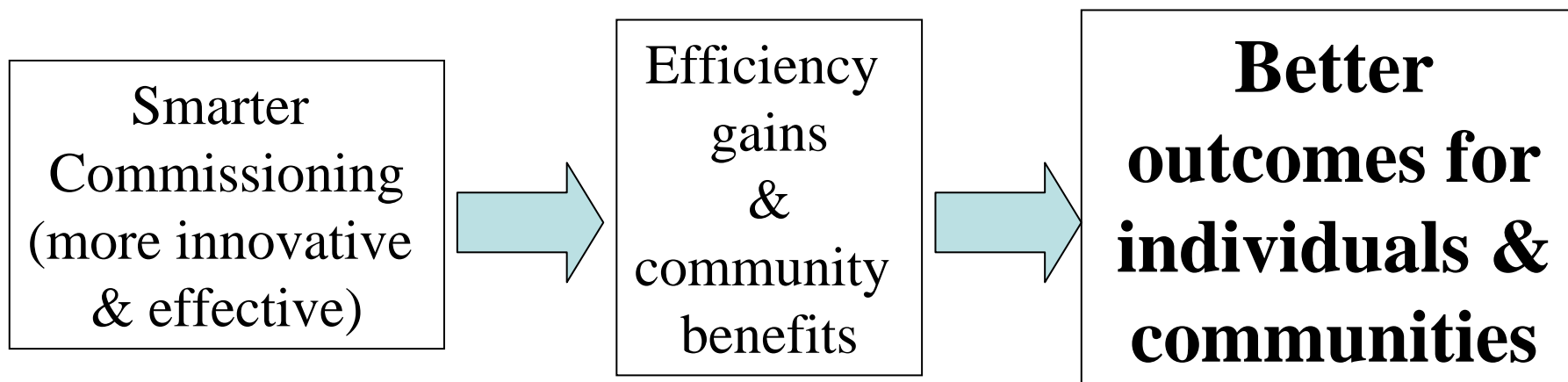


# national programme for **third sector** commissioning



