

Effective Practice in Commissioning in Children's Services

Final Report

30 March 2007

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EXECUTIVE SUMMARY

Better commissioning and market management in children's services is at the heart of the Department for Education and Skills (DfES) plans to improve the delivery of services to children, young people and their families in pursuit of the Every Child Matters outcomes.

Local authorities, Primary Care Trusts and their children's trust partners have been commissioning as individual agencies for some time – in various forms - but the transition to joint commissioning is a step change that necessitates new partnerships, redistribution of power towards the user, strategic understanding of how all outcomes in the local area are met, and a more commercially minded approach to procurement – all focused on the child and young person.

To support local areas in taking this forward, the "*Joint Planning and Commissioning Framework for Children, Young People and Maternity Services*" was published in March 2006¹.

The DfES recognises that implementing the framework may take several years and a number of challenges will be faced by commissioners along the way. In order to provide children's trusts with further guidance in this area, PA Consulting Group reviewed more than 30 DfES case studies detailing the experiences of local areas, as well as other evidence, to help identify the common commissioning and market management factors that promote better outcomes for children, young people and families. We were also asked to look at the factors that lead to efficiency savings for local authorities. Although the case studies were not commissioned for the purposes of this review, they provide valuable insight into the experiences of local areas.

This report presents the conclusions in detail against each of the steps of the Joint Planning and Commissioning Framework (JPCF). The primary focus is on commissioners – because that is what our evidence primarily related to.

Common factors throughout the case studies include a move by commissioners towards integrated working as a means to improving outcomes, whether through joint governance procedures, pooled budgets or changes in staffing structures. The case studies also demonstrate that successful joint commissioning organisations:

- Have **excellent data and information management systems**, including established information management protocols. This ensures that the data collected on need is accurate and facilitates the sharing of data amongst partners
- Exhibit a **strong performance management** culture. This includes having a robust performance management framework and system in place, so that services are monitored and reviewed and action taken over poor performance
- Undertake a **thorough needs analysis**, including full consultation with children, young people and parents, which then provides a solid evidence base for setting service priorities. This helps avoid conflict between partners over different priorities

¹ For further information please refer to the Joint Planning and Commissioning Framework which can be found at <http://www.everychildmatters.gov.uk/strategy/planningandcommissioning/>

- Are willing to **shift resources** where necessary to meet new priorities. This includes finding a balance between investing in long term priorities whilst retaining sufficient flexibility to respond to changing need
- Invest in creating a **skilled commissioning function**, ensuring that commissioning staff have the right training and that they undertake continued professional development
- Establish a **shared understanding of commissioning** amongst all partners, including a common terminology, covering the full nine steps of the JPCF and not just the procurement aspects of it.

In addition, the following strategic characteristics tend to be present:

- A commitment by all members of the children's trust towards **new ways of working**, in particular a willingness to redirect resources into an **investment in preventative services**
- **Strong and effective leadership** in order to drive forward the change agenda, particularly when difficult decisions have to be made around changes in service priorities and patterns of provision
- A **clear vision for commissioning**, signed up to by all key partners, so that they know where they are moving towards
- **Well developed relationships between partners**, with an emphasis on trust. This includes **transparency** between commissioners, partners and providers over data, budgets and priorities to help foster trust and take forward new joint working initiatives

One of the principles of Every Child Matters is about designing services around children and families and this is true of commissioning as well. Encouragingly, the case studies confirm that children, young people and their families are becoming increasingly involved in the design, delivery and evaluation of services. There was, unfortunately, little evidence in the case studies of what users felt about this involvement or gained from it.

To maximise the value of joint commissioning, it is also necessary to understand the supplier perspective. The case studies show that increasing amounts of work is being undertaken by commissioners to ensure providers buy into proposed new ways of working. Incentives include long term funding arrangements and regular referrals, as well as outcomes based contracts. Again, however, there was little evidence of the provider perspective on developments in commissioning in the case studies.

It is still early days in the implementation of joint commissioning in children's services under the Every Child Matters framework. Whilst there is some evidence in relation to effective joint commissioning practice taking place, it is too early to say what impact it is having on improving outcomes or if it is leading to efficiency savings.

Even though there is a common desire to improve outcomes, some areas appear to be progressing quicker towards this objective than others and are being more innovative along the way. The review therefore focuses on developing an evidence base of *what* works, but also explores, where possible, *why* they work, to try and shed light on some of the underlying factors that contribute to effective commissioning.

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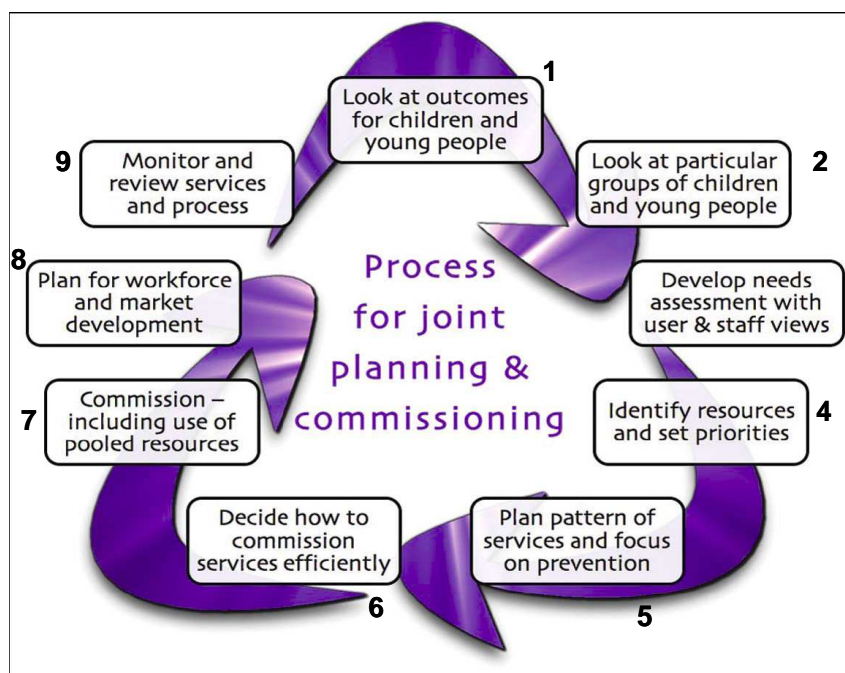
1. INTRODUCTION

1.1 BACKGROUND TO JOINT PLANNING AND COMMISSIONING

Better commissioning and market management in children’s services is at the heart of DfES plans to improve the delivery of services and quality of outcomes for children, young people and their families. Local authorities, Primary Care Trusts and their children’s trust partners have been commissioning as individual agencies for some time. However, the transition to joint commissioning is a step change that necessitates new partnerships, redistribution of power towards the user, strategic understanding of how all outcomes in the local area are met, and a more commercially minded approach to procurement – all focused on the child and young person.

To support local areas in taking this forward, the “*Joint Planning and Commissioning Framework for Children, Young People and Maternity Services*” (JPCF) was published in March 2006². The framework consists of nine key steps (see Figure 1):

Figure 1: The Joint Planning and Commissioning Framework (JPCF)



The JPCF states that it aims to “help local planners and commissioners to design a unified system in each local area which will create a clear picture of what children and young people need, will make the best use of resources, and will join up services so they provide better outcomes than they can on their own”³. It is recognised by the DfES that implementing the framework may take several years and a number of challenges will be faced by commissioners along the way.

² The full Joint Planning and Commissioning Framework can be found at <http://www.everychildmatters.gov.uk/strategy/planningandcommissioning/>

³ Ibid, p4

1.2 PURPOSE OF THE REVIEW

In order to provide children's trusts with further guidance on joint commissioning, PA Consulting Group was asked by the DfES to review a number of case studies to help identify the common commissioning and market management factors that promote better outcomes for children, young people and families. We were also asked to look at the factors that lead to efficiency savings for local authorities.

It is important to note that many of the initiatives contained in the case studies are still in their infancy and improved outcomes or efficiency savings are currently hard to measure. They thus represent emerging effective practice rather than ready made 'solutions'. They do, however, provide valuable lessons for other children's trusts and offer a significant evidence base for future work.

1.3 METHODOLOGY USED

PA analysed over 30 case studies provided by the DfES (for the full list please refer to [Appendix A](#)). Many of the case studies were written for alternative projects and so are not specifically focused on joint commissioning activity, though they still provide interesting information. The scope of our exercise did not allow for follow up contact with local authorities to gain any new or additional information.

In order to identify the common commissioning and market factors that led to improved outcomes and/or efficiency savings, we categorised each of the relevant parts of the case studies against the nine steps of the Joint Planning and Commissioning Framework. In doing so we were looking to develop an evidence base of *what* works, but also to gain a more detailed understanding of *why* things work. This involved analysing (where the information was available) the skills, characteristics and motivations that enabled particular children's trusts to progress more quickly in joint commissioning initiatives. Examples include good information management systems and excellent partnership working arrangements.

To identify further best practice and plug gaps in the evidence from the case studies, we carried out a wider review of academic and other available literature on commissioning and market management (see [Appendix B](#) for the full list of sources used). We then analysed the common factors for each step of the framework, based on all our available evidence.

In many cases there are overlaps in these factors between each of the steps of the framework. ***The findings for steps 1 and 2 in particular are so similar that they have been grouped together as one chapter for the purposes of this report.***

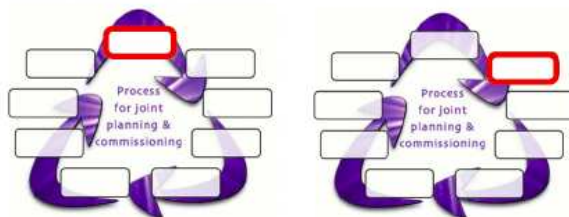
For further information...

All of the case studies mentioned throughout the report can be found at

<http://www.everychildmatters.gov.uk/resources-and-practice/> or

<http://www.everychildmatters.gov.uk/strategy/planningandcommissioning/casestudies/>

2. LOOK AT OUTCOMES FOR CHILDREN AND YOUNG PEOPLE, INCLUDING PARTICULAR GROUPS OF CHILDREN AND YOUNG PEOPLE



Consider the current pattern and recent trends of outcomes for children and young people in their area, against national and relevant local comparators

Look within the overall picture at outcomes for particular groups of children, young people and parents-to-be (e.g. disabled, special educational needs, looked after children), as they may require a differentiated approach to service provision or additional support⁴

KEY FINDINGS

- **Gathering data on need is reliant on having effective information systems in place. These systems should be easy to access, use and understand**
- **Data and information management protocols will help partners share data successfully**
- **Baselines and performance indicators need to be agreed so future progress can be measured**
- **Children’s trusts must ensure they don’t just collect needs data, but analyse it accordingly and act upon what it is telling them.**
- **The needs analysis dataset should be flexible enough to allow further drilling down into more operational levels such as specific geographical areas, services or groups of children and young people**

2.1 GATHERING A BROAD RANGE OF DATA

All commissioning decisions should be based on a solid needs analysis, which begins with pulling together key data on children and young people’s health, development and well-being across the five Every Child Matters outcomes. An audit of existing data sources and an assessment of their validity and value must be an early phase in needs assessment, in order to avoid duplication of effort in data collection⁵.

