



**COMMON STANDARDS OF PROCUREMENT
IN ADULT SOCIAL CARE**

MARCHAVEN
Consulting Limited 

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QUALITY CONTROL

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EXECUTIVE SUMMARY

The key findings and issues highlighted in the Report are identified below and detailed in Section 10 on pages 46 to 50.

The scope for streamlined, quicker and more cost efficient tender processes

- The standardisation of PQQ's for expression of interest
- Adoption of common standards in terms of information requested at PQQ stage and ITT stage
- Adoption of a common set of standards for evaluation e.g. on equality, health and safety and other criteria including scoring and short listing
- The tailoring of procurement processes to the value of the contract
- The development of a facility to submit web based PQQ's
- Consideration of accreditation of suppliers for specific care services across West London
- Standardisation of specifications and contract terms and conditions including outcome based specifications and financial clauses
- Immediate implementation of the Pan London contract for Learning Disabilities across West London in authorities where it has not already been implemented
- The adoption of common methodologies and standards for contract monitoring including inspections and sharing of information and avoidance of duplication.

The scope for collaborative procurement processes including with Primary Care Trusts and Supporting People with the use of common procurement tools

- Limited engagement with PCT's although there is clearly potential for joint procurement e.g. for palliative home care
- SP have developed a West London methodology and this can be extended to adult social care both jointly with SP where appropriate and individually for adult social care including:
 - Direct payments service
 - Home care service
 - Residential and nursing dementia care
 - Other previously identified service gaps

The processes that will afford greater opportunity for SME and the voluntary and community sector to participate in the market for social care

- Commissioning authorities need to encourage them to make bids and provide adequate information for them to do so.
- Commissioning authorities need to provide feedback on unsuccessful bids
- Capacity building and support required for smaller organisations e.g. sharing the services of a bid technician
- There is a need to develop forums and joint training initiatives to work with the organisations on key issues for development

The role that e-procurement can play in all of the above.

- To date there is very limited application of e-procurement and e-tendering within West London for adult social care
- No great push from providers for this although they welcome any developments as they arise
- E-tendering should facilitate the exchange of information and standardisation of documentation to the benefit of both authorities and providers
- However Corporate leads are developing for other services and this is an opportunity for adult social care to push for the development of e-tendering within their service area.
- The West London Adult Social Care Procurement Group should consider the development of a web-site for the development of e-tendering across the sub-region

To see how evidence on user outcomes can be better reflected in the procurement process using commonly agreed standards. To ensure improved involvement of users in the procurement decisions through better designed specifications and evaluation techniques

- There are some good examples of service users being involved in the procurement process across West London
- There is a need to develop outcome based specifications for all care services and particularly for home care to deliver improved quality.

- The need to develop a protocol / best practice guide regarding how best to involve service users in the procurement process

To produce a business case and estimation of the efficiencies to be gained from standardised models for purchasing social care for adults, including an evaluation of the greater capacity created in the system for market development

It is clear that substantial business benefits will accrue in terms of facilitating the processes and developing the market in which care is procured. A summary of the potential estimated savings and efficiencies is:

- Aggregation of contracts and increased economies of scale - £4.764m (Impower's conservative estimate)
- Annual Price Increases - £7.2m across 9 boroughs (or £0.8m per borough)
- Released capacity – estimated to be around 6.5 FTE's across 9 boroughs (estimated at £162.5k)
- Reduced staff time spent procuring - £10k per non-lead authority per procurement (based on a typical procurement process).

In addition there are substantial benefits / efficiencies arising to suppliers arising from increased collaborative procurement.

1. INTRODUCTION AND PROJECT OBJECTIVES

The overarching aim of the project, which has been commissioned by the London Centre of Excellence, is to identify the scope for standardising and streamlining the procurement processes for adult social care with a specific West London focus.

Specific objectives are:

- To identify the scope for streamlined, quicker and more cost efficient tender processes
- To see how evidence on user outcomes can be better reflected in the procurement process using commonly agreed standards.
- To ensure improved involvement of users in the procurement decisions through better designed specifications and evaluation techniques
- To investigate the scope for collaborative procurement processes with Primary Care Trusts and Supporting People with the use of common procurement tools
- To map current best practice and initiatives to standardise procurement processes for adult social care
- To produce a business case and estimation of the efficiencies to be gained from standardised models for purchasing social care for adults, including an evaluation of the greater capacity created in the system for market development
- To produce a description of the processes that will afford greater opportunity for SME and the voluntary and community sector to participate in the market for social care
- To identify the role that e-procurement can play in all of the above.

The Project Sponsor is the London Borough of Hammersmith and Fulham and the Project Manager Tim Parkin, Head of Commissioning at the London Borough of Hammersmith and Fulham. The Project Consultant is Jarvis Whitehead from Marchaven Consulting Limited.

2. PROJECT METHODOLOGY AND BACKGROUND

2.1 Methodology

The project methodology agreed was as follows:

- (a) Meet with representatives of Commissioning and Contracting of the 9 West London boroughs to ascertain:-
 - commissioning intentions / strategy
 - clarify existing and proposed changes to procurement processes including e-procurement and e-tendering
 - their views on the scope for standardisation
 - the extent to which service users are currently involved in the procurement process and how they might be further involved
 - the care market with the borough including issues, problems, specific requirements
 - potential efficiencies which might arise as a result of standardisation of agreed processes
- (b) Meet with PCT's – assume Hammersmith and Fulham and 2 others to assess the scope for collaborative procurement processes and standardisation.
- (c) Meet with the Voluntary Sector Resource Agency in Hammersmith and Fulham and assume in two other boroughs to ascertain how the 9 West London authorities can make their procurement processes more accessible to the voluntary sector to encourage future tendering.
- (d) Meet with Supporting People managers – assume Hammersmith and Fulham and 2 others. The purpose is to assess the scope for collaborative procurement processes and standardisation particularly regarding the work being undertaken on the AVALON project.
- (e) Meet with cross section of providers as follows:
 - major providers working with a number of the 9 West London boroughs (e.g. Care UK, Lifestyle, ANS, Anchor)
 - Small and Medium size enterprises (suitable providers to be agreed including BME provider (s))

(f) Desk Top Research

To assess current research and developments, best practice, existing standardisation elsewhere including research undertaken or being undertaken by ALG, Centres of Excellence, IdeA, and CSED.

(g) Option Appraisal

Assessment of options of scope for standardisation, market development, possible efficiencies to be gained and formulation of proposals. Includes discussions of proposals with Project Manager and / or nominated representatives.

In the event it proved very difficult to engage with representatives from the various PCT's partly because of the workload requirements in this area, partly due to identifying suitable representatives and partly due to the lack of response from those who were identified.

The list of people and organisations interviewed as part of the research is shown at Appendix 1.

2.2 Background to the Project

The project aimed to build upon the work started by the West London Adult Social Care Procurement Group (WLASCPG). The WLASCPG consists of 9 authorities – the six boroughs who make up the West London Alliance plus the boroughs of Camden, Westminster and the Royal Borough of Kensington and Chelsea. The Contracts Officers from these authorities together with some limited representation from Commissioning meet on a monthly basis and have made some progress towards the above objectives.

In particular they commissioned a report from Impower Consulting Limited which set out a vision for collaboration and which is reproduced in Table 1.

Table 1

Strategically

- The WLA boroughs:
 - Collaborate on a strategic level.
 - Do not compete with each other for services.
 - Pool demand for adult social care where possible.
 - Exploit opportunities for efficiencies and savings where there are shared suppliers.
 - Communicate demand to the market and manage the market collaboratively

Operationally

- The WLA boroughs:
 - Seek to reduce duplication of processes.
 - Standardise processes.
 - Aim to reduce costs for suppliers and make it easy for suppliers to do business with the WLA.
 - Trust other WLA boroughs

Elements of the strategic recommendations are in the process of being taken forward – for example, the proposal to develop a work stream that will result in the shared services agenda being taken forward in the commissioning and procurement of adult social care on a London wide basis.

At an operational level the WLASCPG have begun to share information including:

- home care block contracts – prices and volumes
- significant new block contracts and existing block contracts being re-tendered or re-negotiated in 2006/07 and 2007/08
- a summary of contracts over £250,000
- current gaps in service provision.

The Group has also worked together to develop protocols for:

- a mechanism for managing annual fee increases which last year was universally applied and limited increases to 2% across West London. For the coming year the agreed increase is 2.5%.
- a common matrix of fee rates which is not yet fully adopted.
- a process for making placements in each other's authorities.

This report now seeks to build on this work by considering links with other areas such as PCT's and Supporting People and highlight

opportunities for standardising and streamlining adult social care procurement at an operational level across all areas.

3. COMMISSIONING AND CONTRACTS TEAM STRUCTURES

Whilst a review of the structures within the commissioning and contracting functions of the boroughs was not within the remit of this project, it was considered useful to have an understanding of the differences that exist within each borough and in particular how the structures help or hinder collaboration.

The detailed findings in relation to structures are shown in Appendix 1 but the key findings are:-

- Structures, roles and responsibilities of commissioning and contracting vary considerably within the West London authorities
- Structures were under review in a number of boroughs at the time of undertaking the research (Hounslow, RBCK, Harrow, Hillingdon)
- Structural issues relevant to the project include the degree of integration with operational services, the extent of joint commissioning with PCT's and Supporting People and whether the Supporting People function is located within Housing or Social Care.

It was also found that the degree of variance in structures roles and responsibilities within commissioning and contracting hindered the development of joint working and the adoption of common standards to the extent that it makes it more difficult to:

- (a) maintain standard and consistent representation at meetings of the WLASCPG particularly regarding commissioning.
- (b) make decisions and recommendations at the WLASCPG which will be adhered to and implemented in all of the participating authorities.

However the Group is well aware of these issues and is currently in the process of addressing them - by inviting representatives from commissioning across the 9 authorities to a future meeting (likely to be June 2007) and by having a Chair with direct access to the Chair of GLADDS at Hammersmith and Fulham.

It is clear that the Group would benefit by including representatives from Adult Social Care Commissioning of all other authorities.

4. PROCEDURES AND DOCUMENTATION

4.1 Market Mapping

Key Findings

- The WLASCPG has exchanged some common information on prices, providers and existing contracts

Key Issue

- There is a need to build on this work to provide a database of information on both supply and demand across West London including residential, nursing and home care, spot and block contracts, and prices being paid by provider.
- Information exchange needs to be on a structured and regular basis and subject to ongoing analysis to determine future joint strategic action.

