

Commissioning and community organisations

The community sector is adding value to public service delivery by demonstrating greater local responsiveness, better cost effectiveness and extensive reach into communities.

In 2007, over half the income in the voluntary and community sector was earned, the majority from public service delivery under contract. Over the last eight years, voluntary and community sector organisations have reported an increase in income from contracted work and a decrease in funding from grants¹.

Community sector commissioning is increasingly important in a climate of severe public sector cuts on the one hand and Big Society proposals on the other. There is now an opportunity to take a radically different approach to public services that engages with citizens around design, development and delivery. The coalition government has already said that it wants to open up access to commissioning and level the playing field for charities. The bottom line is that the community sector can help commissioners deliver their objectives more effectively. We are calling for open and constructive dialogue around this.

The power of collaboration

Along with national and local government, public sector bodies have begun to rely more on the community sector in their service delivery plans. The sector has strong links to the local community, members' performance is tried and trusted and they provide a bridge to communities and groups that are outside the mainstream.

Collaboration adds a powerful dimension. By pooling resources to bid together for contracts, voluntary and community organisations can create public sector savings, increase the likelihood that services respond to local needs and be the driving force for strengthened and empowered communities.

bassac's work on collaboration and commissioning

Collaboration Benefits: A partnership between bassac, Action with Communities in Rural England (ACRE), Community Foundation Network (CFN), and the Institute for Voluntary Action Research (IVAR). Funded by Capacitybuilders it aims to:

- Facilitate collaboration throughout the third sector and with the public and private sectors
- Identify new and innovative models of collaboration
- Develop a comprehensive online resource bank to support collaboration
- Provide training and support to build collaborative working skills.

Collaborate for Commissioning: Practical guidance and support for community organisations to work with each other and take part in the commissioning process. Funded through the LGID National Programme for Third Sector Commissioning.

Kindle Partnership: A community sector partnership, it has published a report to help community organisations become 'commission ready' in relation to local authorities' commitments to children and young people.

Collaborating to enhance commissioning

This can happen in a number of ways:

Sustainability and improvement Partnership working between community organisations and across sectors to offer funders a strong, skilled resource.

Sharing knowledge Collaborating with larger national partners promotes the skills and knowledge of community organisations.

Louder voice Collaboration is a powerful way to improve community involvement. When local groups work well with their local authority the result is better services for the community.

Efficient working Collaboration can mean organisations reduce overheads and make resources go further, offering commissioners better value for money.

Collaboration is an increasingly important approach between commissioners and the community sector, working effectively together to plan, design and deliver responsive services with local people, often in areas of multiple deprivation.

The benefits for commissioners

Collaboration between community organisations as part of a radically refocused public sector commissioning regime can be a vital plank in turning broad Big Society aspirations into specific and practical reality. The Commissioning White Paper and community right to challenge proposals will be vital here. And so are measures announced in the comprehensive spending review to free local government from existing resource allocation bureaucracy.

Traditional strengths of the sector in service delivery include:

- Flexibility, innovation and skills in operating on tight budgets
- Outcome-focused results
- Unrivalled knowledge of opportunities and challenges in communities and the services they need.

When collaborating, organisations offer public service commissioners these advantages, strengthened by a critical mass to drive transformational investment in communities.

Learning the lessons

Historically, small community organisations have found it difficult to compete in the commissioning environment. Going it alone is increasingly not an option. In the right circumstances, collaboration certainly can be. But working together can also be complex and requires a range of skills and resources to be in place. bassac's experience shows that to reap the full benefit, many community organisations need help to collaborate effectively.

Benefiting everyone Commissioning, community organisations and collaboration

Case study:

Shiney Advice and Resource Project (ShARP) The role of advocacy in designing public services

Locally-based providers and local commissioners need to develop trusting relationships if they want to improve local services.

Shiney Advice and Resource Project (ShARP) has been working with people in the Coalfields area of Sunderland since 1981. By providing access to welfare rights and support, they help local people take control of their own lives and influence the future of their communities.

Recently, Sunderland City Council undertook a review of its advice services and engaged community organisations in the debate. The findings confirmed that local people wanted local access to services. As a result, the council decided to break their single city-wide first tier advice contract down to five smaller area-based ones. This enabled smaller organisations like ShARP to bid.

This resulted in a new level of community-focused and delivered advice services to some of the city's most deprived people. ShARP has really noticed the difference and commented that "In the first six months we have already helped 2,130 clients with 2,829 issues. Our areas of advice are expanding and our clients are coming to us with increasingly complex and difficult issues, but understanding the needs of our local community is what we do best."

Case Study:

London Borough of Camden - Designing commissioning for mental health services

Camden Council is working with Voluntary Action Camden to run an outcomes-based approach to commissioning and monitoring processes (OBC&M) for a project entitled Third Sector Delivery in Camden.

The project started out by piloting an approach that put outcomes for users at the heart of the strategic planning process, rather than process and outputs.