The case studies show that children’s trusts are starting to seek data from providers (including the voluntary and community sector), who will be able to supply information that commissioners will not necessarily be able to get themselves.

⁴ Taken from the *Joint Planning and Commissioning Framework for Children, Young People and Maternity Services* (2006)

⁵ DfES guidance on needs assessment
<http://www.everychildmatters.gov.uk/files/BC6108AB9EAAA7670743D6E19812DAD8.doc>

2. Look at outcomes for children and young people, including particular groups of children and young people



Gathering data on need is reliant on having effective information systems in place to ensure the data is accurate and covers all geographical areas. These systems need to be easy to access, easy to use, and easy to understand.

South Tyneside – Intelligence Online

The Intelligence Online website and information service (most notably the GIS based Community Information System) are key tools which support the local authority's needs analysis work, matching identified need to existing and future services and identifying gaps in provision and services.

The information available on Intelligence Online includes a wide range of data on the local population and potential indicators of need such as:

- deprivation
- housing
- child protection
- low birth weights
- teenage pregnancy
- crime
- school exclusions

It also holds data on issues such as educational attainment, looked after children's attainment, and the location of all key services across the Borough. The need, attainment and service data can be developed into geographical maps using the publicly accessible Community Information System. This enables the local authority and its children's trust partners to examine need, patterns and themes between various factors and indicators and match it to service provision

All local authority staff now have access to the web-based GIS, which requires the minimum of training. The Council's Information Team have also been developing close ties with other information providers within the Borough including partner organisations such as the PCT, Northumbria Police and South Tyneside College.

2.2 GETTING OVER THE HURDLE OF DATA SHARING

Exchanging information between partners can be difficult. The case studies show a number of approaches to addressing this. The establishment of data and information management protocols are important for addressing data-sharing problems while also ensuring data protection needs are met. But the key is having systems in place that enable the mutual exchange of data and ensuring these systems are easy to use. In some cases this has involved one organisation being system 'host', on behalf of the partnerships, with responsibility for keeping the data up to date and avoiding duplication.

2.3 ANALYSING DATA EFFECTIVELY

The case studies suggest it is important that children's trusts regularly monitor the needs profile of children, young people and families rather than seeing it as a one off annual exercise. Needs will change over time and commissioners should be monitoring and evaluating service provision to see how well it is meeting these needs (refer to [step 9](#) of the JPCF for more detail).

It is at this stage of the JPCF that children's trusts should look at establishing baselines and key performance indicators which will enable them to measure future progress, from both quantitative and qualitative sources (see [step 3](#) of the JPCF) and. A culture in which performance management is seen as an essential part of everyone's job will facilitate this, as will associated performance management frameworks and systems. The case studies also show that embedding such a system across a children's trust is a large task which needs clear support from senior management.

North Lincolnshire – Performance Management

Using a system of outcomes and priorities, North Lincolnshire is able to performance manage all aspects of service delivery, contracts and individual staff. Every month data is sent to the relevant North Lincolnshire Service Board by each service (contractors normally send data every 3 months). The data is aggregated into a report which shows all the needs across North Lincolnshire, and where there are gaps or areas for improvement. The report is used to make strategic decisions across the whole of children's services, so the services can be quickly redesigned, commissioned or decommissioned.

This commitment to performance management has enabled North Lincolnshire to demonstrate measurable improvements, including a reduction in Looked After Children numbers and increased placement stability and permanence for LAC.

Overall it is the analysis of data that provides the knowledge and understanding required to plan appropriate service responses. The case studies demonstrate that those children's trusts that conduct good needs analysis do not just collect all the relevant data, but process it in such a way that they can act upon what it is telling them. The use of Geographical Information Systems (GIS) can be particularly useful as it provides a visual mapping of data on needs and services in an area. Processes should also be put in place to ensure all data used in the needs analysis has been quality assured.

Needs analysis is still relatively new to many local authorities and their partners and will take time get right. Children's trusts should be willing to recognise that previous needs analysis may not contain sufficient information on services that could be jointly commissioned. Resources will therefore need to be directed towards updating the needs analysis to ensure the information within it is of maximum value.

2.4 FOCUSING ON PARTICULAR GROUPS OF CHILDREN AND YOUNG PEOPLE

When undertaking a strategic needs analysis focussing on a whole local authority area, it is useful if the dataset is flexible enough to allow further drilling down into more operational levels. This enables the needs of various areas, services or particular groups to be explored in more depth, such as parenting provision, children in care, or a specific neighbourhood. This is step 2 of the Joint Planning and Commissioning Framework, which focuses on the needs of more vulnerable children.

Manchester – Vulnerable Babies Project

The project is a multi-agency initiative, designed to improve the life chances of at risk babies born in the city. It was prompted by the relatively high number of babies in Manchester who were dying suddenly and unexpectedly. The programme targets parents of unborn babies and children under 12 months who demonstrate certain risk factors and is centred on meetings between professionals representing several agencies and the parents. An action plan is then put in place to offer support to the families. In order to identify those at risk, initial analysis was undertaken of past cases of babies who had died suddenly and unexpectedly in the city, and 5 principal risk factors were identified.

Further information

- Guidance on needs analysis can be found at <http://www.everychildmatters.gov.uk/strategy/planningandcommissioning/needsassessment/>
- Additional case studies with effective practice in this area include: *Brighton and Hove, East Riding, North East (NERCU)*

3. DEVELOP NEEDS ASSESSMENT WITH USER AND STAFF VIEWS



Use all this data and the views of children, young people and their families, local communities, and front-line staff to develop an overall, integrated needs assessment⁶

KEY FINDINGS

- Different mechanisms and approaches should be in place to create flexibility for those consulted to express themselves in a way that feel most comfortable
- A variety of methods are needed to ensure 'representativeness' in consultation
- Most consultation initiatives currently focus on children and young people. Parents, carers and staff also need to be engaged in service review and redesign
- Many of the methods used at this stage can also be used to monitor and evaluate services at a later stage

3.1 GATHERING THE VIEWS OF CHILDREN, YOUNG PEOPLE, FAMILIES AND LOCAL COMMUNITIES

The case studies highlight that the best needs assessments combine quantitative and qualitative information and collecting the views of children, young people and their families is a crucial part of this. Encouragingly there are many consultation initiatives going on within local areas to facilitate this. The best examples from the case studies showed a number of different mechanisms and approaches which created more flexibility for those consulted to express themselves in a way that they felt most comfortable.

Oxfordshire – Needs Analysis and Best Value Review

The Institute of Public Care was asked to assist partner organisations in Oxfordshire with a Best Value Review of Children's Services by producing a baseline analysis of services and identifying areas which need to be explored in more detail for service development and change. The report provides a demographic overview of Oxfordshire residents aged 0-19 years, and provides more detailed information about vulnerable groups of children. The report combines qualitative and quantitative data. Early on in the process the BVR team realised that they would need to consult widely to ensure they understood the range of issues and perspective involves. They duly consulted with staff involved in the delivery of services, parents and carers and children and young people.

The BVR has been used to improve services in a number of ways: as a tool for engagement, to underpin change and development, to focus on service users, and to support continuous improvement.

⁶ Taken from the *Joint Planning and Commissioning Framework for Children, Young People and Maternity Services* (2006)

The final report of the National Evaluation of the Children's Trust Pathfinders (2007)⁷ found that a variety of methods were needed to ensure 'representativeness' in consultation and to enable and engage a wide range of people to participate. Involvement could be facilitated by the following:

- better information about where participatory activities were happening, how to be involved and what participation means;
- genuine opportunities for consultation before decisions are made. For example questionnaires, one-off events or discussion groups, road shows that mix fun events and consultation, using role play or drama to act out responses;
- opportunities to be involved in the recruitment process for staff within their authority;
- consultation events with a clear purpose, that take into account the needs of the audience and provide participants with feedback;
- explanations about the ethical principles of participation, for example that the views they express would not affect the services they might need as individuals;
- representation of a wide range of service users at consultation events;
- openness from those leading consultations about financial limitations;
- using and improving existing opportunities for participation, for example school councils.

Newham – Involvement of Children and Young People

There is a commitment in Newham to continue to explore new ways by which to gain the views of children and young people and use their views to improve the services the council and partners provide. Ways of doing this include:

- *Children's Rights Service. Provides following services for children in care - advocacy service, complaints support, counselling project, young parents support service, training to professionals about children's rights*
- *Development of a Youth Parliament and proposed Children's Parliament*
- *Reference groups for young people e.g. support group for children and young people affected/infected with HIV*
- *Voluntary and community sector organisations with the specific function to canvas the views of young people and feed them into the planning process*
- *Young people represented on Corporate Parenting Group*

In the 2004/05 Youth Satisfaction Survey, over 75% of young people felt that they had the opportunity to participate in decision making and over 80% felt that their views suggestions and complaints were listened to. The 'Tellus' Survey for the Joint Area Review also produced the highest response to date with young people indicating their satisfaction in engagement and developing services in the community.

The report also highlighted some areas for attention:

- the involvement of parents and carers in service review and redesign is limited at present.
- members of the community are participating in their own time and so shifting meeting times or providing travel costs will show commitment to their involvement and remove barriers to participation.

⁷ University of East Anglia, *National Evaluation of Children's Trust Pathfinders – Final Report* (2007)

3. Develop needs assessment with user and staff views

Many of the methods used at this stage to gather initial views can also be used to monitor and evaluate services at a later stage (see [step 9](#) of the JPCF). However, emphasis should be on overall turn-out, contribution and engagement at consultation events rather than just how many events have been held. The case studies also show that this stage of the needs analysis is not a quick task and the consultation element may take many months.

3.2 GATHERING THE VIEWS OF STAFF

The case studies provided a number of examples where important developments in service provision resulted from the operational insights of staff, but offered little on the structured collection of those insights. The views of staff need to be captured alongside those of children, young people and families, as they will have frontline knowledge of current need in the community and other service specific issues. This also provides them with an opportunity to affect service priorities and gives them a greater sense of ownership over any changes that may occur as result.

The introduction of the lead professional role backed by the Common Assessment Framework should offer a more systematic method for frontline staff to influence priorities.

