

AGENDA MANAGEMENT SHEET

Name of Committee Cabinet
Date of Committee 8 September 2005
Report Title Adult Social Services Community and Voluntary Sector Project Plan

Summary Following Cabinet's endorsement of the emerging key themes from the adult social services community and voluntary sector audit, this report proposes an action plan to be implemented in conjunction with the work already being undertaken on the corporate strategy for The Council's relationship with the voluntary sector to propose strategies and changes to working practices.

For further information please contact: John Bull Head Of Adult Services Tel: 01926 412438
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Would the recommended decision be contrary to the Budget and Policy Framework? [please identify relevant plan/budget provision] No

Background papers Cabinet report 17 March 2005: Social Services Community & Voluntary Sector Audit
 Funding & Procurement Compact Code of Good Practice

CONSULTATION ALREADY UNDERTAKEN:- Details to be specified

- Other Committees
- Local Member(s)
- Other Elected Members Councillor Sid Tooth
- Cabinet Member Councillor Colin Hayfield, Councillor Izzi Seccombe, Children & Young People Portfolio Holder
- Chief Executive John Lyons, David Carter, County Solicitor

- | | | |
|--------------------------|-------------------------------------|---|
| Legal | <input checked="" type="checkbox"/> | Victoria Gould, Legal Services |
| Finance | <input checked="" type="checkbox"/> | Martin Jones, Head of Resource Management |
| Other Chief Officers | <input type="checkbox"/> | |
| District Councils | <input type="checkbox"/> | |
| Health Authority | <input type="checkbox"/> | |
| Police | <input type="checkbox"/> | |
| Other Bodies/Individuals | <input type="checkbox"/> | |

FINAL DECISION Yes

SUGGESTED NEXT STEPS:

Details to be specified

- | | | |
|---|-------------------------------------|-------------------------------------|
| Further consideration by this Committee | <input type="checkbox"/> | |
| To Council | <input type="checkbox"/> | |
| To Cabinet | <input type="checkbox"/> | |
| To an O & S Committee | <input type="checkbox"/> | |
| To an Area Committee | <input checked="" type="checkbox"/> | All area committees for information |
| Further Consultation | <input type="checkbox"/> | |

Cabinet – 8 September 2005

Adult Social Services Community and Voluntary Sector Audit

Report of the Director of Social Care and Health

Recommendation

That Cabinet endorse the proposed action plan for implementation in conjunction with the work already being undertaken on the corporate strategy for the Council's relationship with the voluntary sector.

1. Introduction

- 1.1 In March 2004 members endorsed the emerging key themes from the adult services community and voluntary sector audit, which commenced in November 2004.
- 1.2 The audit which was implemented in conjunction with the Corporate Strategic Development Group focussed on:
 - Evaluating current provision and cost of funding the organisations.
 - Tailoring incentives and indicators to maximise savings and quality improvements across the spectrum of available organisations.
 - Address the interface issues between the Department and the organisations and secure effective use of agreements and contracts.
 - The role of local contacts and commissioning and contracting officers in liaising with organisations assessing service delivery and improving opportunities for the department to address gaps in how it meets needs.
- 1.3 As an outcome of the audits undertaken to date, action plans are being drawn up with individual organisations to take forward recommendations. However, a number of key themes have emerged which will require more generic action planning, in conjunction with the corporate strategy being delivered. The key themes identified include:
 - Governance Arrangements
 - Contracting and Commissioning Arrangements

- Improving Contract Records standards
- Contract Monitoring
- Development of Joint Commissioning
- Sustainability
- Financial Incentives
- Interface Issues
- Performance and Quality

2. Interface With Corporate Strategy Development

- 2.1 Work is currently being undertaken by the corporate Voluntary and Community Sector Implementation Group, chaired by David Carter, County Solicitor, to develop a corporate strategy on working with the voluntary sector. The corporate strategy will provide a framework to ensure that all work with the voluntary and community sector is developed within a corporate approach, in the context of our partnership working through compact.
- 2.2 It is therefore important that in delivering the proposed action plan, Managers within the adult commissioning unit continue to work closely with the corporate centre to ensure the actions taken interface with the work of the corporate group and appropriate linkages are maintained. This will be facilitated by Tim Willis, Capacity Planning Officer's continued involvement in the corporate group and joint leadership of the money sub group which is focusing on funding, grants and contracting/procurement issues.

