variety of sources:

3.2 Head of Policy and Community Engagement

3.2.1 The Head of Policy and Community Engagement provided baseline data:

3.2.1.1 Key points:-

- The resolution of Cabinet of 5th August 2009 (paragraph 2.1 above refers).
- Joint preparation, with the Portfolio Holder (Community Engagement), of the response to the Scrutiny Panel's core questions. (paragraph 3.4.2.1 refers).

3.3. Best Practice – Other Local Authorities and organisations

3.3.1 Desktop research was carried out and the following information received:-

3.3.2 Birmingham City Council

- 3.3.2.1 The Audit Commission reports that Birmingham City Council has modernised its partnership arrangements with the local Voluntary and Community Sector as the Council recognised that relationships were poor, it did not obtain full value for money from its grant aid and funding was geared to legacy arrangements, breaching the principles of fairness, equality and transparency.
- 3.3.2.2 The change programme also sought to align the activities of the funded Voluntary and Community Sector more closely to Birmingham City Council's corporate priorities. It was reported that the move to a Voluntary and Community Sector commissioning framework has generally worked well, winning the Council Beacon status for the programme. The reform proved more complex, more expensive and required more time than anticipated.
- 3.3.2.3 Birmingham embarked upon a comprehensive corporate transformation project, which included the creation of a new system of contract management. The move to a new system of Voluntary and Community Sector commissioning is one part of the wider Strategy of transformation.
- 3.3.2.4 Birmingham City Council agreed to implement a Voluntary and Community Sector Commissioning Framework between 2004/05 and 2006/07 (Link: <http://www.birmingham.gov.uk/cs/Satellite?c=Page&childpagename=External-Funding%2FPageLayout&cid=1223092565973&pagename=BCC%2FCommon%2FWrapper%2FWrapper>) in place of its traditional grant aid arrangements. Established grant aid programmes were phased out, backed by transitional support. The Council planned to have the new system in place across the authority in time for the 2007/08 financial year. Each directorate had to set clear and precise departmental objectives of where the Voluntary and Community Sector groups could add value, formulating prospectuses through which Voluntary and Community Sector organisations would bid for financial support. Departmental objectives had to fit within the framework of overall corporate objectives, as laid down in the annual Council Plan. Those groups that best demonstrated their ability to fulfil the tender obligations were chosen for financial support. Directorate Panels assessed all tenders. The Panels included representatives of the Voluntary and Community Sector, some from outside Birmingham.
- 3.3.2.5 Birmingham's Voluntary and Community Sector was fully involved in the planning and implementation stages of the reforms, with a senior official – BVSC's head of external relations and contracting – seconded one day a week to the Council for the duration of the programme of change.

- 3.3.2.6 The Audit Commission advises that the focus of funding and service agreements has become firmly on the services to be provided, on the locations where these are provided and on the Council's service targets. This has moved service delivery on to council priorities, rather than the demographic membership profiles of groups who have obtained grant funding.
- 3.3.2.7 According to assessors of Birmingham City Council's successful bid for Beacon status for the project, it is reported that *'There is no doubt that considerable trust, the most important ingredient, has now been built-up between the Council and key Voluntary and Community Sector bodies and that the direction of travel is well set.'*
- 3.3.2.8 Birmingham City Council became a Beacon Council for 2007/08 for 'increasing Voluntary and Community Sector service delivery'. The Improvement and Development Agency graded the Council's application as 'excellent'. Assessors praised the enthusiasm of those involved from the Council and the Voluntary and Community Sector, their commitment to work together to improve services and highlighted strong, motivational leadership on Voluntary and Community Sector issues at all levels of the Council.
- 3.3.2.9 The Council was commended in the 2007 Municipal Journal Achievement Awards for 'Innovating with the Voluntary and Community Sector', and received the Centre for Social Justice Local Authority Award in June 2007 for 'outstanding partnerships with local voluntary organisations'. Birmingham City Council was also given a gold commendation in the 2006 Compact awards.

3.3.3 Tower Hamlets

- 3.3.3.1 The Local Government Improvement and Development (previously known as the IDeA) published in 2006 that in 2000 the London Borough of Tower Hamlets recognised that Voluntary and Community organisations (VCOs) play an important role in delivering mainstream services. VCOs have a long history of engaging with local people and communities in ways others cannot. This recognition was also driven by emerging government policy and initiatives such as the Treasury's 'Cross Cutting Review', and the Home Office's *'Think smart...think voluntary sector!'*
- 3.3.3.2 It is reported that the borough also has a complex community structure and the Voluntary and Community Sector in Tower Hamlets provides an important platform for the borough's capacity to deliver those targets.
- 3.3.3.3 In Tower Hamlets the Voluntary and Community Sector has become deeply embedded in community development and delivery and therefore there is no need to justify its participation. It is reported that this means the borough's approach to formalising partnership working in mainstream services is quite ordinary.
- 3.3.3.4 The Council first formalised its VCO Commissioning Strategy in 2002 ([Link: http://moderngov.towerhamlets.gov.uk/Data/Cabinet/20051005/Agenda/\\$Commissioning%20Principles%20and%20Framework%20Appx%201_CAB_051005_AT.doc](http://moderngov.towerhamlets.gov.uk/Data/Cabinet/20051005/Agenda/$Commissioning%20Principles%20and%20Framework%20Appx%201_CAB_051005_AT.doc).) It then reviewed it in 2004-05, working with Local Government Improvement and Development (then known as the IDeA) to get an external perspective. VCOs were also consulted as part of the review

process. The current version is both comprehensive and extensive. It strives to facilitate Voluntary and Community Sector engagement wherever valid and practicable.

- 3.3.3.5 Tower Hamlets' *'Voluntary and Community Sector Commissioning Code of Practice'* states that the Sector has equal status as a service delivery player. Services are commissioned on the basis of need, effectiveness and fit-for-purpose. It is not a question of getting services on the cheap.
- 3.3.3.6 Tower Hamlets comments that engaging the Voluntary and Community Sector in a 'grown-up' relationship such as this gives it the opportunity to maximise its aspirations. One consequence of this approach has been a commitment by VCOs to develop their own capacity. They have underpinned this by developing a locally initiated Kitemark. This helps to recognise their status in Council-wide governance and management.
- 3.3.3.7 The Council recognises that it may take time to accept local VCOs as deliverers of services on an equal footing with other providers. The Council feels that this is especially true when the service in question is outside what many consider their 'traditional areas'. It may be necessary to reassure some local authority commissioning officers.
- 3.3.3.8 The Council feels that it is necessary to focus on what VCOs can deliver to the same standards and value for money criteria as other providers. VCOs should not seek 'special case' status. It comments that they must compete equally with other providers from the public or private sectors. Then they can genuinely be considered for any appropriate contract. It therefore highlights that it is essential to recognise the opportunities that Government Policy present for Voluntary and Community Sector engagement. Not engaging with the VCOs could ultimately threaten services. It is reported that Tower Hamlets' councillors recognised this and that was critical to progress made. It is further recognised that buy-in from senior management is also essential to making it work.
- 3.3.3.9 The main priority for Tower Hamlets is reported as to continue to include the Voluntary and Community Sector as a fully equal partner in commissioning services across the board. Implementing the code of practice throughout the borough's directorates will bring about real engagement and increase confidence in the Voluntary and Community Sector as a quality service provider.

3.3.4 London Borough of Hackney - Team Hackney

- 3.3.4.1 Team Hackney has put together a draft Commissioning Framework commenting that it proposes a consistent set of good practice principles and approaches for commissioning of the Voluntary and Community Sector, to be adopted by all Team Hackney partner organisations who commission services. The Framework sets out the actions which will be required by all commissioners in order to achieve improvements and greater consistency, whilst reducing transaction costs and avoiding duplication. These actions necessarily extend beyond the scope of Voluntary and Community Sector commissioning.
- 3.3.4.2 The Framework has been developed with commissioners from partner

organisations in Hackney and the Voluntary and Community Sector, and has been led by Partnerships, the division within Hackney Council, which supports Team Hackney and partnerships with the Voluntary and Community Sector.

3.3.4.3 It is reported that the ultimate aim of the Framework is to ensure better outcomes for local people, through more effective commissioning.

3.3.4.4 Key recommendations consist of:

- The formalisation of a local commissioners network which will share resources, practices, commissioning plans and information about commissioned provision
- To commit to using a shared evidence base for local commissioning
- To identify opportunities for commissioning together or aligning commissioning more closely to avoid duplication and maximise resources
- To develop a more consistent approach to working with the Voluntary and Community Sector, and with the Voluntary and Community Sector networks which support and represent the structure
- To develop good practice for setting user centred outcomes from commissioning

3.3.4.5 The Hackney Compact is a written agreement between the public and Voluntary and Community Sectors and other non-profit organisations (Link: http://www.teamhackney.org/strategic_commissioning_framework_feb_2008.pdf). The reported purpose of which is to work together for the benefit of local people. It was launched in January 2009 and has been signed by all lead Voluntary and Community Sector organisations and Team Hackney partners including the Council, Learning Trust, Primary Care Trust, Metropolitan Police, Hackney Council for Voluntary Service (HCVS), Community Empowerment Network and LinkUp.

3.3.4.6 The Compact Principles in relation to funding are to:

- Ensure funding regimes support a strong, sustainable and 'fit for purpose' Voluntary and Community Sector.
- Enables local Voluntary and Community Sector organisations to play a key role in meeting Hackney's *Sustainable Community Strategy* objectives.
- Invests in the development of a strong and sustainable Voluntary and Community Sector that attracts additional funding into Hackney from a range of sources

3.3.4.7 In March 2009 the Council won Beacon Council status for the Team Hackney Strategic Commissioning Framework. The strengths which were acknowledged included ones relating to the Voluntary and Community Sector:

- Inclusive, participatory partnership working
- Engagement and empowerment of local communities through the Voluntary and Community Sector

- Effective training and support to ensure widespread understanding

3.3.4.8 Since April 2009 Team Hackney has worked with commissioners locally to develop the Strategy. The Office of the Voluntary and Community Sector leads a National Programme for Voluntary and Community Sector Commissioning, and this work has been informed by the eight good practice principles, which underpin this programme. Team Hackney has engaged with a number of commissioners and procurement managers through workshops and structured interviews

3.3.5 City of Westminster – Commissioning and Procurement

3.3.5.1 The City of Westminster’s approach to commissioning as a whole covers all forms of providers, not just the VCO; but is still relevant to inform the work of this Panel.

3.3.5.2 The Audit Commission published on 17th December 2009 that commissioning and procurement is highly developed at Westminster City Council, supported by effective and innovative systems and processes. More than half of the Council's expenditure is externalised. The Council is proactive in identifying new ways of delivering services to improve customer experience and to help secure efficiencies.

3.3.5.3 It goes on to advise that the Council and its partners have received the Beacon award for Strategic Commissioning. It is reported that this award shows how Westminster is improving outcomes by working across organisations to procure and deliver more joined up, tailored and responsible services and to pursue better value for money for residents, delivering a healthier Westminster.

3.3.5.4 The Audit Commission states that the Council's re-let Strategy for waste collection, recycling and the street cleansing service contract is also an example of innovative strategic commissioning. The re-let Strategy is for a £35 million per annum, 365 day high profile service. It shows:

- a clear vision
- expected outcomes
- expected improvements through service design
- an understanding of the supply market
- an example of the evaluation of procurement options

3.3.5.5 The Audit Commission comments that the Strategy highlights:

- the procurement Strategy to be used to meet the current financial remit
- alignment of service delivery with the neighbourhood agenda
- consideration of the environmental impact of the services delivered

3.3.5.5 The Audit Commission report goes on to state that there is a robust commissioning partnership between NHS Westminster and Westminster City Council. This partnership, which developed from the Council signing an S75

Commissioning Agreement, maximises the use of Health Act flexibilities to improve outcomes under the health and wellbeing agenda.

