



## Needs Analysis, Commissioning and Procurement for Housing-Related Support

**A resource for housing-related support, social care, and health  
commissioners**



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# Section 1

## Introduction

This guide is intended for an audience of local authorities and their partners. It is particularly aimed at commissioners of housing-related support, adult services, health, and probation projects. It will also be relevant to corporate procurement teams, voluntary, user, and community groups and providers of housing-related support for information.

The Supporting People programme represents, at £1.68bn, a sizeable investment by government in preventative services. The introduction of Supporting People placed local authorities in a central commissioning and procurement role for housing-related support, bringing together commissioners from housing-related support, health, social care, and probation into the Supporting People Commissioning Body (CB). In some areas this was the first time such a body had been constituted. In most authorities it introduced a formal commissioning and contracting process to the provision of housing-related support for the first time.

This guide describes the cycles of needs analysis, commissioning, and procurement when applied to housing-related support, and links to the processes used in social care and health commissioning. It is not intended to be a guide to the law as it relates to any of the subjects discussed here. It:

- describes techniques for the successful, robust assessment of needs in a local area and analysis of the gap between needs and current provision
- provides a definition of commissioning and the commissioning cycle, and provides a model of the cycle which incorporates the most relevant elements of the cycles used in Health, Adult Social Care, and Probation
- sets out a number of options for using the cycle and formulating a commissioning strategy
- links the commissioning cycle to the procurement process
- includes a number of practical successful examples of joint working; both cross-sector and cross-area, including joint client assessment systems, information sharing and outcome monitoring.

It will show that improving the effectiveness of spending on housing-related support depends on the commissioning and re-commissioning of services which:

- demonstrably meet a local need, as measured by a robust joint needs assessment

- are integrated into the strategic vision for the local area through the Local Area Agreement and the Sustainable Community Strategy
- link to the Health & Well-being Strategy, the Strategic Housing and Homelessness Strategies
- can demonstrate positive outcomes, contributing to the aims of the LAA and delivery across a wide range of indicators in the local government performance framework
- as far as possible prevent users from needing further and more intensive use of health and care services and the criminal justice system
- are joined up to existing and planned Housing, Health, Social Care, worklessness, and Criminal Justice services
- provide a good quality service which shows the best possible value for money; both in terms of the relationship between cost and outcomes, and when compared to other similar services.

Most important will be the examples in the pack. They will show the extent to which integration of the housing-related support commissioning cycle and commissioning strategy with those of other sectors; in particular Health, Probation and Social Care, will benefit practitioners, commissioners, and, most of all, service users.

# Section 2

## Definitions

It is useful to give working definitions of the principal terms used in this pack:

### Needs Analysis

The systematic method for reviewing the health, wellbeing, and housing-related support issues facing a population, in particular excluded and hard to reach groups. This leads to a gap analysis and agreed commissioning priorities that will improve outcomes and reduce inequalities over a period, usually between three and five years. There is a recently introduced requirement<sup>1</sup> for local authorities with social services responsibilities to carry out a Joint Strategic Needs Assessment (JSNA), between Adult and Children's services and the PCT, from April 2008. The Secretary of State for Health has the power to direct the preparation of further JSNAs subsequently.

### Commissioning

Commissioning refers to a series of interlinked processes, based on a robust analysis of needs in a defined area, that enable the purchasing of services that vulnerable people need in a timely, efficient and acceptable manner, at a quality and affordable price that meets stated minimum requirements. It involves developing policy, service models and delivery capability to meet the identified needs in the most appropriate and cost effective way; and then managing performance and seeking service improvement through parallel management of various relationships with providers and commissioning partners.

### Procurement

Within the context of a broader commissioning plan, procurement is the process involved in identifying and selecting a provider of goods or services.

<sup>1</sup> Local Government & Public Involvement in Health Act 2007 s.116

# Section 3

## Policy Context

The government's policy aim is to improve both the standards of services and outcomes for service users and at the same time make these services more cost effective and integrated. Since its inception, Supporting People has played a significant part in promoting effective local networks with the same aims. Given the positive example of the Commissioning Body structure there is an impetus, in terms of quality of delivery, joint working, efficiencies, and the success of the Local Area Agreement (LAA), for the commissioning of services to be further integrated.

