

A Voluntary Sector Commissioning Strategy for Hertfordshire

2015 - 2019



Introduction

As commissioners of health and social care, public sector organisations are committed to addressing the fundamental challenge of moving investment into preventative services and we recognise the opportunity of working in partnership with many of our voluntary and community sector partners in this pursuit.

This strategy sets out our expectations of the future of this relationship and the characteristics, values and behaviours that we will be looking for in our partners. We are committed to working in the same way ourselves and this document will outline a consistent commissioning framework to improve communication and ensure a shared vision of how we will work together in the future.

Our Commissioning Intentions

Demand from the wide range of people who need public services is increasing whilst funding is decreasing. We know there is more we can do to encourage individuals and families to lead healthier, more independent lives – and to assist people to live independently for longer. This will reduce pressure on the public purse whilst leading to a better quality of life for everyone.

This approach is relevant to those with physical and mental health conditions and those caring for them, children and adults at all stages of life and it is as true for people struggling with crime, housing and employment issues as those with health and/or social care needs. The voluntary and community

sector has a vital and growing part to play in the way we work with all groups and we are keen to include them in our strategic approach.

As commissioners, we want to spend less on traditional ways of working and more with the voluntary and community sector to enable people to live well. Linked to the evidence-based Five Ways to Wellbeing (New Economics Foundation 2008) we aim to commission services that enable people to:

- Make informed decisions
- Find the right option for them
- Stay in their own homes
- Say when they don't feel they've received the best service
- Access services, businesses and social groups in their community
- Stay Active
- Make friends and local connections
- Give something back
- Feel safe
- Have a voice
- Stay healthy
- Continue to care for the people they love

Our Commitment as Commissioners

As commissioners we spend well over £40 million every year in the community and voluntary sector in Hertfordshire, both as individual organisations and jointly, across a wide range of different issues and service user groups.

Whether we are looking to commission new or existing services, we will seek to understand the services that are already in place and how they support people. We will learn from our own monitoring and contract management and we will aim to build on the gaps in provision identified through real activity.

We will consult with both the providers and users of services on our specific service requirements and we will aim to co-produce specifications for new services where that is appropriate. We will work to Think Local Act Personal Principles which ensure people have greater independence and choice enabling enhanced wellbeing within stronger and more resilient communities.

We will review regularly how we are spending money and we will aim to be clear about how what we are buying meets the priorities set out in our strategies and plans. If we want to change what we commission, we will give as much notice as possible to the organisation currently providing that service and to other organisations who might be interested.

The Social Value Act

The Public Services Social Value Act 2012 places a duty on commissioners in councils, the NHS and other public bodies across England and Wales to consider how they might improve the economic, social and environmental

wellbeing – the ‘social value’ – of an area when they commission and procure public services. The Act states that:

The authority must consider:

- a) How what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and
- b) How, in conducting the process of procurement, it might act with a view to securing that improvement.”

In Hertfordshire we welcome this legislation and believe it provides us with an opportunity to invest in organisations, businesses and charities that we may have found it more difficult to support in the past.

Very small, community based providers that work with people in their local area is one example but so is a larger organisation with a very positive, forward looking approach to attracting volunteers from a large range of different backgrounds.

The Social Value Act encourages us to recognise the totality of what an organisation does for the benefit of the people and environment it comes into contact with and in this way organisations with a wider sense of what they want to achieve than a simple economic one, will benefit.

The Localism Act

The Localism Act has four main aims and has a different impact but one that is relevant to the commissioning of the voluntary and community sector:

- Empowering communities
- Diversifying the supply of public services
- Strengthening accountability to local people
- Opening up government to public scrutiny.

While this has opened up commissioning to questions and challenge we welcome this process as part of a partnership approach and we will respect the right of local communities and individuals to express their views and be part of finding a solution. Our commitment is that we will facilitate the debate and support the process of finding a solution that works for the majority.

The Act also gives communities extra rights, including:

- The right to buy community assets (such as shops, pubs and libraries)
- The right to challenge how services are being run and to bid to take over these services
- Powers to start a local referendum on any issue.

A Strategic Approach

Across Hertfordshire statutory agencies are embracing the role that the voluntary and community sector can play. Many of our strategies and plans contain a strong ambition in the growing role of the voluntary and community

sector in the future but we also recognise that this will require investment in both time and resources and the key to success will be strong partnerships and mutual respect.