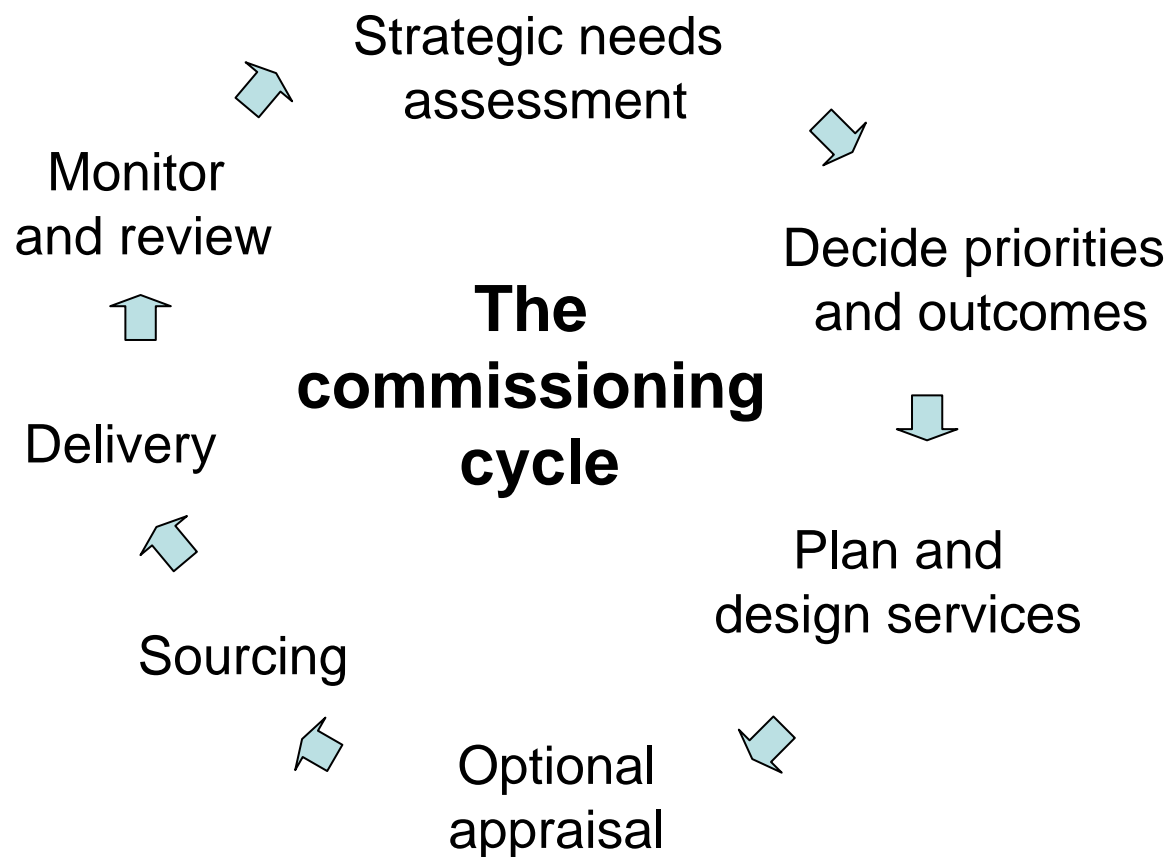


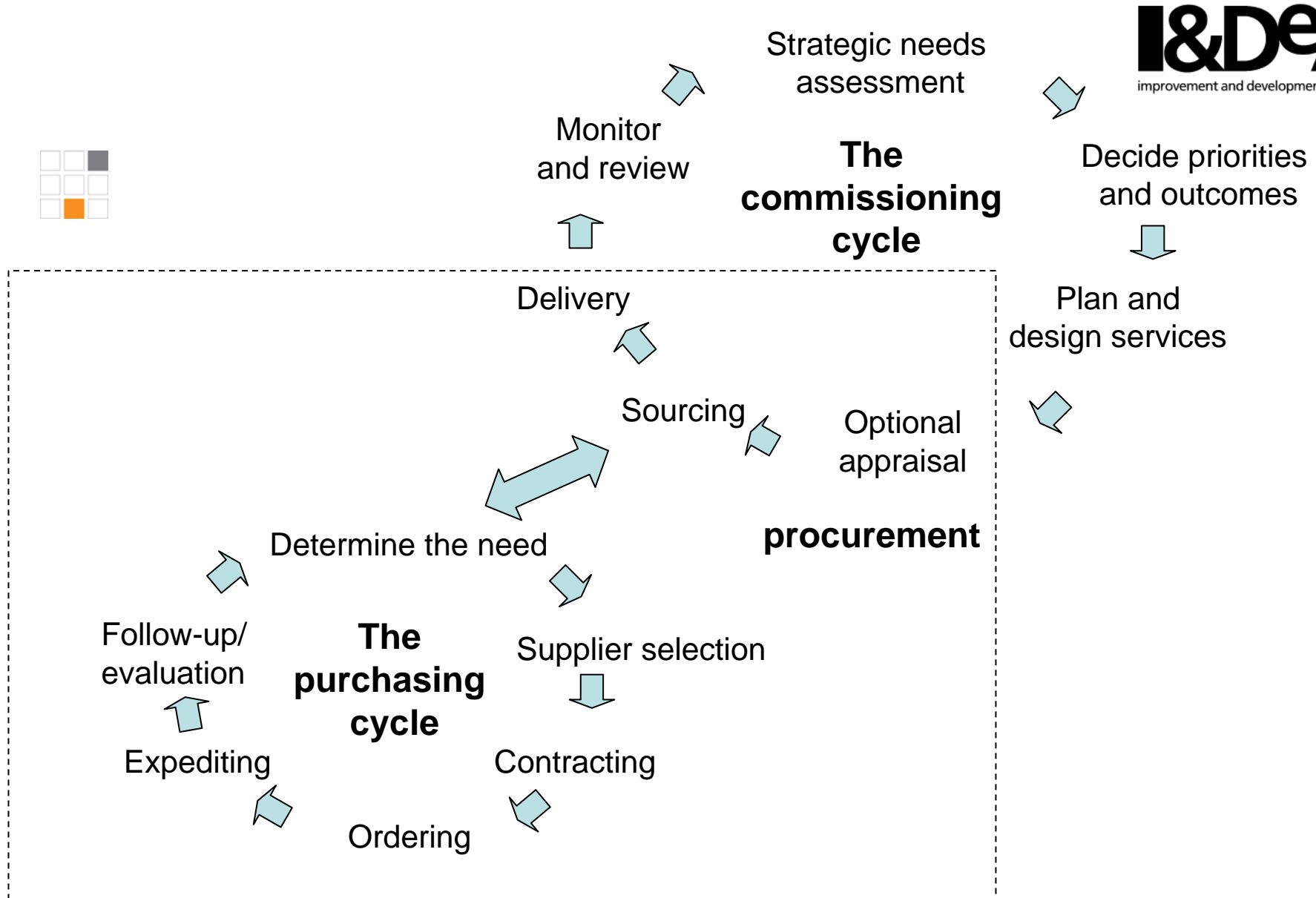
**Better  
outcomes for  
individuals &  
communities**