3.3.6 Voluntary and Community Sector Commissioning Toolkit – Blackburn and Darwen

- 3.3.6.1 Child Action North West (CANW) has produced a Commissioning Toolkit that was piloted by Blackburn with Darwen Borough Council Children’s Services. (Link: www.commissioningsupport.org.uk/idoc.ashx?docid=3d4b6570..)
- 3.3.6.2 Blackburn with Darwen Council, the CVS, CANW Solutions (a public interest not-for-profit company working with disadvantaged young people) and Voluntary Organisations working in the areas of disabilities, ethnic minorities, homelessness, early years and faith have been involved in piloting a Voluntary and Community Sector Commissioning Toolkit. The organisations then feed back to CANW. It is reported that generally feedback had been very good with some changes made to the language and activities in the Toolkit based on this feedback.
- 3.3.6.3 CANW reports to have a dynamic approach to promoting best practice, positive outcomes and positive life changing experiences to encourage and support children and young people to reach their full potential.
- 3.3.6.4 The Commissioning Toolkit sets out to improve commissioning practices by enabling commissioners to know what small organisations are capable of and it aims to help Voluntary and Community Sector Organisations to identify strengths and weaknesses in their organisation.
- 3.3.6.5 The Toolkit comprises seven modules and it aims to extract robust information from organisations on their governance arrangements, business planning, staff policies, outcomes monitoring and so on to enable commissioners to make comparisons between organisations more easily and effectively. At the same time the toolkit aims to help small organisations with their internal development as a product of completing these modules and developing a series of action plans aimed at improvement.
- 3.3.6.6 The seven modules of the Toolkit are completed by the Voluntary and Community Sector Organisation:
- **Governance and legal arrangements** – The organisation’s constitution, how it follows best practice and how it meets guidelines laid down by the National Council for Voluntary Organisations
 - **Business planning** – The business planning process is simplified by exploring four key concepts: objectives; resources; finance, outcomes
 - **Marketing** – Understanding your target group and how to get the best from your marketing plan
 - **Finance** - Budget planning, security, cash flow and revenue forecasts
 - **Staffing** – Ensures all the necessary staff policies, procedures, statutory requirements and training provisions are in place
 - **Outcomes** - Shows commissioners what the commissioned organisation would be accountable for and how this would be monitored

- **The Evidence Portfolio** - This brings together all the preceding sections into a portfolio to be received by the commissioner.

3.4 Core Questions – Key Witnesses

3.4.1 The Scrutiny Panel produced a set of core questions that it put to key witnesses over a series of witnesses, copy attached at Appendix B.

3.4.2 Key witnesses provided a response to the Scrutiny Panel’s core questions at the meeting held on 8th September 2010:

3.4.2.1 Portfolio Holder (Community Engagement), Northampton Borough Council

3.4.2.1.1 Key points of evidence:-

3.4.2.1.2 A successful Framework could deliver:

- Better outcomes for local people
- Council and VCS working together for shared goals
- Opportunities for VCS to get involved in new areas of service delivery
- Clearer link between what is commissioned and the Council’s priorities
- More clarity about use of public money, and the value gained from it
- Easier for the VCS to understand how – and on what – it can work with the Council
- Better response to public need, by using VCS’ knowledge

3.4.1.3 Potential barriers:

- Lack of imagination or perception of possibilities presented by VCS in services traditionally ‘in house’
- Lack of experience in the Council of commissioning services
- VCS may not be geared up to respond to opportunities
- Fear from VCS that their ethos will be undermined by a purely commercial approach
- Will procurement rules and legislation encourage development of the VCS?

3.4.2.1.4 To ensure that a Commissioning Framework is fair and accessible to all sectors of the community :

- Try to create process that doesn’t mean that only the biggest, most established VCS organisations can succeed
- Allow for consortia of smaller (perhaps more specialised) organisations
- Consult and communicate with diverse VCS and representatives of communities

3.4.2.1.5 In order to help the Voluntary and Community Sector (VCS) to be in a position to respond to commissioning, the Council can:

- Continuous dialogue in developing the framework
 - Procurement rules and procedures drafted with VCS in mind and with their input
 - Dialogue in developing particular service specifications
 - Adequate timescales – e.g. forming consortia takes time
 - Support for training in the commissioning and outcome-based approach (such as through LIO)
- 3.4.2.1.6 Other potential opportunities for the VCS to bid for funding:-
- Community Foundation
 - Other local public bodies – NCC, NHS-N etc
 - National funders e.g. Lottery
- 3.4.2.1.7 Assistance that is already available for the VCS and further assistance that is required and planned:-
- Support through the Local Infrastructure Organisation, funded by NBC – best to get their response for details
 - Support from national VCS bodies
 - NVCS Forum provides opportunity to discuss and share issues
- 3.4.2.1.8 Joint Strategic Needs Assessment (JSNA) could be informed and the VCS add input to this:
- The JSNA focuses on health and wellbeing currently
 - Many VCS organisations work closely with clients and populations with specific health and wellbeing needs (e.g. NBC funds Autism Concern) – these organisations should be good source of intelligence about need
 - Would need to develop processes for gathering, sharing and reporting this intelligence
- 3.4.2.1.9 A Commissioning Framework can recognise and encourage added value and benefits from working with the VCS as:
- It helps to make the link between outcomes (results) and spend much clearer, so demonstrate value for money
 - It is desirable for more people to get involved with VCS as part of civil society - encouraging and promoting the sector will help to 'market' this involvement
 - The Council will benefit from closer relationship with VCS as 'critical friends' in improving services generally
- 3.4.2.1.10 A Commissioning Framework to allow for choice and innovation should be designed to encompass:
- The ability to innovate, and to respond rapidly to emerging needs and opportunities, should be a key benefit of working with the VCS
 - Base specifications as far as possible on outcomes rather than describing detailed processes

- Recognise and allow organisations to benefit financially from their own efficiency efforts
- Allow for risk assessment of innovative approaches, but don't rule out everything that carries some risk

3.4.2.1.11 Possible opportunities that are available for partnership working, such as the pooling of resources and combining services:

- The 'statutory' agencies should work together to avoid duplication; this should include pooling resources for commissioning common outcomes
- Examples might include advice and information services; support for particular areas or communities
- VCS organisations should be encouraged to work together as well, with LIO supporting them
- Council may be able to offer 'in kind' support e.g. accommodation

3.4.2.1.12 It is appropriate to set up a grant as opposed to a Commissioning Framework:

- One factor would be the number of organisations with the potential to deliver the outcome – if there's only one a grant may be more appropriate
- Grants may be more appropriate to support organisations with a general remit to address the needs of a particular group, as these needs may vary over time
- One-off projects
- Grants can be included within the overall framework – the contrast is really between a grant and a contract

3.4.2.1.13 The needs that Northampton Borough Council wants to meet:

- As expressed in the Council's Corporate Plan:
 - Safer, cleaner, greener communities
 - Improved homes, health and well-being
 - A confident, ambitious and successful Northampton
 - Strong partnerships and engaged communities
 - An efficient, well-managed organisation
- There is a general responsibility for the well-being of local people which implies that the Council is interested in the whole range of health, education, employment etc issues locally even where these are not its statutory responsibility. This is where working closely with other funders will help to give clarity over who is addressing which issues and hence funding them

3.4.2.1.14 The needs of the community are reflected in the Council's Corporate priorities and there are other needs which are expressed by other Agencies, in for example. health and education

3.4.2.1.15 The Council's CEFAP process awarded grants of £550,000 to 17 community organisations in 2010. The Council has also introduced other changes to support the Voluntary and Community Sector's financial planning; not least setting the end of the funding year as June.

- 3.4.2.1.16 The VCS has ably demonstrated its capability and capacity to deliver high standards of services in a wide range of areas, with the benefit of specialist expertises which local authorities would be hard pushed to match. Like Local Government, the VCS is expected to face tough financial challenges as a result of the Comprehensive Spending Review. The Council wishes to support the VCS as best it can within the constraints and limitations which might exist.
- 3.4.2.1.17 Further development and enhancement of partnership working arrangements between the Council and the VCS could enable services to be delivered in a way that ensures the needs of the community are met, whilst delivering best value against a backcloth of tighter budgets.
- 3.4.2.1.18 The Portfolio Holder had been present at meetings where representatives of the voluntary community sector had been critical of how other local authorities have introduced commissioning. Input from other witnesses to the panel's work will help this council to avoid the pitfalls experienced by others.
- 3.4.2.1.19 Discussions between the Council and VCS organisations should identify a mutually acceptable and sustainable approach to delivery of outcomes.
- 3.4.2.1.20 Commissioning is merely one approach the Council might take in respect of funding the Voluntary and Community Sector. There may be circumstances where grant funding is more appropriate; for example, for one-off community projects.
- 3.4.2.1.21 Neighbourhood management would have a role in respect of a small Grants fund, such as, the Neighbourhood Co-ordinators could explore funding opportunities with local community groups.
- 3.4.2.1.22 The Council has a good record of working with smaller organisations and would want to build on this.

3.4.3 Portfolio Holder (Finance), Northampton Borough Council

- 3.4.3.1 The Portfolio Holder (Finance) attended the meeting on 8th September 2010. Key points of evidence:
- Over the last ten years there had been an increase in public sector spending and the Coalition Government had resolved to eliminate this by 2015, which would have an impact on funding. Last year the CEFAP budget had been maintained at £600,000. There is no lack of desire or willingness of the Administration to support the Voluntary Sector. It was emphasised, however, that the Council would not know the effects on budgets until after the Comprehensive Spending Review.
 - Funding is available through other sources and Groups.

3.4.4 Head of Procurement Services, Northants Area

- 3.4.4.1 The Head of Procurement Services, Northants Area, attended the meeting on 8th September 2010. Key points of evidence:-

3.4.4.2 A successful Framework could deliver:

Economic Benefits:

Skills of local workforce keep pace with growth in economy

- Create more and better jobs
- Promote fair trade; reduce exploitation
- Local jobs for local people
- Real employment opportunities for all the community
- Less dependency on support services and benefits
- Create a culture of valuing employees and supporting training needs
- Offer affordable housing to retain existing and attract new talent

Communication and information networks use new technology

- Better communication network
- Integrated flexible working to allow people to maximise their contribution

Good support for existing businesses and inward investment

- Better use of local assets
- DTI initiatives
- Increase tourism by offering better recreational facilities
- Highways and area development: regeneration
- Diversify the Supplier base
- Encourage SMEs to become successful to drive the economy locally
- Use of best value and whole life costing
- Reduce crime

Social Benefits

People from all backgrounds contribute to the community

- Supporting people with learning disabilities
- Better employment opportunities for all
- Support diverse groups
- Provide education and training
- Ensure correct accessibility for the disabled
- Affordable housing

All communities are confidently engaged

- Activities for older people
- Better access to proper health care and community services
- Promote and support stimulation of all community members, including employees!
- Reduce isolation and promote independence
- Support local parks, green-spaces and regeneration projects
- Dietary advice

- Support those with drug and alcohol concerns
- Support those with mental health concerns, infirmities and disabilities
- Promote the community
- Promote safety awareness and reduce crime
- Promote healthier lifestyles
- Reduce unplanned teenage pregnancies
- Better housing and living areas
- Family support
- Promote education at all levels
- Maximise 16-18 year old employment opportunities Develop and enhance leisure facilities
- Promote voluntary sector
- Regeneration

People feel safe

- Proper care for children
- Reduce the fear of crime through awareness
- Reduce crime through neighbourhood watch and active participation in forums

Environmental Benefits

Balance growth with sustainable development sensitively

- Greater use of sustainable and bio-fuels
- Reduce carbon footprint
- Penalise landfill creating projects

Use energy carefully and minimise waste, recycling when possible

- Reduce waste and better waste management
- Greater use of recyclable materials
- Reduce transportation
- Bring and take days to reduce landfill
- Park and ride
- Car share
- Improve public transport links
- Reduce pollutants
- Reduce emissions from manufacturing
- Green specification (including energy saving) for capital projects
- Be more energy aware and efficient
- Invest in research
- Specify sustainable materials
- Re-use demolition waste
- Housing close to place of work
- Reduce packaging

Cherish the urban and rural fabric of the County!