Further information

- Guidance on needs analysis can be found at <http://www.everychildmatters.gov.uk/strategy/planningandcommissioning/needsassessment/>
- Additional case studies with effective practice in this area include: *Brighton and Hove, East Riding, Lambeth, Manchester, North East (NERCU), North Lincolnshire, Nottinghamshire, Portsmouth, Sandwell, Solihull, South Tyneside*

4. IDENTIFY RESOURCES AND SET PRIORITIES



Agree on the nature and scale of the local challenge, identify the resources available, and set priorities for action⁸

KEY FINDINGS

- **Children's trusts need to analyse local capacity. An audit of current provision can inform this work but will not provide a complete picture**
- **Children's trusts may need to disaggregate children's services spending from adult services**
- **Conflict can be caused by different priorities amongst partners. A detailed and accurate needs analysis will provide partners with greater confidence that the identified priorities are the right ones**
- **Not everything can be a priority and some hard decisions will need to be taken**
- **Need to strike balance between investing in long term priorities whilst retaining sufficient flexibility to respond to changing needs at a local level**
- **Children's trusts must be willing to set new priorities and move resources accordingly, rather than maintaining the status quo**
- **Agreed priorities should be reflected in the CYPP, with possible additional operational strategies sitting beneath it**

4.1 AGREEING THE LOCAL CHALLENGE

Evidence of need (demand) has to be combined with an understanding of provider capacity and capability (supply) for a children's trust to understand their local challenge in full. The case studies provide some interesting evidence of how trusts are getting to grips with the dynamics of the market in their area in order to influence it to meet strategic priorities more effectively. Audits of current provision provide a start but trusts need a fuller analysis of local capacity, such as the number of providers of a particular service, and the location and quality of those services.

⁸ Taken from the *Joint Planning and Commissioning Framework for Children, Young People and Maternity Services* (2006)

Blackpool – Placement Costs

Blackpool council had been concerned for some time that placement costs been rising year on year and there seemed to be wide range of fees for similar placement types, leaving the council with an overspend. Because of this they decided that they needed to understand unit costs better, work with providers to understand their cost drivers, and generally improve its market management. They took a number of steps leading to a better managed, more uniform and cost effective market, including:

- (1) assessing the spectrum of costs they currently paid for placements against different types of providers and compared this with statistical neighbours*
- (2) analysing local capacity - ie the number of providers, types of facilities and numbers of beds*
- (3) breaking down and analysing provider costs e.g. staff, property, profit*

They then established a standard price that they were prepared to pay for residential care, and designed a 10 year market development strategy. These steps enabled Blackpool to effectively negotiate with all children and young people's residential care providers to reduce costs to the target price, leading to savings of £400,000 per year.

North East – Regional Commissioning Unit (NERCU)

NERCU was created in response to LA and PCT concerns over the rate of 'out of region' children's placements in the North East. It was set up to:

- collect regional info for benchmark and trend analysis*
- contribute to the development and brokerage of more local needs-led services and placements*
- undertake analysis and reporting to inform local and joint commissioning strategies*
- hold and manage a North East Accredited Provider List*
- monitor service quality and collection of regional feedback*
- provide placement recommendations from the preferred provider list.*

The NERCU does not have a direct commissioning role. Its role is to facilitate partnership working, support partner LAs, evaluate provision and provide information to commissioners so they may make their own informed choices.

Some of the case studies identified that analysing current spending patterns may involve the disaggregating of children's services spending from adult services. Conversely, the advent of pooled budgets will also influence the future availability of resources (see [step 7](#) of the JPCF).

4.2 SETTING PRIORITIES FOR ACTION

One of the features of partnership working, that can impact at this step of the JPCF, is the potential for conflict between the priorities and perspectives of different agencies. Similarly there can be conflict between national and local priorities. The result can be to limit the scope for redefining priorities. However, there is some evidence from the case studies, that the more detailed and accurate the needs analysis is, the greater confidence partners should therefore have that the identified priorities are the right ones for the area.

South Tyneside – Planning Service Developments

The information produced from the council's information systems feeds into the Children's Services agenda at strategic and service delivery levels by informing and establishing service priorities. It has been key in planning service developments such as Building Schools for the Future, Children's Centres, and Extended Schools, as well as the Borough's Local Area Agreement priorities. It was also used to identify three hotspot areas which would previously have been ineligible for neighbourhood renewal funding

Other studies have identified that achieving a common view of priorities was more likely where arrangements were based on a coherent and clear long-term vision⁹ and a common set of values that respects the diversity of all partners¹⁰. The case studies also show that like many of the other steps of the JPCF, success at this stage depends on excellent partnership working relationships and strong leadership. In particular, the leadership team must recognise that not everything can be a priority and some hard decisions will need to be taken that will have an impact on providers and the children's services workforce more generally.

To enable effective commissioning that leads to improved outcomes for children and young people, children's trusts need to strike a balance between investing in long term priorities whilst retaining sufficient flexibility to respond to changing need at a local level. This balance will vary between local authority areas. However, they must be willing to set new priorities and move resources accordingly, rather than maintaining the status quo.

Anonymous authority - Childcare

The authority has been developing sophisticated supply and demand monitoring processes to allow them to target services effectively. The main source of demand information is their well-developed Children's Information Service, which monitors parental enquiries and local level feedback to give a rough picture of demand. On the supply side they undertook a joint PCT/LA mapping exercise to be used as a basis for the development of the ongoing Children's Services strategy. As a result of the mapping exercise several transformation agendas started including:

- *a shift from specialised staffing to multidisciplinary universal teams who work across a number of childcare areas*
- *reallocation of existing and new funding to target areas of high need levels*
- *exploit pooled budget arrangements*

This led to a fundamentally different model of provision than had historically existed. Stakeholders were also encouraged to take a long term view of childcare - in some cases offering free provision in an attempt to break long-term patterns of unemployment and failure to use childcare.

The Annual Performance Assessment letter has helped councils determine what some of their priorities should be for improving outcomes for children and young people. Once all of the priorities have been agreed they should be reflected in the Children and Young People's Plan (CYPP). As authorities have the freedom and encouragement to draft

⁹ University of East Anglia, *Findings from the National Evaluation of Children's Trust Pathfinders – Research Brief* (2007)

¹⁰ NCH, *Commissioning Children's Services and the role of the Voluntary and Community Sector* (2004)

CYPPs in order to best meet local needs and circumstances, each plan should represent the different approaches and priorities of the partnerships involved¹¹.

Sitting underneath the CYPP, authorities and their partners may have additional operational strategies which focus in detail on one particular area.

Manchester – Parenting Strategy

Manchester's parenting strategy was formally launched in late 2006, after an extended period of development lasting over 2 years. This involved extensive consultation with local staff and parents and a detailed investigation into existing service provision across the city. The finished document provides a full needs analysis for the local area and articulates a comprehensive vision for parenting provision across the full continuum of families' needs. The creation of the strategy has driven a number of key benefits, including:

- *increased awareness of, and greater emphasis being placed upon, good parenting among both parents and practitioners*
- *key gaps in the city's existing parenting provision have been identified and filled*
- *greater consistency of parenting provision across the continuum of needs*
- *greater levels of multi-disciplinary working*
- *development of a clear delivery plan (including allocation of resources to deliver the new parenting strategy)*

Further information

- Analysis of CYPPs can be found at <http://www.nfer.ac.uk/research-areas/pims-data/summaries/analysis-of-cypp-2006.cfm>
- Additional case studies with effective practice in this area include: *Brighton and Hove, East Riding*

¹¹ NFER news release 'CYPP analysis demonstrates local authorities' commitment to Children's Services' (18 October 2006)

5. PLAN PATTERN OF SERVICES AND FOCUS ON PREVENTION



Plan the pattern of service most likely to secure priority outcomes, considering carefully the ways in which resources can be increasingly focussed on prevention and early intervention¹²

KEY FINDINGS

- Limited evidence available on services being mapped to outcomes
- Children's trusts should be moving towards strategic commissioning driven by need. At present is mostly initiative based methods of commissioning driven by the availability of new resources
- Trusts are becoming more focused on prevention, hand-in-hand with a commitment towards integration and joint working in service delivery
- Use of child or care 'pathways' developing as means of personalising services around the child
- Need to look at how services will be delivered e.g. co-location of professionals seems to be major factor in improved outcomes to date
- Majority of innovative practice seems to come from an individual or small group who come up with an idea and willing to promote and lead on it
- Children's trusts need to be think about how they can encourage more innovative behaviour

5.1 PLANNING THE PATTERN OF SERVICES

At present there is limited evidence within the case studies as to how children's trusts have mapped services to outcomes and available resources, compared this to their needs analysis, and planned the pattern of service delivery accordingly. However, several case studies have shown how important this step is, as it forms the backbone of the joint commissioning strategy, including which services should be commissioned, commissioned differently, or decommissioned.

¹² Taken from the *Joint Planning and Commissioning Framework for Children, Young People and Maternity Services* (2006)

Brighton and Hove – Service Mapping

Brighton and Hove have a generic approach to service design which is inclusive, rigorous and has shifted decision making from director level to user level. The process uses care pathways to re-engineer services, which entails a 'child's eye' view of the services they receive. Part of this process is the mapping and needs analysis that must take place to determine how future services will be configured. For each service, needs are mapped using Super Output Areas. The locations of services are mapped onto the areas of need to look at the extent of correlation between the two. Services that are usually mapped include:

- *the distribution of primary and secondary schools*
- *GP surgeries*
- *numbers of children in the city*
- *staffing levels across the services provided (rather than the money spent or allocated to these services). This approach provides a good indication of the distribution of resources and whether it actually meets perceived need*

Many of the case study examples are also initiative based methods of commissioning services, driven by the availability of new resources. Children's trusts need to be moving towards strategic commissioning driven by need.

5.2 CHANGING SERVICE DELIVERY MODELS TO FOCUS ON PREVENTION

Many children's trusts are beginning to demonstrate innovative best practice in regards to changing service delivery models to be more focussed on prevention and early intervention. This tends to go hand-in-hand with a commitment by partners towards integration and joint working in service delivery. In several local authorities we also found evidence that resources are being increasingly devolved down to a more localised level to ensure local needs are being met.

East Riding – Local Commissioning

East Riding undertook a local needs analysis resulting in 6 locality area profiles. From this, local priorities were identified for each of the localities with an agreed local Action Plan. These targets were built into the Local Area Agreement.

Local provider led commissioning has been developed to support these plans. For instance, through their delegated inclusion funding, the Virtual Integration Management Team was able to commission a piece of work from a private sector provider to improve specialist support for children's mental health in the Goole/Howden area. One to one counselling sessions were made available to the secondary school and its feeder primaries by the provider with inclusion meetings in the schools directly referring students into the service. This had a marked effect on addressing professional anxieties about the particular gap in service as clear referral pathways have now been established with CAMHS, Family Support Teams, Children's Services and Education Psychology.

Overall the move towards early information, support and intervention through locality based commissioning has led to several measurable improvements. In Goole there has been:

- *reduction in numbers of LAC from 66 to 38 in 2005 -06*
- *reduction in numbers on child protection register from 225 in 2004/05 to 156 in 2005/06*
- *50% reduction in exclusions from school*
- *numbers supported by preventive services risen from 1372 in 2005 to 2137 in 2006*
- *fewer inappropriate referrals to Family Support Services due to emotional wellbeing*

The use of child or care 'pathways' is mentioned by several case studies as a way of personalising services around the child and moving more towards preventative services.

