

PLYMOUTH CITY COUNCIL

Subject: Co-operative Commissioning and Market Management – A Framework for Delivering a Brilliant Co-operative Council

Committee: Cabinet

Date: 10 December 2013

Cabinet Member: Councillor Evans

CMT Member: Carole Burgoyne (Director for People), David Trussler (Interim Director for Corporate Services)

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Ref: CM/COOPCOM

Key Decision: Yes

Part: I

Purpose of the report:

Public Services are facing an unprecedented challenge brought about by the economic environment, demographic demands, increasing complexity of need and changing public expectations. In order to meet these challenges Plymouth is committed to being a brilliant co-operative council, driven by values of democracy, responsibility, fairness and partnerships. These values will drive the Council's ambitious three year transformation programme.

Fundamental to this change is a rebalancing of the relationship between the citizen and the council and entails public service delivery devolving far greater rights and responsibilities to citizens and communities. It means building trust, building capacity and co-producing solutions – in short it means commissioning cooperatively.

This report provides a framework for co-operative commissioning and market management and sets out a number of overarching commissioning principles for approval.

The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:

Pioneering Plymouth- Co-operative commissioning, by co-producing services and focusing on social innovation offers a pioneering approach to designing and delivering better services.

Growing Plymouth- By creating fair and sustainable markets co-operative commissioning contributes to a strong economy creating a range of job opportunities.

Caring Plymouth-Co-operative commissioning aims to put citizens at the heart of the commissioning process. The framework also aims to focus on prioritising prevention and tackling inequalities. Co-operative commissioning will also create a fair and sustainable market place with quality at the centre and services treating people with dignity and respect.

Implications for Medium Term Financial Plan and Resource Implications:

Including finance, human, IT and land:

The principles for cooperative commissioning will be adopted within the overall affordability envelope of the council. Whereas quality and outcomes criteria will feature high in any evaluation, due consideration will be given for current and future budget availability.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

The co-operative commissioning framework will support the policies already in place in these areas.

Equality and Diversity:

Has an Equality Impact Assessment been undertaken? No. Individual Equality Impact Assessments will be completed for specific commissioning and procurement activity.

Recommendations and Reasons for recommended action:

1. The Council adopts the co-operative commissioning principles as set out in the framework to be applied when planning, developing, delivering and monitoring services
2. Commissioners use the framework to create co-operative markets which are fair and sustainable
3. The Council uses the framework to help deliver the Public Services (Social Value) Act 2012

Alternative options considered and rejected:

To continue with the existing approach to commissioning and market management, however this was rejected as it would not make the step change in the way that public services are planned and delivered which is necessary if we are to deliver a transformed Council.

Published work / information:

New Approaches to Commissioning and Public Service Mutuals – Atif Shafique 2013
www.2020psh.org

Background papers:

None

Sign off:

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Originating SMT Member													
Has the Cabinet Member(s) agreed the content of the report? Yes													

1.0 Introduction

Public Services are facing an unprecedented challenge brought about by the economic environment, demographic demands, increasing complexity of need and changing public expectations. To address these challenges incremental changes to the existing system will not be sufficient rather what is called for is a step change in the way that public services are planned and delivered.

A central element of meeting these challenges to date has been the development and roll-out of strategic commissioning which is at the heart of public sector reform and is seen by central government as a key mechanism to deliver modernisation and transformation. However commissioning alone will not deliver the transformation of public service delivery that is required as there needs to be a fundamental rebalancing of the relationship between the citizen and council. This means public service delivery recognizing the assets of people and place and devolving far greater rights and responsibilities to citizens and communities. It means building trust, building capacity and co-producing solutions – in short it means commissioning co-operatively.

This paper aims to provide a framework for co-operative commissioning and developing a co-operative market in order that Plymouth City Council is able to co-operatively commission a fair City where everyone does their bit.

2.0 Co-operative Commissioning

Co-operative commissioning is a new approach to planning and delivering public services and has been defined as:

“Co-operative commissioning is an approach that puts citizens and outcomes at the centre of commissioning and creates stronger relationships between key stakeholders. It looks beyond cost and ‘value for money’ to put greater emphasis on the social costs and benefits of different ways to run services”¹.