Camden's Mental Health Day Care Services based its commissioning on a theory of change model which helped the practitioners to monitor the changes that occurred from input to activity right through to evidencing the value created to the individual and communities. The success of this approach has led to it also being applied to commissioning of Supporting People and Parenting and Family Support services.

OBC&M processes help to:

- Understand how interventions affect change and deliver value
- Gain a deeper understanding of what is working.

Outcomes-based monitoring systems can provide:

- Evidence of effectiveness and outcomes
- Linking of service level outcomes to community strategy priorities and local area agreements and national indicators
- Benchmarking performance across similar services in Camden and beyond
- Intelligence for retaining/investing in services that work.

National and local partners work together

Developed with ACEVO to explore how national voluntary organisations can work in partnership with community organisations to bid for and deliver commissioned services.

Community brokerage: How community anchors can work with or broker commissioning arrangements for frontline organisations and build their capacity.

Co-design of services: Identifying the issues and experience of larger community-based organisations around co-designing services with commissioners.

Toolkit of support: Development of checklists, advice and information designed to make the process of collaborating for commissioning more effective.

What bassac members say about commissioning processes with public sector bodies

"There was a lack of knowledge and experience of working with the third sector and grassroots organisations".

"Good commissioning is where it is clear what is being sought or purchased, information is accessible, with timely responses and feedback, together with an understanding that it is a professional commissioning relationship and not an act of benevolence."

Our 2010 member survey revealed that 57 per cent of bassac members found commissioning processes to be very or fairly ineffective. Common problems identified by community organisations include prohibitive contract sizes, limited sub-contracting potential, overly tight timescales that fail to consider the consortia-building needs of community organisations, and bureaucracy that community organisations are not geared up to respond to.

To exploit current opportunities and encourage more community organisations to work in collaboration, commissioners will need to acknowledge the specific issues facing community organisations and develop tendering processes that fit a partnership model.

bassac has identified a number of models that can help commissioners to collaborate with the sector to design effective commissioning processes.

How can we improve the collaborative bidding process?

bassac's strategic 'ask' of public sector commissioners is that they build genuinely democratic commissioning processes that unlock the confident, innovative and enterprising spirit of ordinary citizens. Sustainable commissioning with community organisations can capture social and community value and strengthen the fabric of communities.

We want to see commissioning processes that encourage community organisations to collaborate with each other and with commissioners to design and run services that respond effectively to local needs.

The coalition government has promised to remove red tape and bureaucracy and liberate all sections of the community to play their part in the Big Society. We believe the key developments that would benefit community groups are:

Public bodies giving weight to the views of community organisation partnerships when drawing up new commissioning arrangements

Public service contracts should formally recognise the true non-monetary value that community organisations bring by applying their local knowledge to create solutions for people who cannot access mainstream services.

"We are finding that programme participants are engaging in consortia proactively and the consortia are being acknowledged as credible and competent vehicles for both winning contracts and developing services."

Nigel Newton Sawyerr, programme manager for Collaboration Benefits

The commissioning process must support community organisations working in partnership and collaboration

Community organisations working in partnership operate in a different way to private sector companies when bidding for contracts. It is imperative that these differences are taken into account. There must be realistic timescales and contract management information required that is proportionate to the size and capacity of the organisations involved. Partnership working should dictate the commissioning process – not the other way round.

Community sector staff need access to training, advice and support on collaborating to bid for tenders to ensure they are not left out of the commissioning process. We want to see commissioners build on the findings of the LGID National Programme for Third Sector Commissioning to enhance the possibility of community contracting.

Case Study:

Barton Hill – Taking the lead role in collaboration

Barton Hill Settlement promotes community development and provides services and facilities to communities in East Bristol. The organisation has refined its approach to competing for commissioning in recent years and has begun to take a lead partner role in collaborating with smaller community organisations. This relationship involves:

- Help and support about organisational set-up, and expert advice on grants and commissioning processes
- Identifying commissioning opportunities and drawing others together to take advantage of that opportunity; subcontracting to smaller organisations when successful with tenders
- Taking some of the strain on behalf of smaller organisations. As a community anchor organisation this is part of Barton Hill's core role
- Working with individuals rather than groups as one way of building capacity at the grassroots.

Resources

Local authorities and public sector commissioners need to build sustained and consistent third sector-friendly procurement and commissioning strategies and processes. We have identified resources to help this happen.

- A support package for local commissioners and the community sector to create a more locally-responsive design for public services:
www.bassac.org.uk/collaboration
- The National Programme for Third Sector Commissioning has eight key principles of good commissioning derived from nationwide good practice:
www.idea.gov.uk/idk/aio/6617745
- The Kindle Partnership: www.commissioningsupport.org.uk/cs/groups/commissioning_and_the_community_sector/default.aspx
- Collaboration Benefits programme:
www.bassac.org.uk/collaborationbenefits

For more information, contact Joanna Shardlow on joanna@bassac.org.uk

bassac 33 Corsham Street
London N1 6DR
T: 0845 241 0375
www.bassac.org.uk

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