North Lincolnshire – Commissioning for Prevention

The Children's Board and the Children and Young People's Strategic Partnership have built prevention into the commissioning process and been able to shift service provision from a crisis driven response to cover the full spectrum of service delivery. Each tier of every service is set up to prevent children or young people needing to go to the next tier. Whilst it is often true that pathways have been designed to propel children up to the next level, in North Lincolnshire the system has been modelled so the opposite is done; services are commissioned to support children at the earliest opportunity and to prevent needs escalating to the next level of support. This has been a challenging cultural change which needs careful planning and lots of time.

Examples of progress as a result of this approach include:

- *Looked After Children offending has reduced from 6.6% (2005) to 2.8% (2006)*
- *Placement stability and permanence for Looked After Children is up from 44% (2005) to 56% (2006)*
- *Re-registrations on the Child Protection Register have dropped from 18% (2005) to 11.5% (2006)*

The case studies highlight that when planning the pattern of services partners should not just concentrate on the service itself, but how it will be delivered. For example, co-location of professionals seems to be a major factor in improved outcomes to date. The skills mix of those who are delivering the service is also important - are they trained, committed, well-connected, well led?

West Sussex – Multi-agency Service Delivery

West Sussex developed Joint Access Teams (JAT) which are being rolled out across the area to bring together core professionals and representatives from each agency to share information and agree a co-ordinated responses based on the holistic needs of vulnerable children. There is one Full Service Hub in Littlehampton which is based on the concept of a JAT, but extends the concept to co-location (multi-agency team which works from one office). It aims to meet the needs of children, young people and their families through services that are:

- *accessed through a single conversation*
- *delivered locally on a range of community sites including schools*
- *accessed through a single gateway for referrals and a common assessment process*
- *delivered in a timely way*

The Hub in particular is a test of how the council might work differently on behalf of children and young people to meet their learning, welfare and health needs. It is beginning to establish a presence locally as an accessible service for both professionals and parents where co-ordinated multi-agency support is required, with family members appreciating the way services are offered as much as the services themselves. A promising new approach to common assessment, information sharing and collaborative and inclusive planning has started to develop. In addition, the multi-agency 'team around the child' meetings are establishing themselves as an effective forum for inclusive discussions of concerns, assessment and action plans, and a multi-agency team identity is beginning to develop.

Children's trusts can have a variety of motivations for moving towards such new ways of working. Successful multi-agency working focussed on prevention can bring benefits to the child and family by preventing problems from escalating and providing better opportunities for children to develop and progress. There should also be benefits to the

commissioning authority in terms of cost savings, by reducing the spend on high cost acute services, though these may not be capable of measurement for some years.

Nevertheless, the case studies highlight that the majority of innovative practice at this stage seems to occur when an individual or small group comes up with an idea and they are willing to actively promote and lead on it. There is thus something present in the culture of these organisations where this occurs that allows an element of risk taking, and also a certain amount of luck in having the right individuals in the right place at the right time to take such ideas forward. Children's trusts thus need to think about how they can encourage more of this behaviour and foster innovation.

Hampshire - Family and School Support team (FASST)

FASST is a multi-agency, early interventions team which receives about 4 referrals a week (almost exclusively from the 14 schools involved in the initiative). It takes a holistic approach to supporting families, recognising that many children experiencing difficulties in school also often have issues at home. Outcomes to date include:

- *increased speed and reduced complexity associated with accessing support for local children and families*
- *improved communication and information sharing between schools and local agencies, meaning support for families is better targeted and co-ordinated*
- *schools better equipped to play their part in helping families and referring them to other local sources of support*
- *improved links between schools and families and better engagement of families with local support services, particularly amongst hard to reach groups*

Essential to the initiative was the strong leadership and drive provided by the FASST co-ordinator, who originally founded the initiative without any associated budget. The co-ordinator led by example and made multi-disciplinary working a reality by building strong networks and encouraging new and different ways of working.

Further information

- Additional case studies with effective practice in this area include: *East Riding, Hillingdon, Manchester, North East (NERCU)*

6. **DECIDE HOW TO COMMISSION SERVICES EFFICIENTLY**



Decide together how best to deliver outcomes, including drawing in alternative providers to widen options and increase efficiency¹³

KEY FINDINGS

- **When developing a joint commissioning strategy, articulate the principles under which commissioning will operate and take time to develop a shared vision**
- **Think through upfront how the commissioning function will operate, who it will be accountable to, and who it will be staffed by**
- **Having children’s trust or joint commissioning team at slight distance from local authority (as a provider) helps avoid conflicts of interest**
- **Commissioning approach must be clear and transparent and take the meeting of need, and not the existing range of services, as its starting point**
- **There should be shared understanding around the commissioning process amongst partners, including common terminology**
- **A positive, co-operative and fertile relationship between commissioning group and provider will facilitate the consistent delivery of best value services, as will engaging potential providers in specification design**
- **Successful commissioners will be creative in how they incentivise providers e.g. greater stability of contracts, reduced risk through block contracting, longer term funding, regular referrals, financial incentives**
- **‘Outcome’ based contracts with providers can lead to greater value for money, with payments linked to the achievement of key performance indicators**

6.1 JOINT COMMISSIONING TO DELIVER OUTCOMES

In order to commission services effectively and efficiently a joint commissioning strategy needs to be developed and agreed with key partners. The Children and Young People’s Plan should set the direction of travel for this. Evidence from evaluation of children’s trust pathfinders suggests that when developing the joint commissioning strategy, partners should articulate the principles under which commissioning will operate and take time to develop a shared vision of what they are trying to achieve for children and young people¹⁴. Like other stages of the JPCF, a strong commitment is required from partners to trust

¹³ Taken from the *Joint Planning and Commissioning Framework for Children, Young People and Maternity Services* (2006)

¹⁴ University of East Anglia, *National Evaluation of Children’s Trust Pathfinders – Final Report* (2007)

each other and to work together to solve problems. Partners thus need to invest in developing relationships, building on existing partnership working.

Tower Hamlets– Commissioning and Principles Framework

The Commissioning and Principles Framework document was published in July 2005 with the aim of establishing a shared vision for commissioning in the borough across all key partners delivering services for children and young people. It was produced in consultation with children and young people, statutory partners and third sector groups. It has acted as basis for brokering innovative and partnership based commissioned activity in a number of key service areas and ensured a joint language and understanding around the commissioning process.

The Framework has resulted in a more coherent and integrated commissioning processes across agencies, as well as providing a common platform for undertaking strategic re-commissioning of services.

The case studies show that an appropriate framework and infrastructure needs to be in place to deliver the commissioning strategy. This can be developed either before or as part of the commissioning strategy, but it is important that the children's trust's think through in advance how the commissioning function will operate and who it will be accountable to.

Solihull – Developing Joint Commissioning

In Solihull commissioning is currently undertaken by each partner using different teams of staff. To facilitate the effective delivery of the Joint Commissioning strategy, the Children's Trust Board recognised that this would need to become more integrated. A working group was therefore commissioned to look at what structure should be put in place.

Six options were identified overall and the preferred option now been agreed. This is the creation of a Children's Trust Joint Planning and Commissioning Team (JPCT) which is responsible for planning all services and commissioning the majority of children's services in Solihull, with all staff accountable to the Children's Trust Board.

In order to implement the preferred option an incremental approach being taken. A project plan, to be delivered over the next 3 years, will get the Children's Trust to the point of having a fully established JPCT which is jointly commissioning children's services on behalf of the agencies in Solihull. An action plan has also been agreed for developing a joint commissioning strategy that will result in all children's services being jointly commissioned by 2009.

As a result Solihull expect to see significant improvements in outcomes for children, achieved mainly through better decision making informed by more collaborative partnership working. There are also significant non-cashable savings to be gained from adopting such an approach.

Existing joint commissioning teams, located under the auspices of the children's trust and the Children and Young People's Partnership, typically commission by service, but there are also examples of commissioning by locality, by level of need, by ECM outcome and by key group¹⁵. Commissioners will need to decide which of these approaches they follow.

In addition, the case studies show that the commissioning group must be senior enough to be able to take an overview and commit resources, but also be able to understand practice. There also needs to be consideration of how representative they need to be - of

¹⁵ NFER, *Commissioning and Resourcing in Children and Young People's Plans* (2006)

the community of place or of need – and what their links are to providers¹⁶. When working out who will be in the joint commissioning team, agencies will also need to establish how they define who their current ‘commissioners’ are, as often it is just one element of a person’s job.

Many of the case studies stress that it is likely there will be some cultural resistance to the development of a new joint commissioning unit and other changes in workforce structure, such as a move towards co-location of staff. Senior leadership in this area is thus vital. The skills set of those actually doing the commissioning will also need to be reviewed (refer to [step 8](#) of the JPCF).

Importantly, expertise and confidence in joint commissioning is growing among commissioners, with increasing understanding of the roles of providers in service review, redesign and procurement. This has been helped by having a children’s trust or joint commissioning team at a slight distance from the local authority¹⁷. A recent report to the DfES on children’s service also found that encouraging greater separation between the local authority commissioning function and in-house provision is essential to avoid conflicts of interest¹⁸.

Brighton and Hove– Joint Commissioning Process

There are currently 11 staff members of the Children's Commissioning Team working on joint planning and commissioning, with half a post in the procurement and finance functions. They are accountable to the PCT Professional Executive Committee and the Children's Trust Board.

There is a three stage commissioning framework which outlines the overall approach to joint commissioning in detail ('service review, service redesign, procurement'). This has formed the backbone of their approach to tailoring services to be more outcomes focused. The process lasts 9 months from concept to completion and envisages community and key stakeholder participation throughout. Each service review area will formulate its own care pathway commissioning strategy based on these guiding principles. Children's Services will be locally based and commissioning decisions be made in local community areas (with allocated resources). The commissioning framework also contains processes that detail which level to commission particular services.

Overall, commissioning is made more transparent through the service redesign process and deals with the possible conflict of interest between commissioner and in house provider.

Whilst a variety of commissioning approaches are available, whichever approach is taken the process must be clear and transparent and take the meeting of need, and not the existing range of services, as its starting point¹⁹. Services must be designed in a way to make them available and thought should be given to ensuring that services are appropriately sited and accessible. Consideration should be given to service equity. For instance, will people in rural areas have the same access as those in urban ones? Does the planned service structure recognise and adapt to different cultures, levels of education and experience? Local authorities will also need to think about (when considering their strategic commissioning priorities) how they work effectively with Adult Services to ensure

¹⁶ NCH, *Commissioning Children's Services and the role of the Voluntary and Community Sector* (2004)

¹⁷ University of East Anglia, *National Evaluation of Children's Trust Pathfinders – Final Report* (2007)

¹⁸ PWC, *DfES children's services: overarching report on children's services markets* (2006)

¹⁹ NCH, *Commissioning Children's Services and the role of the Voluntary and Community Sector* (2004)

transition planning arrangements are in place for those young people with complex needs²⁰.