3.0 Commissioning Values and Principles

Our commissioning approach is first and foremost based on four key values which have then informed a series of overarching commissioning principles. These principles will govern the way that we operate at all stages of the commissioning cycle and will be used to hold us to account –

¹ New Approaches to Commissioning and Public Service Mutuals – Atif Shafique 2013 www.2020psh.org

VALUES

• COOPERATIVE COMMISSIONING PRINCIPLES

Democratic

- Citizens and communities will be at the heart of all commissioning activity
- Commissioning decisions will be open and transparent
- Commissioning will seek to promote civic responsibility

Responsible

- We will commission for sustainability by prioritising early intervention and prevention
- We will commission for quality and outcomes
- Commissioning decisions will focus on delivering VFM and promoting social value

Fair

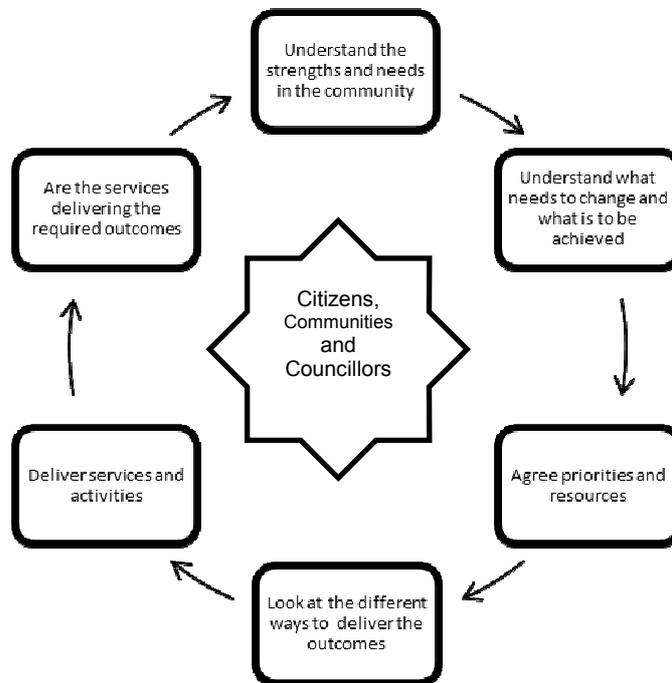
- Commissioning will focus on reducing inequalities and making Plymouth a fair City
- Commissioning activity will be needs and evidence based
- We will develop local, fair and sustainable markets

Partners

- We will commission with a range of partners regardless of organisational form
- We will work collaboratively and coproduce public services
- We will promote citizen commissioning

4.0 Co-operative Commissioning Cycle

Building on the above definition and to deliver our commissioning principles the following commissioning cycle² has been developed and which sets out how we commission co-operatively -



At the heart of the commissioning cycle are Citizens, Communities and Councillors who are actively participating in each element of the process. In such an approach commissioning is co-developed, co-designed, co-produced and co-evaluated.

5.0 Citizens at the heart of commissioning

At the centre of this process are citizens. This requires seeing citizens not merely as service recipients but recognising the strengths and contributions that they bring to public service delivery. This means viewing people in a fundamentally different way –

Customers as innovators ³	citizens know things that many professionals don't know
Customers as resources	Citizens have time, information and financial resources that they are willing to invest to improve their own quality of life and into helping others
Customers as asset-holders	Citizens have diverse capabilities and talents which they can share with professionals and other citizens

² Adapted from Lambeth's cooperative commissioning cycle

³ Bovaird and Loeffler, 2012

Customers as community-developers	Citizens can engage in collaborative rather than paternalistic relationships with staff, with other service users and with other members of the public
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6.0 Co-producing Public Services

Whilst recognising citizens are at the centre on the process, co-operative commissioning rests on the belief that Citizens, Councillors, Staff and stakeholders must work co-operatively together in the planning, design and delivery of services. Co-production has been defined as “the public sector and citizens making better use of each other’s assets, resources and contributions to achieve better outcomes or improved efficiency.”⁴ The fundamental belief is that by working in partnership, building on each other’s capabilities and strengths then we can achieve far more and create a more sustainable model of public service delivery. Co-operative commissioning is a partnership of equals.