	<p><u>Hertfordshire Forward Ambition for Hertfordshire</u> “We want to see... a vibrant voluntary and community sector involving people in their local communities.”</p>
<p>Health and Wellbeing Board Hertfordshire Strategy 2013 -2016</p> 	<p><u>Hertfordshire Health and Wellbeing Strategy</u> “The thriving voluntary sector in Hertfordshire offers a huge diversity of services, from delivering emotional support to carers to encouraging young people to take up sport.”</p>
<p>Hertfordshire Lifestyle and Legacy Partnership</p> 	<p><u>Hertfordshire Lifestyle and Legacy Partnership</u> “Draft strategy is in development and with shared objectives in the areas of public health, sport, recreation, culture and volunteering, the voluntary sector is sure to be key in its delivery.”</p>
<p>Ageing Well in Hertfordshire 2014 - 2019</p> 	<p><u>Ageing Well Strategy</u> “Expectation that the voluntary sector is a key provider to meet the needs of the ageing population.”</p>
<p>Hertfordshire County Council</p>  <p>Children's Services' Ambition for Children and Young People in Hertfordshire</p>	<p><u>Children's Services' Ambition for Children and Young People in Hertfordshire</u></p>
<p>Hertfordshire County of Opportunity</p>  <p>Corporate Plan 2015-2017</p>	<p><u>Hertfordshire County Council Corporate Plan</u> “Joining with others in the county, from the public or private sector and voluntary and community groups, to meet the aspirations of our residents. Have opportunities to volunteer which are meaningful for them and beneficial for their communities.”</p>
<p>Healthier Herts A Public Health Strategy for Hertfordshire 2013 - 2017</p>	<p><u>Healthier Herts: A Public Health Strategy for Hertfordshire</u> “Acknowledges voluntary and community agencies’ role in tackling public health challenges.”</p>
<p>NHS East and North Hertfordshire Clinical Commissioning Group</p>	<p><u>East & North Herts Clinical Commissioning Group’s Commissioning intentions 2014/15</u> “Avoidance of unnecessary hospital admissions: enable the diversion of money away from acute settings, investing in voluntary, community and primary care services.”</p>
<p>NHS Herts Valleys Clinical Commissioning Group</p> <p>Delivering a Healthy Herts Valleys Autumn 2013</p>	<p><u>Herts Valleys Clinical Commissioning Group: Delivering a Healthy Herts Valleys</u> “Develop local, primary care based initiatives with the voluntary sector with an aim that health and social care works more collaboratively and effectively and focuses on home and primary care.”</p>

Our Third Sector

'The State of the Voluntary Sector and its Impact in Hertfordshire' was produced for the Hertfordshire Community Assembly in 2012 and outlined the scale and impact of the wider voluntary sector in the county:

1. Total annual income: £716m
2. The value of volunteer's time: £423m
3. Equivalent 'for profit' value of services: £1.62bn

In May 2014, there were 3,336 registered charities in Hertfordshire. These employ around 35,000 full-time equivalent people and provide opportunities for around 24,000 volunteers.

Whilst it is acknowledged that only a small proportion of the wider voluntary and community sector is commissioned by public sector agencies, we want to remain a key part of its sustainability and in partnership we aim to reduce inequalities.

Our vision for the voluntary and community sector in Hertfordshire is one of collaboration with each other, community leadership, a strong voice and assisting people to live well. We want the sector to be:

INDEPENDENT

SUSTAINABLE

COLLABORATIVE

INNOVATIVE

THRIVING

ACCESSIBLE TO ALL

Our Expectations as Commissioners

Along with our contractual expectations, which are specific to the service we commission, we have an expectation of behaviours that we want to see our thriving voluntary and community sector exhibit and that we will also commit to ourselves.

Values and Behaviours

Collaborate and Share Information

No one group or organisation can provide every service that a person might benefit from. We must work collaboratively with each other to understand what services people need and join up our approach to make sure each citizen can get easy access to those, regardless of who people approach first.

This 'No Wrong Door' approach will form a crucial part of our tender specifications and we recognise that there is both a financial and resource cost to the processes that will need to be put in place to support it.

Provide Good Value for Money and Diversify Income

We expect voluntary and community groups to demonstrate that they provide value for money and raise money independently of the public sector. This may be through fundraising, charitable donations, bidding for grants or income through charging for goods, services and subscriptions.