- Develop local parks, woodlands and green-spaces
- Improve roads and highways

- Allotment projects
- Brown field site use

3.4.4.3 To ensure that a Commissioning Framework is fair and accessible to all sectors of the community there is a need for:

- Principles of Openness and Transparency (Refer to EC Communicative Interpretation attached)
- Make planning and sharing of that planning information a priority
- Use widely accessible forms of communication such as web
- Use contacts at Voluntary and Community Sector support organisations, e.g. SEEM, Northamptonshire Co-operative Development Agency
- Abide by the agreements laid out in the “Compact”
- Publish in full grant or procurement selection criteria

3.4.4.4 In order to hold the VCS to be in a position to respond to commissioning, the Council can:

- Use Source Northamptonshire to advertise forthcoming opportunities
- Publish Forward Plan and Recurring Opportunities
- Hold Voluntary and Community Sector workshops for particular opportunities
- Train its own staff how to commission

3.4.4.5 The issues in respect of VCS being able to respond are:

- Ability to demonstrate Financial stability, Previous experience, Referees, Policies for Quality, Sustainability, Equality and Health & Safety in a formal situation

3.4.4.6 The assistance that is already available for VCS, what is required and planned:

- The website: www.specification-writing.info
- NBC procurement website forward plan, recurring contracts, source Northamptonshire (not great quality though)
- Support organisations and consultants like Mutual Advantage or Tenders UK
- Northampton Borough Council is working with Northamptonshire County Council together with the Sector. About 50 groups have expressed an interest in training. It is anticipated that training will start in the autumn 2010
- General procurement advice is on hand but there is a limit on the information available.

- 3.4.4.7 A Community Framework can recognise and encourage added value and benefits by including relevant CBs in published weighted evaluation criteria and measure CBs as part of contract management KPIs, record on www.supplymycouncil.org
- 3.4.4.8 How do you design the Commissioning Framework should be designed to allow for choice and innovation by using open and transparent evaluation criteria, request particular CBs in the specification
- 3.4.4.9 A Grant process and a Commissioning Framework should be applied when:
- Grant** - where no specific of outcomes is laid down by the granting organisation, the bidder is invited to put forward a proposal of outcomes in an application form
- Commissioning Framework** - where outcomes or outputs will be specified by the commissioner and measured throughout the life of the framework.
- 3.4.4.10 The needs that NBC wants to meet are local employment and use of Small and Medium Enterprises (SMEs) and the VCS. A contract cannot be awarded specifically due to locality but it can specify that staff are employed via the Local Job Seekers List. It has to be relevant to the requirement.
- 3.4.4.11 The communities' needs are more than a one year bidding pattern for commissioning frameworks

3.4.5 Borough Solicitor, Northampton Borough Council

- 3.4.5.1 The Borough Solicitor, Northampton Borough Council, provided written evidence to the Scrutiny Panel. Key points:
- The "Framework" needs to:
 - be clearly defined together with the objectives, outputs and outcomes;
 - Complement, reinforce and develop the programme for core service delivery of services;
 - ensure it delivers the Council's key priorities and policies;
 - identify funding (subsidies) that are potentially outside the framework, e.g. Northampton Theatres Trust etc
 - An appropriate compliant procurement process will require implementing. It will need to be open, provide value for money and ensure fair competition.

- Consideration will need to be given to the value of any arrangements/contracts under the proposed commissioning framework, together with the applicability of the EU Procurement Regulations and the Council's Contract Procedure Rules.
- Dependant upon the anticipated value of any prospective service, in considering the application of the EU Procurement Regulations, the Council will need to be mindful of the general provisions for the Treaties of the EU where local authorities are under a general obligation to ensure that contracts are awarded in an open manner and that the principles of transparency and non-discrimination may require out-of-scope and below threshold procurements to be advertised in accordance with the EU requirement to avoid any challenges.
- The County Council and other Authorities are going/have been through this process and a follow up/debrief from these authorities would assist in providing an informed view of the process to be implemented by the Council.
- From a legal perspective, consulting, advertising and promoting in appropriate forums, ensuring the evaluation criteria is capable of delivering the detailed requirements of the Council generally to its users/citizens of Northampton.
- Provide a briefing of the process with detailed instructions for tendering to assist the VCS in formulating bids.
- A Commissioning Framework is likely to be a new approach to "funding" for most VCS with little or no experience in formal tendering. They will understand the detailed requirements and needs of users; they will need to be encouraged to exploit this knowledge and develop capacity.
- Clear, detailed instructions will be required to ensure a compliant tender is submitted with all the key information requested which may be more comprehensive than previously experienced.
- Consideration needs to be given to how invitation to tender will be structured in order to facilitate the participation of small organisations.
- The process needs to encourage innovation and added value. The process is not just about applying for a grant; it should require and be flexible enough to allow the VCS to explain how they will meet service/policy outputs and deliver outcomes, and provide for monitoring/measurement of the services.

- By providing relevant evaluation criteria and flexibility for variation under the terms of any arrangement/contract.
- Partnership working, such as pooling of resources and combining services should be actively encouraged and can be specifically provided for in any tendering process. Opening the process up to the market may mean that the Council will receive interest from different types of organisations and specialisms may need to be pooled, with a lead organisation representing the consortia or a larger organisation and in effect sub-contract to smaller organisations.
- Where they are direct subsidies, such as, Northampton Theatres Trust, these may be subject to different terms. This may require looking at individual cases.
- Compliance with the procurement process meeting local needs, i.e. services, employment, and delivery of service requirements for the Council and users/citizens of Northampton.

3.4.6 Chief Executive, Northampton Volunteering Centre

3.4.6.1 The Chief Executive, Northampton Volunteering Centre, provided evidence to the meeting of the Scrutiny Panel held on 8 September 2010. Key points:

3.4.6.2 Beneficial outcomes that a successful Framework could deliver:

- Improved consistency and transparency in the awarding of grants to TSO's
- Greater clarity of what NBC expects from the VCS
- Improved link - up between NBC corporate priorities and services delivered by the VCS
- Increased accountability
- Consistent and clear reporting systems
- For TSO's specifically it would significantly improve their capacity to forward plan
- Considerably improved relationships between NBC and VCS
- A Commissioning Framework must be measurable and quantifiable.

3.4.6.3 Barriers that need to be overcome in order to deliver a successful Framework:

- TSO's to be systematically involved in commissioning process, i.e. in needs assessment, priority setting and service design.
- NBC to commit to full Compact compliance, both in spirit and letter
- NBC to commit to Full Cost Recovery

3.4.6.4 To ensure that a Commissioning Framework is fair and accessible to all sectors of the community there is a need to:

- Involve TSO's in designing the Framework
 - TSO's to be systematically involved in commissioning process, i.e. in needs assessment, priority setting and service design.
- 3.4.6.5 The Council can help the VCS to be in a position to respond to commissioning by:
- Providing comprehensive and low-cost / free training on commissioning and procurement
 - Commissioners making themselves actively available by convening workshops / meetings to feed into needs analysis of the sector, priority setting and service design
- 3.4.6.6 LIO's currently provide funding advice to Voluntary and Community Sector groups and organisations.
- 3.4.6.7 The levels of capacity that the VCS has in relation to commissioning is varied. Some of the larger organisations in the county are up to speed and have previously put in bids and some have been successful. Many are too small to be bidding on their own and need to be encouraged either to form consortia or to put themselves forward as sub-contractors for specific parts of service delivery.
- 3.4.6.8 The issues in respect of the VCS being able to respond to a Commissioning Framework are a lack of clarity regarding local commissioning guidelines and procedures. The Sector would benefit from commissioners being much clearer about the process and increasing their profile within the Sector.
- 3.4.6.9 Some training has occurred for TSO's to become commissioning ready. Commissioners need to be making themselves more visible to the VCS and actively engaging TSO's in the commissioning process.
- 3.4.6.10 Added value, particularly concerning local specialised need is an area in which the VCS shows itself at significant advantage. The Commissioning Framework should include this as a key area.
- 3.4.6.11 There is much scope for partnership working, such as the pooling of resources and combining services within the sector, and this needs to be actively encouraged by commissioners.
- 3.4.6.12 The organisations that are going to be in the most need in terms of assistance are not going to be the small ones as they have other sources of funding but larger organisations that provide services to the communities. Communities in areas of deprivation do not have the capacity to go through the commissioning process.
- 3.4.6.13 There are lots of Groups that obtain funding from various sources and he suggested that it would be advisable to ask Groups how else they could raise funding.
- 3.4.6.14 There are a number of ways that the NVC could provide help and support to

organisations, such as NVC's website, advice on completing application forms and training sessions.

3.4.6.15 Commissioners need to be making themselves more visible to the VCS and actively engaging TSO's in the commissioning process

3.4.7 Voluntary and Community Sector Commissioning Manager, Northamptonshire County Council

3.4.7.1 The Voluntary and Community Sector Commissioning Manager, Northamptonshire County Council (NCC) provided evidence to the meeting of the Scrutiny Panel on 8th September 2010. Key points:

3.4.7.2 The beneficial outcomes that a successful framework could deliver:

- Improved and more responsive services and better outcomes for the community.
- Ability to invest in outcomes that meet the Council's priorities and that are needs led.
- The Voluntary and Community Sector (VCS) will bring knowledge, skills, innovation and added value to the table. They have a wider access to the community and a clear focus on user needs.
- Improved working relationship and partnership between the sectors.
- Transparency and consistency that will bring clarity for all concerned.
- More efficient use of reducing resources, more focused investment.
- Opportunities for collaboration between the Sectors, and other partnerships.
- Commissioners will be steered through best practice.

3.4.7.3 The barriers that need to be overcome in order to deliver a successful Framework:

- Cultural and behavioural attitudes to service provision and funding practice need to change.
- Need to improve the relationship between the Sectors, so that there is improved knowledge and understanding of each other's environment and so help to build the VCS' trust in the public Sector.
- Need to have clarity about the priorities and outcomes required, consistency and appropriateness of processes, and how VCS can engage.

3.4.7.4 To ensure that a Commissioning Framework is fair and accessible to all sectors of the community there is a need to:

- Consult and engage with all sectors in the development of the framework.
- Conduct EIA to ensure that the framework does not by nature exclude any sector and where there is likely to be negative impact to, develop actions to reduce the impact as much as is possible.
- Demonstrate transparency and consistency in the process
- Include a variety of ways to invest e.g. contract / funding agreement.

- 3.4.7.5 The Council can help the Voluntary and Community Sector (VCS) to be in a position to respond to commissioning by:
- Involving the VCS in the development of commissioning intentions. More collaboration is needed between commissioners and providers in order to develop real diversity of provision and to support new providers entering the market.
 - Recognising the benefit of providing funding stability, as short term funding does not support progress.
 - Ensuring that the VCS understand the commissioning environment so that they can shape their behaviour and are able to succeed in an increasingly diverse provider market.
 - Ensuring that the sector is empowered to participate (e.g. training and awareness raising to provide understanding of the framework, processes and systems to enable the VCS to be better prepared to respond to opportunities).
 - Be clear about the outcomes required and give adequate notice/advance timelines of opportunities so that the sector can get itself into a position to respond.
 - Reflecting a common language around cost structures and fair pricing.
 - Seeking to have a fair and proportionate balance of risk.
- 3.4.7.6 The levels of capacity that the VCS has in relation to commissioning varies, some have experience of contracting but many have been used to the traditional grants process, so support will be needed to enable the sector to play its part.
- 3.4.7.7 The issues in respect of the VCS being able to respond to a Commissioning Framework:
- In the transition from grants to contracts/funding agreements the loss of core funding is a concern.
 - Lack of skills / capacity of some VCS organisations can impede their participation.
 - The variable skills and capability among Commissioners can also make a difference to whether or not and also how the VCS might respond.
 - The VCS have to operate with commissioning processes that are more geared to commissioning products rather than services for people.
- 3.4.7.8 The assistance that is already available for the VCS, assistance that is required and planned:
- Some training has been provided on systems and process but there are plans underway for joint working between NCC Procurement, the Countywide Infrastructure Organisation (CIO) and NCC VSSU towards an approach for delivering co-ordinated training for the VCS around commissioning.
 - Additionally, mechanisms for engagement with the VCS will be enhanced through the CIO.

- 3.4.7.9 A Commissioning Framework can recognise and encourage added value and benefits from working with the VCS by involving/consulting VCS in the needs analysis work and development of commissioning intentions will help to determine the best outcomes. Whilst the Authority has to be clear about the overall outcomes desired, not being too prescriptive about how the outcomes are achieved will, in view of the VCS' knowledge-base and its closeness to the users, enable the Sector to offer innovative and cost effective ways to achieve delivery of services.
- 3.4.7.10 The Commissioning Framework should be designed to allow for choice and innovation by developing a model that involves engagement with providers and users in order to identify and meet customers needs and wants; and that offers commissioners a choice as to the most appropriate funding method to meet the achieve desired outcomes and priorities.
- 3.4.7.11 Opportunities are available for partnership working, such as the pooling of resources and combining services where there are common outcomes internal or external to the Authority/ organisation, this offers opportunity to work in partnership. This applies to the Public Sector in terms of commissioning for services and also to the VCS in providing services. From a Public Sector aspect, provision of Advice and Information Services is one area where the public sector has been exploring the joint commissioning of services. Some VCS organisations are already working in partnership to deliver services. The VCS might want to look further at more sharing of skills and resources.
- 3.4.7.12 Grants could be used for community/sector-led initiatives, for smaller organisations that cannot or will not be able to take on commissioned services, but whose activities will still contribute to the corporate aims. The funds could support new project ideas, or support to develop new and emerging areas of service, investment in one-off activities, one-off purchases etc.