Detailed Findings

So far the Group has exchanged information on:

- Home care block contracts – prices and volumes
- significant new block contracts and existing block contracts being re-tendered or re-negotiated in 2006/07 and 2007/08
- summary of contracts over £250,000
- current gaps in service provision.

In order to take this work a stage further, development should include the mapping of current service provision showing where each borough has current placements for all care types within the West London boundaries of the participating authorities. This should distinguish between both block and spot placements and could also include all supply – whether currently used by any of the boroughs or not. Current prices being paid by each of the boroughs in each of the homes should also be collected for all care types – however due to the volume of work required it would make sense to work on just one service first – say Older People's if that is thought of as the highest priority.

The purpose of this mapping would be to ascertain which homes are used by which boroughs and enable the WLASCPG to make decisions on:

- the size of the business currently being undertaken across West London
- commonality of requirements and providers
- The extent to which any existing block contracts could be re-tendered jointly with 2 or more boroughs
- The variation in placement prices currently being paid, the scope for further standardisation and possible new block contracts covering one or more of the borough boundaries

This may appeal to some of the Group only rather than all authorities – for example Hounslow is a net importer of placements from other boroughs and it may be of more interest to them to see the places used and prices paid by the other boroughs. Other boroughs – such as Brent and Camden usually look to procure new requirements through changing the bed mix with existing suppliers.

It would also be beneficial to map demand across West London for all types of care; clearly this would require the involvement of commissioners to analyse existing strategies and determine future needs on a West London wide basis.

4.2 Pre Qualification Questionnaires and Approved Provider Lists

Key Findings

- Each authority has its own PQQ which is “tweaked” to reflect the specific nature of each tender
- The information required by each authority in its PQQ can vary significantly as can the evaluation assessment of standards
- Supporting People have accredited 140 providers across West London
- A system (Avalon) to manage Approved Providers has been developed by Hammersmith and Fulham
- The system includes a facility to submit web based PQQ’s

Key Issues

- The need for local authorities to be more transparent in their tender processes for Part B services re-inforces the need for standardised and streamlined tender processes

- PQQ's should be standardised and consideration should be given to sharing information obtained from recent tender exercises to reduce work for prospective providers
- A common set of standards should be adopted for certain key areas e.g. equality issues, health and safety issues
- Consideration should be given to using the Avalon system for maintaining an approved list of providers across the West London region.
- Facilities to submit web based PQQ's should be developed further either initially through the WLA web site or through a new one to accommodate all the participating authorities of the Group

Detailed Findings

It is worth pointing out at the outset that there is likely to be more tendering of adult social care in the future rather than less. This is because under Regulation 4 of the EU Procurement Directives, contracting authorities have an obligation to treat tenderers equally and non-discriminatorily and to act in a transparent way. At the moment, it is unclear how far this "transparency obligation" extends and what it entails. However, it has the potential to be significant in imposing requirements on local authorities seeking to award a Part B services contract. The European Court of Justice has held that this obligation includes ensuring that advertising is sufficient to enable the services market to be opened up to competition, and that the impartiality of any procurement process should be reviewed. The end result of this is that it is likely that at least some care services which were previously excluded as Part B services will now be subject to a tender process.

The standard practice is that each authority has its own PQQ - usually one which has been designed by Corporate Procurement. This is then adapted as necessary for use by Social Care Procurement and is usually "tweaked" or modified for each tender to reflect the tenderers experience in the particular service area that is being procured. However there is no reason why a standard PQQ should not be adopted by the WLASCPG – including the variable information required for each tender being prescribed to a standard format with the proviso that each borough could "tweak" this if required.

It may also be beneficial to develop a simplified PQQ for the SME's and the Voluntary Sector in order to encourage them to respond to specific tenders; however the feasibility of this should be considered alongside

the need for each local authority to comply with its own Standing Orders.

The feedback from the care providers interviewed was that:

- (a) the amount of information required varied significantly from fairly basic summary information to having to answer very detailed scenarios (this comment was applied to responding to tenders as well as PQQ's);
- (b) The volume of information which had to be repeated for each tender process both within an authority and across authorities was a significant burden;
- (c) Evaluation standards varied significantly within and between authorities in terms of what was expected e.g. on equality and health and safety issues. A common standard (evaluation matrix) of what is required and expected on these and other issues would be extremely useful to providers – the view was expressed that the same answer could score well in one authority and poorly in another authority.

The providers also stressed the importance of authorities providing as much (good) information as possible on the contract to be awarded at the time of asking for expressions of interest – this was to enable providers to take a view on whether to express interest or not as time constraints in responding to tenders is a significant issue for them. It is particularly relevant for home care in terms of hours and current purchasing patterns by areas. Providers also expressed the view that procurement processes should be tailored to the value of the contract rather than being standard for each separate tender i.e. there is a need to consider streamlined processes for the lower value contracts although each authority's Standing Orders may currently restrict the ability to achieve this.

As part of the Avalon System (see below), Hammersmith and Fulham has developed a web based PQQ which enables providers to enter information on line with automatic email reminder when due for renewal / updating. This system has recently been demonstrated to the Group and it could be made available initially via the WLA web-site or a new one could be developed to take account of the wider membership of this Group.

The main area where an Approved List is used is spot contracting for domiciliary care. Some of the WLASCPG boroughs use Approved Lists currently whereas others do not. For example Brent do not currently

operate any preferred / approved lists (although they used to) and Ealing have a requirement for providers to establish an office within the borough and so it is not viable to operate a list and then not offer providers any work.

RBKC have an approved list of 25 spot providers for home care and Harrow have a list of providers that is reviewed annually. Hounslow also have an Approved List of domiciliary care spot providers – annually updated – to be re-advertised from 1 April 2007. (It is worth noting that the Pan London Children’s Contracting arrangements include Approved Provider Lists).

The advantages of maintaining a West London Approved List are:

- The adoption of common standards and criteria for approval
- Saving of the considerable time and effort involved from Council’s maintaining separate lists
- Consolidation of the providers working in the West London area.

The disadvantages of maintaining a West London Approved List are:

- Most boroughs are moving to block providers only thereby negating the need for an Approved list
- The maintenance and review issue – unless there is a specialised “central” resource available, how would this task be shared out?

This situation contrasts with that of Supporting People which has developed an accredited provider list for West London of some 140 providers. In addition to securing provider accreditation, a specific project group has been working on related issues - for example how new non local providers can be ‘passported’ to West London (e.g. if they have been accredited elsewhere) and what to do about providers who merge or restructure.

Avalon System

The Avalon System was developed by the LB Hammersmith & Fulham and is an internet-based service that makes available an Approved Supplier List to Councils to help manage the procurement process. Originally the system provided management of Approved Lists for works contractors across West London – 5 Councils used the system (Ealing, Hounslow, Brent and Camden plus LBHF).

The system has the potential to “join-up” approved lists across authorities. The principle design of the system was to establish and manage a “bank” of organisations which could be used for tendering exercises rather than placing advertisements on an individual basis. The secondary design allows for managing expressions of interest for contracts let through public advertisements and contract notices appearing in OJEU. Contracts managed through Avalon can share data with a council’s purchase order system and can be used to create an electronic register of contracts and contacts. The system can also manage the tender process and maintain details of ongoing contracts.

The potential was then considered for extending the system where supplier accreditation could be used. In particular it was considered an option for Supporting People accreditation and approved lists. A grant from the London Centre of Excellence has enabled development which allows the system to hold an approved list of West London Supporting People providers and manage the tendering processes for Supporting People services in the sub-region. The reminder process for accreditation is also automated being achieved electronically via email.

The use of the Avalon system has been investigated and rejected by a number of SP managers partly on value for money grounds – whilst it will hold relevant data on accredited providers and send automated reminders, the maintenance cost is in the order of £7,000 per annum. In addition each SP authority has its own separate contract management system.

However the greatest benefit of the system is its ability to manage providers on a consistent West London wide basis and if its use was extended to providers within adult social care the benefits may well outweigh the ongoing costs in terms of increased efficiencies.

Equality Monitoring

A related project being considered by the LCE is Equality Monitoring with Haringey leading on behalf of the North London Procurement Group. The development of consistent Equality Monitoring is likely to be on the same basis as CHAS – the Contractors Health and Safety Assessment Scheme in which some 170 local authorities participate.

The CHAS scheme is available for use by any public and private sector organisations to use when shortlisting contractors, suppliers and consultants (companies) who apply to work for them. It provides information about the health and safety part of their application.

Companies apply to join the scheme so everyone knows they meet acceptable standards of health and safety compliance.

4.3 Specifications and Contract Terms and Conditions

Key Findings

- All authorities have different specifications and contract terms and conditions for all types of care;
- However specifications are now less variable and more standardised than they used to be since CSCI defined the national minimum standards required;
- There was little evidence at the time of undertaking the review of outcome specifications being developed;
- SME's feel that home care commissioning should focus more on outcomes for service users and feel that there is too much focus on price and not enough on quality;
- The Pan London Contract for Learning Disability has not been implemented in a timely and consistent manner to date
- Variable financial clauses cause additional work for providers where there work across West London

Key Issues

- There is a need to develop best practice specifications (and contract terms and conditions) focussed on user outcomes by pooling, consolidating and developing existing documentation to agreed timescales for all relevant care types
- The Pan London Contract for Learning Disability should be adopted by all authorities in West London without delay.

Detailed Findings

As Impower pointed out in their report, there is little logic for the current situation in which all the nine authorities have nine different specifications and nine sets of terms and conditions governing contracts for the supply of the same types of care. Many of the suppliers providing this care are used by several of the boroughs, meaning that they are providing the same service under different contractual conditions.

Impower recommended that the boroughs agree a single set of care specifications per service areas / client group and service area, as appropriate. Although the more obvious benefits of doing so may initially be enjoyed on the supply side of the market, the longer term effect will be that the boroughs can more easily share services in terms of contract management and monitoring.

Standardising terms and conditions is an important step in terms of bringing together contract management and monitoring services, with a view to ultimately sharing some of these services. It is also an important concession to suppliers in that it will help reduce duplication across the boroughs and reduce the costs for suppliers of interacting with the individual authorities.

Specifications were generally input based and at the time of undertaking the research there was little evidence of output specifications being developed either within an authority or jointly. Whilst specifications are now more standardised than they used to be since the introduction of CSCI standards, home care providers felt that in some instances generic contracts had been re-issued as re-enablement contracts instead of being specifically developed for the purpose. The smaller home care providers felt that there was not enough focus on outcomes for service users and in particular there was too much focus on price and not enough on the quality of care being delivered – especially from the larger home care providers which were increasingly taking over the market.