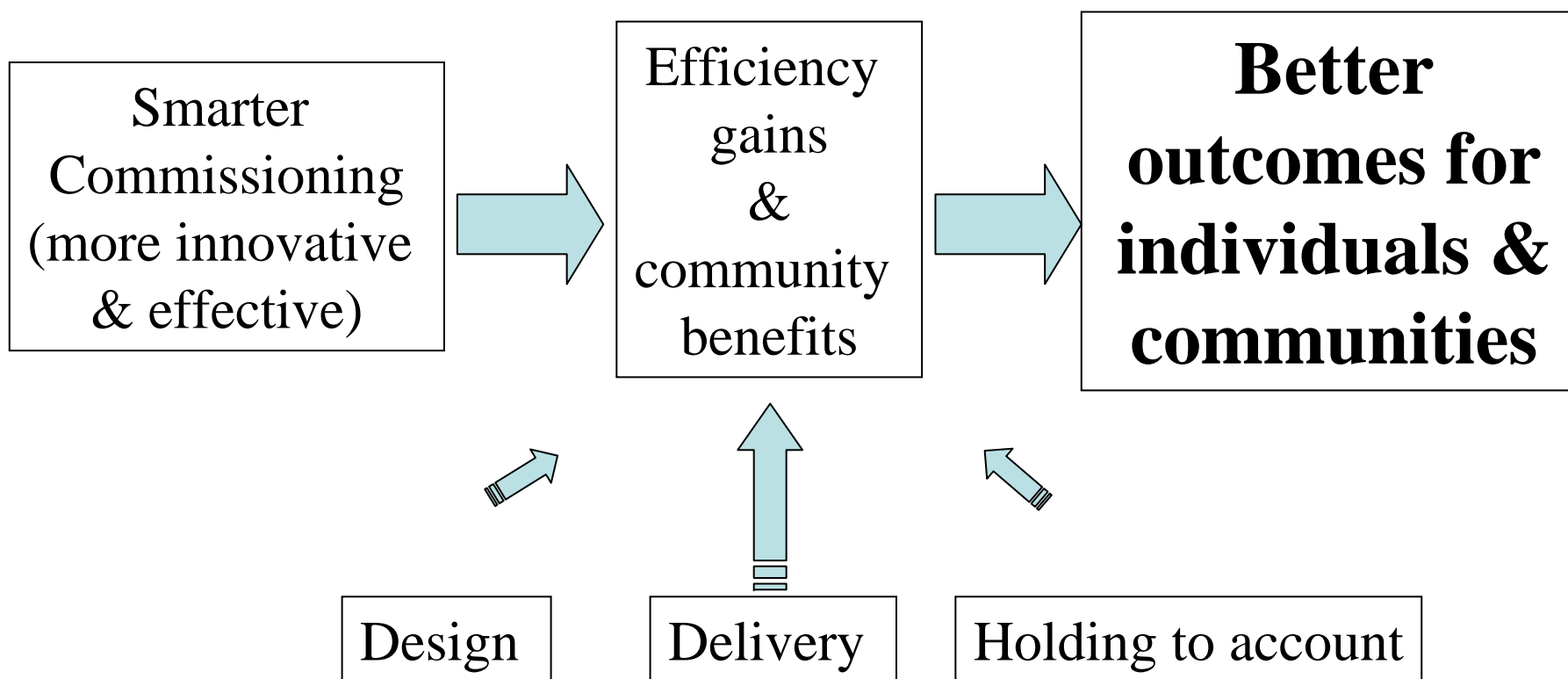


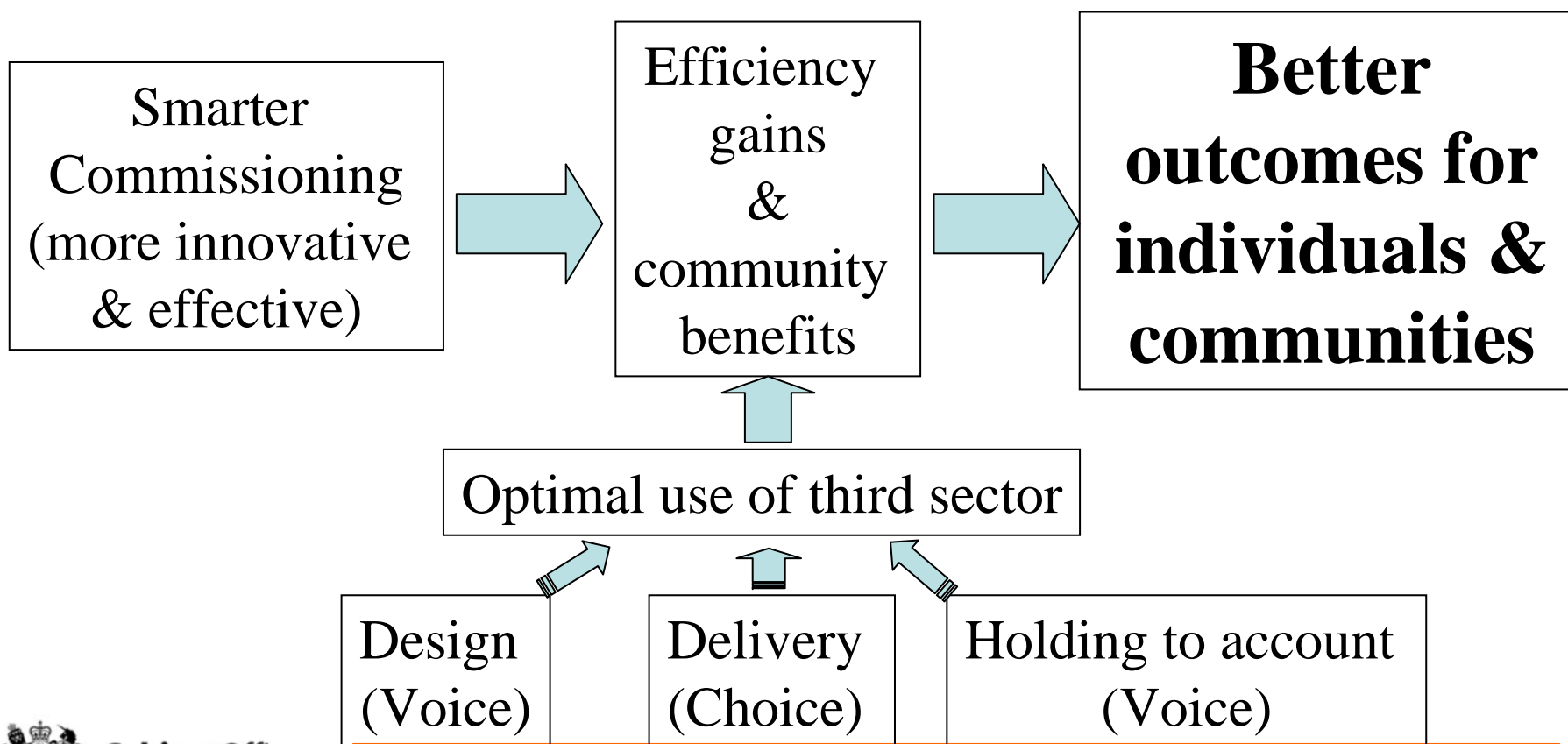


# the commissioning cycle











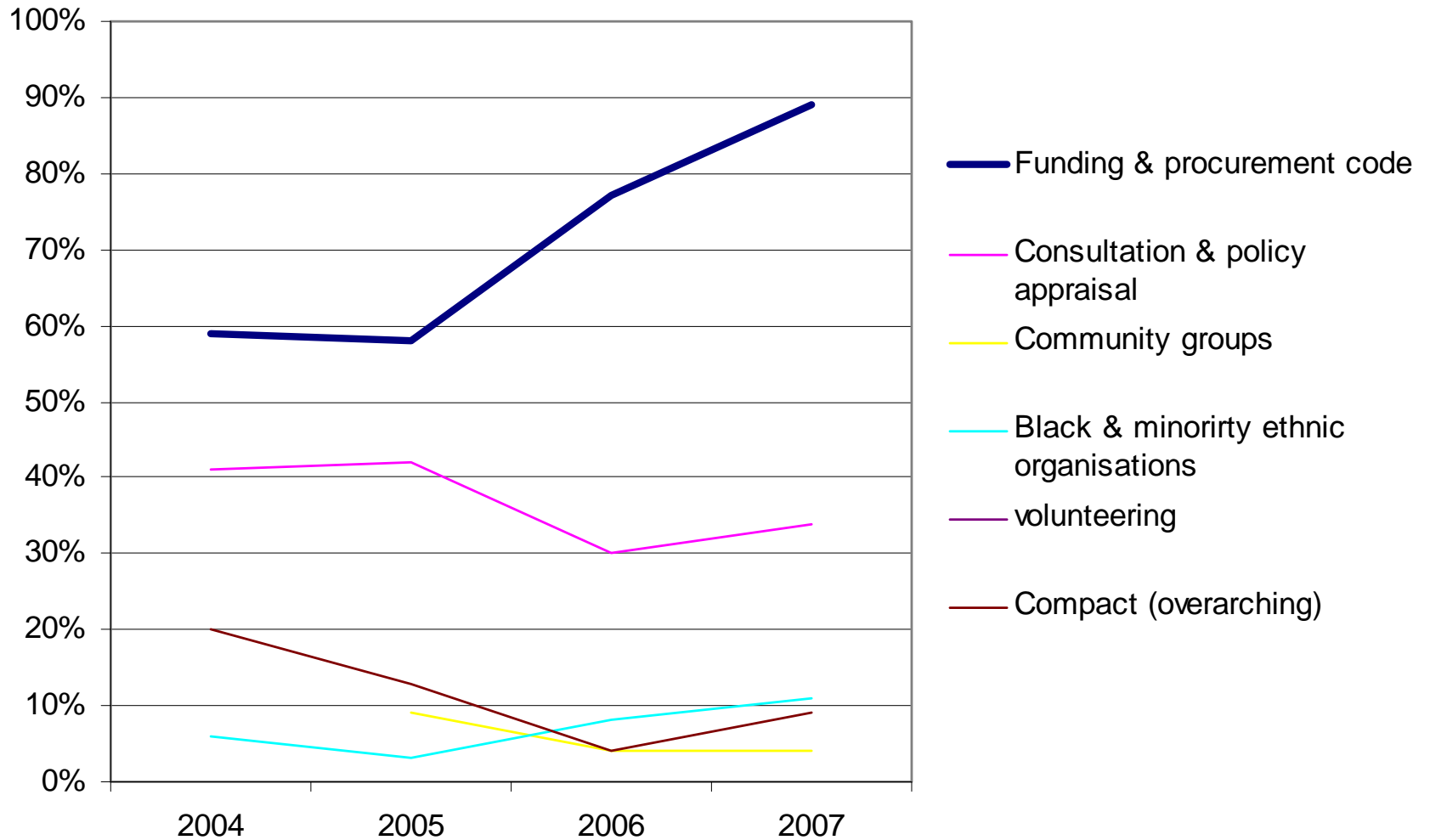
# A reality check



# Third sector commissioning issues

- Commissioning v procurement
- Grants v contracts
- State aid v public procurement law
- Labour v Conservative approach
  - Voice and/or choice
  - Emphasis on Grants
  - Aggregated contracts
- TUPE
- Technical v outcome based specifications
- Diversity