7.0 A Co-operative Market

In order to deliver the vision of a Brilliant Co-operative Council it is recognised that there needs to be in place a vibrant, sustainable, high quality market with a range of diverse providers.

7.1 The Vision of a Co-operative Market

The elements of the type of market that we wish to create are a:

- **Diverse market**, with services provided by a range of partner organisations, regardless of organisational form, with a mixture of both smaller and larger organisations.
- **Sustainable market**, with services commissioned on the basis of achieving value for money and promoting social value so that services are sustainable and capable of delivering the quality and outcomes required.
- **Quality market**, with services that are responsive to customer needs and focused on delivering outcomes
- **Fair market**, with the provision of services from local suppliers who prevent abusive employment practices by championing the rights of staff, including offering the living wage and offering contracts to locally employed staff on a basis wanted by the workforce
- **Collaborative market**, with citizens, commissioners, providers and stakeholders actively working together
- **Transparent market**, with information on the market’s performance and quality made accessible to citizens and communities

7.2 Delivering a Co-operative Market

In order to deliver this market place we will proactively monitor, shape and facilitate the market through two broad approaches:

- Market Oversight
- Market Intervention

⁴ Bovaird and Loeffler, 2012

7.3 Market Oversight

Plymouth City Council will always retain responsibility for oversight of the local market and ensuring people continue to receive high quality responsive services. We will do so by actively and co-operatively working with citizens and stakeholders to seek market intelligence.

Key elements of this approach are:

- Developing a comprehensive understanding of the market place in terms of capacity, capability, weaknesses and future potential.
- All providers will be subject to robust but proportionate checks before commencing work with the authority.
- Co-monitoring of providers by commissioners, citizens, and stakeholders to ensure they offer a range of quality, responsive services.
- Identifying risks and vulnerabilities and developing contingency plans to cope with the failure of a provider, with clear lines of responsibility.
- Identifying where to focus efforts for proactive engagement with the market

7.4 Market Intervention

As well as keeping an oversight of the market it is also recognised that there may also be a need to actively intervene to secure the services and outcomes required

- We will identify and remove barriers to market entry faced by specific providers, developing channels to pull in ideas from providers of new models of public service delivery, or piloting innovative approaches.
- Utilising intelligence from Citizens and Communities, we will intervene to secure quality, taking robust action against poor providers and decommissioning where necessary.
- Whilst ensuring provider neutrality we will actively ensure a level playing field between large private organisations and smaller enterprises and recognising social value within the commissioning cycle.
- We will invest in the workforce to create a highly skilled motivated professional workforce, focused on delivering the best outcomes for people.
- We will co-produce and maintain Market Positioning Statements setting out the types of services required now and in the future.
- We will maintain an active dialogue with the market through provider forum and solution shops.
- We will hold information events to support providers to access and effectively compete for PCC business opportunities by improving and updating understanding of our procurement practices.

- In partnership we will review our procurement processes to ensure they are focused on local priorities and seek best value in terms of good practice, cooperative working, choice and control, local social and economic development as well as price.

8; Benefits of Co-operative Commissioning

Co-operative commissioning aims to create a fair Plymouth and a sustainable model of public service delivery by -

- Providing a framework of how best to fairly deploy resources to meet need and achieve outcomes
- Helping prevent poor outcomes by understanding what people want
- Managing demand by utilising the natural assets of citizens and communities
- Making the best use of partners strengths
- Building capacity to develop a high quality cost effective market
- A sustainable and fair market
- Driving social innovation in public services
- Building levels of engagement and trust in public service delivery

APPENDIX ONE

CASE STUDIES OF CO-OPERATIVE COMMISSIONING

Whilst it is recognised that Co-operative Commissioning is a new development and will take a period of time to fully embed in the Local Authority, there are already a number of examples of how Plymouth City Council is working cooperatively with citizens and communities to improve service delivery and achieve better outcomes.