The efforts to create a Pan-London Learning Disabilities contract have proved difficult and time-consuming. The project has been led by Harrow and based on the Pan London Children's model that has worked successfully – however the LD contract has not had the necessary support and backing from all boroughs or except in the initial stages, a dedicated resource to deliver it. In addition all boroughs currently have their own specification and contract for Learning Disabilities in place and consequently there is in-built inertia to change to a contract which has been rejected by providers as overlong, detailed and generally requiring too much information from them.

The project is now being progressed through a sub-group led by the ALG and including Harrow, Camden, Hackney and Westminster. The sub-group have piloted the contract with 12 providers who found it largely acceptable although they were still unhappy with the volume of information required to complete the questionnaire. Harrow have now sent the contract out to all of their homes with the expectation that as

much of the data as possible can be completed before the new contract takes effect on 1 April 2007.

Impower recommended that some of the difficulties encountered in that project could be overcome by agreeing clear senior ownership of each contract to be agreed; core principles for each shared contract; and strict project plans for completing each contract. Furthermore the smaller number of boroughs engaged in agreeing a pan-WLA contract will facilitate a smoother process as well.

Providers interviewed had no major issues with the contract documentation other than that it was overlong, complicated and difficult to understand and a simplified contract would be an improvement. However the residential care provider interviewed stated that three authorities all had a different attitude and interpretation of termination in respect of hospitalisation / temporary absence from the home – varying from immediate termination to holding open for 4 to 6 weeks. It was also stated that in the case of spot placements the contract had not been amended or updated since it was originally sent with the first placements over 8 years ago.

Where providers work across West London at a number of the boroughs the differing financial clauses cause them additional work in terms of accurate invoicing e.g. for short term absences, payment on death and termination.

Providers also highlighted the fact that the placement process was extremely variable between authorities reflecting the fact that some authorities have a Placement Team whereas others rely on the individual social worker dealing with the case; in this latter case the process could vary significantly within the authority depending on the particular social worker involved, particularly in terms of the quality of assessment information sent and the format in which it is sent. Clarity of definition was sought in terms of for example, the various levels of dementia.

Inflation clauses are also generally different within each authority including timing, basis and whether a specified increase is a contractual condition or not – although over the last two years the boroughs have worked together to standardise increases. It is likely that any standardisation of financial terms and conditions will need to be approved by all the Directors of Finance. One provider stated the difficulty of getting each local authority to agree its price increases (in one case 8 months was stated) and felt that if the authorities were to

agree standard across the board increases then they ought to pay standard prices for each type of care.

Whilst specifications should be able to be standardised across all the boroughs, it may be necessary to have core contract terms and conditions which all can agree on but with certain exceptions to take account of local practices. For example Brent pay providers through their Abacus system without the use of invoices so consequently their payment terms may need to be different. Alternatively however the Individual Placement Agreement that Brent has for each client could be amended to include these payment terms and conditions.

4.4 Contract Management and Monitoring

Key Findings

- Monitoring processes vary widely between authorities across West London from formal quarterly meetings to one annual visit by a contracts officer;
- To the extent that inspections of residential care homes are undertaken, each borough undertakes its own and the sharing of this information is limited.
- There is duplication with monitoring work undertaken by CSCI
- Monitoring of home care providers is generally much more rigorous by each individual authority but there is no evidence of shared information.

Key Issue

- the WLASCPG need to agree processes and protocols ensuring that only one inspection is carried out on behalf of the Group and that monitoring information is shared accordingly for home care as well as residential and nursing care.
- It needs to be resolved how the local authorities satisfy their duty of care to ensure homes in their area are operating at the required standards whilst eliminating duplication of work with CSCI.

Detailed Findings

This is another area in which there is no logical basis for 9 WLASCPG boroughs to undertake duplicate monitoring of care provided by shared

suppliers. Each WLASCPG borough undertakes its own residential care inspections even though there are several care homes with residents from more than one WLASCPG borough. This means that time consuming on-site inspections are being duplicated by the WLASCPG boroughs.

Some boroughs undertake inspections of home care providers on an annual basis e.g. Brent, These checks include recruitment and CRB checks as well as the monitoring of complaints. In cases where the boroughs have common providers there is clearly an opportunity to streamline these inspections by sharing information. In addition the extent to which information and inspections carried out by CSCI are taken account of varies between the boroughs. Home care providers interviewed felt that authorities were duplicating CSCI inspections sometimes within the same week; however authorities are placed under a duty of care to satisfy themselves that homes within their borough are operating to the required standard and it needs to be resolved how this duty is exercised so that the duplication of monitoring is eliminated.

Quality assurance on the actual home care provided to service users is more difficult to co-ordinate as it varies from area to area even with the same provider – for example because of the individual carer, the volume and location of the service users or the local management arrangements. However there is clearly a case for more organised sharing of information when the provider is common to more than one borough.

Protocols and processes need to be agreed ensuring that only one inspection is carried out on behalf of all the boroughs. Each inspection should be carried out in accordance with agreed inspection formats that reflect shared terms and conditions, and include meeting with different borough's residents as appropriate.

Inspection responsibilities could be divided amongst the boroughs in different ways, such as by borough (where boroughs are responsible for monitoring and inspecting care homes within the borough boundaries), or by allocation or rotation if the borough divisions are considered too un-even. For example, a rolling programme of inspection could be developed with borough responsibility allocated by rotation.

Monitoring practice varied widely between the boroughs – for example Brent use PCT nursing care assessments for nursing inspections and

work closely with their PCT colleagues who carry out weekly inspections on homes and clients and share this information with the Council. However RBKC do not monitor local homes but social workers look out for issues on their visits and in Westminster residential and nursing placements are monitored by Care Managers / Placement Monitoring Officer plus the use of CSCI reports.

4.5 Provider Forums

Key Findings

- The majority of West London Boroughs meet with their home care providers on a quarterly basis
- These forums vary enormously in terms of their effectiveness
- Providers felt that there was no strategic vision being developed for home care across West London

Key Issue

- There would be considerable benefit in setting up a West London home care provider forum which could meet annually or twice a year

Detailed Findings

The majority of the West London boroughs meet with their home care providers on a quarterly basis but only 3 meet with their residential and nursing care providers as shown in Table 2. For the majority of the West London boroughs the number of their residential and nursing care providers does not warrant a joint meeting and they meet individually as required.

Table 2

Care Type	Authority	Frequency
Home Care	Brent	Quarterly
	RBKC	Quarterly
	Hounslow	Quarterly
	Harrow	Quarterly
	Hillingdon	Quarterly
	Camden	Quarterly
	Ealing	Quarterly
	H and F	Quarterly

Residential / Nursing	Hounslow	Quarterly
	Hillingdon	Quarterly
	H and F	Quarterly

Home care providers felt the forums varied enormously from just paying lip service to the need to meet to exchanging good practice, developing training initiatives and strategic partnerships.

There is a strong case for the West London boroughs to arrange annual or bi-annual joint meetings with their home care providers. The home care providers interviewed certainly felt this would be beneficial and time saving particularly as the market is starting to consolidate around the larger providers. The joint meeting would need to develop its own terms of reference but these would be likely to include:

- To develop a strategic vision for the home care market in West London
- To obtain feedback on successful procurement processes, streamlining tendering procedures and contract monitoring arrangements and generally sharing best practice
- Developing outcome specifications and standardising the way care is commissioned including pricing options
- Understanding and working towards standardising pay differential and prices
- Developing the market where there is under-supply
- Developing strategic partnerships e.g. to assist smaller providers
- Agreeing and delivering training requirements

4.6 Involvement of Service Users

Key Finding

- There are some good examples of service users being involved in the procurement process across West London

Key issue

- Securing greater involvement of service users with mental health issues
- The need to developing a protocol / best practice guide regarding involving service users in the procurement process

Service Users have been involved to varying degrees in the procurement process by the individual boroughs but the practice is not yet widespread. There are however a number of examples of good practice as follows:

Brent whilst re-tendering their home care block contract set up Focus Groups as part of the initial consultation process which then helped to inform the specification.

At **Westminster** service users are generally consulted on the specification and are involved in the Evaluation process through their own sub group which then feeds their views into main evaluation.

At **Hounslow** the views of service users were fed into the Evaluation Panel for Community Equipment Service and **Camden** and **Ealing** send out the specification to representatives / organisations to comment on, tailored to relevant contract.

Hammersmith and Fulham have involved service users in a range of different ways in the tender process particularly when re-tendering home care (but also services for the disabled, mental health and people with Learning Difficulties) – both in terms of helping to develop the specification and in assessing the actual tenders. They have also tendered for a joint social care and Supporting People contract in 2004/05 for people with Mental Health Needs. They contacted the local MIND service and asked for a volunteer to be involved. A service user was involved in the planning stages and throughout the tendering and selection process. They have good access to existing and potential service users through existing Older People and Disabled Consultative Forums

Hammersmith and Fulham found that service users were very specific in terms of their particular requirements from the specification, and as might be expected for the home care service were very focussed on timekeeping and continuity of carer issues. Service Users were also surprised by the extent to which the care requirements were specified and the extent of contract monitoring which was later undertaken – service users have sat in on contract monitoring meetings at Hammersmith and Fulham.

It is apparent from the experiences involving service users that service users can be involved in a range of different ways in the tendering process. In order to determine how best to involve service users in

each tender process it is necessary to work with them at the start of the process and decide upon the answers to the following questions:

1. Why does the authority want to involve service users in a particular tender? Do we just want a more transparent process or do we want them to actually influence the outcome? In some cases it might be appropriate not to involve service users in the process e.g. when only 2 quality providers are involved and the decision will be based purely on cost.
2. Who do we want to involve e.g. existing service users, potential service users or people who have chosen not to use the present service for whatever reason? This can be determined through surveying local residents (who are known to participate in particular forums and consultation) and determining the extent of interest and potential for involvement.
3. What level of involvement should they have? This can range from just information giving to consultation on approach and proposals through to in depth involvement e.g. through participating in the tender assessment process as part of a team and/or receiving their own presentation. If required it is possible to incorporate all three levels of involvement within one tender process.

It is important to ensure that service users understand beforehand exactly what the level of their involvement will be and in particular how they will contribute to the overall assessment through the weight placed on their scores in the evaluation process. It is also important that they have the necessary skills and abilities to undertake the tasks they will be required to do.