3. Compact

- 3.1 The first Warwickshire Compact was launched in January 2002 and there are now five national Compact Codes of Good Practice that the second edition of the Warwickshire Compact seeks to incorporate. The purpose of the Warwickshire Compact is to improve working relations by setting out the principles and standards which public agencies and voluntary and community organisations can expect of each other when working in partnership for the benefit of local people. Therefore one of its key aims is to increase the effectiveness of partnership working between the sectors
- 3.2 Therefore, an influence in the delivery of the proposed action plan will be the Compact Funding & Procurement Code of Good Practice, which aims to influence commissioning behaviour by setting a framework for the financial relationship and sets out undertakings. It is important that the financial relationship is constructed in such a way that allows outcomes to be maximised.
- 3.3 The code contributes to a constructive dialogue to improve funding and procurement practices and follows the following principles to contribute to improving funding & procurement practice:
- Focus on outcomes

- Simplicity and proportionality
- Consistency and co-ordination
- Timeliness
- Transparency and accountability
- Discussion and dialogue
- Empathy

4. Proposed Action Plan

- 4.1 **Appendix 1** contains the proposed action plan, which is based on the audit's findings and emerging key themes. Given the breath of the audit findings, it will be necessary to prioritise the actions accordingly.
- 4.2 The adult services community and voluntary sector audit was largely carried out by a number of service development officers who required coordination and support throughout the audit. Therefore to ensure the relevant skills and experience are available to assist in the implementation of the action plan, a vacant Service Development Officer post has been refocused to create a temporary Project Officer post. This post has been recruited to and the Project Officer will work as part of the Commissioning Project Team that is being established to engage all stakeholders and ensure sustainable contractual arrangements are facilitated to deliver social care services within a consistent countywide framework.
- 4.3 Although the Warwickshire compact recognises the benefits of effective monitoring of outcomes, a number of organisations have had no contract review discussion in respect of the service provided to the Department for a number of years. Given that one of the major risks identified was the lack of regular contract monitoring, existing staffing resource has been refocused to create the capacity to develop a more robust process for contract monitoring across all sectors and providers.
- 4.4 With regular contract monitoring and reviews, the Department will have the ability to reshape contracts to ensure the service provided continues to meet changing needs and delivers value for money, with resources being targeted more effectively. Therefore the development of clear change control processes, exit strategies and inclusion of contingency planning in contracts has been added to the action plan. This is consistent with section 7 of the Warwickshire compact which looks at how the conclusion of a financial relationship should be managed; either where funding terminates earlier than the intended closure where delivery targets are not met, or where funding ends as a consequence fo a review of strategic or development funding.

5 Recommendations

- 5.1 That Cabinet endorse the proposed action plan for implementation in conjunction with the work already being undertaken on the corporate strategy for the Council's relationship with the voluntary sector.

MARION DAVIS
Director of Social Care and Health

Shire Hall
Warwick

16th June 2005

Adult Social Care Voluntary Sector Audit – Strategic Action Plan

Page	Review Findings	Responsibility	Actions	Date
1	2ND PHASE			
1.1	Lessons of 1 st phase to be acknowledged and assimilated in terms of approach and skills required to effectively undertake an audit.	KH	<ul style="list-style-type: none"> Decisions need to be made regarding action plans from the 1st phase in terms of evolving key themes. Apply for exemption from contracting to extend appropriate contractual arrangements of all agencies. 	31/03/05
		RW		
		CMT	<ul style="list-style-type: none"> Decisions regarding approach, resources and timescale to ensure clear links to outcomes and appropriate links with corporate review. 	31/05/05
		KH	<ul style="list-style-type: none"> Recruit a temporary Voluntary Sector Review Project Officer to focus on implementing action plan and maintaining links with corporate development through the Capacity Planning Officer. 	30/06/05
1.2	Determine how the Voluntary Sector Audit links to the Strategic Review of Older People, and the development of the Preventative Strategy.			
2	EXEMPTION PROCESS			
2.1	Applications for exemption to tender to enable extension of existing contractual arrangements to be made to enable additional time for corporate framework to be developed and decisions made about future commissioning intentions.	RW	<ul style="list-style-type: none"> Submission of blanket exemption application to County Solicitor and County Treasurers approve extension on all existing voluntary sector agreements for 12 months on the grounds of further work needed in conjunction with corporate review, while we deliver the action plans agreed with individual organisations to achieve best value and efficiency. 	
		RW	<ul style="list-style-type: none"> Inform providers of intention to extend forward existing arrangements, once exemption agreed by County Treasurers and County Solicitor 	30/06/05