Overall the case studies highlight that it is essential to have a shared understanding of the commissioning process amongst partners, including common terminology. Recent evidence from the evaluation of children's trusts found that pathfinders had formulated working definitions of commissioning for themselves, which was important because of the different perceptions of the term 'commissioning' by professionals from different sector backgrounds. For instance, in local government it is often thought of as another word for 'procurement' or 'outsourcing', whereas health professionals tend to consider the whole commissioning cycle. Partner agencies thus need to define terms when discussing commissioning²¹.

6.2 DIVERSIFYING THE PROVIDER MARKET

When encouraging providers to enter the market, NCH have argued the following points must be taken into account:

- Thought should be given as to whether the process inherently discriminates any group (e.g. BME) and if it does, this should be addressed
- The service specification must be absolutely clear in specifying the outcomes to be achieved, minimum standards and thresholds for service, while still allowing room for a creative response
- Consideration should be given to working with other local commissioning groups to standardise application forms and information required, to reduce the amount of time required to complete tenders
- Prospective tenderers should be made aware of the criteria upon which the tender evaluation will be based as well as evidence that will be required for each criterion

From the provider side, the goal of any service specification and subsequent contract should be the consistent delivery of best value services. A positive, cooperative and fertile relationship between the commissioning group and the service provider, which can only be built over time, will facilitate this, as will the practice on the part of the commissioning group of engaging potential providers in discussions about potential specification design²². As one independent fostering provider argued, "Local authorities have preferred providers but I have preferred suppliers as well and that's just through working with people you know and trust"²³. However, providers have to be willing to negotiate with the commissioning body and buy in to any changes. The more time a commissioner therefore spends explaining why the change is needed, the more likely the provider will be on board.

²⁰ CSCI, *Growing Up Matters: Better transition planning for young people with complex needs* (2007)

²¹ University of East Anglia, *National Evaluation of Children's Trust Pathfinders – Final Report* (2007)

²² NCH, *Commissioning Children's Services and the role of the Voluntary and Community Sector* (2004)

²³ Sellick, Clive, Opportunities and Risk: Models of good practice in commissioning in foster care, *British Journal of Social Work* (2005) 35, p1-15

Blackpool – Children in Care Placements

When negotiating with providers over their market development strategy for residential care, clear negotiating points were raised to explain the situation to providers, including:

- (a) Blackpool was happy with the quality of services being provided, and the outcomes that were being delivered*
- (b) Blackpool wanted to increase supplier engagement and build on relationships with local providers*
- (c) There was an excess of beds in Blackpool*
- (d) Costs for placements were too high, causing unsustainable overspend*
- (e) They thus wanted to develop a usual fee arrangement for standard children's home placement*

This engaged the providers directly in dialogue about what Blackpool needed in terms of provision, and a 10 year plan was agreed to assist providers and commissioners in moving towards markets that deliver outcomes efficiently, effectively and in a sustainable way for children in care. As a result of the cost and market analysis and by engaging directly and transparently with providers, Blackpool has been able to negotiate reductions in cost by £400k per year.

The case studies show that some commissioners are adopting creative approaches to incentivising providers. This may be through greater stability of contracts, a reduction in risk through block contracting, longer term funding, regular referrals, or financial incentives for particularly important outcomes. This is indicative of a partnership orientated approach to commissioning, recognising that many commissioners and providers have shared values and in most cases will want to establish better and more effective working relationships with one another for mutual advantage²⁴.

Coventry – Block Contracting

Coventry was a net exporter of children in care and wanted to improve outcomes and reduce costs of placements. A two year procurement process was thus designed to block contract 30 beds for children aged 11-18 over ten years.

To incentivise innovation and cost efficiency, outcomes were specified in the tender, but details of service design were left to potential providers. The final contract includes many features to deliver improved outcomes, including financial incentives for particularly important outcomes such as attendance at school, placement stability, and reducing out of area placements.

Overall the provider was willing to have a smaller return on investment in return for lower risk. Throughout the process there has been transparency between commissioners and providers. A clear vision was agreed including target outcome improvements, payment mechanisms, and performance management. There is also flexibility in the contract to adjust to changing patterns of need. Coventry is expected to make over £12m in efficiency savings over the next 10 years as a result of this initiative.

6.3 INCREASING EFFICIENCY THROUGH JOINT COMMISSIONING

Once the commissioning strategy and commissioning function have been agreed, children's trusts will need to consider how they can commission services more efficiently. This may be through actual efficiency savings gained through changes in service offerings, or through managing providers better to gain greater value for money. 'Outcome' based contracts were a feature of several case studies, with payments linked to

²⁴ Ibid.

the achievement of key performance indicators such as attendance at school and improved placement stability.

Devon – Sub-Regional Commissioning Process for Children in Care Placements

Devon developed a revolutionary approach to commissioning placements for children and young people. In 24 hours or less a child's needs are assessed, a competitive tender is undertaken, and a placement agreed which is designed to meet needs and deliver outcomes. This has been made possible by undertaking the vast majority of elements of the tender process in a pre-qualification stage.

Importantly, placements are built around the needs of children and young people, with longer term contacts based on outcomes and providers being financially incentivised to improve these outcomes. Outcome monitoring and provider performance also feeds back into strategy, planning and individual tenders, acting as an incentive for providers to be outcome focussed and creative. As providers have a more secure relationship with the commissioners as a result of being pre-qualified, they invest in services, develop relationships and focus on outcomes.

Since the introduction of the process, improvements in outcomes and reductions in costs have been evidenced. These include a 450% increase in choice, an improvement in quality, and a reduction of £250k annualised costs from tenders in the first 3 months. Devon, Cornwall and Torbay have established a sub-regional Central Purchasing Body across the area to take this initiative forward, which is now being extended to more local authorities in the region.

Further information

- Additional case studies with effective practice in this area include: *Portsmouth, Worcestershire*

7. COMMISSION - INCLUDING USE OF POOLED RESOURCES



Develop and extend joint commissioning from pooled budgets and pooled resources²⁵

KEY FINDINGS

- Service users can play an important role in the selection of providers.
- Commissioners need to take into account the organisational capacity of those bidding for working.
- Importance of having integrated management, finance and governance structures in place to enable pooling of budgets – dependent on long history of partnership working and high levels of trust.
- Performance management aspects of pooled budget need to be sorted from very beginning.
- Project management skills vital to ensuring pooled budgets organised and managed successfully.
- Training of staff also essential, especially for budget holders.
- Takes significant amount of time and resources to set up pooled budgets.
- At present, services with significant health component more likely to be funded through pooled budgets.

7.1 COMMISSIONING A PROVIDER

There is a lot of overlap here with the previous step of the JPCF, as it is a continuation of the procurement process. Commissioners might want to consider using a phased approach to large scale commissioning (e.g. over 3 years), in order to ensure disruptions to service delivery are avoided and there is a progressive and safe transition to new service design to minimise risk. Multi-year strategic funding can also take into account the broader aims and needs of the commissioning group whilst helping to ensure that capacity exists²⁶.

Wherever possible, service users and carers should be involved in the selection of providers, either through visits to the proposed site or attending presentations and question and answer sessions. Commissioners should also ensure they take into account

²⁵ Taken from the *Joint Planning and Commissioning Framework for Children, Young People and Maternity Services* (2006)

²⁶ NCH, *Commissioning Children's Services and the role of the Voluntary and Community Sector* (2004)

the organisational capacity of those bidding for the work, for instance many voluntary and community organisations do not have in-house legal services and overly complex and demanding contract conditions may deter smaller organisations from taking part²⁷.

7.2 DEVELOPING POOLED BUDGETS

The use of pooled and/or aligned budgets and resources in the commissioning process is still new to many local authorities. There are several ways in which different government agencies can combine their financial resources to help fund services. According to Section 31 Partnership Arrangements of the Health Act 1999,²⁸ or, alternatively, Section 10 of the Children Act 2004²⁹, they can pool budgets using legal agreements³⁰. This means that different agencies contribute funds, but one host agency accounts for the money. Local Area Agreements and service level agreements can be made separately, or they can include legal agreements. Less formally, budgets can be aligned. Aligning budgets entails different agencies keeping their money in their own accounts, but aligning the money toward agreed joint outcomes.

Barnsley – Pooled Budgets

The partnership between the Children's Services Authority and the PCT is strong. One pooled budget has been established across adult and children's services, managed by the local authority. The PCT maintains its statutory responsibilities for services. The children's element is £18.5m. The process is supported by a jointly funded Lead Planning and Commissioning Officer who is responsive to the requirements of both organisations. The services delivered through the pool include children and young people's social care, CAMHS, psychology, some therapy, young people's substance misuse, teenage pregnancy, school nurses, and the Looked After Children Life Chances Team. Improved outcomes to date include:

- *strengthened partnership working*
- *improved processes such as quality assurance and joined up performance management*
- *supported integrated working*
- *improved access to high quality multi-agency support*
- *improved access to CAMHS for vulnerable groups and reduction in waiting times*
- *closer working between school nurses, social care and education has raised school attendance levels for LAC*

Gershon and NHS efficiency savings have also been achieved, with other non-cashable savings made in management and job redesign. A number of aligned budgets currently exist alongside the pooled budget and consideration is now being given to which ones to pool. It is important that it is realised it is not possible to disaggregate everything

A separate piece of work has been commissioned by the DfES to produce several detailed case studies focusing on the lessons learned in setting up and managing a

²⁷ Ibid.

²⁸ DH, 2000. *Guidance on the Health Act Section 31 Partnership Arrangements*. <http://www.dh.gov.uk/assetRoot/04/05/74/23/04057423.pdf>

²⁹ Children Act 2004. <http://www.opsi.gov.uk/acts/acts2004/20040031.htm>

³⁰ DfES, 2006. *Pooled budgets and resources: FAQ* updated May 2005 <http://www.everychildmatters.gov.uk/strategy/planningandcommissioning/poolingbudgets/faq/>

pooled budget agreement³¹. Findings from the study so far highlight the importance of having integrated management, finance and governance structures which, when allowed, enable pooling of budgets. This is dependent on a long history of successful partnership working, and a high level of trust and commitment from partners. Adopting a can-do attitude and freeing up creativity were also found to be key.

In addition there needs to be a systematic, coherent commissioning approach upfront and transparency in budget arrangements, systems and processes. The performance management aspects of the pooled budget need to be sorted from the very beginning - quality performance information is needed and detailed service specifications and delivery plans should be in place. Joint protocols may also be necessary, for instance around the management of pooled staff or for how to deal with disputes in legal agreements.

Project management skills are vital to ensuring the pooled budgets are organised and managed successfully. Additional workstreams may be required to resolve legal, finance, governance, property, HR and IT issues, as they arise. Training of staff is also essential, particularly for those who will be budget holders in the new arrangements.