3.4.8 Treasurer, Northampton Federation of Residents' Association

- 3.4.8.1 The Treasurer, Northampton Federation of Residents' Association, attended the meeting of the Scrutiny Panel on 11 October 2010. Key points:
- The demands of the Community Development Programme being undertaken by one officer were insufficient. The Council originally had a 'Start Up' grant for Residents Associations of £250 but this had been withdrawn.
 - Northampton Federation of Residents' Associations was only able to provide £100 Interest Free Loan to help New Residents Associations.
 - Running costs incurred by Residents Associations, as members of the Northampton Federation of Residents' Associations, are charged £15 as a membership subscription and £35 per annum may be paid for £2m Public Liability Insurance Cover for all indoor and outdoor meetings and events in the UK; including Borough land and buildings. Northampton Federation of Residents' Associations no longer holds its meetings in the Guildhall because it cannot afford the Room Hire and Refreshment charges now being levied.

- There is a lack of communication as to where these organisations can find support and / or available funds.
- Small Grants / Community Chest should be re-established to support Residents Associations.

3.4.9 Chief Executive, NREC

3.4.9.1 The Chief Executive, NREC, attended the meetings of the Scrutiny Panel on 11 October 2010 and 16 December 2010. Key points:

3.4.9.2 Beneficial outcomes that a successful Framework could deliver:

- There is a need for more improved services.
- Northampton is big and diverse but with limited funds so it is difficult. NBC's Corporate Plan highlights five broad priorities; a well-designed Community Framework can assist. In relation to Northamptonshire County Council (NCC)'s Strategy, the spectrum is too broad.
- There is a need for clearer clarity in what NBC wants to fund and what the vision is. There is also a need to be more aware of the diverse nature of the community in Northampton. It is important for the Council to have an input, use 'light touch' monitoring. It needs to be part of a transparent Sector.
- There is a real opportunity for the Council to have an input into improved service in the Sector.

3.4.9.3 Barriers that need to be overcome in order to deliver a successful Framework:

- Organisational protectiveness – need to ensure that services are commissioned out but there is a need to get the balance right in terms of process
- The VCS is a vital part of the Northampton economy – local citizens getting additional skills

3.4.9.4 To ensure that a Commissioning Framework is fair and accessible to all Sectors of the community there is a need for:

- Effective identification of need - variety of data, including Equality and Human Rights through effective and robust equality Impact Assessment before decisions are taken
- Be aware of and raise any inconsistencies.
- The key pieces of evidence that the Council needs to take note of regarding identifying need are the Equality and Human Rights Commission Triennial Review on Fairness in Britain and local evidence of need such as the report written by Professor Andrew Pilkington about under-achievement in specific ethnic groups and in particular boys which highlights a potential loss to the local

economy and point to a key factor in some sections of Northampton communities becoming socially and financially excluded.

- NBC would need to look at the protective characteristics to identify and collate the data on specific services for commissioning of equality. Consideration should be given to the changing nature of the town.

- 3.4.9.5 To help the Voluntary and Community Sector (VCS) to be in a position to respond to commissioning, the Council could provide support such as an induction type mechanism into commissioning and ensure that procedures have been road tested
- 3.4.9.6 It is salient to consider the changing Sector within the town. Decisions made will change what exists/does not exist.
- 3.4.9.7 NREC wants to see acknowledgement of Equality Regulations and statutory duties in a way that is open and transparent, also an acknowledgement of the new equality strands and for there to be active promotion of equalities in line with the Council new statutory public duty on equality.
- 3.4.9.8 There is a need for there to be shared monitoring mechanisms and partnership arrangements with other funders.
- 3.4.9.9 Small grants are valuable in ensuring the diversity of the sector and ensuring that the sector is able to do what it does best (responding flexibly and responsively). Council must also ensure that the Sector has a good skills base
- 3.4.9.10 Northampton has groups from diverse communities a changing nature of diverse communities, some of which are new and need to get established. In the past there was a drive to push Resident Associations forward, such Associations needs funds so that they can set up a Committee and establish a set of rules.
- 3.4.9.11 The Council had not funded a single Black and Minority Ethnic (BME) Group since 2008/09, people had been advised that this was due to the quality of applications although many groups did not a clear understanding of this and some who had applied and they had believed there were no resources. The Chief Executive, NREC, was aware that the Council had run sessions to assist groups to complete the applications and the Chief Executive, NREC, felt the focus of attention should be on these groups to ensure robust applications were received. In terms of equalities practice there should be an analysis of the short listing procedure to ensure there were no indirect discriminations.

3.4.10 Representative of the Afro Caribbean Elders' Society (ACES)

3.4.10.1 A representative of the Afro Caribbean Elders' Society (ACES) attended the meeting on 11 October 2010. Key points of evidence:

3.4.10.2 Beneficial outcomes that a successful framework could deliver:

- Forging partnerships and influencing change
- Core principles to be used as a guideline for both the Voluntary

- and Community Sector and the Council to work towards
- An Action Plan should be included in the Policies

- 3.4.10.3 Barriers that need to be overcome in order to deliver a successful framework:
- Open consultation is very important, stereotyping is not acceptable.
 - Be open to change to overcome any barriers.
- 3.4.10.4 To ensure that a Commissioning Framework is fair and accessible to all sectors of the community, with regards to the Best Practice Policy, NBC requires more staff to review the best practice policies and re-address certain areas. It is recommended to engage with others to establish the commissioning framework.
- 3.4.10.5 The Council can help the Voluntary and Community Sector (VCS), to be in a position to respond to commissioning by::
- Innovative way - engage brokers and/or commercial companies to liaise with the Voluntary and Community Sector
 - Referring to best practice examples.
 - Using contacts at the Chamber of Commerce and BusinessLink
- 3.4.10.6 The Community Sector tends to look at all areas for funding.
- 3.4.10.7 The capacity that the VCS has in relation to commissioning:
- Need to acknowledge all skills and issues.
 - The Sector and Council need to move very quickly
 - If the Commissioning Policy is adopted training will be required.
 - It has to be run as a business with an understanding of how the Voluntary and Community Sector works.
- 3.4.10.8 The issues that the VCS has in being able to respond to a Commissioning Framework:
- There is a need to work with the Voluntary and Community Sector to develop services
 - National Policies underline the need to work with the Voluntary and Community Sector
 - Refer to the White Paper that provides examples of Best Practice to see how to best deliver the service and make it a more robust action.
- 3.4.10.9 Assistance that is already available for the VCS, the assistance that is required and planned:
- Most organisations already deliver, seeking the support and advice of Business Link and other organisations in the way they

work.

- Work together to understand the needs

3.4.10.10 How the VCS could add input into the Joint Strategic Needs Assessment :

- Through Forums, the Equalities Department etc.
- Involve others in the planning process.

3.4.10.11 A Commissioning Framework can recognise and encourage added value and benefits from working with the VCS:

- The Voluntary and Community Sector makes substantial contributions to Health and Wellbeing
- It is important to ask the Voluntary and Community Sector 'what it wants'.

3.4.10.12 The Commissioning Framework could be designed to allow for choice and innovation by:

- Introducing Commissioning Forums and allocate budgets to particular groups
- Engaging with others to form the commissioning forums

3.4.10.13 The main need of the Community is more investment so that the services can be maintained also there is a need for a coordinated approach by NBC with more openness and a better understanding of service delivery, a more integrated approach.

3.4.11 NHS Northamptonshire

3.4.11.1 The Associateship Director for Partnerships and Relationships, of NHS Northamptonshire, and the Associate Director for Programme Delivery for Mental Health and Learning Disability, NHS Northamptonshire, attended the meeting of the Scrutiny Panel on 11 October 2010. Key points of evidence from the Director for Partnership and Relationships:-

3.4.11.2 The beneficial outcomes that a successful framework could deliver:

- Outcomes for local people;
- Clarity to the Framework
- Coherence with other Commissioners
- Beneficial outcomes and coherence
- Do not carry it out in isolation, enter into joint commissioning arrangements.
- A thriving Third Sector is key but they require support to 'get them going'.

3.4.11.3 The barriers that need to be overcome in order to deliver a successful Framework

- There is not a shared understanding of Commissioning.
 - Agreed priorities should be in place
- 3.4.11.4 Proportionality and fairness ensures that a Commissioning Framework is fair and accessible to all sectors of the community. Fairness does not mean that everyone is funded and everyone's needs are catered for.
- 3.4.11.5 The Council can help the Voluntary and Community Sector (VCS) to be in a position to respond to commissioning by:
- Offering relevant training to the Sector
 - Providing advice to the Sector on issues such as governance
 - Involving the Sector in the development of the Framework
- 3.4.11.6 Other funding sources, such as the National Lottery, are available for the Voluntary and Community Sector to bid for funding/Trust Funds. There is a need to ensure that the Third Sector is thinking broadly about funding.
- 3.4.11.7 The key points to delivering a Commissioning Framework are as follows: -
- Robust performance management
 - Robust evidence base
 - In advance payments to the Third Sector
 - Long term contract subject
 - Training and development – exploit partnership opportunities
 - Ensure Third Sector representation – need to support and understand who providers are in the potential market
 - Be proactive in engaging with the Third Sector
 - Refer to the Joint Strategic Needs Assessment (JSNA)
- 3.4.11.8 Key points of evidence provided by the Associate Director for Programme Delivery for Mental Health and Learning Disability:-
- 3.4.11.9 Beneficial outcomes that a successful Framework could deliver:
- Improved service outcomes for service users and the wider community – building on social capital
 - Opportunity for commissioning partners to develop integrated and consistent approach to commissioning Third Sector services – avoid duplication, increase efficiency and reduce transaction costs
 - Clarity regarding strategic priorities and Third Sector role in delivery – enabling VCS to forward plan
 - Transparent process for applying for contracts
 - Stronger performance management
- 3.4.11.10 Barriers need to be overcome in order to deliver a successful Framework:
- Capacity building to enable VCS to compete on level playing field

- Better mutual understanding of culture, strengths and weaknesses of statutory sector and VCS – working to seek synergy through development of complementary services
 - Move away from bidding culture
 - Specification and monitoring against outcomes
 - Delivering and demonstrating return on investment
- 3.4.11.11 To ensure that a Commissioning Framework is fair and accessible to all sectors of the community there is a need for
- Broad involvement in framework design and contract monitoring – service users, carers, VCS, BME groups, commissioning partners etc
 - Conduct Equality Impact Assessment on Framework
- 3.4.11.12 The Council can help the Voluntary and Community Sector (VCS) to be in a position to respond to commissioning by:-
- Building capacity
 - Granting funding for infrastructure
 - Supporting/informing VCS about impact and opportunities of self directed support and personal health budgets
 - Sharing commissioning intentions – market events
- 3.4.11.13 The following is available for the Voluntary and Community Sector to bid for funding/Trust Funds:
- Personal health budgets and self directed support in field of health and social care
 - Funding for innovation, e.g. Well-being agenda
- 3.4.11.14 The levels of capacity do the VCS have in relation to commissioning is variable – major national/regional organisations geared up to tendering processes, contracting etc. Small local organisations grant orientate.
- 3.4.11.15 The issues in respect of the VCS being able to respond to a Commissioning Framework are broadly:
- Commissioners actively communicating the framework and associated procurement processes
 - Training and workforce development
 - Capacity – core funding to maintain business support functions
 - Ability to exploit partnership opportunities
 - Delivery in a performance management environment
- 3.4.11.16 The assistance that is already available for the VCS, and the assistance that is required and planned:
- Northamptonshire County Council leading in the area of engagement, training
 - Thematic partnerships provide a care group specific vehicle for

exchange of information

- 3.4.11.17 The Joint Strategic Needs Assessment (JSNA) should be informed and the VSC could add input to this by:
- JSNA should progressively build information on need and service provision, effectiveness and gaps
 - VCS can add specialist and local information – quantitative and qualitative
 - An information source for VCS to identify potential service development opportunities and to shape commissioning intentions discussions with commissioners
- 3.4.11.18 A Commissioning Framework recognises and encourages added value and benefits from working with the VCS by:
- A mechanism for VCS involvement in needs analysis and commissioning intentions
 - Enabling market entry by VCS providers increasing choice and diversity
 - Recognising expertise of VCS in niche areas
- 3.4.11.19 The Commissioning Framework should be designed to allow for choice and innovation:
- Specifications outcome focussed allowing for innovation in means of delivery
 - Framework needs to consider impact of individual budgets in health and social care and support VCS to respond
- 3.4.11.20 The opportunities that are available for partnership working, such as the pooling of resources and combining services:
- Significant opportunities – health and social care have had joint approaches for some years, for example. lead commissioning and pooled budgets in mental health
 - Public Sector finances require efficiencies – rationalisation, pooling and merger by providers
 - Well being agenda across health, social care and local authorities present opportunities
- 3.4.11.21 It is appropriate to set up a grant as opposed to a Commissioning Framework in circumstances such as:
- Small community groups e.g. BME
 - Pilot schemes
 - Infrastructure costs