Recognising People as Asset Holders- Time Banking

In line with the Co-operative Council movement Plymouth City Council is striving to support opportunities to maximise 'Social Capital' by empowering both people and communities to deliver services in partnership. By supporting and encouraging strong communities the city will achieve improved outcomes in a range of social, health and well-being indicators.

Plymouth City Council has commissioned a local small voluntary and community provider to facilitate and support the development of time banks in the city.

A time bank is a way for people to come together to help others and help themselves at the same time. It provides a structure whereby people of all abilities and interests can register their skills or contribution they can make, earn points for assisting someone, and then use those points to gain assistance from someone else who is also registered with the time bank. This enables communities to develop a sense of mutual support, with no over-reliance of one person on another, and with a sense of dignity because people can give as well as receive.

Utilising Community Assets- Libraries as Community Hubs

Using Health funding for Social Care, Plymouth Libraries have been commissioned to provide health and social care information hubs. They provide health and social care resources, information prescriptions and we now use libraries for a range of support and health promotion activities.

Health experts will work with librarians to select new resources to be added to the library collections and these will be used by GPs as part of an information prescription scheme being piloted in Devon. This works through GPs referring their patients to the libraries who will then be helped to generate an Information Prescription using the NHS Choices website and the Plymouth Online Directory of local services, as well as books and other resources that will help them understand and manage their condition.

Library spaces and facilities are available free of charge to a range of providers and voluntary health groups who run health related activities and increasing capacity of the libraries to run reminiscence work in care homes supported by volunteers. There are now 15 'health' related groups meeting regularly in libraries, including 4 new befriending groups, 2 new carers groups, 1 new memory café, 1 new group for men with dementia and 3 new Friendship groups.

Utilising Lived Experience to Quality Assure

Healthwatch Plymouth was established in 2013 to give people who use health and social care a powerful voice in the planning, commissioning and monitoring of services. Recognizing the unique and important role that local Healthwatch are able to play Plymouth City Councils, Quality Assurance Improvement Team (QAIT) have been working closely with Healthwatch Plymouth in order to gain independent feedback from residents and relatives of care homes.

In order to maximise the voice and experience of service users, development meetings took place between the two agencies to co-design a process, draft role descriptions, and identify the training required to enable the exercise to go live. Through this partnership there are now a number of lay visitors, who work alongside the QAIT team when they are quality reviewing care homes. Lay visitors are members of the public who have volunteered with Healthwatch and who may have been experts by experience, had past experience care or profession and or expressed an interest in care provision. Lay visitors have now helped quality reviewed three homes and are presently developing the workplan for 2014.

Co-production to Maximize External Funding

We are working collaboratively with the Community and Voluntary Sector to develop funding bids drawing in external funding to the city. Plymouth's first stage bid to Big Lottery Fulfilling Lives Ageing Better, which supports a new approach to service development placing the community at the heart of decision making, was successful in July 2013 and could potentially bring £6million over 6 years to Plymouth.

The next stage required us to select a Lead Partner for the second stage of the bid. Plymouth City Council acted as facilitator for this, however the decision was very much lead by the multiagency group of community stakeholders demonstrating clear cooperative principles. The stakeholder group developed the selection process / criteria, and sat on the evaluation panel.

If successful the project will ensure that older people play a genuine leading role in the design, management and delivery of services which are easily accessed. This will be supported by a strong VCS partnership, expertise and interest from a more engaged private sector and our determined local authority. Our approach includes using the skills and enthusiasms that exist across all sectors to establishing a Social Enterprise model run by older people supported by a strong multi-agency partnership.

Involving people in Strategic Planning

In line with co-operative commissioning principles we believe that people who use services are in the strongest position to identify how well they are performing, what changes need to be made, and what future provision needs to look like. A recent example of this was service user involvement in a comprehensive review of the adequacy of mental health services within the City.

Plymouth City Council commissioned the local mental health service user and carer involvement group (PIPS) to gather service user and carer views on mental health services to feed into a wide ranging review. PIPS developed a questionnaire in consultation with service users and carers which they circulated widely and received 200 responses. PIPS also carried out face to face consultations across the city with specific groups and communities. As a result service users and carers produced a comprehensive report which has identified key themes and areas for improvement, and will be used to inform service development and commissioning intentions.