It is recommended that a protocol / best practice guide is drafted including detailing the key questions to be considered on involving service users in the tender process. It should then be a pre- requisite at the start of each tender process to determine if and how service users should be involved.

5. E-PROCUREMENT AND TENDERING

Key Findings

- To date there is very limited application of e-procurement and e-tendering within West London for adult social care
- There is also no great pressure from providers for this although they welcome any developments as they arise
- However Corporate leads are currently developing e-tendering and this is an opportunity for adult social care

Key Issues

- E-tendering needs to be prioritised within adult social care to speed up processes and drive efficiencies.
- E-tendering should facilitate the exchange of information and standardisation of documentation to the benefit of both authorities and providers
- An opportunity exists for adult social care to “take the initiative” and press for the development of e-tendering through Corporate contacts in each authority;
- Should the West London Adult Social Care Procurement Group develop a web-site for the development of e-tendering across the sub-region?

Detail Findings

The development of E-procurement and E-tendering within adult social care in the West London boroughs is limited to date – as it is with most authorities across the country in respect of adult social care. In the majority of West London boroughs the lead has been taken by Corporate IT and their developments have not concentrated on or involved social care to any significant extent.

Arising out of a Best Value Review of Adult Social Care Procurement Hillingdon has to implement a recommendation to **“develop an e-tendering website for social care that allows providers to submit tenders and access specifications and is also a vehicle for surveys and consultation and further information, contracting guides etc”**.

This recommendation was based on the site developed by Kent County Council which was the most advanced authority in terms of the

development of e-tendering within adult social care. However since the recommendation was made it is apparent that Kent County Council are withdrawing and cutting back on development due to the high set up and maintenance costs.

However a recent Corporate development between Hackney, Hillingdon and Tower Hamlets has seen an e-tendering portal developed using Due North software; this is currently being piloted across the three authorities and an opportunity exists for those involved in adult social care procurement to look at its application for their requirements.

Within RBKC all tender documents are emailed and the Education Dept is piloting a secure means of return. Some documents can be directly downloaded from the web-site but it depends on the particular tender – and whether it is the Open or Restricted procedure - which documents are put there.

Camden also has a web-site for each tender where tenderers can download all (simplified) documents but the borough does not allow the receipt of electronic tenders.

Providers have not pushed for the development of e-tendering by local authorities either although it is fair to say that any development is welcomed when it occurs, particularly by the larger providers. However it should be remembered that some of the smaller providers still do not have email contact although this is gradually changing. Generally providers including voluntary organisations would welcome any development which makes it easier for them to respond and submit tenders although the latter would not want this to be the only option in case smaller organisations were precluded from tendering.

Home care providers felt the development of e-tendering should make it easier for authorities to share information and documentation thereby relieving some of the burden of submitting the same documentation to a number of authorities on both tendering and contract monitoring.

WLA Web-site

The **West London Alliance** (WLA) comprises the boroughs of Brent, Ealing, Hammersmith & Fulham, Harrow, Hillingdon and Hounslow and has a web-site at www.westlondonalliance.org.uk.

The West London boroughs should consider developing e-tendering on a joint basis and it should be investigated as to whether there could be a social care e-tendering element to the WLA site. If so it could allow providers to access:

- A standard PQQ
- Standard care specifications for residential, nursing, day and domiciliary care
- Pre-placement agreements
- Standard contract terms and conditions

Alternatively a new web-site could be developed for the wider West London Procurement Group if this was thought to be desirable.

6. THE VOLUNTARY SECTOR

Key Findings

- Voluntary and community organisations feel that clear barriers exist in terms of their ability to successfully bid for work from public authorities particularly in terms of skills, capacity and size.
- Lack of awareness by commissioning of the diversity of the community and voluntary sector in terms of size, services, user groups etc
- Commissioning authorities need to encourage them to make bids and provide adequate information for them to do so.
- Commissioning authorities need to provide feedback on unsuccessful bids
- The “value for money” agenda was seen as a threat to smaller organisation although they felt they could provide good quality

Key Issues

- The community and voluntary sector require understanding and recognition of their problems.
- Capacity building and support required for smaller organisations e.g. sharing the services of a bid technician
- There is a need to develop forums and joint training initiatives to work with the organisations on key issues for development. The work being undertaken by the East Midlands Centre of Excellence (see Section 8) to build capacity of smaller providers should be investigated further.

Detailed findings

Most boroughs have strong links with the voluntary sector resulting in a number of contracts for a wide range of services. For example, there are strong local voluntary services for day care in Brent including Sudbury Neighbourhood Centre, Asian Community Care Services, Brent Irish Advisory Services. RBKC also has a very strong voluntary sector – and where RBKC has a duty of care they insist on a formal contract, if not they can agree an SLA.

Camden has negotiated contracts for home care and other services with Camden Chinese Community and Hopscotch, an Asian Women’s service. Westminster also has vibrant voluntary sector – e.g. a major

LD provider is Westminster Society for PLD. Harrow has over 50 contracts with voluntary organisations.

Findings from VSRA Conference held in Hammersmith on 12 October 2006

The VSRA in Hammersmith and Fulham organised the conference with the following objectives in mind:

- To raise the awareness and understanding of the issues involved in commissioning and procurement of public services from the Voluntary and Community Sector, e.g. barriers faced by both the Sector and statutory agencies, including the tendering process, information about opportunities for bidding, Local Area Agreement priorities, amongst others.
- To provide an opportunity to discuss ways forward jointly.

Attendees were asked to give their answers to a number of questions and the following is a summary of the issues raised. A full list of the issues raised is given at Appendix 3. .

In terms of the barriers faced by voluntary and community organisations in commissioning and procurement the representatives pointed to a lack of up to date information on commissioning and procurement as well as a lack of knowledge and skills to put in bids and fund raising and completing grants applications including business skills and financial resources.

They highlighted the need to raise the awareness and understanding of the local authority of the value emotional support offered by voluntary and community organisations providing culturally sensitive services. They also felt that making the authorities aware of the identification of new needs was a real issue.

One barrier highlighted was the multiplicity of Government's plans /reports / initiatives in health, e.g. Children's Plan, which cut across work of voluntary and community organisations - small organisations had difficulty in keeping up with all the various initiatives.

The organisations also felt that there is a need to recognise that when authorities are commissioning from small, medium, voluntary and community organisations cheaper does not always equal better and the 'Value for money' agenda / economies of scale are a possible threat to small – medium voluntary and community organisations. They also felt

that there is also a need to recognise the potential of small groups and provide opportunities to enable them to participate – this can be done by providing a capacity building package to be included in the contracts. Commissioning agencies also need to agree and be clear that bids / tenders from small voluntary and community organisations are welcome.

On the commissioning side it was felt that there was a lack of information and knowledge of the diversity of the local voluntary and community sector, i.e. size, type of services provided, user groups, etc.

A possible way to address these barriers was suggested as sharing the services of a 'bid technician' to translate the services provided by voluntary and community organisations into bid / tender language. There is a need for some rationalisation borough-wide, e.g. a sub sector meeting of all voluntary and community organisations working on the issue of domestic violence to look at possible leads on the different aspects of services for survivors and children – this would avoid duplication of bids/proposals for funding. Statutory agencies need to provide feedback on why some bids fail and why some are successful and provide clear information on where to bid and when.

There is a need to develop joint training, i.e. between statutory and voluntary and community sectors. It was also felt that the VSRA should develop joint approaches to, e.g. 'hard to reach' groups, GPs (development of practice based commissioning, standardised contracts, etc).

One model project (referred to in Section 8.3) which may point the way forward is developing in the East Midlands. In partnership with the East Midlands Centre of Excellence and the nine Supporting People Teams in the East Midlands, Business Link Nottinghamshire will help co-ordinate the delivery of a tailored programme of training and business support. This programme will be targeted at organisations that are either existing suppliers of Supporting People services or suppliers that operate in similar social care markets and have traditionally operated outside of formal procurement processes. The training programme, designed specifically to build the capacity of local service providers, will also help 'level the playing field' and ensure smaller suppliers are equipped to engage more effectively in forthcoming procurement opportunities.

7. SUPPORTING PEOPLE

Key Findings

- Location of the SP function within Housing or Social Care is currently 50:50 on a national basis but increasingly under consideration for location in social care
- The West London SP Group has successfully established a number of project working groups to develop common standards and joint working including performance management, procurement and accreditation and benchmarking.
- A “Value Improvement Project” which is developing a Single Homeless Floating Support service across West London is a commissioning model which could be developed within adult social care
- Links between SP and adult social care need to be maintained and strengthened to ensure strategic and operational alignment

Key Issue

- The WLASCPG should continue to develop the approach adopted by West London SP Group to progress collaboration, common standards of procurement and joint working by setting up specific project groups with clear objectives and reporting to clear timescales.

Detailed Findings

- 7.1 There are a number of issues related to the development of Supporting People and its relationship with Social Care and the West London authorities. Firstly a number of authorities locally and nationally are reviewing both the commissioning and procurement aspects and considering where they most naturally belong within the organisation. Whilst the current location of the SP function is reckoned to be split 50:50 on a national basis between social care and housing, both the commissioning and procurement elements are being considered for location within social care – and health if joint commissioning is in place with the PCT’s. This latter structure has recently been adopted within Hammersmith and Fulham.

In West London SP lead managers from 7 authorities meet monthly as a Group – these authorities are the West London Alliance plus Kensington and Chelsea. The SP Group have set up project working groups to consider and develop a number of different workstreams as follows:

1. West London Performance Management Framework under the DCLG

This project was established in October 2006 and has the objective of developing a sub-regional framework for performance management. Since the programme began there has been a steady improvement in the collection rates and quality of performance indicators from providers.

The Team will be assessing where each authority is in terms of performance management and will then build the framework around areas of good practice. A provider reference group will be established so that providers have the opportunity to shape the framework. The Team will also be consulting with services users and it is likely that an outcomes element of the framework will be based on a menu of client group specific indicators and outcomes.

The objectives of the project are to:

- Develop outcome based contracting
- Agree a menu of sub-regional performance indicators
- Agree a menu of sub-regional outcomes
- Establish a sub-regional performance management framework (policy document)
- Design tools for collecting performance management information consistent across the sub-region
- Ensure that service users and providers have ownership of the performance management framework
- Benchmark performance at the sub-regional level
- Align the framework with the seven social care White Paper outcomes

The project is due to end in September 2007 and the framework will be piloted with a number of providers before it is finalised and agreed by the individual Commissioning Bodies.