The policy emphasis on prevention and a stronger focus on commissioning more strategically in the NHS and Adult Services is matched by a similar emphasis in the commissioning of services for socially excluded groups such as homeless people, offenders, and teen parents. This means that housing-related support can have a central place in the joint commissioning of future services. For a Health and Social Care perspective on prevention, strategic commissioning, and joint commissioning refer to *Commissioning housing-related support for health and well-being*, (CSIP and Communities and Local Government 2008).

Central government has set out its priorities in 30 new Public Service Agreements (PSAs) and the Departmental Strategic Objectives for the Comprehensive Spending Review (CSR) 2007 period:

- the total number of National Indicator Set (NIS) indicators against which local government performance will be measured has been reduced from around 1,200 to 198.
- the number of improvement priorities agreed between the Local Strategic Partnership (LSP) and Government, as set out in the Local Area Agreement (LAA) is limited to 35 plus 18 statutory education and early years targets.
- housing-related support contributes to the successful delivery of six of the PSAs, two of the national indicators are linked directly to outcomes of housing-related support, and there are more than twenty to which housing-related support contributes.
- the NHS Operating Framework for 2008-09 includes Vital Signs, the measures of progress against national NHS priorities.
- thirteen of the national indicators to which housing-related support contributes are the same as the Vital Signs indicators; housing-related support therefore

plays an important part in linking with the health priorities to ensure the success of the LAA. A table setting out the national indicators which link to housing-related support and the overlaps with Vital Signs is at Appendix A.

- the new performance framework gives local authorities, working alongside partners from other sectors in LSPs, a key role in coordinating and improving the delivery of local public services, and agreeing with central government through regional Government Offices the priority improvement targets that will form the basis of the LAA.

Addressing the challenges of improving the delivery of local public services and delivering better value for money will require LSPs to take a new approach to:

- delivery, that sees local authorities continuing to lead their communities by effective partnership working; increasingly working across boundaries in collaboration with other local authorities and partnerships to deliver better, more efficient services
- devolution and co-ordination of improvement and efficiency support, that sees resources used in the most effective and efficient way to support key priorities agreed through the LAA
- performance assessment and inspection, through the Comprehensive Area Assessment, currently being developed jointly by the Inspectorates. This will be area based, outcomes focused, put the views of local people at the centre, particularly where circumstances might make them vulnerable, and reduce the overall burden of inspection and regulation on localities. It will create more space for local authorities and partners to develop innovative solutions to local challenges.

## Improvement architecture

The National Improvement & Efficiency Strategy (NIES), published in January 2008, sets out the way in which performance, improvement, and efficiency are being integrated across central and local government to address the new priorities for local government. This process, which will deliver local strategic priorities through the LAA, encourages smarter, outcome driven, and focussed commissioning and contracting, through joined up partnership working across sectors and geographic areas. A central plank of the NIES is that local and central government can make more effective use of resources to support improvement if there are clear priorities.

Local authorities will be supported at a regional level by the Regional Improvement and Efficiency Partnerships (RIEPs) and Government Offices (GOs) to adopt strategies that can improve outcomes and efficiency across whole systems, in contrast to focussing on the activities of single organisations. The RIEPs provide a framework of support, challenge, and

encouragement for locally driven and prioritised improvement and efficiency work. The structure allows more effective use of resources, providing stronger administrative support for regional improvement, and, importantly, providing a single point of access for local authorities and their partners.

RIEPs are currently issuing their Regional Improvement and Efficiency Strategies, which identify key areas where efficiencies and improvement are expected to be delivered.

## Area Based Grant

The national Supporting People strategy *Independence and Opportunity* issued in June 2007, among other themes, signalled the expectation that authorities be ready for their Supporting People programme grant to be delivered through the non-ringfenced Area Based Grant (ABG) from April 2009 (delivery through ABG is subject to an evaluation of a number of Pathfinders in 2008-09 who are testing the impact of delivery in a non-ringfenced setting).

The new style LAAs break the link between non-ringfenced funding and LAA targets, so the delivery of the Supporting People programme grant through the ABG does not mean that it can only be used to fund LAA priorities. Rather ABG should be considered alongside all local funding when considering how best to invest resources to meet local needs and priorities.

## LSP governance

The LSP is made up of representatives from local authorities, the health service, the police & criminal justice, education & training, the voluntary sector & community organisations<sup>2</sup>.