3.4.12 Chair, Northampton Voluntary and Community Sector Forum

3.4.12.1 The Chair of Northampton Voluntary and Community Sector Forum provided a response to the Panel's core questions at the meeting held on 11 October 2011. Key points of evidence:

- The beneficial outcomes that a successful framework could deliver are long term funding is a priority to enable forward planning
- The barriers that need to be overcome in order to deliver a successful Framework is more about capacity of the Borough Council as well as the capacity of the Third Sector. There is the need for additional officers within NBC that would work specifically on/with the VCS if the Commissioning Framework goes ahead
- To ensure that a Commissioning Framework is fair and accessible to all sectors of the community there is the need to involve service users and the community. Refer to 'lessons learnt from NCC', for example the inaccessibility of the system - Bravo
- The Council can help the Voluntary and Community Sector (VCS) to be in a position to respond to commissioning by:
 - Upskilling for smaller Groups
 - Training
 - Consortium – VCS needs to look at and embrace the opportunities to come together in partnership.
- It can take upwards of a year for a consortium to work together in order to put in place governance for example, for the consortium, the time required to do this should not be underestimated.
- Central Government funding and funding from specific Trusts are available for the Voluntary and Community Sector to bid for funding / Trust funds
- The levels of capacity do the VCS have in relation to commissioning are:
 - In respect of capacity, knowledge and diversity within the Voluntary Sector, one size does certainly not fit all
 - When a local group is involved in commissioning, it takes the Officer away from their usual duties, as opposed to national organisations that have specialist staff that in the main concentrate on just funding applications.
- The issues in respect of the VCS being able to respond to a Commissioning Framework include:

- Accommodation for the Voluntary and Community Sector (VCS)
- Be careful not to raise the expectations of the VCS (being really clear in the outline of the Tender bid with regard to what NBC wishes to commission and making it clear that this is how future funding from NBC will become available)

3.4.13 Bellinge Community House

3.4.13.1 A representative of Bellinge Community House attended the meeting on 4 November 2010. key points of evidence:

- Personalising services and where necessary targeting services / resources and not creating a one size fits all culture, by enabling people to take a personal responsibility, to improve the whole of Northampton are the beneficial outcomes that a successful Framework could deliver
- The barriers that need to be overcome in order to deliver a successful Framework:
 - Reduction of a lack of clarity in the content as to what is being sought
 - Sector involvement in drafting guidance
 - Less jargon in Framework
 - Keep paperwork simple and sub-divided, be clear about the criteria and output requirements
 - Arrangements need to be put into place for co-ordinating, consulting on and moderating funding priorities, bidding and scheme criteria
- Pre-briefing sessions to allow full comprehension of what guidelines / criteria to be met and to allow fairness to all groups involved. Therefore need to know what organisations are already running. Base criteria's on localities in certain cases rather than the broader spectrum are required to ensure that a Commissioning Framework is fair and accessible to all sectors of the community
- To enable fair access to all sectors of the community, the commissioning criteria needs to be drafted to make it crystal clear to potential bidders what outcomes the Council is seeking
- There are fewer opportunities available to the VCS as more of the sector is applying for funds from Trusts.
- The VCS has very little levels of capacity in relation to commissioning, but this does not mean that they should be overlooked.

- Small voluntary organisations cannot invest the time in preparing detailed applications. There is a need to ensure that the format allows for easy completion.
- Commissioning is an unknown entity; therefore it is difficult to know what is required.
- A Commissioning Framework can recognise and encourage added value and benefits from working with the VCS:
 - This ideal has numerous advantages due to the voluntary sector having grass roots knowledge of these areas, especially with individual groups of people who are difficult to engage with.
- The design of the Commissioning Framework needs to be carefully considered, due to hard work already establishing connections with difficult to engage individuals, along with the expertise of the teams working within the community. With further considerations being made, with regards to late funding being awarded, as this will leave groups with an inadequate time to plan. This may cause staff retention difficulties. These problems will cause difficulties in provision of services. Also, could the designers allow for more specialist centres or generic centres, with a wider range of service users, be incorporated within the sub divisions. For example, Bellinge Community House provides information, guidance and support across the whole community with age ranges of a few weeks to 92 years.
- It is appropriate to set up a grant as opposed to a Commissioning Framework when an organisation has a proven track record of community work but is unable to up the level to the Commissioning Framework. Also for 'one-man' organisations.
- The needs that Northampton Borough Council wants to meet are evidence of quality service delivered within the area.
- A Community Needs Assessment is required. Community organisations are working with the community they are based in. The advantage of this is that the community recognises the workers and are more inclined to become involved and benefit from the information and activities that are provided locally, therefore promoting social cohesion. Based within a community also reduces carbon footprints.
- The main interest is to focus on localities and what organisations are already there and working. Work with them to come under the commissioning process.

3.4.14 Manager, CAB (Northampton)

3.4.14.1 The Manager, CAB (Northampton), attended the meeting on 4th November 2010. Key points of evidence:

3.4.14.2 The beneficial outcomes that a successful framework could deliver:

- Provide services that meet the assessed needs of citizens in the best way at the best cost
- Provide strategic and longer term funding for the Voluntary and Community Sector in return for efficient and effective services
- Provide clarity around the nature, types, quality and costs of advice services which will provide robust justification for each service commissioner
- Provide clarity when and for what purpose grant funding will be used
- Provide understanding to the Local Authority as to other sources of funding, such as Legal Aid, that also fund advice services in the county

3.4.14.3 As the basis of all subsequent commissioning decisions there is a need to get both the Framework and the Needs Assessment right. Look at what is also commissioned by others, such as:-

- What range and depth of advice services are there available and what 'mix' of services are needed for the community
- What 'ecology' of services has been established under grant funding and how might this be disturbed or enhanced by commissioning
- What is being paid for? – are the outcomes 'paid for' a result of this funding, of other's funding or a combination
- What are benchmarked costs for elsewhere
- Are there other services currently run by the Council that could be included in the Voluntary and Community Sector?

3.4.14.4 The Council can help the Voluntary and Community Sector (VCS) to be in a position to respond to commissioning by:

- Openness and transparency
- Involve the wider sector, don't rely on the voices of a few
- Think about how to use the process to ensure that you have a thriving Voluntary and Community Sector. It can be legitimate to include requirements around involving volunteers in service deliver from applicants, your priorities for a sustainable community across Northamptonshire needs to be captured in your commissioning

3.4.14.5 The Voluntary and Community Sector can also bid for funding/Trust Funds through:

- Charitable Trusts – some big but most small
- Legal Aid
- Financial Inclusion Fund

- Citizens Advice
 - Social Enterprise
- 3.4.14.6 The capacity that the VCS has in relation to commissioning is limited, CAB (Northampton)'s own journey has been one of assuming the benefits of advice as a 'given' to an approach where tangible impacts and outcomes can be identified and measured – this is however time consuming work. It is also the case that the less intensive the service, the more remote the service is from knowing of the outcome.
- 3.4.14.7 A Commissioning Framework can recognise and encourage added value and benefits from working with the VCS by including key criteria around volunteering and wider social value, by asking potential providers as to how they involve the community in the development and delivery of their service.
- 3.4.14.8 To allow for choice and innovation, the Commissioning Framework should be designed to:
- Commission on an outcomes basis, allowing applicants to propose delivery models that result in outcomes rather than develop specifications that are completely output driven
 - Grant funding works well for innovation and could be a way forward for elements of funding
 - Encourage providers to work together – allow for sub-contracting or consortia
- 3.4.14.9 Assistance that is already available for the VCS:-
- Local and Countywide infrastructure
 - For Citizens Advice Bureau – Citizens Advice
- 3.4.14.10 Opportunities that are available for partnership working, such as the pooling of resources and combining services:
- Many require 'structural interdependency' which organisations have been reluctant to demonstrate given potential gains / losses
 - Shared back office processes / IT etc – but big Data protection issues to overcome – already happening
 - Shared training processes – easy to achieve and already happening
 - Shared purchasing – not undoable but uncertain savings
- 3.4.14.11 The Joint Needs Assessment and VCS input need to link and should be sharing an evidence base from which to commission from. The data from public health is really relevant given the health benefits that advice gives 'Prescribing Advice'
- 3.4.14.12 A Commissioning Framework recognise and encourage added value and benefits from working with the VCS by including key criteria around volunteering and wider social value, by asking potential providers as to how they involve the community in the development and delivery of their service.

3.4.15 OPEN Northamptonshire and Lesbian Line

3.4.15.1 Representatives of OPEN Northamptonshire and Lesbian Line provided evidence to the meeting of the Scrutiny Panel held on 16 December 2010. Key points of evidence:

- There is a need for wide consultation with groups such as OPEN Northamptonshire and Lesbian Line, however it was sometimes difficult to get feedback due to fear of discrimination and individuals had got used to keeping quiet about their feelings and were not able to communicate.
- Within the Framework there could be a selection of providers to choose from which they could bid for part of the service or group. If a member of the public was questioned they might not know what the Commissioning Framework was or understood how it worked.
- It would be more onerous on the community to pick up work the Council did and a small funded group would be required in the first instance.
- The specific needs of local infrastructure organisations were often that people had full time jobs as well and it was difficult to access support from Volunteer Centres outside office hours. A central point was needed to organise activities and there should be funding to support that.
- The Council needed to meet the criteria of the Equality Act 2010.
- OPEN Northamptonshire and Lesbian Line would hope to be a critical friend, to be fair and to have as part of the commissioning exercise to meet and talk in confidence and share what would go out publicly. The Groups wanted to give support and advice which would be done in a professional sense not in an unconstructive way.
- Both OPEN Northamptonshire and Lesbian Line benefit from
- funding and grants.

3.5 Equality Impact Assessment

3.5.1 In investigating the development of a Commissioning Framework for the Voluntary and Community Sector; the Scrutiny Panel also produced an Equality Impact (Screening) for such a Framework.

3.5.2 The Scrutiny Panel realised that the intention is to work actively with the Voluntary and Community Sector both in developing the final version of the Framework and in working through the process of commissioning in individual cases.

3.5.3 The policy takes the form of a Framework which will provide general standards

and processes. Each commissioner, working with the voluntary and community sector, would need to tailor the contract to the circumstances of both the service need and the 'market'.

3.5.4 In compiling its EIA (Screening) for the Framework, the Scrutiny Panel further recognised that Voluntary and community groups are some of the principal providers of services to disadvantaged people – this disadvantage frequently being associated with one or more of the protected characteristics. It follows that a thriving voluntary and community sector helps to address inequality and discrimination, and particularly provides opportunities for participation in civic life and in shaping people's futures.

3.5.5 The Framework therefore could have a significant effect on most or all of the protected characteristic groups. The effect will be beneficial if the Framework supports these groups and enables them to participate in the commissioning process. It could be harmful if certain kinds of groups are excluded by barriers to their participation.

3.5.6 In producing the EIA (Screening), the Scrutiny Panel acknowledged that the intention in introducing the Framework is to improve the relationship with the whole of the voluntary and community sector, including those organisations which represent the interests of people with protected characteristics. Those involved in its development have indicated a clear intention not to discriminate indirectly against these groups through the unintended consequences of the Framework.

3.5.7 As part of the evidence gathering process, the Scrutiny Panel heard from a variety of witnesses, many invited specifically because of their knowledge of the equalities issues within the Voluntary and Community sector as detailed in section 3.4.1 of this report.