# Compact Breaches



Source: Compact Advocacy Programme



# Commissioners

## Baseline position: November 2007

- 39% aware of eight principles of good commissioning
- 21% say they **always consult** TSOs at an early stage on the commissioning process
- 36% say they most often **used outcomes**
- 29% aware to a ‘considerable extent’ of the **providers in their area** and how they can contribute
- 44% average contract length 3 years or more (**35% 1 year**)
- 40% say they always or often sought **feedback** from providers



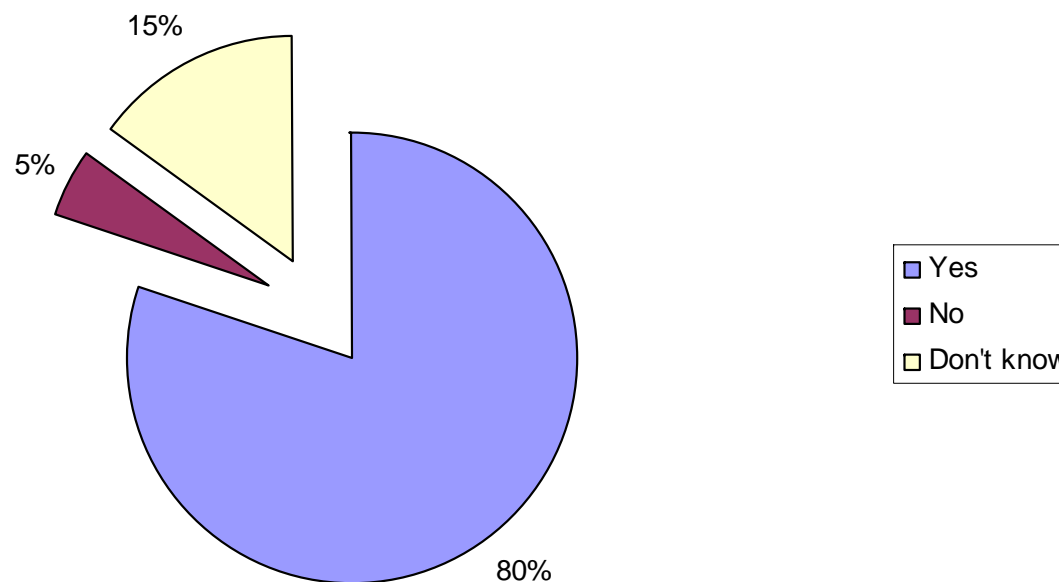
## TSOs

### Baseline position: November 2007

- 20% consider procurement processes **fair and transparent**
- 46% say contracts required them to take on more **financial risk** than they could manage
- Some concerns about equalities