Brighton and Hove – Pooled Budgets

Brighton and Hove have pooled around £90m under a Section 31 agreement between Health and the Local Authority. They have brought together staff in the council's Children, Families and Schools Directorate with those in the Children and Families Directorate of the NHS Trust to form the Children and Young People's Trust. The CYPT is governed by a Section 31 Agreement, covering the delegation of functions and pooling of budgets for all children's services (apart from those not permitted by law to include in arrangements).

A significant success factor was the amount of preparation undertaken prior to discussions about pooling. A lead person was identified for taking the process forward and a project management approach helped. Decisions around partner contributions were reached through an incremental process of information sharing as each partner gradually built trust with one another at monthly meetings. Decisions were made following detailed needs analysis, service review and development of a joint commissioning framework

The evidence from the case studies suggests that it takes a significant amount of time and resource to set up pooled budgets, and legal fees were cited by several authorities as being extremely high. In addition, pooling budgets creates lots of practical problems such as insurance issues, differing employment conditions of staff, and how to report to different national and local funding streams. Children's trusts also need to ensure that there is clarity around who the budget holder will be, who will be financially responsible, and any regulations which are currently inhibiting the use of pooled budgets.

7.3 USING POOLED BUDGETS

More CYPPs currently report plans for pooling budgets than for aligning budgets. Most CYPPs also make some mention of resources, although the extent to which they are mentioned varies from general statements to detailed budget information³². It appears services for children with a significant health component are at present the most likely to

³¹ To be published during Spring 2007 – available at <http://www.everychildmatters.gov.uk/strategy/planningandcommissioning/poolingbudgets/>

³² NFER, *Commissioning and Resourcing in Children and Young People's Plans* (2006)

7. Commission - including use of pooled resources

be funded through pooled budgets, presumably because the legal framework allows financial transfers between local authorities and health services³³.

Those with pooled budgets and resources are currently using them for better use of buildings, co-location of staff and provision of services. Local authorities and primary care trusts are pooling budgets and using Private Finance Initiative funding for new multi-use facilities such as extended and special schools. They are also selling property to pay for upgrading other buildings, for example as sites for locally based children's health services. Resources can also be used more efficiently by avoiding duplication of services and ensuring more effective individual assessments and pathways of care³⁴.

At present it is too early to tell what impact pooled budgets will have on outcomes for children and young people. However, an effective pooling agreement should help children's trust partners to strengthen relationships, bring together funding streams and join up services.

Further information

- Further information on pooling budgets (including the Barnsley and Brighton and Hove case studies, when published online) can be found at: <http://www.everychildmatters.gov.uk/strategy/planningandcommissioning/poolingbudgets/>
- Additional case studies with effective practice in this area include: *Blackpool, Coventry, Devon, East Riding, Hampshire, Hillingdon, Manchester, Worcestershire*

³³ University of East Anglia, *National Evaluation of Children's Trust Pathfinders – Final Report* (2007)

³⁴ Ibid.

8. PLAN FOR WORKFORCE AND MARKET DEVELOPMENT



Develop the local markets for providing integrated and other services, and produce and implement a local workforce strategy covering service and role re-design, and the necessary ways of working to support delivery³⁵

KEY FINDINGS

- Designing and managing the market is often considered at earlier stages of the JPCF, as effective commissioning requires an adequate supply of viable high quality providers
- Managing the market relies on commissioners having the right skills, including project management, data analysis, procurement and consultation skills
- Present training opportunities in commissioning are limited though courses are being developed

8.1 DEVELOPING LOCAL MARKETS

Designing and managing the market is often considered at [steps 5](#) and [6](#) of the JPCF, as effective commissioning requires an adequate supply of viable providers able to deliver innovative services of an acceptable quality against performance targets. This links into strategies for incentivising providers which has been discussed earlier elsewhere in this review. Children's trusts should also be considering when they create their Joint Commissioning Strategy and Joint Commissioning Unit how these developments will support future service delivery. However, the concept of 'managing' the market is still relatively new to many commissioners, as is 'joint commissioning' itself (though many individuals will have been 'procuring' or 'purchasing' for years).

Managing the market relies on commissioners having the right skills to enable them to do this ([see 8.2 below](#)). Children's trusts must be willing to commit resources to training and developing their staff and the wider workforce more generally. They may also want to look at co-location of staff and services where possible as the case studies suggest that this can encourage greater sharing of knowledge.

Again, having a common language is vital to ensure commissioning partnerships have a shared and agreed understanding of the terms they are using, and that potential providers of services share the same understanding³⁶. Encouragingly, it appears that expertise in joint commissioning and market management is developing rapidly. However, more needs

³⁵ Taken from the *Joint Planning and Commissioning Framework for Children, Young People and Maternity Services* (2006)

³⁶ NCH, *Commissioning Children's Services and the role of the Voluntary and Community Sector* (2004)

to be done to increase the understanding of joint commissioning amongst commissioners and providers of services including head teachers and general practitioners³⁷.

8.2 DEVELOPING EFFECTIVE COMMISSIONERS

Commissioning is a complex skill requiring knowledge of different disciplines, their languages and priorities, as well as some understanding of financial and legal requirements³⁸. Activities undertaken by a commissioning team include data analysis, strategic planning, partnership working, procurement, monitoring and evaluation, and project management. At present commissioners tend to come from social care and health backgrounds and have had some previous experience of aspects of single agency commissioning in a previous role³⁹. Training is thus vital to ensure commissioners have the necessary skill-sets to be effective in their role. Children and young people can be a good source of information on what training they feel is needed for the professionals who work with them.

Newham – Looked After Children Reviews

Newham has been successful in using a range of often innovative ways of securing children and young people's views and of using what they say to change and improve the services they receive. There is evidence that their ideas for improvements are being increasingly reflected in service models. For instance, looked after children suggested that training courses should be organised for the professionals involved in their reviews, and that these should be made mandatory in order to raise the importance of active participation of young people in their reviews. This was agreed and the young people helped design the training course which approximately 325 professionals have now attended. The overall participation of looked after children in their reviews has also increased as a result.

At present training opportunities in 'commissioning' are limited, although a number of universities are developing new programmes aimed at this area⁴⁰. Skills for Care and Development are also developing National Occupational Standards for Commissioning, Procurement and Contracting and work is being undertaken on a Commissioning and Contract module within the common core training for professionals working with children. The softer skills of being a commissioner should also not be overlooked as they are often in highly charged and stressful situations trying to negotiate to balance budgets and improve performance. In addition, commissioners will increasingly need highly tuned public consultation skills to be able to engage with users, public fora, media and local information networks, in order to sell commissioning plans⁴¹.

8.3 DEVELOPING THE CHILDREN'S SERVICES WORKFORCE

Importantly it is not just about strengthening the skills of commissioners, but also the children's services workforce more generally. Effective operational managers are crucial

³⁷ University of East Anglia, *Findings from the National Evaluation of Children's Trust Pathfinders – Research Brief* (2007)

³⁸ NCH, *Commissioning Children's Services and the role of the Voluntary and Community Sector* (2004)

³⁹ University of East Anglia, *National Evaluation of Children's Trust Pathfinders – Final Report* (2007)

⁴⁰ For instance, 'A Practice Based Approach to Commissioning' – 5 day programme co-ordinated by the Virtual Staff College in collaboration with the Government Office for the North West, the University of East Anglia, Lancaster University and the Audit Commission. Due to commence in North West during March 2007 and later in the South East

⁴¹ Norris, Rebecca, 'In search of the perfect commissioner', *Commissioning News* (2006), Issue 2

to implementing integrated working practices. Children's Trusts should therefore explore how they can do this, including using existing methodologies of best practice where suitable.

Hillingdon – Positive Parenting Programme (Triple P)

The PCT and the Local Authority wanted to develop a common language for parental support and intervention and embed a common set of cultural values across disciplines. They recognised that a packaged learning opportunity that might be digestible to all disciplines was highly attractive. Triple P was therefore picked as a baseline model of parenting. It encourages parents to feel that it is natural to seek support during their children's growth and development, irrespective of their situations. It is a highly flexible framework and ensures parents can be given the support they need and want, delivered in the most appropriate way and setting. Almost 170 practitioners from a variety of disciplines have been trained in Triple P techniques in Hillingdon to date. This has led to:

- *different disciplines taking a common approach and having a shared perspective on 'good parenting' and appropriate interventions*
- *greater trust and understanding being built between disciplines, thereby strengthening existing and new interagency relations*
- *increased professional competence and confidence of staff*
- *parents reporting increased confidence and greater satisfaction in their own abilities, better family relations and significant behavioural change in their children*
- *parents on Parenting Orders found the methodology respectful and useful*

Increasingly Children's Trusts also need to explore what training providers should be required to have undertaken in order to become pre-qualified or to gain contracts, and what they can do to help providers achieve this.

Devon – Sub Regional Commissioning Process for Children in Care Placements

As part of its approach to commissioning placements for children and young people in under 24 hours, Devon undertakes the vast majority of elements of the tender process in a pre-qualification stage. In order to ensure get pre-qualification status, providers are now meeting more of Devon's standards in regards to health and safety, child protection, equal opportunities and HR practices

Further information

- A booklet entitled '*Industry Techniques and Inspiration for Commissioners*' has been developed for those with responsibility for commissioning services for children, young people, and maternity services. It is designed to aid commissioners by providing some insights into the way business and industry tackles challenges which are comparable to those of the Every Child Matters: Change for Children programme. The report can be found at <http://www.everychildmatters.gov.uk/resources-and-practice/IG00127/>
- Additional case studies with effective practice in this area include: *Brighton and Hove, Blackpool, Coventry, Sandwell, West Sussex, Worcestershire*

9. **MONITOR AND REVIEW SERVICES AND PROCESS**



Monitor and review to ensure services and the joint planning and commissioning process are working to deliver the goals set out for them⁴²

KEY FINDINGS

- **Not much effective practice available on this step of the JPCF so far**
- **Having baseline at beginning crucial to prove changes in outcomes have occurred**
- **Some providers may need assistance in performance reporting requirements**
- **Outcome based contracts with providers can drive up performance**
- **Many of the skills used in developing the needs analysis can be repeated at this stage e.g. consultation with children, young people and families**
- **Effective performance management framework and system critical, with commissioners analysing performance information and taking action accordingly**
- **The use of ‘Turning the Curve’ (Results Based Accountability) methodology cited as useful in several case studies**

9.1 MONITORING AND REVIEWING SERVICES

Out of all of the steps of the JPCF, this is the one where the least amount of case study material is currently available. This may be because the commissioning process is new and children’s trusts have been focussing their efforts on ensuring they have a quality needs analysis to realign their priorities and services. However, it is essential that all services and contracts are subject to monitoring and evaluation and these should then be adapted as new evidence of development and changes in need are recognised⁴³.