3.5.8 A copy of the EIA (Screening) for the development of a Commissioning Framework is attached at Appendix C.

4 Conclusions and Key Findings

4.1 After all of the evidence was collated the following conclusions were drawn:

4.1.1 The Scrutiny Panel acknowledged the need for a Commissioning Framework to be developed to establish the Council's policy and associated standards and procedures when commissioning services or outcomes from voluntary, community and similar organisations. It further concluded that the Commissioning Framework should:

- demonstrate best value for money
- not discriminate against smaller or local organisations
- provide for contracts or other agreements of sufficient length to encourage investment and development, in accordance with the Compact
- where possible support the growth within Northampton of social capital, in the skills, resources and energy of local people

- ensure that accessible and interactive specifications and process are developed collaboratively with the local voluntary and community sector
- ensure that specifications clearly define minimum outcomes and also objectives which support the Council's priorities; definition of outputs may be required if outcomes are not directly measurable
- ensure that specifications are built on a robust evidence base, including using data from Voluntary and Community organisations working in the area, and existing community intelligence such as the Joint Strategic Needs Assessment
- encourage flexibility and innovation in delivery of outcomes, through not being unnecessarily prescriptive about process or mode of delivery
- provide for effective but proportionate performance management, particularly monitoring of outcomes, and adequate resources for this role
- strengthen connections between activities provided directly by the Council and those provided by V and C organisations
- include payment arrangements that fit with V and C organisations' financial situations
- ensure that Commissioners involve and take account of the needs of people including those the protected characteristics i.e. the areas of::
 - Race
 - Disability
 - Gender or Gender Identity/Gender Assignment
 - Pregnancy and Maternity (including breastfeeding)
 - Sexual Orientation
 - Age (including children, youth, midlife and older people)
 - Religion, Faith and Belief

and of their Human Rights
- Commissioning expertise, knowledge and skills be included within the skills base requirement for the Authority
- encourage and facilitate where appropriate the formation of partnerships and consortia between the Voluntary and Community organisations involved in commissioning as much as possible.

4.1.2

It is anticipated that the bulk of the Council's financial support for the Voluntary and Community Sector will in the future come through commissioned services, adopting this Framework, rather than grants. From the evidence gathered the Scrutiny Panel noted that the key points to delivering a Commissioning Framework are felt to be:-

- Robust evidence base
- Robust performance management
- In advance payments to the Voluntary and Community Sector
- Long term contract subject to performance
- Training and development – exploit partnership opportunities
- Ensure Voluntary and Community Sector representation on decision making groups – need to support and understand who providers are in the potential market
- Be proactive in engaging with the Voluntary and Community Sector
- Reference to the Joint Strategic Needs Assessment (JSNA) for evidence of need and do further needs assessment (involving Voluntary and Community Sector) where necessary

- 4.1.3 The Scrutiny Panel further recognised that a Commissioning Framework must be measurable and quantifiable. General procurement advice is available but there is a limit on the information available. No resource is available for consultancy work but assistance can be found on the Website for Procurement. Procurement checks applications, help and advice organisations accordingly.
- 4.1.4 The benefits of a Commissioning Framework will include greater clarity for both parties on the outcomes required, better and more demonstrable value for money, and a closer link between activity and the Council’s objectives, leading to improved outcomes for local people. It should also encourage the strengthening of the sector and developing local social capital.
- 4.1.5 The Scrutiny Panel acknowledged the challenges surrounding the funding of small grants.
- 4.1.6 The Scrutiny Panel highlighted that Supporting localities – Neighbourhoods Localism would need to form part of the Commissioning Framework. The Council would need to ascertain how it could support organisations in the best possible way.
- 4.1.7 The Scrutiny Panel recognised that Bellinge Community House as an example of good practice and it being at the centre of the community was important.
- 4.1.8 The Scrutiny Panel acknowledged that the City of Westminster’s approach to commissioning as a whole, whilst not directly related to the VCS, was very beneficial to the evidence base of this Review.
- 4.1.9 The Council will need to ascertain how it could support organisations in the best possible way.
- 4.1.10 There is also a need for Cabinet to explore partnerships between the Council and the Voluntary Sector so that the administrative process is improved and there is also improved value for money for local people.

- 4.1.11 The Scrutiny Panel agreed that the Council's relationship based on grants programme could be improved, but acknowledged that the Council has a good record of working with smaller organisations and would want to build on this. The Scrutiny Panel further recognised the challenges surrounding the funding of small grants.
- 4.1.12 From the evidence received, the Scrutiny Panel realised that funding for the Voluntary and Community Sector is available through other sources and Groups.
- 4.1.13 It was recognised that increasing social capital can make a vast difference to the community
- 4.1.14 Commissioners need to be making themselves more visible to the VCS and actively engaging TSO's in the commissioning process
- 4.1.15 The Scrutiny Panel concluded that there are two types of questions to be raised on grants and commissioning. The first was grants versus contracts being whether the grant was the right way as opposed to the contractual way. The second was financial, was there a view as to how much money could be dedicated to a partnership form of funding. Therefore, there was a need to decide when a grant is awarded and when appropriate to commission through contractual arrangement. There was also the ability to be more precise about ideal outcomes achieved from the service and there would be less risk attached to what the money is used for. Some organisations might not be able to work in that environment and to go through the full contractual process was not the best way forward for them. To have the guarantee of some small grants available was not to detriment or prioritise.
- 4.1.16 The Scrutiny Panel agreed that there could be an alternative Organisation to the Council to administer the small grants and the capacity of the Borough Council and the contractor should be taken into account. There would be no point in setting up a process whereby the Charity could spend most of it's time putting in bids for funding.
- 4.1.17 The Scrutiny Panel realised that It is salient to consider the changing Sector within the town and that decisions could be of benefit to some organisations but to the detriment of others.
- 4.1.18 The Scrutiny Panel noted that no BME groups had received funding through the current grants process. This issue was referenced within its EIA (Screening) document for a Commissioning Framework.

5 Recommendations

- 5.1 Scrutiny Panel E – Commissioning Framework for the Voluntary and Community Sector therefore recommends to Cabinet that:
 - 5.1.1 The consultation draft of a Commissioning Framework (as attached at Appendix D) for the Voluntary and Community Sector be developed by a Partnership Working Group made up of representatives of the Council, CEFAP,

and the Voluntary and Community Sector (VCS).

- 5.1.2 Cabinet manages the process of change from grants to commissioning, acknowledging that transitional arrangements may be required.
- 5.1.3 It is ensured that technical and professional advice and support is available to Voluntary and Community organisations to enable them to take a full part in the commissioning process. Advice could be provided through the local Infrastructure Organisation or other organisations supported by Northampton Borough Council (NBC).
- 5.1.4 The Scrutiny Panel believes that a Small Grants Fund is essential and therefore reminds Cabinet of its decision of 5th August 2009 to introduce a Small Grants Fund.
- 5.1.5 The Council works with Northamptonshire County Council and other Local Authorities and Health Commissioning bodies to align processes for applications for funding and/or contracts.
- 5.1.6 Cabinet agrees the requirement to include within the Corporate Service Planning process an obligation to consider opportunities to commission services from the VCS.
- 5.1.7 In order to identify outcomes to be commissioned, where appropriate, the Council, together with the VCS undertakes an Assessment of Needs.
- 5.1.8 Expertise, knowledge and skills in commissioning be included within the skills base requirement for the Authority.
- 5.1.9 Cabinet reaffirms this Council's commitment to the Northamptonshire Compact.

Appendices



OVERVIEW AND SCRUTINY

Scrutiny Panel E Commissioning Framework for the Voluntary and Community Sector

1. Purpose/Objectives of the Review

- To investigate the development of a Commissioning Framework for the Voluntary and Community Sector

NB: the Scrutiny Panel will investigate the development of an overall Commissioning Framework at a strategic level and will not consider the finer details of such a Framework or its application to particular cases.

2. Outcomes Required

- The development of a Commissioning Framework for the Voluntary and Community Sector that:-
 - Is developed with input from the Voluntary and Community Sector
 - Benefits the citizens of Northampton
 - Meets the objectives of Northampton Borough Council
 - Provides Value for money

3 Information Required

- Data from other (best practice) Local Authorities
- Published Guidance
- Evidence from internal Officers
- Evidence from appropriate external witnesses
- Evidence from partners
- Evidence from the Voluntary and Community Sector overarching body
- Site visits and desktop research

4 **Format of Information**

- Officer reports/presentations
- Baseline data –
- Comparative data – e.g. details of spend, formal and informal arrangements
- Published guidance in respect of Commissioning Frameworks for the Voluntary and Community Sector
- Portfolio Holder (Community Engagement) evidence
- Evidence from internal Service Areas that currently work with the Voluntary and Community Sector
- Evidence from Garry Pyne, Head of Procurement. Northampton Borough Council
- Evidence from Francis Fernandes, Borough Solicitor, Northampton Borough Council
- Evidence from the Northamptonshire Community Foundation
- Evidence from the Voluntary and Community Sector
- Best practice evidence external to Northampton
- Witness interviews/evidence

5 **Methods Used to Gather Information**

- Minutes of meetings
- Desktop research
- Site Visits
- Officer reports
- Examples of best practice external to Northampton
- Witness Evidence:-
 - Partners
 - Key Officers
 - Portfolio Holder (Community Engagement)

6 **Co-Options to the Review**

Suggested co-option:-

- Dominic McClean, NVC (local infrastructure organisation)
- Claudette Wray-Chambers, Third Sector Commissioning Manager, NCC
- Sandra Bell, Chair, Northampton Voluntary and Community Sector Forum
- Two representatives of local VCS organisations, preferably one large and one small, nominated by the NVCS Forum

7 Equality Impact Screening Assessment

- Scrutiny Officer to undertake an Equality Impact Screening Assessment shortly after the Scoping meeting.

8 Evidence gathering Timetable

July 2010 to March 2011

15 July 2010	Scoping Meeting
3 August 2010	Evidence gathering
8 September 2010	Evidence gathering
11 October 2010	Evidence gathering
4 November 2010	Evidence gathering
16 December	Evidence gathering
3 March 2011	Finalise Chair's report

Various site visits will be programmed during this period if required.

Meetings to commence at 6.00 pm in the Jeffery Room, Guildhall

9 Responsible Officers

Lead Officer Thomas Hall, Head of Policy and Community Engagement

Co-ordinator Tracy Tiff, Scrutiny Officer

10 Resources and Budgets

- Thomas Hall, Head of Policy and Community Engagement, to provide internal advice.

11 Final report presented by:

- Completed by March 2011. Presented by the Chair of the Scrutiny Panel to the Overview and Scrutiny Committee and then to Cabinet.

12 Monitoring procedure:

- Review the impact of the report after six months (approximately December 2011)



NORTHAMPTON BOROUGH COUNCIL

OVERVIEW AND SCRUTINY

SCRUTINY PANEL E: COMMISSIONING FRAMEWORK FOR THE THIRD SECTOR

Core questions-

:

1. What are the beneficial outcomes that a successful framework could deliver?
2. What barriers need to be overcome in order to deliver a successful framework?
3. How do you ensure that a Commissioning Framework is fair and accessible to all sectors of the community?
4. What can the Council do to help the Voluntary and Community Sector (VCS) to be in a position to respond to commissioning?
5. What else is available for the Voluntary and Community Sector to bid for funding/Trust Funds?
6. What levels of capacity do the VCS have in relation to commissioning?
7. What are the issues in respect of the VCS being able to respond to a Commissioning Framework?
8. What assistance is already available for the VCS, what assistance is required and planned?
9. How would the Joint Strategic Needs Assessment be informed and how could the VCS add input to this?
10. How can a Commissioning Framework recognise and encourage added value and benefits from working with the VCS?
11. How do you design the Commissioning Framework to allow for choice and innovation?

12. What opportunities are available for partnership working, such as the pooling of resources and combining services?
13. When is it appropriate to set up a grant as opposed to a Commissioning Framework?
14. What are the needs that Northampton Borough Council want to meet?
15. What are the community's needs?

Dated: 9th August 2010

Equality Impact Assessment Part 1: Screening



When reviewing, planning or providing services Northampton Borough Council needs to assess the impacts on people. Both residents and staff, of how it works - or is planning to – work (in relation to things like disability). It has to take steps to remove/minimise any harm it identifies. It has to help people to participate in its services and public life. “**Equality Impact Assessments**” (EIAs) prompt people to think things through, considering people’s different needs in relation to the law on equalities. The first stage of the process is known as ‘screening’ and is used to come to a decision about whether and why further analysis is – or is not – required. EIAs are published in line with transparency requirements.