Page	Recommendation	Responsibility	Actions	Date
<p>3</p> <p>3.1</p>	<p>GOVERNANCE ARRANGEMENTS</p> <p>The need to strengthen Governance Arrangements surrounding the sector and its relationship with the Council.</p>	<p>TW</p>	<ul style="list-style-type: none"> This work will take place through the CVS sub group chaired by the Chief Executives Department and implemented accordingly within the department. The support and development potential of the sector and its relationship with the County Council requires a more inclusive rather than exclusive dialogue to occur. Tim Willis to act as interface with corporate group. Feedback from the sector so far suggests that our approach is not a co-ordinated approach across the County and a route map through the structures roles and responsibilities across the County Council needs to be available. In addition, responses are not consistent and to an agreed standard. 	<p>Corporate Strategy expected Summer 05. Implementation Plan to follow once Corporate Strategy agreed.</p>
<p>4</p> <p>4.1</p> <p>4.2</p> <p>4.3</p>	<p>COMMISSIONING & MANAGING THE INTERFACE</p> <p>The sector is generally confused about communication arrangements Countywide.</p> <p>Responsibilities, accountabilities and key points of contact within the department are unclear amongst staff.</p> <p>The quality and type of contact with the sector needs to be improved.</p>	<p>CMT</p>	<ul style="list-style-type: none"> Voluntary Sector Project Officer needs to consider development of clear systems of support and dialogue, to ensure appropriate priority is focussed on the Voluntary Sector. Nominate one lead officer in department as key link. The functions of the Commissioning Unit including the role of SDO to be reviewed. 	<p>31/03/06</p>

Page	Recommendation	Responsibility	Actions	Date
4.4	A key support area identified is for training in key areas.	Project Officer	<ul style="list-style-type: none"> Consider training needs of Voluntary Sector including: <ol style="list-style-type: none"> How to go through the tender process. Introduction to the management arrangements of the department. Use of an escalation process when things go wrong. 	Outline proposals March 06
4.5	The role of the volunteer organisations and the CVS needs to be more explicit, understood and applied.		<ul style="list-style-type: none"> Linked to focus/outcome of Corporate Strategy 	Expected Summer 05
4.6	Organisationally, the Department is not good as appropriately briefing staff on what can be provided through a new contract.	Project Officer	<ul style="list-style-type: none"> Draft proposals for how communication of new contracts can be communicated to operational teams 	March 06
5	CONTRACT DOCUMENTATION			
5.1	Variation in the location of contracts, their validity and inclusion in contract register.	RW	<ul style="list-style-type: none"> All contracts to be held centrally in the Commissioning Unit. All contracts to comply with appropriate scheme of delegation (signed by authorised officer) and contracting standing orders All contracts to be entered into the contract register. 	Contract Schedule Action Plan to be agreed June 06
6	CONTRACT MONITORING			
6.1	The contract monitoring function is highlighted as one the major risks in this report. Largely absent, where monitoring has taken place it has been limited and irregular with a concentration on peripheral issues rather than the contract terms. The budget holder is responsible for due diligence against the contract under standing orders. However, the confusion of 'who does what, with whom, when at what level and how often' needs to be urgently addressed.	CMT	<ul style="list-style-type: none"> Recruitment of Contract Monitoring Project Officer responsible for building framework for contract monitoring. With regular contract monitoring and reviews, the Department would have the ability to reshape contracts to ensure the service provided continues to meet changing needs. Therefore the development of clear change control processes, exit strategies and inclusion of contingency planning is required 	Draft Proposals March 06 Implement 06/07