2. Procurement and Accreditation

Work on securing the accreditation of as many existing providers as possible has continued throughout the year but is now complete. 140 providers are now accredited to be able to provide SP-funded housing-related support services in West London. Such providers include a wide variety of organisations, including:

- national, regional and local organisations
- registered social landlords
- voluntary not for profit organizations
- charitable organisations and private companies.

A few former providers have ceased to provide services.

One issue that they are trying to sort out is the fact that although they have accredited 140 providers in West London, when these providers wish to tender for work in individual local authorities, they are still required to submit a PQQ which can duplicate some but not all of the previous accreditation requirements.

Whilst SP have achieved accreditation on a West London basis the Steady State Specification and Contract has 7 different versions, the main variations being around price increases and precedence of contracts where there is more than one in operation. The contracts all have a term of three years with the option of extending for one year and then a further one year. This may result in capacity problems when re-tendering services – for example in Hillingdon’s case this involves 120 different services and Standing Orders will be required to be amended to give flexibility on this re-tendering.

More work is now planned on considering some of the issues around the electronic maintenance of provider’s organisational data for service purchasing.

3. Referrals and Access including developing a Single Access point into all SP services

A broad but useable assessment / referral tool is required in order to capture the breadth of a person’s needs and the means of addressing them. Two boroughs in the sub-region, The Royal Borough of Kensington & Chelsea and the London Borough of Hammersmith & Fulham, have used such tools to create a single point of entry to much

of their Supporting People funded provision. This has brought them the benefits of improved control of their Supporting People investment by allowing them to make more accurate placements into support services and to prioritise those most in need.

The same tools can also ensure that move-on opportunities are taken up by those that need them most. A joint West London Homelessness and West London Supporting People working group has been set up to identify the best aspects of existing approaches, to create a draft common tool and to offer it to all West London boroughs as a language they may all share.

4. Value Improvement Project - developing a Single Homeless Floating Support across West London

The West London Supporting People Authorities' strategy emphasised the need to work together in commissioning Supporting People services across the sub-region. In this context the West London authorities have been working together to standardise service specifications that can be used to re-commission existing services and commission new services. To take this process forward the West London authorities were successful in receiving Department for Communities and Local Government sponsorship, under the Value Improvement Programme (VIP), to develop joint commissioning arrangements across the sub-region.

The West London VIP has focused on the provision of cross authority services for single homeless people, including those with complex needs and those who are ex-offenders. The VIP has involved a mapping exercise of Supporting People services across the West London sub-region which found that there were 2,197 household units contracted for single homeless people and rough sleepers, 285 of which were floating support services. The total Supporting People contract value of services in West London for single homeless people and rough sleepers was found to be about £13m. An analysis of the needs data contained in the West London Supporting People strategies, together with the findings of the mapping exercise, resulted in the authorities agreeing that a new cross authority floating support service needed to be commissioned for single homeless people. Each authority agreed to contribute £50,000pa. towards jointly purchasing this new service.

The West London authorities agreed to broaden the scope of the VIP to include existing support services for single homeless people, where they are to be re-commissioned as floating support. The West London authorities came to the conclusion that the VIP provided an opportunity to streamline the tendering process, and introduce economies of scale, where these types of services needed to be commissioned. Rather than each authority separately tendering for floating support services, a sub-regional approach could be adopted. The joint commissioning process therefore involves two separate tenders, which are being run concurrently. These are as follows:

1. Tender for Preferred Providers

This tender involves selecting a number of preferred providers that can provide floating support services to single homeless people in one or more West London authorities. Each provider will enter into a four-year framework agreement with the lead authority (the London Borough of Hammersmith and Fulham) to provide services at an agreed price and to an agreed service specification. Each participating authority can draw down these services through accessing the Framework Agreement and will enter into a direct contract with the selected provider/s using their own Supporting People contracts.

2. Tender for a Cross Authority Service

This tender involves selecting up to three providers to provide a cross authority floating support service (each provider would first have to be approved as a preferred provider). The provider/s will enter into a two year Supporting People contract with the lead authority - the London Borough of Hammersmith and Fulham - with an option to extend the contract. Each participating authority will enter into a purchasing agreement with the lead authority so that the funding can be processed through a single authority, which will result in a single Supporting People contract for the sub-regional cross authority service.

The West London authorities advertised for expressions of interest in providing these services and shortlisted suitable providers. These shortlisted providers have been invited to submit proposals and appropriate providers will be selected in November. The West London authorities aim to have a framework agreement in place for the preferred providers at the beginning of April 2007 and for the cross authority service to start at the same time.

The West London authorities recognise the tendering process may appear onerous to small and specialist providers. In drawing down services from the preferred provider list authorities may require providers to sub-contract some floating support services to small, specialist or other providers. These arrangements will be discussed in advance with preferred providers and may need to be subject to a separate mini-tendering exercise.

5. West London strategic review of Domestic Violence

This project is to undertake a strategic review to establish whether the West London administering authorities have the right profile of SP services to meet sub-regional needs for people experiencing domestic violence. Whilst the review will identify unmet need and priorities for future development, it will also seek to explore where there may be duplication of services and the need to remodel or decommission some of them. The review will primarily be a desktop exercise – but it will involve consultation with both providers and service users. The strategic review of domestic violence is due to be finished at the end of May 2007. The results of this review will not only inform future SP commissioning and purchasing intentions, but may also inform future capital programmes.

6. Links between Social Housing lettings and Supporting People

The project aims to ensure that the housing needs of vulnerable people receiving support are taken into account in the letting of new and existing social housing. The West London Group will achieve this by:

- conducting a review of LOCATA and its use in offering move-on opportunities to vulnerable people and implement the findings
- identifying solutions to any obstacles posed by the current system and reviewing these with the West London Allocations Group
- agreeing a common role for support staff in relation to assisting vulnerable people to access LOCATA
- reviewing move-on policies and practices in West London and their effectiveness
- reviewing existing commissioning plans in individual boroughs and establishing / promoting future commissioning intentions for West London (including areas for future joint commissioning).

The Team will be working closely with private sector landlords to improve the sector's role in offering move-on accommodation throughout the sub-region. They will also broaden floating support services where necessary to encompass the private sector and consider the establishment of rent deposit schemes.

7. Benchmarking

Benchmarking is a multi dimensional tool for comparing like with like services and the Department for Communities and Local Government are encouraging regional and sub-regional benchmarking and data sharing on the basis that it should help the provider market to mature. Benchmarking also helps to develop a clear and more informed understanding and acceptance of what constitutes local market rates for different types of services. Local authorities are expected to build on the work achieved to date on establishing value for money and need to have a robust framework for assessing value for money when reviewing existing services and procuring new ones.

The development of sub-regional benchmarking and data sharing is seen as a means of supporting this. The West London sub-region has committed itself to work together to produce Benchmarking data. This will include a greater level of detail, and will allow authorities to create different parameters for assessing and comparing value for money. In order to streamline the benchmarking process, a pilot exercise was carried out with the "Offenders" client group to establish if the processes would be workable, and if timescales and data collection methods were viable.

This exercise was very successful and produced a comprehensive breakdown of information on services for offenders. Domestic Violence services will be the next client group for which data will be produced. Following that, the remaining client groups will be addressed, with the aim to have the process completed by April 2007.

7.2 SP links with social care

In terms of contract monitoring, SP are looking at outcomes which are cross-cutting with social care. They hold bi-annual meetings with providers on a West London basis and in Hillingdon SP meet separately with the Older People providers as well as all providers. They also meet with Service Users – 2 per client group for each provider.

Clearly there is a need to align SP 5 Year Strategies and Annual Plans with Older People's and Learning Disabilities Strategic Plans and in Hillingdon this is achieved at an annual review of all the strategies by the SP Commissioning Board.

Hillingdon SP have experienced difficulty in picking up where providers have other contracts / service provision within the borough – whether this provision is in housing or social care. SP has experienced problems in obtaining responses from the Voluntary Sector. For example the Value Improvement Project had expressions of interest from 25 providers but not one was from the voluntary sector or a smaller provider.

In summary there is a need to strengthen the links between SP and adult social care to ensure strategic and operational alignment.

8. OTHER RELEVANT PROJECTS BEING UNDERTAKEN

Key Finding

- There are a number of relevant projects currently ongoing within the Learning Disability area which contribute to collaboration, joint commissioning and standardising processes for adult social care

Key Issue

- The lessons learnt from the commissioning models and other projects going on elsewhere in adult social care – particularly in respect of those funded by the Regional Centres of Excellence – can be adopted and use in West London as appropriate.

Detailed Findings

8.1 There are a number of relevant projects currently being undertaken which may assist in the ongoing work for the West London authorities. The main area of activity in this area is work being funded by the Regional Centre's of Excellence. The key projects are in the area of Learning Disabilities and what they are looking to deliver and contribute is listed at Appendix 4.

8.2 Learning Disability Services

By far the most of the current activity is in the area of Learning Disability services and in particular management of the market. A specific project is being led by the London Borough of Merton and includes the London Boroughs of Sutton, Richmond, Croydon and Wandsworth and the Royal Borough of Kingston. The objectives of the project are to establish a mechanism for joint working and a joint commissioning programme for learning disabilities

Other projects with a Learning Disability and regional or sub regional theme include:

East Midlands Centre of Excellence (lead by Leicestershire County Council)

To develop a joint approach to managing the market for the independent provision of high cost learning disability residential care.

There are also 7 projects on a learning disability theme being sponsored by the **South West Centre of Excellence** (lead by South Gloucestershire Council). These are:

1. Adult Services Learning Disability Regional Commissioning Framework

The Institute of Public Care (IPC) will develop a commissioning framework for adult learning disability services across the South West region. The aim is to help local authorities deliver improvements in the overall configuration of services to meet the needs of adults with learning disability, through more effective local and regional commissioning arrangements. Another separate project involves IPC supporting two local authorities to help them model and test the commissioning approach.

2. Adult Services Learning Disability Fair Pricing Tool

Building on the success of a pilot exercise using a Fair Pricing Tool for residential placements developed initially by Gloucestershire County Council, this project supports the roll out to other local authorities in the South West and expansion of the tool to address Supported Living placements.

3. Adult Services Learning Disability Provider Placement Database

There is a need for local authorities to have better information on residential care services provided for people with learning disabilities, the cost and availability of those services, and other options that might be more appropriate and offer better value for money such as new service developments around supported living and adult placement services.