A helpful guide to equalities law is available at: www.northampton.gov.uk/equality. A few notes about the laws that need to be considered are included at the end of this document. Helpful questions are provided as prompts throughout the form.

1 Name of policy/activity/project/practice	This is:
Commissioning Framework for the Voluntary and Community Sector	New policy

2. Screening undertaken (please complete as appropriate)	
Director or Head of Service	Thomas Hall, Head of Policy & Community Engagement
Lead Officer for developing the policy/activity/practice	Joe Biskupski, Community Engagement Manager
Other people involved in the screening (this may be people who work for NBC or a related service or people outside NBC)	Lindsey Ambrose (NBC) Cllr David Garlick (NBC) Cllr Penny Flavell (NBC)

<p>3. Brief description of policy: including its main purpose, aims, objectives and projected outcomes, and how these fit in with the wider aims of the organisation.</p> <p>The commissioning framework is being developed to establish the Council’s policy and associated standards and procedures when commissioning services or outcomes from voluntary, community and similar organisations. It is anticipated that the bulk of the Council’s financial support for the Voluntary and Community Sector will in the future come through commissioned services, adopting this framework, rather than grants.</p> <p>The benefits will include greater clarity for both parties on the outcomes required, better and more demonstrable value for money, and a closer link between activity and the Council’s objectives, leading to improved outcomes for local people. It should also encourage the strengthening of the sector and developing local social capital.</p>

Is it linked to NBC's Corporate Plan? Service Plan? Other?

The Council's Corporate Plan expects better and more effective partnership working, including with the voluntary and community sector. It also prioritises value for money, which this approach should provide.

4 Relevance to Equality and Diversity Duties

Is it linked to NBC's Single Equality Scheme? NBC's Public Sector Duties? Equality Framework Criteria? Service or departmental equality priorities?

Please explain:

Voluntary and community groups are some of the principal providers of services to disadvantaged people – this disadvantage frequently being associated with one or more of the protected characteristics. It follows that a thriving voluntary and community sector helps to address inequality and discrimination, and particularly provides opportunities for participation in civic life and in shaping people's futures.

The Framework therefore could have a significant effect on most or all of the protected characteristic groups. The effect will be beneficial if the Framework supports these groups and enables them to participate in the commissioning process. It could be harmful if certain kinds of groups are excluded by barriers to their participation.

How will the aims affect our duty to:

Promote equality of opportunity?

Eliminate discrimination, harassment and victimisation?

Promote good community relations?

Promote positive attitudes towards people with protected characteristics?

Encourage participation of people with protected characteristics?

Protect and promote Human Rights?

For example, think about it from the perspectives of different groups in society. Does it cause harm or a benefit to any group(s) differently to others? Will it differentially affect:

Black, Asian or other ethnic minority and/or cultural groups?

Disabled people? And their carers?

Transgender people?

Men and women?

Lesbians, gay men and/or bisexual people?

Different religious communities/groups?

People of a particular age e.g. older people or children and young people?

Any other groups?

People with flexible or agreed working patterns?

Are there any aspects, including how it is delivered, or accessed, that could contribute to inequalities? (This should relate to all areas including Human Rights.)

Yes

Please explain:

Many of the organisations supporting protected characteristic groups are small, specialised and/or new. On their own, in their current state of development, they may find it difficult to participate successfully in a commissioning process. The consequences might include failure of the organisation, or shrinkage of its operations, due to lack of access to funds, which in turn could lead to disadvantage within the relevant groups.

This can be mitigated by designing the Framework to allow for participation of smaller and specialised organisations, either through the packaging of contracts or encouragement of partnerships among organisations – setting up consortia, or lead- and sub-contractor models which combine the resources of larger more general organisations with the specialist expertise of smaller ones.

If you have indicated there is a negative impact on any group, is that impact:

Legal?

Yes

Please explain:

Any negative impact could potentially be justified on the grounds of a reasonable operational requirement to achieve best value for money, which could indicate larger contracts. However, this benefit would need to be objectively demonstrated.

Intended?

No

Please explain:

The intention in introducing the Framework is to improve the relationship with the whole of the voluntary and community sector, including those organisations which represent the interests of people with protected characteristics. Those involved in its development have indicated a clear intention not to discriminate indirectly against these groups through the unintended consequences of the Framework.

5 Evidence Base for Screening

List the evidence sources you have used to make this assessment (i.e. the *known evidence*) (e.g. Index of Multiple Deprivation, workforce data, population statistics, any relevant reports, customer surveys, equality monitoring data for the service area.)

Expert evidence provided to the Scrutiny Panel 'E' by various witnesses, many invited specifically because of their knowledge of the equalities issues within the voluntary and community sector, including particularly:

- Anjona Roy, of the Northamptonshire Rights and Equality Council
- Olive Robinson, of the African Caribbean Elders Society
- Ben King, of OPEN
- Jeanette, of Lesbian Line
- Sandra Bell, of the Northampton Voluntary Sector Forum
- Dominic McClean, of the Northampton Volunteering Centre
- Martin Lord, of the Citizens Advice Bureau

Are there any significant gaps in the known evidence base? If so what are your recommendations for how and by when those gaps will be filled?

Indications of the health and resilience of the voluntary and community sector locally – how vulnerable to changes in local authority practice (evidence of numbers of users, turnover etc)

Closeness of match between Council's needs and sector's offer – is there an organisation that does what we think needs doing or is there a gap (build requirement to research this into commissioner's role as part of Framework)

6 Requirements of the equality duties:

(remember there's a note to remind you what they are at the end of this form and more detailed information at www.northampton.gov.uk/equality)

Will there be/has there been consultation with all interested parties?

Yes

Please explain:

Once the Framework has reached consultation draft stage it will be circulated to representative groups and contacts, as will this EIA, and account taken of the responses before a final version is adopted.

Are proposed actions necessary and proportionate to the desired outcomes?

Yes

Please explain:

The existing system, relying on open grants, is in need of change to ensure a closer match between the use of the Council's resources and the outcomes it recognises as priorities. Some form of commissioning is the obvious way to achieve this. Some opportunities will remain for the Council to award grants in addition to commissioning services/outcomes.

The Framework has been the subject of detailed consideration by a Scrutiny Panel including representatives of three political parties and the voluntary and community sector. Their discussions have included concern for ensuring that equality duties are met. The view of the Panel is that a Framework based on its recommendations will be a proportionate, fair and effective way to achieve the desired outcomes.

Where appropriate, will there be scope for prompt, independent reviews and appeals against decisions arising from the proposed policy?

Yes?

Please explain:

The decisions will chiefly be the award of a contract to a particular supplier or consortium. As with any contract award there is an opportunity for unsuccessful bidders to challenge the decision. Most contracts will also require approval by Cabinet, which will allow another opportunity to raise equality-related issues.

Does the proposed policy have the ability to be tailored to fit different individual circumstances?

Yes

Please explain:

The policy takes the form of a framework which will provide general standards and processes. Each commissioner, working with the voluntary and community sector, would

need to tailor the contract to the circumstances of both the service need and the 'market'.

Where appropriate, can the policy exceed the minimum legal equality and human rights requirements, rather than merely complying with them?

Yes

Please explain:

The intention is to work actively with the voluntary and community sector both in developing the final version of the Framework and in working through the process of commissioning in individual cases.

From the evidence you have and strategic thinking, what are the **key risks** (the harm or 'adverse impacts') **and opportunities** (benefits and opportunities to promote equality) this policy/practice/activity might present?

	Risks (Negative)	Opportunities (Positive)
General (all protected characteristics)	Smaller organisations may find it difficult to participate effectively	Specialist organisations can form alliances with each other or general providers to provide quality services accessible to more people. Opportunity to commission support (infrastructure) for specific groups Services targeted at need, through better use of evidence
Race	Newer organisations, perhaps representing newly arrived populations, may find it difficult to participate effectively. Possible language difficulties.	New communities come into positive contact with the Council
Disability		
Gender or Gender Identity/Gender Assignment		
Pregnancy and Maternity (including breastfeeding)		
Sexual Orientation	Participation may be hampered by concerns that people could be 'outed'	
Age (including children, youth, midlife and older)	Expectation that services for these groups principally	

people)	commissioned by the County Council	
Religion, Faith and Belief	Concern by commissioners that they might be perceived to promoting a faith	
Human Rights		

7 Proportionality

Describe the scale and likelihood of these risks and opportunities

Risks can be mitigated through effective design, delivery and monitoring of the Framework – this should also deliver the opportunities. Compared to the *status quo* the risks could be viewed as small – in other words many of these barriers exist already.

8 Decision

Set out the rationale for deciding whether or not to proceed to full impact assessment

Date of Decision: .../.../20...

EITHER: We judge that a full impact assessment is not necessary since:

OR: We judge that a full impact assessment is necessary since:

Equality Duties to be taken into account in this screening include:

Prohibited Conduct under The Equality Act 2010 including:

Direct discrimination (including by association and perception e.g. carers); Indirect discrimination; Pregnancy and maternity discrimination; Harassment; third party harassment; discrimination arising from disability.

Public Sector Duties (Section 149) of the Equality Act 2010 for NBC and services provided on its behalf: (due to be effective from 4 April 2011)

NBC and services providing public functions must in providing services have due regard to the need to: **eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity and foster good relations between different groups.** 'Positive action' permits proportionate action to overcome disadvantage, meet needs and tackle under-representation.

Rights apply to people in terms of their "Protected Characteristics":

Age; Gender; Gender Assignment; Sexual Orientation; Disability; Race; Religion and Belief; Pregnancy; Maternity. But Marriage and Civil Partnership do not apply to the public sector duties.

Duty to "advance equality of opportunity":

The need, when reviewing, planning or providing services/policies/practices to assess the impacts of services on people in relation to their 'protected characteristics', take steps to remove/minimise any negative impacts identified and help everyone to participate in our services and public life.

Equality Impact Assessments remain best practice to be used. Sometimes **people have particular needs** e.g. due to gender, race, faith or disability that need to be addressed, not ignored. NBC must have due regard to the **duty to make reasonable adjustments** for people with disabilities. NBC must **encourage people who share a protected characteristic to participate in public life** or any other activity in which their participation is too low.

Duty to 'foster good relations between people'

This means having due regard to the need to **tackle prejudice** (e.g. where people are picked on or stereotyped by customers or colleagues because of their ethnicity, disability, sexual orientation, etc) and **promote understanding**.

Lawful Exceptions to general rules: can happen where action is proportionate to achieve a legitimate aim and not otherwise prohibited by anything under the Equality Act 2010. There are some special situations (see Ch 12 and 13 of the Equality Act 2010 Statutory Code of Practice – Services, Public Functions and Associations).

National Adult Autism Strategy (Autism Act 2009; statutory guidelines) including:

to improve how services identify and meet needs of adults with autism and their families.

Human Rights include:

Rights under the European Convention include not to be subjected to degrading **treatment**; **right to a fair trial** (civil and criminal issues); **right to privacy** (subject to certain exceptions e.g. national security/public safety, or certain other specific situations); **freedom of conscience** (including religion and belief and rights to manifest these limited only by law and as necessary for public safety, public order, protection of rights of others and other specified situations); **freedom of expression** (subject to certain exceptions); **freedom of peaceful assembly and to join trade unions** (subject to certain exceptions); **right not to be subject to unlawful discrimination** (e.g. sex, race, colour, language, religion, political opinion, national or social origin); **right to peaceful enjoyment of own possessions** (subject to certain exceptions e.g. to secure payment of taxes or other contributions or penalties); **right to an education**; **right to hold free elections by secret ballot**. The European Convention is given effect in UK law by the Human Rights Act 1998.

Northampton Borough Council

**Commissioning Outcomes through Voluntary and
Community Organisations**

A Framework

1 Introduction

1.1 Purpose of the Framework

This framework guides the relationship between Northampton Borough Council ('the Council') and the voluntary and community sector ('the Sector'), both as a whole and the individual organisations within it with which the Council does business.