The few case studies in this area show that having a baseline is critical in order to ensure you have something to compare later performance to. Without this baseline, and without monitoring future performance, there is no evidence of any change in outcomes actually occurring. Commissioners also need to continue to consider the most appropriate indicators to measure the influence of the changes in children’s services on outcomes for children and young people⁴⁴. They should recognise that some providers may require assistance in meeting the data and information requirements of a new performance framework. This is particularly the case in the voluntary and community sector, especially

⁴² Taken from the *Joint Planning and Commissioning Framework for Children, Young People and Maternity Services* (2006)

⁴³ NCH, *Commissioning Children’s Services and the role of the Voluntary and Community Sector* (2004)

⁴⁴ University of East Anglia, *Findings from the National Evaluation of Children’s Trust Pathfinders – Research Brief* (2007)

if commissioning and procurement practices are to become a viable alternative to grant funding⁴⁵.

Sandwell - Capacity Building Model of Commissioning

Sandwell's Children Fund developed and implemented a capacity building model of commissioning. The approach focuses on commissioning a provider that is best placed to meet the outcomes required and views all sectors and sizes of organisation on a level playing field as potential providers.

Issues that restrict an organisation's ability to comply with a funder's audit and performance management requirements are approached as a capacity issue requiring support, rather than a reason to not commission the organisation or to suspend an effective service. This model helps retain an effective service at the front line whilst organisations catch up on their finance and information management requirements without disrupting service delivery.

In particular their model of commissioning has a focus on monitoring and evaluation. Commissioners adopt a single 'outcomes reporting framework' linked to the ECM outcomes. Involvement of young people is also clearly specified in contracts and agreements.

Increasingly local authorities are becoming more 'outcome' focussed, particularly since the introduction of Annual Performance Assessments and Joint Area Reviews. As mentioned in previous sections, local authorities are also increasingly using outcome based contracts with their providers to drive up overall outcomes for children and young people. Importantly, when monitoring and evaluating services, commissioners need to try and ensure they do not duplicate the provider's existing quality assurance programmes or the work of the regulatory bodies, and it should be proportionate to the size of the contract⁴⁶. Consideration also needs to be given to whether it is a new or mature service - a new service may not have been given sufficient time to grow while a previously successful service no longer achieving the required outcomes may need to develop and adapt⁴⁷.

In reviewing services, children and their families should again be consulted like they were during the needs analysis. In fact, many of the skills used in developing the needs analysis can be reapplied at this stage.

9.2 THE IMPORTANCE OF PERFORMANCE MANAGEMENT

Having an effective performance management framework and system is critical for the successful monitoring and reviewing of services and processes. This is necessary at both the strategic and operational level, from the Children and Young People's Plan right down to individual provider contracts. It is also vital that performance information is not just collected and monitored but analysed accordingly, with commissioners taking action where necessary.

The quality of performance management in children's trusts is currently highly variable and dependent on the culture of the organisations within it. Embedding a performance management system across all services, contracts and staff for partners is a large task which needs clear leadership from senior managers. Shared protocols for data and information sharing are also necessary. Without it, however, it is not possible to

⁴⁵ PWC, *DfES children's services: overarching report on children's services markets* (2006)

⁴⁶ NCH, *Commissioning Children's Services and the role of the Voluntary and Community Sector* (2004)

⁴⁷ Ibid

demonstrate the impact commissioned services have had on achieving required outcomes.

Brighton and Hove – Performance Management

All children's services are monitored through the performance management outcomes framework, which sets out indicators, processes and outcomes. Elements of this approach include:

- services produce a quarterly return against the framework
- management information such as parental satisfaction with a service is monitored to strengthen outcomes
- quality assurance processes are in place for all in-house services and all monitoring is fed back through an improvement process.
- contracts with the VCS are monitored and the contract manager will be responsible for addressing any problems if providers are struggling.
- users are involved through the individual complaints service, any consultation exercise, and through the service redesign process which encourages high levels of engagement with parents.
- actions that result from community participation are fed back to the community.

Throughout the JPCF, commissioners may want to explore the use of external performance management methodologies. The 'Turning the Curve' methodology⁴⁸ in particular was cited in several of the case studies analysed.

Portsmouth – Turning the Curve

Turning the Curve works as a tool for engaging with people and encouraging them to think outside the box. It is a positive formula for change and can make change happen at a much faster pace than normal. Portsmouth used the model to evaluate and monitor at a number of levels, including:

- through the local Report Card on child well-being, which links to the Portsmouth 8 outcomes and priority indicators
- building capacity and evaluation in proposed or newly commissioned services with a greater emphasis on evidence based practice, measuring impact, and forming outside academic partnerships
- through the new Adolescent Health Programme which centred on measuring public health or epidemiological indicators of wellbeing, effective targeting and social research methods
- supporting a simple service performance approach whereby services, schools and programmes were able to assess whether they are making a difference

General tips on using the methodology include:

- integrate local data collection systems on the needs of children and young people into one report card on child wellbeing
- invest in data analysis and get a clear research base about what works in improving outcomes
- be clear about the 'killer' outcome indicators
- involve children, young people, families, service users and communities in developing strategy, planning services and TtC. Share responsibility for finding and delivering solutions
- pool resources to jointly commission action plans, and keep action plans realistic and practical
- progress and cultural change take time so be prepared for setbacks

⁴⁸ Turning the Curve is based on Mark Friedman's Results Based Accountability methodology, which starts with the ends you want and works backwards to determine the means to achieve these ends. It uses data to gauge success or failure against a baseline. Go to <http://www.everychildmatters.gov.uk/resources-and-practice/EP00201/> for more information

9. Monitor and review services and process

- 'Turning the Curve' toolkit available at <http://www.everychildmatters.gov.uk/resources-and-practice/EP00201/>
- Additional case studies with effective practice in this area include: *East Riding, North East (NERCU), North Lincolnshire*

10. CONCLUSIONS

10.1 COMMON COMMISSIONING AND MARKET MANAGEMENT FACTORS WHICH LEAD TO IMPROVED OUTCOMES FOR CHILDREN AND YOUNG PEOPLE

Emerging effective practice has been presented for each of the nine steps of the Joint Planning and Commissioning Framework. Underpinning these case studies is a strong desire within local authorities, Primary Care Trusts and their children's trusts partners to improve outcomes for children, young people and their families. Even though this desire is common, some areas appear to be progressing quicker towards this objective than others and are being more innovative along the way.

Common factors throughout the case studies include a move by commissioners towards integrated working as a means to improving outcomes, whether through joint governance procedures, pooled budgets or changes in staffing structures. Successful joint commissioning organisations also:

- Have **excellent data and information management systems**, including established information management protocols. This ensures that the data collected on need is accurate and facilitates the sharing of data amongst partners
- Exhibit a **strong performance management** culture. This includes having a robust performance management framework and system in place, so that services are monitored and reviewed and action taken over poor performance
- Undertake a **full and valid needs analysis** (including full consultation with children, young people and parents) which then provides them with a solid evidence base for setting service priorities. This helps avoid conflict between partners over different priorities
- **Shift resources** where necessary to meet new priorities. This includes finding a balance between investing in long term priorities whilst retaining sufficient flexibility to respond to changing need
- Invest in a **skilled commissioning function**, ensuring commissioning staff are relevantly trained and that they undertake continued professional development
- Establish a **common language and understanding of commissioning** by all partners, encapsulating the full nine steps of the JPCF and not just the procurement aspects of it

In addition, the following strategic characteristics tend to be present:

- A commitment by all members of the children's trust towards **new ways of working**, in particular a move towards **investment in preventative services**
- **Strong and effective leadership** in order to drive forward the change agenda, particularly when difficult decisions have to be made around changes in service priorities and decommissioning
- A **clear vision for commissioning**, signed up to by all key partners, so that they know where they are moving towards

- **Well developed relationships with partners** and other key stakeholders, with an **emphasis on trust**. This includes **transparency** between commissioners, partners and providers over data, budgets and priorities to help foster trust and take forward new joint working initiatives

Increasing amounts of work is also being undertaken by commissioners to ensure providers within the market are willing to buy-in to proposed new ways of working. Incentives include long term funding arrangements and regular referrals, as well as outcomes based contracts. Furthermore, children, young people and their families are increasingly involved in the design, delivery and evaluation of services.

However, whilst there is some evidence in relation to effective joint commissioning practice taking place, it is not yet evident what impact it is having on improving outcomes. This may be because many of the initiatives or working practices to date are only just being implemented, and/or effective monitoring and evaluation processes are not yet in place. It is also hard to distinguish what common factors have led to efficiency savings as very few of the case studies state the costs involved. It is likely, however, that children's trusts with the characteristics described above are more likely to secure improved value for money through their joint commissioning processes.

10.2 LIMITATIONS OF THE EVIDENCE BASE

As joint commissioning in children's services remains relatively new, there is still only a limited amount of practice available. Additionally, many of the case studies were not commissioned for the purposes of this review, or are becoming out of date. A wider academic review was therefore undertaken to provide further evidence for each of the steps of the JPCF, but gaps still remain in some areas.

In addition, the review reflects only those case studies provided by the DfES and these are not necessarily representative of all areas. Every children's trust faces different conditions, and so it may be challenging to apply learning from other children's trusts. Likewise the common factors identified do not necessarily imply direct causation, and the same results might not occur if these interventions are replicated elsewhere. The case studies might also indicate where outcomes have got 'better', but the status quo, or baseline situation, might be very different in each of the case studies. The degree to which certain approaches to commissioning and market management result in positive outcomes will therefore depend on the baseline situation, and whilst they might represent 'better' outcomes and practice, these might not necessarily be 'best practice'. Equally efficiency savings can be achieved without any actual changes in outcomes for children, young people or families.

This review should be read with these limitations in mind, though we hope it still provides useful information for children's trusts in taking joint commissioning forward.

10.3 NEXT STEPS

Innovation and improvement in joint commissioning is happening in many children's trust areas, though some remain more change averse than others. Substantial progress has been made since the publication of the Joint Planning and Commissioning Framework and further guidance is continuing to be developed, such as the recent *Commissioning Framework for Health and Well-Being* from the Department of Health.

However, more still needs to be done to increase mutual understanding about joint commissioning by commissioners, providers and users at local level, including schools and general practitioners⁴⁹. DfES will continue to collect evidence about what is working well in local areas to support other areas. Based on our analysis of the existing evidence base we believe that future case studies should:

- Include more detail on the provider and user perspective
- Test the impact of joint commissioning initiatives on outcomes and efficiency – including returning at a later date to see whether promising practice delivers the results
- Examine in more depth *why* things work.

10.4 ISSUES TO EXPLORE IN FUTURE JOINT COMMISSIONING WORK

As part of the overall review, we have also identified a list of issues that we think should be explored further in future work on joint commissioning. These are issues that we think are important but there was little or no evidence in the case study material, either because the ground was simply not covered or because there is little evidence of effective practice to draw on, at this stage.

These issues are set out in more detail below.