4. Adult Services Learning Disability Care Pathways Analysis

This project has been initiated by the Directors of Adult Social Care in the South West because there is concern about differential patterns in the use of residential care across the country. Initial investigation has shown that residential care packages have been provided where community care would have been more appropriate. The project will

seek to identify those factors that are at play where people with learning disabilities are enabled to stay in community settings as opposed to going into residential care. It will provide evidence of the way care management currently operates and identify possible ways to influence the process in the future.

5. Adult Services Learning Disability Model Partnership Relationships

Care is provided for people with learning disabilities in the South West Region by a number of key service providers. Up to 75% of spend on Learning Disability is residential care. There are a number of examples of partnership relationships with key providers where costs have been reduced for both the authority and the provider and have resulted in greater choice and better outcomes for individuals.

6. Adult Services Learning Disability Provider Good Practice Forum

Provider forums have proved to be a good method of keeping the provider marketplace fully informed of developments in local government, government policy and initiatives. In support of other projects within the programme, this project will involve the hosting of two seminars for service providers and local authorities in the South West, the purpose being to inform participants of the findings of the projects and to enable collaboration in developing an agreed way forward that will promote best practice.

7. Adult Services Learning Disability Programme Impact Analysis

IPC are undertaking a strategic review of authorities' current commissioning practices at the start of the programme and also at the end of the seven projects within the Learning Disability programme. Key to the success will be the definition of outcome and output measures at the start of the programme by which the impact of the overall programme can be measured. In the review with local authorities on completion of the programme, the perceived benefit of, and their capacity to make and deliver commissioning strategies will be assessed.

8.3 Other projects

East Midlands Centre of Excellence Understanding Public Procurement - Capacity Building in the Care Sector (106)

In partnership with the East Midlands Centre of Excellence and the nine Supporting People Teams in the East Midlands, Business Link Nottinghamshire will help co-ordinate the delivery of a tailored programme of training and business support. This programme will be targeted at organisations that are either existing suppliers of Supporting People services or suppliers that operate in similar social care markets and have traditionally operated outside of formal procurement processes. The training programme, designed specifically to build the capacity of local service providers, will also help 'level the playing field' and ensure smaller suppliers are equipped to engage more effectively in forthcoming procurement opportunities.

Given the comments around capacity and support made by the Voluntary sector and the SME/BME organizations the feasibility of rolling out this training and business support should be investigated.

9. FINANCIAL BENEFITS

9.1 Potential Financial Benefits

The Impower report summarised the main financial benefits arising from collaboration as follows:

- Increased purchasing power through economies of scale.
- Increased efficiency (through reduced duplication of processes).
- It is cheaper for suppliers to do business with local authorities if there is a single procurement route.

Efficiencies which may arise from standardising models for purchasing social care for adults include:

- Estimated savings from reduced staff time spent procuring.
- Estimated savings due to aggregation of contracts and increased economies of scale.
- Estimated savings from standardising annual price increases
- Estimated savings brought about by the use of new tools and changes in processes/organisation structures.

In addition there may also be additional costs including:

- Cost of the administrative side of collaborating (time for ongoing regular meetings, typically quarterly).
- Cost of new technology.
- Cost of professional services.
- Cost of change management (training and communications).
- Cost of supplier adoption.

9.2 Estimated savings due to aggregation of contracts and increased economies of scale.

By approaching the market as a unified procurer of services, and by aggregating demand, the 9 West London boroughs will achieve savings in terms of buying adult care services. Reducing the cost of current contracts can be achieved through market management, aggregating demand, sharing contracts and creating pan-West London blocks which will support the reduction of contract costs.

The savings totalling £4.764m below are Impower's (conservative) estimates of the savings that may be achievable based on aggregated

existing spend with supplier contracts. It should be noted that in other areas of procurement collaboration has led to savings of 10% and more.

Value of contracts with Supplier	Aggregated Existing Spend £m	Target Saving %	Estimated Saving £m
More than £1m	60.5	5	3.025
£500k to £999k	35.5	3	1.065
£100k to 499k	67.4	1	0.674
TOTAL	163.4		4.764

9.3 Annual Price Increases

Impower also modelled projected savings from collaborating on annual price increases over a five-year period. For the first year, Impower used estimated savings of £200,000 per borough, as indicated by several authorities for 2006/2007. For the remaining 4 years, they used a more conservative estimate of £150,000. Across 9 West London boroughs over a five-year period therefore, they estimated savings of £7.2m were achievable (£0.8m per borough).

9.4 Released Capacity

Impower estimated that the boroughs should also achieve staff savings by standardising contracts, sharing contract monitoring and by creating a shared commissioning or contracts function. As a high level indication, Impower estimated around 6.5 FTEs could be saved across the 9 WLA boroughs through increased collaboration. At an average staff cost of £25k this would deliver savings of £162.5K.

9.5 Estimated savings from reduced staff time spent procuring.

To the extent that the boroughs are able to jointly procure services there will be savings arising from a reduction in staff time spent procuring across the 9 authorities. The following table shows the calculation of savings that may be achieved from a typical procurement process with varying numbers of authorities jointly procuring.

Days required for Typical Procurement Process		
Action	Est Days Required	
1. Expression of Interest stage		
Prepare and Place Advertisement	1	
Respond to queries on advertisement	2	
Evaluation of Business Questionnaires	5	8
2. Invitation to Tender Stage		
Preparation of Specification	10	
Preparation of Contract Documentation	5	
Preparation of Evaluation Methodology	3	
Issue Invitations to Tender	1	
Respond to queries on tenders	3	22
3. Evaluation of Tenders		
Compliance check of Tenders	1	
Evaluation of Tenders & draw up Shortlist	10	
Issue invitations for Interview & Presentation of Tenders	1	
Interviews and Presentations completed	5	
Final evaluations completed	3	20
4. Preferred Bidder Stage		
Post Tender Negotiations	5	
Award of Contract	1	6
5. Approval Process		
Committee Report and Briefings	3	3
Sub Total Days Required	59	
Add		
6. Other Staff Overhead		
15% for Care, Legal, administrative staff	9	9
Estimated Total Days Required	68	68
Calculation of cost		
	£	
Assume Average Salary of Scale Point 35	27,492	
Add Overheads - 20%	5,498	
Total - per annum	32,990	
Total per day (assuming 220 days max)	150	
Estimated Cost of typical procurement process	10,175	
Estimated saving through Joint Procurement		
2 organisations	10,175	
3 organisations	20,349	
5 organisations	40,698	
9 organisations	81,396	

The table shows that, based on the calculation and assumptions above, the cost of a typical procurement process is estimated to be around £10k. Therefore each time one or more authorities procure jointly, this sum will be saved within each non-lead authority so that if 5 organisations procure jointly the saving will be £41k and if all 9 procure

jointly it will be £81k. There will be a small additional cost to offset this saving through additional (quarterly) meetings and each individual authority needing to input some time at various stages. However it has been assumed that this is off-set through other benefits e.g. the savings arising from less advertising.

9.6 Benefits to suppliers of collaborative procurement

The benefits to suppliers of authorities procuring jointly should not be underestimated. These include:

- Lower transaction costs as a result of lower cost of sales to local authorities and agencies.
- Increase in sales volumes (e.g. larger individual contracts as a result of councils procuring jointly).
- New customers (one council can open up business for that supplier with the other collaborating councils).
- Increased ease of day-to-day business thanks to:
 - Standardisation of procurement procedures across the collaboration.
 - Less time spent on administrative tasks.
 - Increased and easier access to information about opportunities to tender in a region.
 - Improved procurement processes leading to faster procurement cycles and shorter payment periods.

Through collaboration, local authorities can make it more attractive for a supplier to work with a particular collaborative partnership. For example, suppliers frequently complain that the supply of identical services into neighbouring authorities follows a completely different procurement route. This results in a large administrative burden for suppliers. By demonstrating a critical mass of participating agencies using a single channel, suppliers are more likely to see potential benefits for themselves.

9.7. Summary of potential benefits

- Aggregation of contracts and increased economies of scale - £4.764m (Impower's conservative estimate)
- Annual Price Increases - £7.2m across 9 boroughs (or £0.8m per borough)
- Released capacity – estimated to be around 6.5FTE's across 9 boroughs (estimated at £162.5k)

- Reduced staff time spent procuring - £10k per non-lead authority per procurement. (based on a typical procurement process)

In addition there are substantial benefits / efficiencies arising to suppliers arising from increased collaborative procurement (as outlined in paragraph 9.6)

10. SUMMARY OF FINDINGS

10.1 The scope for streamlined, quicker and more cost efficient tender processes

The report identifies a number of areas for more streamlined tender processes including:

Tender Processes

- The standardisation of PQQ's for expression of interest
- Adoption of common standards in terms of information requested at PQQ stage and ITT stage
- Adoption of a common set of standards for evaluation e.g. on equality, health and safety and other criteria including scoring and short listing
- The tailoring of procurement processes to the value of the contract
- The development of a facility to submit web based PQQ's
- Consideration of accreditation of suppliers for specific care services across West London
- Standardisation of specifications and contract terms and conditions including outcome based specifications and financial clauses
- Immediate implementation of the Pan London contract for Learning Disabilities across West London in authorities where it has not already been implemented
- The adoption of common methodologies and standards for contract monitoring including inspections and sharing of information and avoidance of duplication.

Market Mapping

- Compilation of a database of information on demand and supply across West London including residential and nursing homes, current spot and block contracts and prices being paid.

10.2 The scope for collaborative procurement processes including with Primary Care Trusts and Supporting People with the use of common procurement tools

- Limited engagement with PCT's although there is clearly potential for joint procurement e.g. for palliative home care

- SP have developed a West London methodology and this can be extended to adult social care both jointly with SP where appropriate and individually for adult social care including:
 - Direct payments service
 - Home care service
 - Previously identified service gaps

These areas are highlighted in detail in the following paragraphs.

1. Direct Payments Support / Advocacy Services

One possible area for future collaboration is the support / advocacy service for Direct Payments. All boroughs presently have a current contract for this – Brent, RBKC and Westminster use the Penderels Trust, Camden use Age Concern and Hillingdon, Hounslow and Harrow contract with other local voluntary organisations.

Current contract expiry dates could be compared, extended where required to a co-terminus date for all interested authorities and a joint commissioning / tendering exercise undertaken. However the potential to tender for Direct Payments across West London may be diminished by the move to Individual Budgets and the position in each authority regarding implementation of individual budgets and the changing agenda will need to be established prior to any joint commissioning of this service.