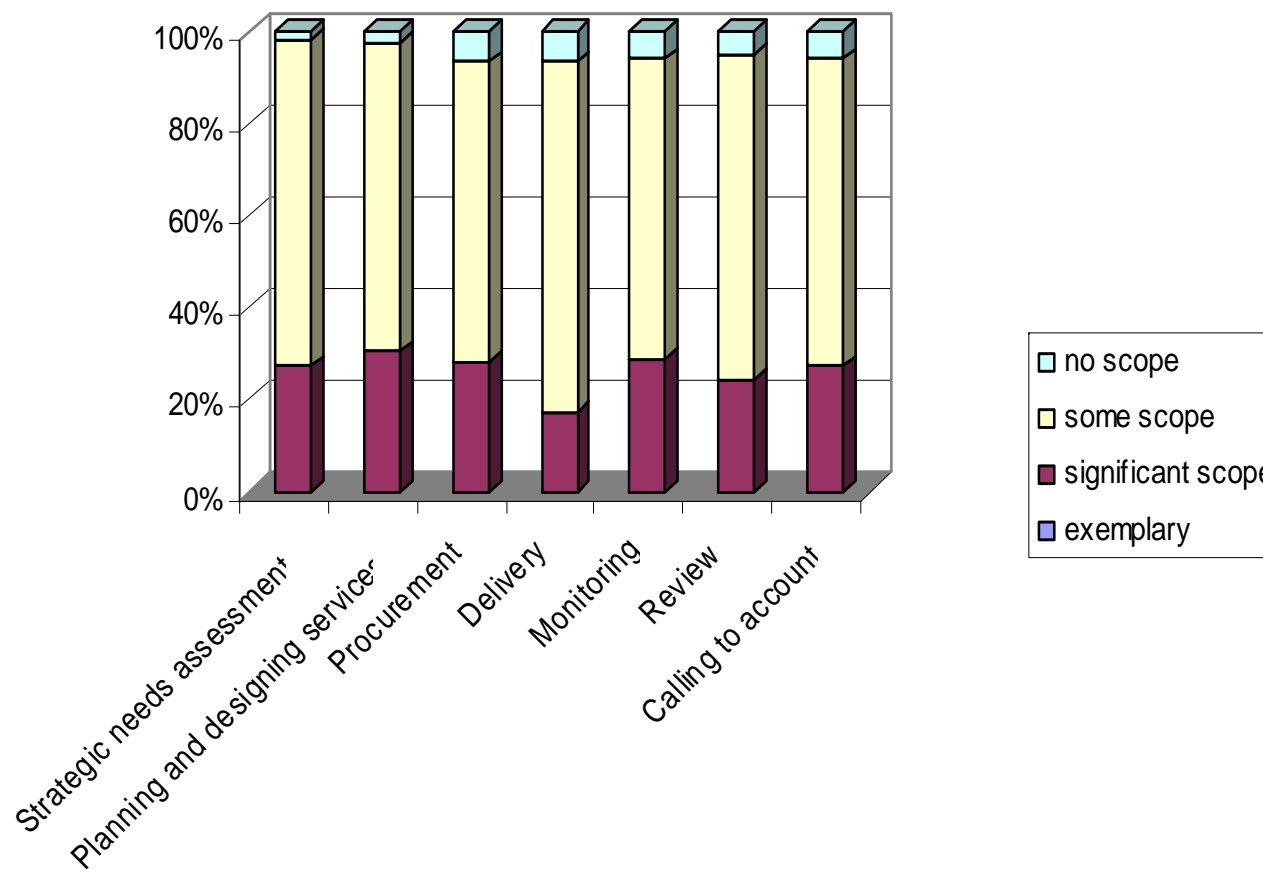


# Significant commissioners agreement on need for organisation to change

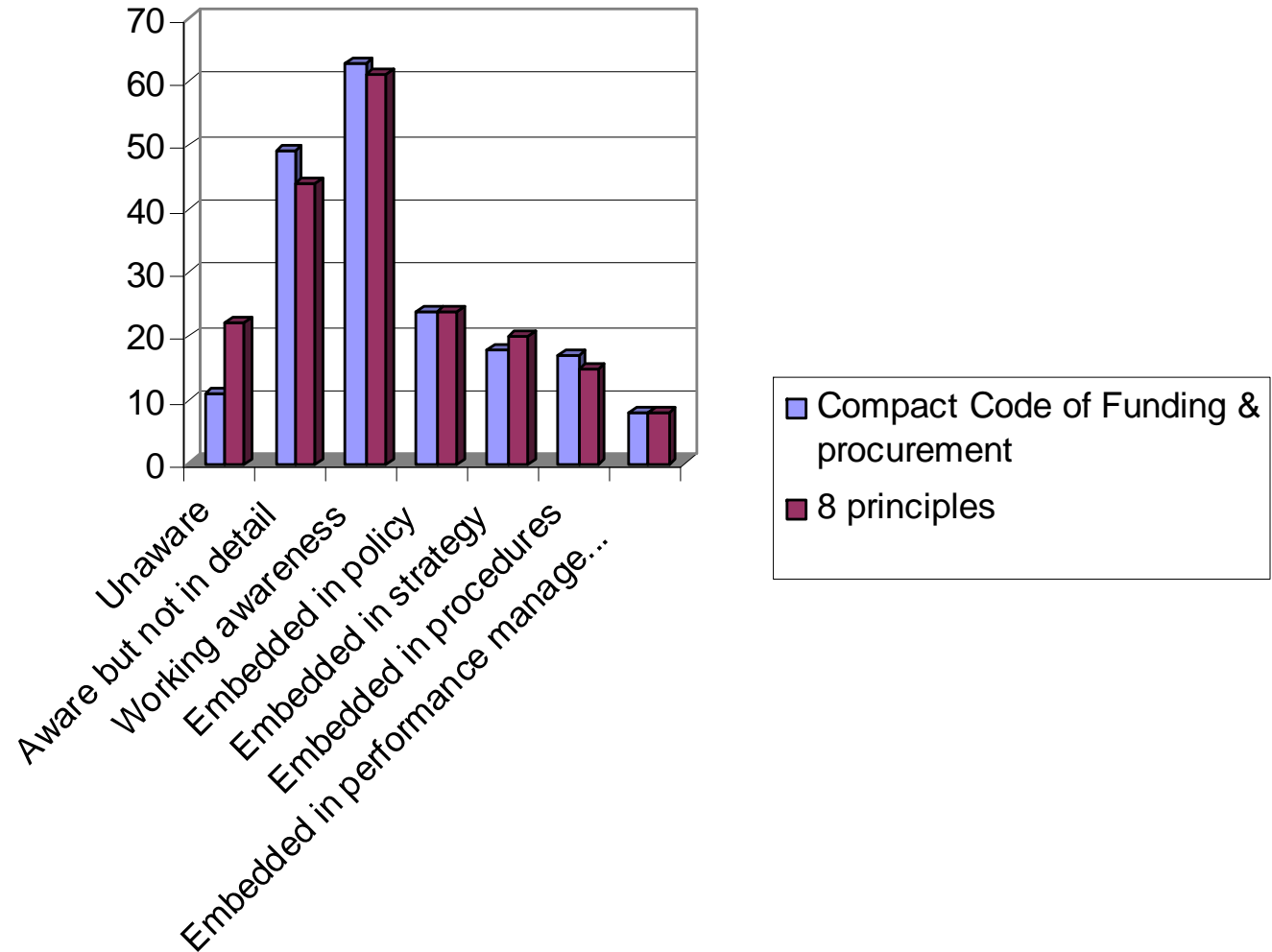




# Significant commissioners acknowledged scope for improvement

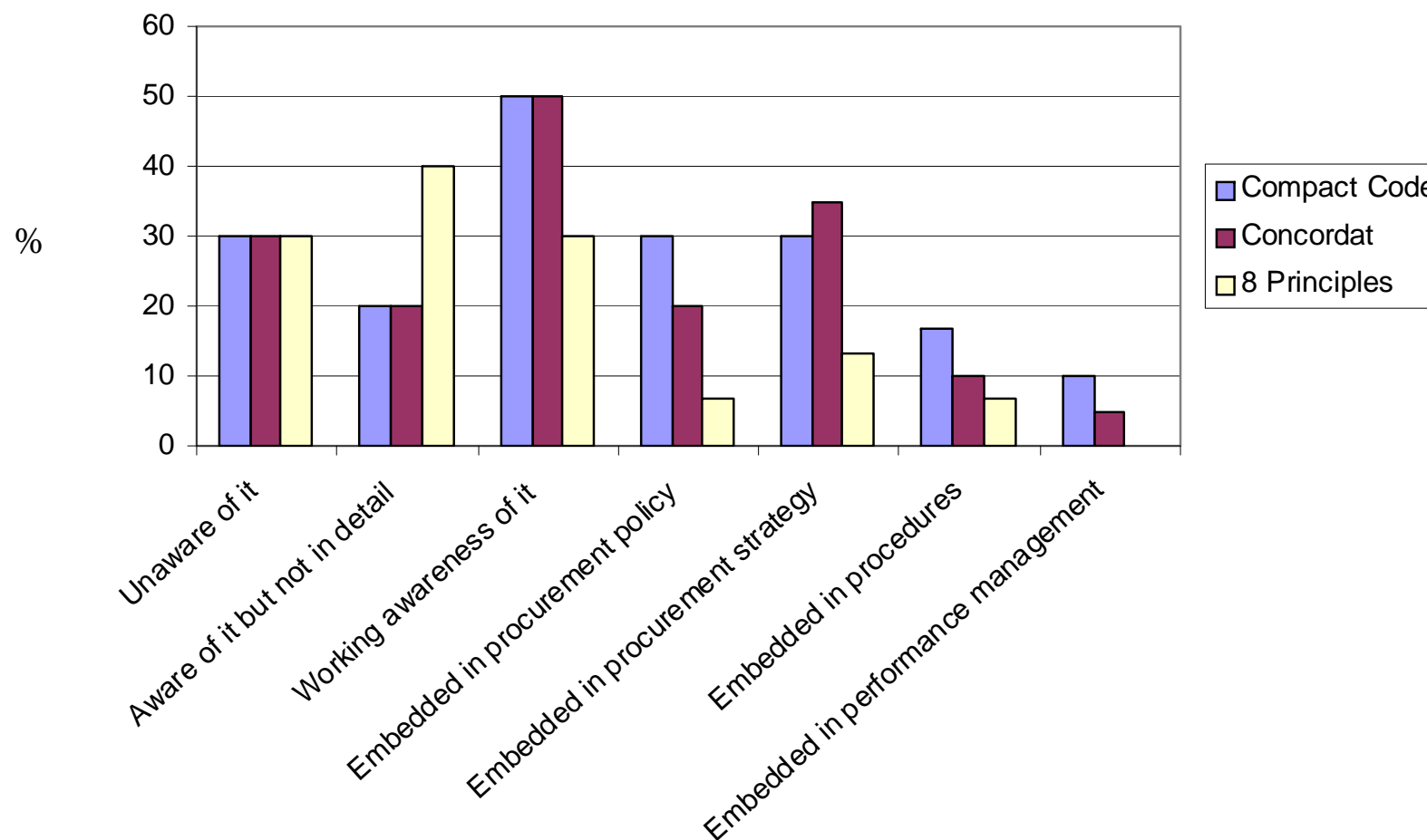


# Significant commissioners embedding of policy commitments





# Procurement practitioners engagement

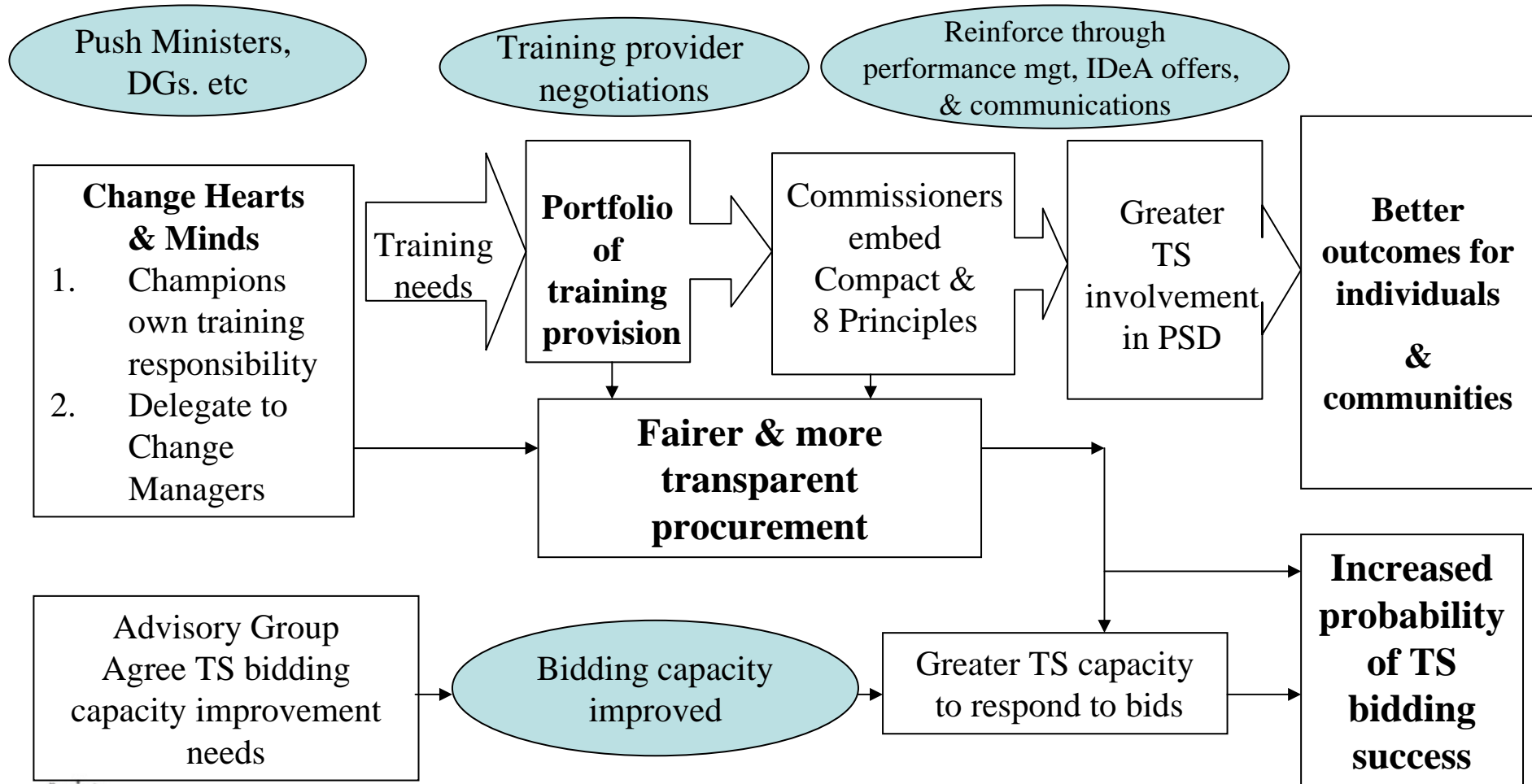




## Conclusions

1. Acknowledged room for improvement in all aspects of commissioning cycle
2. Misunderstandings difference between procurement and commissioning
3. Third sector lack confidence that procurement is fair and transparent
4. % Compact Code Breaches on Funding & Procurement rising
5. Low awareness of Compact Code and 8 Principles
6. Lack of embedding in Compact Code and 8 Principles in policy, strategy, procedures, and performance management

# Programme Change Model



## **NPTSC** key messages

- There needs to be cultural change in central and local government, PCT's etc