It is intended to ensure that those relationships:

- are fair and transparent
- represent good value for money, involving minimal bureaucracy
- contribute to the well-being of local people
- help to build the capacity and strength of the Sector locally
- conform to the principles of the local Compact

1.2 The Compact

The 'Northamptonshire Joint Agencies Voluntary and Community Sector Compact' was published in 2002, as a local interpretation of the national Compact, and remains current (see <http://www.thecompact.org.uk/>). It sets out the expectations that the statutory and voluntary sectors should have of each other. This framework has been prepared to conform to the Compact principles.

The Council has agreed in the Compact to seek the following:

- A voluntary and community sector that has its own identity and vision
- A strong and well-developed voluntary and community sector in the county
- A relationship that builds and maintains the strategic capacity of the voluntary and community sector as an equal partner
- Local services that meet the needs of all local people and that in doing so strive to eliminate discrimination, promote equal opportunities and progress good race relations

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- Constant dialogue with the voluntary and community sectors to influence statutory sector objectives and have a genuine stake in decision-making
- A diverse funding base which ensures sustainable voluntary and community sectors
- Acknowledgement of the in-kind support provided by public bodies
- Support for quality funding advice given to groups
- Clear agreements about what is to be achieved by the voluntary and community sector when funded by public money allocated to them
- A reduction in unnecessary bureaucracy imposed upon the voluntary and community sector. This would achieve better use of public money and benefit the public sector
- A voluntary and community sector that values training and shares good practice across the sectors
- An active voluntary and community sector that is involved in promoting opportunities

1.3 Applicability

This framework should cover all transactions with organisations from the Sector in which the Council is spending public money in pursuit of defined outcomes. It is not intended to cover the award of one-off grants for specific events or 'pump-priming' of new organisations, which may be dealt with through a 'small grants' fund.

For these purposes, 'commissioning' is defined as

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

1.4 Review

This framework will be reviewed no later than 18 months after its introduction, and at least every three years after that. The review will consider whether the aims of the framework have been met, and take account of the views of the various people and organisations involved – including those which have not been awarded grants or contracts.

2 Foundations

2.1 Communication with Both Sectors

The Council will work closely with representatives of the Sector – in particular the Local Infrastructure Organisation and the Northampton Voluntary Sector Forum – in implementing this framework. The framework has been developed taking account of the views of the Sector.

The Council will discuss opportunities and plans for commissioned outcomes with the Sector at the earliest convenient time. This is to

- help the Sector understand what the Council is trying to achieve
- allow the Sector sufficient time to develop an effective response – for example, through creating consortia
- help the Council to understand the capacity of the Sector to respond, and the implications of packaging work in particular ways
- help the Council to appreciate the potential impacts of its actions on organisations and communities

The Council will also discuss its plans with other statutory sector partners, to

- identify where shared objectives could be met through jointly commissioned work
- avoid duplication of, or confusion between, commissioned outcomes or services
- ensure consistent communication with the Sector

Both the Council and the Sector will inform each other of significant changes in circumstances, or problems with the implementation of the framework.

2.2 Supporting Capacity Building

The Council recognises that the outcome-based commissioning approach makes demands on the Sector different to those of the traditional grants approach. The Council will support the Sector in developing its capacity to respond effectively to these new demands.

The Council will work with the Local Infrastructure Organisation to identify the Sector's needs in this area and how the Council can best support them.

Support may include

- opportunities for dialogue and discussion with commissioning officers from the Council
- encouragement for the development of consortia in which two or more organisations work together formally to meet the requirements of commissioned outcomes
- establishing sufficient timescales, with advanced communication, to allow the Sector to adapt

2.3 Council Infrastructure and Resources

The Council's procedures and officers will also need to develop appropriate knowledge, skills and capacity to commission outcomes effectively.

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2.3.1 Roles

Overall corporate responsibility for developing and maintaining this framework, for providing guidance on it to internal service areas and for monitoring and ensuring that it is applied, lies with the Assistant Chief Executive. The responsibility for implementing the framework in any particular piece of commissioning lies with the officer in the relevant service area who is responsible for the outcomes of the commissioned service.

2.3.2 Governance Processes

Commissioning of services and outcomes will follow the appropriate forms of governance in existence with the Council at the time. These may include project or programme gateway processes, procurement authorisation, or decision under the Council's constitution by Cabinet, Portfolio Holder or officer under delegated powers.

A record will be kept of contracts and grants agreed under this Framework, including their monetary values.

2.3.3 Procurement

Commissioning will generally involve a procurement process. Commissioning from the voluntary and community sector must follow the procurement rules laid down by national and European law, and the Council's own agreed procedures and codes of practice.

3 Analysis

3.1 Identifying the Needs of Service Users

A key benefit of working with the voluntary and community sector is the knowledge within that sector of local need and current issues in service provision, supported by access to potential service users and their views. This resource should be used not only when a particular piece of commissioning is being actively contemplated, but as part of regular reviews of services, for example during the service planning cycle.

In these circumstances the relevant officer should consult appropriate representatives of the sector at an early stage. The aim of this consultation is to

- Understand what information is available from organisations that could help to define the service need
- Identify gaps in information, and the potential role of the sector in filling them
- Agree as far as possible with the sector what outcomes are either necessary or desirable
- Begin an impact assessment on any possible options

Other sources of evidence should also be used, including national statistics and local analyses such as the Joint Strategic Needs Assessment.

3.2 Identifying Service Provision and Gaps

Once the need has been identified, the officer should make an analysis of existing service provision to address these needs. That provision could be from any combination of public, private and voluntary/community sectors. The analysis may identify duplication of provision, and/or gaps in service. As with the identification of need, this analysis should be done in partnership with the voluntary and community sector, possibly at the same time. The purpose of the analysis is to assist in designing the most appropriate service, not only to ensure that needs are being met but that the various agencies potentially involved are able to work together efficiently and effectively.

3.3 Defining Outcomes

It will not always be possible to fill every gap in service need. Defining which outcomes are to be commissioned is therefore a political decision, one which should be taken with as full information as can reasonably be presented, including an appropriate impact assessment.

Organisations working in the field will inevitably feel passionately about the issues they exist to address. So it is recognised that agreement on outcomes may not always be possible. However, the decision should come about after effective dialogue with the Sector, and as with all Council decisions should be transparent and justifiable.

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Outcomes must be defined in such a way that the achievement of them, or progress towards them, is clearly measurable. Sector representatives may have views on how this can best be done, and the practical issues involved. As far as possible they should be genuine outcomes – results for the ultimate beneficiaries – rather than levels of activity or other outputs, although sometimes measures such as these are the only ones that can be readily assessed.

4 Planning

4.1 Agreeing Funding Method – Grant or Contract

Commissioning outcomes or services normally implies entering into a contractual relationship with the agreed supplier of the service. However it is also possible that the relationship will be in the form of a grant to an organisation. A third option is a 'Service Level Agreement', but from a legal perspective, or within procurement rules, an SLA between different legal entities is essentially a contract.

A grant may be appropriate when the following conditions are met:

- There is only one organisation realistically able to supply the service
- General needs have been identified for the group served by the organisation, but specific outcomes are difficult to define
- The period of funding is relatively short

Grant funding may be particularly appropriate for one-off projects or start-up funding. A grant can be thought of as a gift, effectively unconditional, as opposed to a contract where funding is conditional on delivery of specific outcomes, outputs or other products. Given the relative lack of control over performance, commissioners should be wary of offering grants of large sums or over long periods, and should always seek legal advice.

4.2 Developing the Approach to Delivery

Working with the sector should bring benefits from innovation.

Commissioners should explore with the sector what options for service delivery might be available, and should not unjustifiably restrict innovate options through the specification. Examples of ways in which innovation could be encouraged include

- Specifying outcomes but giving potential providers freedom to propose how they would achieve these
- Allowing organisations to form consortia to benefit from specialisation and size
- Rewards for additional demonstrable benefits (including financial benefits) in addition to those specified
- Ideas for customer involvement in service development and monitoring

Commissioners should also find out what kind of market exists within the Sector. If this is underdeveloped, and there are currently few suitable organisations, the Council should where possible seek to increase capacity within the sector, working with the Local Infrastructure Organisation.

In accordance with the Compact, contract lengths should be sufficient to allow realistic investment in the service by the commissioned organisation to be recouped and allow some stability in both organisational structure and service provision. Longer contracts also reduce the transactional costs for the Council. In practice, contracts of less than three years duration are unlikely to fulfil these requirements. Timing and frequency of payments should be arranged with the financial arrangements of likely bidders in mind.

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Risks involved in the commissioning of outcomes must be considered before and during the process itself, and recorded and managed accordingly. These may include existing risks associated with the service, those arising from the commissioning process itself, and any new risks from changed arrangements. Risks will be shared between Council and commissioned organisation, but should not be so heavily weighted against the latter that they are discouraged from participating.

4.3 Specification

The specification is key to effective commissioning. Commissioning officers should balance the need to be clear and precise about outcomes, with flexibility about the means to achieving these. In order to achieve the best outcome for the Council, the Sector and the end beneficiary, specifications should include the following

- Clear outcomes, clearly measured
- All relevant background information, including evidence of need and how this was acquired
- Any impact assessment already conducted
- Required standards and policies
- Monitoring and reporting arrangements
- Arrangements for dialogue, developing the specification to meet changing circumstances, and resolving disputes

Developing the specification in partnership with the Sector is recognised as best practice. The commissioner will have to be aware of potential conflicts of interest and ensure that the result is in the wider public interest.

5 Sourcing

5.1 Procuring the Best Value Provider(s)

The Council should seek always to achieve best value for its citizens. In commissioning outcomes, it should consider this duty in the widest context. This means not only thinking narrowly about the specific service under consideration, but about all the implications, the potential positive benefits and negative impacts, of its decisions.

A strong and vibrant voluntary and community sector is of enormous benefit to Northampton. Therefore the Council is right to encourage the Sector to participate fully in delivering services and outcomes, and will seek to ensure that these organisations can compete effectively for contracts – if they can demonstrate that this provides best value overall. The Council should help the Sector to compete fairly by

- Involving it in developing the specification
- Allowing sufficient time for organisations to put together their proposals, including forming consortia or other forms of partnership
- Ensuring that specifications do not discriminate against not-for-profit organisations

Where appropriate, commissioners should consider including requirements for bidders to have a local base, source products locally and/or show how they will use volunteers in the delivery of the outcomes.

The process of procurement must follow the Council's agreed procedures and conform to national and European legislation. Among considerations which may be particularly relevant in dealing with the voluntary and community sector are

- Allowing scope for presentations by bidders, inviting innovative responses
- 'Competitive dialogue' permitting a degree of mutual development of the specification
- composition of the panel to evaluate bids, to include representation from the Sector

6 Monitoring and Review

6.1 Monitoring and Reviewing Performance

Contracts with voluntary and community sector organisations should be monitored in the same way as other contracts. The focus needs to be on achieving the outcomes specified to the required standards, and in the longer term of ensuring that the service is resilient and sustainable by identifying problems at an early stage. If problems are identified, it is in the Council's interest as much as the contractor's that the two parties work together to find the best solution.

The Council will have identified a specific officer with responsibility for overseeing the contract and its outcomes. This officer, as well as having formal duty to monitor performance, should also be in regular dialogue with the organisation to strengthen the partnership between it and the Council, in particular through the continuing growth of understanding about the needs of those served by the organisation.

An essential part of monitoring will be collecting feedback on the service from users (clients or customers). The specification may provide that the commissioned organisation is responsible for setting up and operating such a feedback system. It should be capable of identifying different characteristics of respondents. The Council retains its responsibility for the service even when it is being provided on the Council's behalf by another organisation. In particular it retains its obligations under the Equality Act 2010 to eliminate discrimination and foster good community relations. To do this it will need to understand the make-up of service users according to their 'protected characteristics', and be able in partnership with the commissioned organisation to address any inequalities revealed by this analysis.

Disputes or complaints about a contract will be resolved through the procedures set out in the contract. If there are complaints about the application of the framework itself, they should be referred in the first instance to the Assistant Chief Executive.

6.2 Learning from and Developing the Approach

As referred to above (1.4) this framework will be reviewed at regular intervals. In order to learn from experience of using the framework, the following should be consulted and otherwise involved in the review

- Representatives of the Sector generally
- Organisations which have been commissioned by the Council
- Representatives of users
- Members and officers of the Council
- Partner agencies

They will consider whether the purposes of the framework have been met, the effectiveness of the relationship between the Council and the Sector, and the extent to which changing circumstances may suggest changes to the framework.

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The Framework will be published and available through the Council's website, where any changes to it will be notified.