2. Home Care Service

The Group have exchanged information about block contracts for home care (although this may be out of date following recent re-tender exercises). Table 3 also includes some major spot providers and shows there is a commonality of providers in a number of boroughs.

Table 3

PROVIDER	Brent	Camden	Hammersmith & Fulham	Harrow	Hillingdon	Hounslow	Kensington & Chelsea	Westminster
Carewatch				YES			YES	
Enara	YES			YES				
Anchor			YES				YES	YES
Plan Personnel	YES				YES			
London Care	YES				YES			
Supporta	YES	YES	YES			YES		
Care UK			YES				YES	
Goldsbrough	YES						YES	

The methodology used in the SP Value Improvement Project for developing a Single Homeless Floating Support across West London could be used to develop a home care commissioning strategy across West London on the lines of the following work plan:

- confirmation of existing service provision across West London, re-mapping service provision where necessary
- identification of need and hours, type of care required
- estimation of total value of contract(s) to be let
- tendering for preferred providers and looking at establishing Framework Agreements across the sub-region
- tendering for specialist service providers on West London basis

The current home care market offers real potential for a joint commissioning approach across West London due to the different requirements within it including specialist services which it may be difficult and / or expensive to provide on a borough only basis including:

- learning disability and physical disability / sensory disability services
- dementia care including mental health, early on-set
- palliative care
- 24 hour / live-in care
- Care to specific ethnic minorities across West London

It is recommended that current contract expiry dates are compared, extended where required to a co-terminus date for all interested authorities and a joint commissioning / tendering exercise undertaken.

3. Previously Identified Service Gaps

The Group have already exchanged information on common gaps in service provision. In cases where at least 3 authorities have identified a need, these services and authorities are identified in the Table 4. (There are also a significant number of services where only 2 authorities have identified a need – these have not been shown).

Table 4

SERVICE GAPS	HammerSmith & Fulham	Harrow	Hillingdon	Kensington & Chelsea	Westminster
LEARNING DISABILITY					
COMPLEX NEEDS - CB/MH	YES	YES	YES		
SERVICES FOR P WITH AUTISM/ASPERGERS	YES	YES	YES	YES	
RESI FOR YOUNG PEOPLE WITH COMPLEX NEEDS IN TRANSITION (18/19)	YES	YES		YES	
OLDER PEOPLE					
RESI/NURSING FOR P WITH DEMENTIA	YES	YES	YES	YES	
RESI/INTERMEDIATE CARE FOR P. WITH MH PROBLEMS	YES	YES	YES		
SPECIALIST SERVICES FOR BEM USERS	YES		YES	YES	
OTHER					
KORSAKOFF SYNDROME	YES			YES	YES

A project team should consider the feasibility of joint commissioning some or all of these services. Dementia care – both residential and nursing for Older People – is a good example of a service that can be investigated for joint commissioning across West London as some boroughs have limited supply in their area.

A recent tender advertisement which may be of some interest as a model for the West London authorities was for Residential Supported Living Services for People with Learning Disabilities. Providers have been invited to express an interest in tendering to provide some 100 places over the next 3 years in the East Midlands Region (9 first tier and unitary councils). The project is supported by the East Midlands region Centre of Excellence and the East Midlands “resource” Health Procurement Hub. The Councils and PCT’s are working together to secure provision from one or more suitable providers based upon a common specification and core contract (with some local variations). As a first stage in the procurement process the

councils, acting via the Eastern Shires purchasing organisation are engaging with providers to explore possible procurement and service delivery options before proceeding with a formal tender process.

10.3. The processes that will afford greater opportunity for SME and the voluntary and community sector to participate in the market for social care

- Commissioning authorities need to encourage them to make bids and provide adequate information for them to do so.
- Commissioning authorities need to provide feedback on unsuccessful bids
- Capacity building and support required for smaller organisations e.g. sharing the services of a bid technician
- There is a need to develop forums and joint training initiatives to work with the organisations on key issues for development

10.4 The role that e-procurement can play in all of the above.

- To date there is very limited application of e-procurement and e-tendering within West London for adult social care
- No great push from providers for this although they welcome any developments as they arise
- E-tendering should facilitate the exchange of information and standardisation of documentation to the benefit of both authorities and providers
- However Corporate leads are developing for other services and this is an opportunity for adult social care to push for the development of e-tendering within their service area.
- the West London Adult Social Care Procurement Group should consider the development of a web-site for the development of e-tendering across the sub-region

10.5 To see how evidence on user outcomes can be better reflected in the procurement process using commonly agreed standards. To ensure improved involvement of users in the procurement decisions through better designed specifications and evaluation techniques

There are some good examples of service users being involved in the procurement process across West London but there is a need to develop outcome based specifications for all care services and

particularly for home care to deliver improved quality. Particular issues highlighted are:

- Securing greater involvement of service users with mental health issues
- The need to developing a protocol / best practice guide regarding involving service users in the procurement process

10.6 To produce a business case and estimation of the efficiencies to be gained from standardised models for purchasing social care for adults, including an evaluation of the greater capacity created in the system for market development

It is clear that substantial business benefits will accrue in terms of facilitating the processes and developing the market in which care is procured. A summary of the potential estimated savings and efficiencies is:

- Aggregation of contracts and increased economies of scale - £4.764m (Impower's conservative estimate)
- Annual Price Increases - £7.2m across 9 boroughs (or £0.8m per borough)
- Released capacity – estimated to be around 6.5FTE's across 9 boroughs (estimated at £162.5k)
- Reduced staff time spent procuring - £10k per non-lead authority per procurement. (based on a typical procurement process)

In addition there are substantial benefits / efficiencies arising to suppliers arising from increased collaborative procurement (as outlined in paragraph 9.6)

11. PROPOSALS FOR THE WAY FORWARD

11.1 Action Plan

In order to move towards adopting common standards of procurement of adult social care in West London there is a need to develop an Action Plan which all parties sign up to and agree to implement.

The recommended Action Plan should include the setting up of project groups for agreed tasks (along the lines of that adopted by the West London Supporting People Group) and based on the report's objectives and findings as follows:

- streamlining of tender processes
- mapping of demand and supply for care services across West London to determine the possibility of joint commissioning and
- considering the alternatives for collaboration and joint commissioning identified in the report
- jointly developing outcome based specifications and ensuring increased user involvement
- developing the opportunities for SME and the voluntary and community sector to tender for social care projects
- working with corporate colleagues to develop e-tendering for social care
- Benchmarking services
- Improving information exchange and links and access to other areas including the voluntary sector, Supporting People, PCT's and monitoring work ongoing elsewhere.

11.2 Resources

The adoption and implementation of such a plan will require additional resources unless the Group agree to undertake and allocate the work required in the plan amongst themselves – this would require a clear commitment from the Group to develop common standards and joint working with a consequent impact on their time and input.

Alternative / additional options for additional resources include:

- Making a further bid to the London Centre of Excellence – for example to develop joint commissioning arrangements across the sub-region

- Contributions from all participating authorities if necessary by top slicing Commissioning and / or Contracts budgets.

APPENDIX 1 - LIST OF PEOPLE INTERVIEWED

Name	Post	Authority
Tony Caplin	Contracts and Procurement Manager	LB of Hillingdon
Barry Newitt	Supporting People Manager	LB of Hillingdon
David South	Contracts Manager	LB of Harrow
Craig McDowell	Contracts Manager	LB of Hounslow
Nicholas Maxwell	Contracts Manager	Westminster City Council
Habib Rahman	Contracts Manager	LB of Ealing
Kay Fisher	Senior Contracts Manager	LB of Hammersmith and Fulham
Tim Parkin	Head of Commissioning	LB of Hammersmith and Fulham
Rachel Snoad	Supporting People Manager	LB of Hammersmith and Fulham
Alan Parry	Procurement Consultant (Contracts)	LB of Hammersmith and Fulham
Frances Murphy	Corporate Procurement Manager	LB of Hammersmith and Fulham
Keith Greenberg	Procurement and Contracts Team Manager	LB of Camden
John Jeremy	Contracts Manager	Royal Borough of Kensington and Chelsea
Jayne Spencer	Section Manager (Contracts) OPS	LB of Brent
Adrian Mayers	Head of Partnerships	Hammersmith and Fulham PCT
Paul Bass Sue Hardy	Manager Director	West London Health Estates
Penny Phillips	Local Government Manager	Association of London Government
Penelope Harrison	Chief Executive	Voluntary Sector Resource Agency, Hammersmith and Fulham
Alan Kelly	Home manager	Hanwell House, Residential Care Home
David Penney	Business Manager	Lifestyle Care
Libby Eastley	London Business Manager, Home Care	Care UK
Mark and Sue Soames	Ex Directors Quality Care / Supporta	Supporta

Paulette Francis	Managing Director	Gentle Care
Joseph Ho	Manager	Camden Chinese Community
Nahar Choudhury	Manager	Hopscotch

APPENDIX 2

COMMISSIONING AND CONTRACT STRUCTURES WITHIN THE 9 WEST LONDON SOCIAL CARE AUTHORITIES

Brent abandoned a separate structure for Commissioning in 1998 and officers are integrated within the care teams for Older People's Services and integrated with the health service for Learning Disabilities and Mental Health. OPS have one Placement Officer and one Adult Monitoring Officer together with 1.5 officers for home care monitoring.

RBKC have a Commissioning Team and the numbers in each care service vary. The Disability Team is joint with Health and has shared budgets but the OPS do not. The team has a wide role covering not only the commissioning of the service, the voluntary sector and administering grant funding but also running the service and monitoring and review. Commissioning is currently under review. The Contracts Team (of 3 staff) has responsibility for Health, Housing and Adult Social Care and undertakes a quasi legal role of drafting the contracts as well as procurement, tendering, developing the specification and dispute resolution. Social Workers handle all price negotiations and the placement of clients is undertaken by Care Management in area based teams. All placements for residential care are currently external.

Within Westminster, responsibility for Commissioning rests with the relevant Director of Service. Joint Commissioning with Health is in place for Learning Disability and Mental Health Services as well as Substance Misuse. The Contracts Team comprises of 13 posts and is responsible for the procurement and monitoring of Adult Social Care contracts. Care managers are responsible for setting up the service for the individual and the negotiation of the price. WCC undertake contracting for the PCT where Joint Commissioning is in place. WCC has a good relationship with the PCT e.g. accounting protocols and local arrangements are in place.