10.4.1 Needs analysis (JPCF steps 1-3)

- **Quality assurance:** There is no detail within the case studies as to how they quality assured the data within the needs analysis. If the needs analysis is incorrect or incomplete, then decisions made at later stages of the commissioning process are open to scrutiny. What systems and processes do children's trusts have in place to ensure they are conducting good, high quality needs analysis, both in terms of asking the right questions and drawing the right conclusions from the data?
- **Engagement of children, young people and their families:** There are lots of good examples of consultation events and techniques to get children, young people and their families involved in service design and evaluation. However, it is not clear what the turn-out rates are like at these events, whether the individuals who get involved are representative of the community; what has been achieved in engaging hard-to-reach groups; and what comes out of the engagement for commissioners and members of the community who participated in the consultation. It would also be useful to understand more about how children's trusts are incentivising service users and members of the community to get involved.
- **The creation of new service ideas:** It is not clear from the case studies whether an innovative service idea is thought of first, based perhaps on operational experience, and then a needs analysis conducted to support it, or if the solution genuinely arose in response to problems captured within the needs analysis. Theoretically the latter is obviously more desirable but how much is this happening within children's trusts?

⁴⁹ University of East Anglia, *National Evaluation of Children's Trust Pathfinders – Final Report (2007)*

10.4.2 Strategy and Planning (JPCF steps 4-5)

- **Setting priorities:** Many CYPP's display a multitude of 'strategic' priorities, rather than a smaller truly strategic set. How do children's trusts therefore make the hard choices and properly prioritise services? If a particular partner's priorities don't feature in this list, how do you keep their buy in to the change agenda?
- **Shifting resources into prevention:** Moving towards a preventative model requires funding to be redirected towards tier 2 services. However, it can be very difficult to remove funding from tier 3 and 4 services which are dealing with children already in need. How do children's trusts therefore create new preventative capacity? Does this require additional resources in the short term to create preventative capacity, with the payoff being several years down the line?
- **Evidence based practice versus innovation:** Whilst some of the case studies demonstrate innovative practice, several others stress the importance of evidence based practice. How do areas strike the appropriate balance between these to deliver improved outcomes?

10.4.3 Procurement (JPCF steps 6-8)

- **Positioning of the commissioning function:** Many partners within the children's trust will be providers as well as commissioners of services. To avoid conflicts of interest, what is the most effective positioning of the commissioning function and who should it be accountable to?
- **Skill-set of the commissioning function/team:** A lack of commissioning expertise within children's trusts is increasingly being highlighted within the field as a key issue in taking joint commissioning forward. What blend of capabilities is needed within a successful commissioning function? How senior should commissioners be? What lessons can be learned from the NHS?
- **Decommissioning:** It can prove difficult to stop delivering services. What lessons have been learned in relation to the process of decommissioning services?
- **Provider perspective:** The case studies focus solely on commissioning from the commissioners' perspective. Whilst in some cases these commissioners have thought through how they can incentivise private, independent and third sector providers, overall there is very little information available on the provider perspective. For instance, commissioners may be introducing outcome led contracts but does this deter some providers from entering the market or encourage others to leave? How signed up are these providers towards new ways of working? How can children's trusts work more effectively with these providers to improve outcomes for children and young people?
- **Market competition:** As children's trusts develop their role as strategic commissioners they will need to look at how they encourage competition and create a viable market. This will not be possible in all areas or services due to the small numbers of children involved or the lack of providers available. However, the DfES are increasingly looking for mixed market models, in the hope this will offer more choice and competition will drive down costs. How can children's trusts invest in making certain markets more competitive?

10.4.4 Monitoring and Evaluation

- **Monitoring and evaluation** – There was little evidence of effective practice available on JPCF step 9. How can the evidence base be improved?

APPENDIX A: LIST OF CASE STUDIES

The case studies mentioned throughout the report can be found at:

<http://www.everychildmatters.gov.uk/resources-and-practice/> or

<http://www.everychildmatters.gov.uk/strategy/planningandcommissioning/casestudies/>

Their full titles are as follows:

Title	LA	Author
Residential care and fostering - Annex 1 case studies	Anonymous	PWC
Childcare Market report - Annex E case studies	Anonymous	PWC
Positive Activities for Young People	Anonymous	PWC
Parental and Family Support - Section 1	Anonymous	PWC
Case study on Barnsley Metropolitan Council's pooled budget arrangements with Barnsley PCT	Barnsley	Lyn Frith (consultant)
Getting a better deal - assessing unit cost and engaging with the market	Blackpool	CPP
Designing and Delivering Effective Parental and Family Support Services (multi-disciplinary clusters)	Brighton and Hove	PWC
Case study on Brighton and Hove City Council's pooled budget arrangements with Brighton and Hove PCT and South Downs Trust	Brighton and Hove	Lyn Frith (consultant)
Joint Planning and Commissioning: the Framework in Action - A Brighton and Hove case study	Brighton and Hove	Mouchel Parkman
Placement procurement – block contracting	Coventry	CPP
Sub-Regional Placement Commissioning	Devon, Cornwall, Torbay	CPP
Preventative Services	East Riding	CPP
Designing and Delivering Effective Parental and Family Support Services (FASST initiative)	Hampshire	PWC
Designing and Delivering Effective Parental and Family Support Services (Triple P project)	Hillingdon	PWC
Involving parents through consultation	Lambeth	Change for Children Programme
Designing and Delivering Effective Parental and Family Support Services (Parenting Strategy)	Manchester	PWC
Designing and Delivering Effective Parental and Family Support Services (Vulnerable Babies)	Manchester	PWC
Procuring services for Children and Young People from the Voluntary and Community Sector	Newham	CPP
Procuring services for children and young people from the independent sector	Newham	CPP

Title	LA	Author
North East Regional Commissioning Unit - a model	North East (Eleven LAs)	CPP
Commissioning for Prevention	North Lincolnshire, Yorkshire and the Humber region	CPP
Framework for Active Involvement and Systematic feedback from Young People	Nottinghamshire	Change for Children Programme
Needs Analysis and Best Value Review	Oxfordshire	Change for Children Programme
Turning the Curve toolkit: 'From talk to action - making a difference to children, young people and families lives'	Portsmouth	Consultant for the Portsmouth Children's Trust Development Team
Evaluation of Commissioning the Voluntary Sector with a Capacity Building Model of Commissioning	Sandwell	Effective Training and Consultancy Ltd
Developing joint commissioning	Solihull	CPP
Joint Planning and Commissioning (GIS mapping)	South Tyneside	Change for Children Programme
How to develop and embed a framework for commissioning principles across partner agencies	Tower Hamlets	CPP
Planning and commissioning multi-agency service delivery	West Sussex	CPP
Littlehampton Hub Evaluation - final report	West Sussex	University of Sussex
Worcestershire 'Agency Placement Officer' and 'Placement Team'	Worcestershire	CPP

Key:

PWC – Price Waterhouse Cooper (Consultants)

CPP – Centre for Procurement Performance (DfES)

APPENDIX B: BIBLIOGRAPHY

The following articles, guidance and websites were referred to during the wider review of best practice:

Author	Title	Link
Audit Commission/SSI	Making End Meet - A website for managing the money in social services	http://www.joint-reviews.gov.uk/money/children/4-contents.html
Children Now (magazine) 30 August 2006	Joint commissioning: Routes to a joint approach	http://www.childrennow.co.uk/news/index.cfm?fuseaction=details&UID=964665a2-388e-4fe2-af6f-7bf2c0b46809
Commissioning News (Aug/Sep 2006)	In search of the perfect commissioner	http://www.commissioningnews.com/wp-content/uploads/2006/08/CommNews_August06.pdf
CSCI (2006)	The State of Social Care in England 2005-06	http://www.csci.org.uk/PDF/state_of_social_care.pdf
CSCI (2006)	Safeguarding children: the second joint Chief Inspectors' report on arrangements to safeguard children	www.safeguardingchildren.org.uk
CSCI (2007)	CSCI study into transitions planning	http://www.csci.org.uk/PDF/growing_up_matters.pdf
CSCI (2006)	Relentless optimism: creative commissioning for personalised care	http://www.csci.org.uk/about_csci/publications/relentless_optimism.aspx
DCLG (2006)	Strong and prosperous communities - The Local Government White Paper	http://www.communities.gov.uk/index.asp?id=1503999
DfES/ Pricewaterhouse Coopers (2006)	Industry techniques and inspiration for commissioners	http://changeagentteam.org.uk/_library/docs/BetterCommissioning/Publications/Industry_techniques_inspirationforCommissioners.pdf
DfES/ Pricewaterhouse Coopers (2006)	DfES children's services: overarching report on children's services markets	http://www.dfes.gov.uk/research/data/uploads/files/RW76.pdf
Department of Health (2007)	Commissioning Framework for Health and Well-Being	http://www.dh.gov.uk/PublicationsAndStatistics/Publications/PublicationsPolicyAndGuidance/PublicationsPolicyAndGuidanceArticle/fs/en?CONTENT_ID=4143857&chk=qj0MmR

Author	Title	Link
EMIE	Commissioning for children's services.	http://www.nfer.ac.uk/emie/content.asp?id_Category=158&id_Content=2066&level=1
Guardian Social Care Supplement 19 October 2005	Social care: Service reform not yet in tune	http://society.guardian.co.uk/socialcare/story/0,,1594885,00.html
Institute of Public Care, Oxford Brooks University	Generic news/research on children's services (including commissioning)	http://ipc.brookes.ac.uk/news.htm#news7
Institute of Public Care/ Welsh Social Services Improvement Agency (2007)	The role of commissioning in improving services to children in need	http://www.ssiacymru.org.uk/betteroutcomes
NCH (2004)	Commissioning Children's Services and the role of the Voluntary and Community Sector	http://nch.org.uk/uploads/documents/VCS_Commissioning_report.pdf
NFER (2006)	Commissioning and resourcing in Children and Young People's Plans	http://www.nfer.ac.uk/emie/content.asp?id_Category=327&id_Content=3360&level=1
Skills for Care & Development	National Occupational Standards	http://www.cwdcouncil.org.uk/projects/nos_cpc.htm
Suzanne Regan, Lancashire University	'Improving outcomes' – Research Informed Commissioning	http://www.lums.lancs.ac.uk/files/ccips/7066/download/
Suzanne Regan, Lancashire University (2007)	Summary of Lancaster University's applied practice research and other activities with direct applications to commissioning activity	N/A
Clive Sellick (2005)	Opportunities and risks: Models of good practice in commissioning foster care	In the British Journal of Social Work (2005) 35, p1-15
University of East Anglia (2007)	Findings from the National Evaluation of Children's Trust Pathfinders – Research Brief	http://www.everychildmatters.gov.uk/strategy/childrenstrustpathfinders/nationalevaluation/
University of East Anglia (2007)	National Evaluation of Children's Trust Pathfinders – Final Report	http://www.everychildmatters.gov.uk/strategy/childrenstrustpathfinders/nationalevaluation/
Wales Social Services Improvement Agency	An All Wales Approach To Commissioning Children's Services	http://www.allwalesunit.gov.uk/index.cfm?articleid=332