- Involvement of the third sector is not a process – it is not about ticking boxes
- Decision making needs to reflect government commitments to the sector

# national programme for **third sector** commissioning





# Benefits of third sector

- Specialist knowledge, expertise and/or skills
- Ability to spot emerging trends
- Involving people in service delivery
- Independence from existing structures and models
- Reach the hard-to-reach
- Freedom and flexibility from institutional pressures
- ...



# NAO identified the following common problems

- Short-term funding
- Excessive risk placed on providers
- Unrealistic prices
- Excessive burdens of monitoring and evaluation



# Who needs to change

- CLG
- DoH
- Defra
- DWP
- MoJ
- HO
- LSC
- CLG
- Local councils



## Government's 8 principles of good commissioning

- Understand the needs of users etc
- Consult provider organisations when setting priorities
- Put outcomes for users at the heart of the process
- Map the fullest practical range of providers
- Consider investing in the provider base
- Ensure contract processes are transparent and fair
- Ensure long term contracts and risk sharing
- Seek feedback to review effectiveness of the commissioning process



# who are the 2,000 commissioners?

- Elected members
- Advisors – legal, financial and procurement
- Management team members present and future
- Commissioners who decide the following
  - what is to be commissioned
  - how it is to be commissioned
  - from whom it is to be commissioned
  - who hold a commissioning budget
- Key LSP commissioners

# Progress to date



- Baseline survey completed, plus BME focus group
- Accredited training publicised
- N3PD award
- One Leadership Academy pilot
- Ten procurement roadshows will be completed by end of June
- Nine Day 1 regional training seminars for commissioners by end of July
- e-learning tool from August
- Survey to most significant commissioners
- ‘The business case’ in progress
- Ministerial training scheduled
- Outcome evaluation in place for June 2009
- ...



# A change management programme to improve the effective delivery of public services