At Hounslow the Joint Commissioning Team is under review but currently have OPS, LD and MH managers. In the Contracts Team, two placement officers work for the PCT. There is an Integrated Equipment Service run with the PCT.

Harrow has a Joint Commissioning Team for each service area but this is shortly going to be jointly reviewed. Placement teams are included

within the Contracts Team and have close links with the social care teams.

Camden has recently established a Joint Commissioning Team jointly funded with the PCT. This includes both a Mental Health team and a Community Team (OPS, LD). The team also includes residential and home care placements (micro commissioning). The Procurement and Contracting section cover all issues for both the Council and the PCT.

Ealing has jointly appointed Commissioning Managers for all services. A Placement and Brokerage Unit reports to Commissioning. There is also a Strategic Procurement Unit and all tendering is handled by this Corporate team. Each Commissioning Manager works closely with Supporting People who are located within Housing.

Within Hammersmith and Fulham, a new structure has recently been put in place which includes a Head of Commissioning who has responsibility for both Adult Social Care and Supporting People. The Community Services Department has responsibility for both Adult Social Care and Housing and a separate Contracts Team has responsibility for Adult Social Care including domiciliary care, placements tendering and contract management. However currently Supporting People are responsible for their own tendering and contract management.

Hillingdon has had a Joint Commissioning Team with the PCT for a number of years but this is now under review due to a serious financial situation within the PCT. The Contracts Team has also recently lost resources and now consists of a Manager, a Contract Compliance and Monitoring Officer, two career grade contract officers plus administrative support. Supporting People (including Commissioning) is located within Housing.

APPENDIX 3

SUMMARY OF ISSUES RAISED AT VSRA CONFERENCE HELD IN HAMMERSMITH ON 12 OCTOBER 2006

What are the barriers for voluntary and community organisations in commissioning and procurement?

- Lack of up to date information on commissioning and procurement.
- voluntary and community sector is being expected to meet hard targets only not softer targets, i.e. difference in definitions of 'good performance'.
- lack of knowledge and skills to put in bids and fund raising and completing grants applications including business skills and financial resources.
- Need to raise the awareness and understanding of the local authority of the value emotional support offered by voluntary and community organisations providing culturally sensitive services.
- How can specialist / unpopular or minority groups influence the above agenda?
- Early intervention – how to agree fair / good indicators which address and adequately meet both health and local authority targets?
- Where can partnership / coordination work fit in – this work is invisible until end results and / or initiatives fail
- How will the identification of new needs be fed 'up' to commissioning levels from voluntary and community organisations, which are outside of the local authority and health planning monoliths?

Are the barriers any different for small, medium and large voluntary and community organisations?

- Multiplicity of Government's plans /reports / initiatives in health, e.g. Children's Plan, which cut across work of voluntary and community organisations - small organisations have difficulty in keeping up with all.
- Small organisations – issues around reserves.
- 'Value for money' agenda / economies of scale are a possible threat to small – medium voluntary and community organisations. Cheaper does not always equal better. There is a

need to recognise this when commissioning from small – medium voluntary and community organisations.

- Small voluntary and community organisations develop good practice, which they implement in their work, with better performance and end results. They need funds to demonstrate this. Small voluntary and community organisations get less because they are small and the large get more because they are large. But how can small organisations become larger voluntary organisations?
- There is a need to recognise the potential of small groups and provide opportunities to enable them to participate – this can be done by providing a capacity building package to be included in the contracts.
- Commissioning agencies need to agree and be clear that smaller client numbers, i.e. for bids / tenders from small voluntary and community organisations are welcome.
- Small organisations provide quality and are just as cost effective as larger organisations.
- There are issues around subscribing to the culture of the market place, i.e. small voluntary and community organisations are not a 'business'.

What barriers are faced by the local authority and primary care trust?

- There is a lack of understanding of the different language used by statutory and voluntary and community sectors.
- Lack of information and knowledge of the diversity of the local voluntary and community sector, i.e. size, type of services provided, user groups, etc.
- Statutory agencies do not see a role for small, local, independent voluntary and community groups – only large organisations need apply, i.e. those who can keep up and have the infrastructure to sustain and undertake contracts.

How can we address these barriers?

- Share services of 'bid technician' to translate the services provided by voluntary and community organisations into bid / tender language.
- There is a need for some rationalisation borough-wide, e.g. sub sector meeting of all voluntary and community organisations working on the issue of domestic violence to look at possible leads on the different aspects of services for survivors and

children – this would avoid duplication of bids/proposals for funding.

- Statutory agencies need to provide feedback on why bids fail and why successful.
- Clear information should be provided on where to bid and when.
- Clear guidance on what local/national plans and targets are referred / related in connection with specific bid rounds, etc.
- There is a need to develop joint training, i.e. between statutory and voluntary and community sectors.
- VSRA to convene / develop joint approaches/marketing to, e.g. 'hard to reach' groups, GPs (development of practice based commissioning, standardised contracts, etc).

APPENDIX 4

SUMMARY OF OTHER RELEVANT PROJECTS BEING UNDERTAKEN

Learning Disability Services

By far the most of the current activity is in the area of Learning Disability services and in particular management of the market.

A specific project is led by the London Borough of Merton and includes the London Boroughs of Sutton, Richmond, Croydon and Wandsworth and the Royal Borough of Kingston. The LCE has provided initial funding for the project to explore the feasibility of a longer term relationship that can deliver improved coordination of planning between boroughs.

The objectives of the project are:

- To establish a mechanism for joint working and a joint commissioning programme for learning disabilities
- To introduce long-term agreements with providers which emphasise mutual market management and service development and which provide mutual ability to plan expenditure and income
- To generate new providers of services to meet the current needs of people with learning disabilities
- To provide cash savings to the boroughs
- To demonstrate improvements in the quality of the service provided to people with learning disabilities
- To take a shared approach to market leverage to include cost control
- To consider the feasibility of agreeing a brokerage service for care managers and service users, the service being shared between the boroughs

The project leader Suzanne Gale at Merton has been contacted for an update on progress and findings to date.

Other projects with a Learning Disability and regional or sub regional theme include:

East Midlands Centre of Excellence (lead by Leicestershire County Council)

To develop a joint approach to managing the market for the independent provision of high cost learning disability residential care.

The objectives of the project are:

- To reduce existing expenditure on Learning Disability high cost care and/or to manage the increase in future expenditure through achieving a reduction in the number (and unit cost) of high cost placements.

There are also 7 projects on a learning disability theme being sponsored by the **South West Centre of Excellence** (lead by South Gloucestershire Council). These are:

1. Adult Services Learning Disability Regional Commissioning Framework

The Institute of Public Care (IPC) will develop a commissioning framework for adult learning disability services across the South West region. The aim is to help local authorities deliver improvements in the overall configuration of services to meet the needs of adults with learning disability, through more effective local and regional commissioning arrangements. Another separate project involves IPC supporting two local authorities to help them model and test the commissioning approach.

2. Adult Services Learning Disability Fair Pricing Tool

Building on the success of a pilot exercise using a Fair Pricing Tool for residential placements developed initially by Gloucestershire County Council, this project supports the roll out to other local authorities in the South West and expansion of the tool to address Supported Living placements.

The aims of the project are:

- To consolidate the use of the Residential Care Fair Pricing Tool and Residential Care Provider and Placement Database and ensure correct usage and data recording
- To create a new Pricing Tool and to create new database pages for placements and providers, on the same principles as the Residential Care model, to be used for supported living placements
- To implement roll out of the Supported Living Fair Pricing Tool and both the current and expanded versions of the database to authorities, including training and support (events and guidance documents) for participating authorities

- To engage with providers where appropriate during the design and roll-out of the new tool and database

3. Adult Services Learning Disability Provider Placement Database

There is a need for local authorities to have better information on residential care services provided for people with learning disabilities, the cost and availability of those services, and other options that might be more appropriate and offer better value for money such as new service developments around supported living and adult placement services.

This project supports the development, population and roll-out of a database to local authorities in the South West. The database will comprise two linked datasets. One dataset scopes supply and another which identifies patterns of use in placements i.e. demand.

Both datasets will be concerned with care provision for people with learning disabilities, including registered Residential Care, Adult Placement Schemes and Supported Living placements.

4. Adult Services Learning Disability Care Pathways Analysis

This project has been initiated by the Directors of Adult Social Care in the South West because there is concern about differential patterns in the use of residential care across the country. Initial investigation has shown that residential care packages have been provided where community care would have been more appropriate. The project will seek to identify those factors that are at play where people with learning disabilities are enabled to stay in community settings as opposed to going into residential care. It will provide evidence of the way care management currently operates and identify possible ways to influence the process in the future.

The aims of the project are

- To understand the main factors influencing decisions that lead to adults with learning disabilities staying in the community or moving into a registered residential home.
- To obtain information on the cost implications of residential versus community based support.
- To produce a guide to assist social care practitioners to obtain the good outcomes for people at a reasonable cost.

5. Adult Services Learning Disability Model Partnership Relationships

Care is provided for people with learning disabilities in the South West Region by a number of key service providers. Up to 75% of spend on Learning Disability is residential care.

There are a number of examples of partnership relationships with key providers where costs have been reduced for both the authority and the provider and have resulted in greater choice and better outcomes for individuals.

Therefore the aims of this project are to:

- Develop at least one working example of partnership relationships with larger providers.
- Develop new protocols and commercial and legal agreements supporting partnership relationships with providers (including use of individualised budgets) to ensure quality and choice.
- Include provision in the new protocols and legal agreements for 'In Control' and Individual Budgets.
- Work with providers and local authorities in the South West region to develop practical community-based alternatives to residential care (for example Supported Living or Adult Placement Schemes) and include the use of individualised budgets to fund packages of support.

6. Adult Services Learning Disability Provider Good Practice Forum

Provider forums have proved to be a good method of keeping the provider marketplace fully informed of developments in local government, government policy and initiatives. In support of other projects within the programme, this project will involve the hosting of two seminars for service providers and local authorities in the South West, the purpose being to inform participants of the findings of the projects and to enable collaboration in developing an agreed way forward that will promote best practice.

7. Adult Services Learning Disability Programme Impact Analysis

IPC are undertaking a strategic review of authorities' current commissioning practices at the start of the programme and also at the

end of the seven projects within the Learning Disability programme. Key to the success will be the definition of outcome and output measures at the start of the programme by which the impact of the overall programme can be measured. In the review with local authorities on completion of the programme, the perceived benefit of, and their capacity to make and deliver commissioning strategies will be assessed.