Page	Review Findings	Responsibility	Actions	Date
7 7.1	<p>JOINT COMMISSIONING</p> <p>The requirement to develop joint commissioning strategies for areas of high volume and shared investment priorities becomes an increasingly important area with health colleagues. Some joint commissioning modelling for key client groups on a capacity and needs basis would be worthwhile.</p>	JCB	<ul style="list-style-type: none"> • Future Joint Commissioning structures and processes to be determined. • Detailed discussions on capacity and need issues, linked to health priorities, currently takes place at a Service Manager level rather than core links between commissioners being forged with the ACU. • Large contracts and areas of mutual priority need to be planned and commissioned jointly. 	March 06
8 8.1	<p>SUSTAINABILITY</p> <p>The sustainability issues for the providers are made more difficult by our current approach. Whilst the work of existing providers in Warwickshire is welcomed it would be useful to attract new providers into the area.</p>	Project Officer	<ul style="list-style-type: none"> • Voluntary sector review forum to be established to develop communication strategy and highlight future commissioning intentions of the department. • Develop department relationships with CVS Organisations to ensure communication intentions are communicated broadly across the Voluntary Sector. 	March 06

Page	Recommendation	Responsibility	Actions	Date
9 9.1 9.2	<p>FINANCIAL INCENTIVES</p> <p>There are a number of financial control issues of key concern in respect of the sector contracts overall. Arbitrary uplifts skew the value cost and efficiency of services delivered.</p> <p>Payment of sector organisations 12 months in advance is in most cases unnecessary and should be considered by exception.</p>	Joint responsibility/ Corporate Strategy Group, Adult Services & Social Services Head of Finance	<ul style="list-style-type: none"> • All uplifts must be agreed against criteria. Uplifts must be linked to a price review and evidenced. Uplifts should be considered against a review and take into account the impact on similar providers as appropriate. • Agreed payment terms need to be explicit for each organisation and documented on the contract register. 	To be determined following agreement of Corporate Strategy

<p>9.3</p> <p>9.4</p> <p>9.5</p> <p>9.6</p> <p>9.7</p> <p>9.8</p>	<p>Confusion about who the invoice should be submitted to for payment is a core requirement linked to the key contact clarity already raised.</p> <p>The authorisation of the payment is by the budget holder.</p> <p>Financial records attributable to Warwickshire Social Services purchase of services should be visible in any financial records of an organisation.</p> <p>Guidance to staff on what overheads charges can be included as part of the contract is required.</p> <p>Expectations of organisations funded by grants or contracts need to be aligned.</p> <p>If an organisation gets into financial difficulty both the organisation and the department need financial guidance and advice.</p>		<ul style="list-style-type: none"> • Invoices should be linked to key contact who will normally be the budget holder and key contact to monitoring. • Authorisation of budget by budget holder. • Organisations will be asked to submit audited accounts that include funding and expenditure relating to Warwickshire County Council. However, where this is not clear from formal audited accounts, organisations will have to provide a specific "Financial Operating Statement" that details how the Council's funding has been used. • An acceptable level of management cost needs to be defined and agreed. • Consider the appropriate use of the type of agreement in each case. • Contract monitoring model to specify arrangements as part of performance management element of contract. 	
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Page	Recommendation	Responsibility	Actions	Date
10.1	<p>PERFORMANCE & QUALITY</p> <p>The collection of reliable information is a key requirement of measuring the performance and quality of any service that is delivered. Performance against contract discussions is limited or not occurring. The quality of some provision from the sector needs to be improved.</p>	Voluntary Sector & Contract Monitoring Project Officers	<ul style="list-style-type: none"> • Appointment of Contract Monitoring & Voluntary sector Project Officers to address issues. • Draft Proposals 	<p>June 05</p> <p>March 06</p>

KEY

- KH = Kim Harlock
- RW = Rob Wilkes
- CMT = Commissioning Management Team
- TW = Tim Willis
- JCB = Joint Commissioning Board