Having said that, we do recognise that some groups are unable or find it difficult to fundraise because of the services they provide and we are also clear that some services need to be free so a service charge would not be appropriate. We will recognise this in our arrangements with these services.

Innovate

We want to encourage innovation and working in different ways. We will welcome business cases to take on work currently done by the public sector or to extend existing services and we will enable and encourage debate about working together and in different ways to meet the needs of the most vulnerable people.

We recognise that there is much that can be done efficiently and effectively by the voluntary and community sector and we will look to develop new and existing independent quality assurance in these areas.

Encourage Volunteers

In recognition that volunteering has benefits to both the individuals who do it as well as those who receive services we expect the voluntary and community sector to maximise volunteering opportunities and encourage volunteers.

We recognise that volunteering is not 'free' and volunteers must be trained and co-ordinated – but there is an intrinsic value in providing volunteering opportunities in local communities and commissioners will use the Social Value Act to recognise this value in our evaluation of tenders .

Manage demand

We are clear that the services we currently commission with the voluntary and community sector are often to prevent, delay or manage the demand for statutory services and this will continue. Our aim is to offer people something preventative to enable them to stay independent for longer. Any voluntary or community group should be prepared to demonstrate how they do this and what the benefits are.

7 Day Working

More and more services will be required for longer hours in the day and at weekends. People say they want flexible services – particularly those who go out to work. We want to see organisations who have considered whether this is a service that their customer group would benefit from and propose new ways of working accordingly.

The Hertfordshire Compact

We will work with our voluntary and community partners to renew and update the Hertfordshire Compact, which will develop the theme of the way we want to work together and will be co-produced to reflect the commitment of all parties.

A Commissioning Framework

All statutory agencies are obliged to work to their own Contract Regulations, Standard Financial Instructions and national and European Procurement legislation which applies to buying goods, works and services on behalf of statutory organisations. These have the following aims:

- Ensure we achieve best value for money for Hertfordshire residents through appropriate market competition
- Help us to be transparent to our residents about how we spend their money
- Ensure we spend public money legally and fairly, and to protect us from undue criticism or allegation of wrongdoing
- Help us to support sustainability and social value objectives

While we will work within these regulatory frameworks we are also committed to a proportionate and consistent approach that will include:

1. An analysis of what local needs there are in the population concerned.

We will use information such as Hertfordshire's Joint Strategic Needs Assessment, which is available online to everyone, and continue to develop Market Position Statements as part of an ongoing dialogue to access the expertise of both the statutory and voluntary and community sectors. We are committed to developing a better understanding of local needs and how they can be met or prevented effectively.

2. We will put outcomes at the heart of the commissioning process. We will aim to understand how services work most effectively and get the best outcomes for the money being spent.

Contracts will usually be commissioned with the voluntary and community sector for a number of years as we recognise that the best efficiencies are often developed over time.

3. We will consult with potential providers in advance of planning a new service and work in partnership to set priority outcomes.
4. We will advertise our plans to spend money and invite organisations to bid in different ways depending on the scheme or amount of money involved. We will ensure contracting processes are transparent and fair.
5. We want to encourage small and new organisations to bid to run services, especially those working with hard to reach groups. We will specify this requirement in large contracts, we will enable and encourage partnership working in all its formats and we will run training events, open to all, on how to bid for funds and how to work in partnership.
6. We will monitor how public money is used but we are committed to keeping that monitoring proportionate to the amount of money being spent and the level of risk being managed by each voluntary or community organisation. We will use best practice guidance, impact measurement tools and online resources which are available to everyone.

The overarching framework of our approach, while recognising there will be differences in the detailed rules applied by smaller statutory organisations, will be:

Contracts	
<p>Large Contracts More than £100,000 total contract value</p> <p>Competitive tender process</p>	<p>When we need to buy services for a large population of people or covering a large geographical area, with a total contract value of more than £100,000 we will advertise a tender opportunity online and ask organisations to submit a tender bid. We will evaluate their bid using rules that we will publish in advance.</p>
<p>Small and Medium Sized Contracts £1 - £100,000 total contract value</p> <p>Quotation process</p>	<p>Where we want to secure a smaller service we may request written quotes to ensure a fair but proportionate process. We will evaluate these quotes using rules that we will publish in advance.</p>
Grants (up to £75,000)	
<p>On occasion we may advertise a grant giving programme to award small amounts of money, usually for innovative and development activities. When we do this we will run a fair application process, and publish our selection criteria.</p>	