It will agree targeted local priorities of up to 35 improvement targets from the NIS, which should be a response to robustly researched and evidenced local needs. It is the forum for bringing together authorities and their partners to decide on the priorities for the area, which are set out in the Sustainable Community Strategy, and the LAA provides the mechanism for delivering them. Strategic decisions on the allocation of resources to support improvement must take account of priorities arising from the LAA process. Therefore housing-related support teams should make sure that they are engaged in the process to ensure that housing-related support priorities are aligned as much as possible with those of the Sustainable Community Strategy. They should also make sure that there is an understanding of how housing-related support can help deliver a range of local priorities.

<sup>2</sup> Local Government and Public Involvement in Health Act 2007 part 5, and *Creating Strong, Safe and Prosperous Communities Statutory Guidance*, Communities and Local Government, 2007.

A model for the LSP structure already exists in the governance framework of housing-related support; the Commissioning Body is a good model for the LSP, as in the model adopted by LB Lambeth. Their experience has been that the partnerships established in the Commissioning Body are proving invaluable for the success of the LAA.

Housing-related support teams should be consulting their commissioning partners and considering areas for joint projects based on local priorities as expressed in the LAA targets now.

The Local Government & Public Involvement in Health Act 2007 s.116 introduced the requirement for top-tier local authorities to carry out a Joint Strategic Needs Assessment, between adult and children's services and the PCT, from April 2008. Housing-related support teams should have experience of carrying out a joint needs analysis during the preparation for their local strategies, and can build on their existing networks of contacts with commissioners and practitioners in housing-related support, Social Care and Health, to help facilitate a robust joint needs assessment.

## Local performance framework

As part of the local performance framework, Communities and Local Government has published a consultation draft for the statutory guidance on best value and commissioning<sup>3</sup>. This provides the key policy messages about commissioning and the link to the wider performance framework.

## Policy and legislation

- *Local Government & Public Involvement in Health Act 2007* s.116. [www.opsi.gov.uk/acts/acts2007/ukpga\\_20070028\\_en\\_1](http://www.opsi.gov.uk/acts/acts2007/ukpga_20070028_en_1)
- The *Our health, our care, our say* White Paper sets out a vision to provide people with good quality social care and NHS services in the communities where they live. [www.dh.gov.uk/en/Healthcare/Ourhealthourcareoursay/index.htm](http://www.dh.gov.uk/en/Healthcare/Ourhealthourcareoursay/index.htm)
- HM Government, *The case for change – Why England needs a new care and support system*. [www.careandsupport.direct.gov.uk](http://www.careandsupport.direct.gov.uk)
- *The Commissioning framework for health and well-being*; sets out the eight steps that health and social care should take in partnership to commission more effectively. [www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_072604](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_072604)

<sup>3</sup> *Creating Prosperous Communities Statutory Guidance: draft for consultation*, Communities and Local Government, November 2007. Consultation closed on 12th February 2008.

- Department of Health guidance on the JSNA  
[www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_081097](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_081097)
- Central government policy on procurement, incorporating European Union principles & directives on procurement: Office of Government Commerce  
[www.ogc.gov.uk/index.asp](http://www.ogc.gov.uk/index.asp)
- Central government policy on working with Voluntary and Community Sector, central & local Compacts and full cost recovery: Cabinet Office/Office of the Third Sector [www.cabinetoffice.gov.uk/third\\_sector/about\\_us.aspx](http://www.cabinetoffice.gov.uk/third_sector/about_us.aspx)
- *Partnership in Public Services: An action plan for third sector involvement:* Cabinet Office/Office of the Third Sector, December 2006  
[www.cabinetoffice.gov.uk/third\\_sector/public\\_services/public\\_service\\_delivery.aspx](http://www.cabinetoffice.gov.uk/third_sector/public_services/public_service_delivery.aspx)
- *National Programme for Third Sector Commissioning:* Cabinet Office/Office of the Third Sector  
[www.cabinetoffice.gov.uk/third\\_sector/public\\_services/commissioning.aspx](http://www.cabinetoffice.gov.uk/third_sector/public_services/commissioning.aspx)
- *National Improvement & Efficiency Strategy:* Communities and Local Government, January 2008  
[www.communities.gov.uk/publications/localgovernment/efficiency](http://www.communities.gov.uk/publications/localgovernment/efficiency)
- *The National Procurement Strategy for Local Government:* Communities and Local Government, April 2008  
[www.communities.gov.uk/publications/localgovernment/procurementstrategy](http://www.communities.gov.uk/publications/localgovernment/procurementstrategy)
- *National Commissioning and Partnership Framework 2008-09:* National Offender Management Service, February 2008  
[http://noms.justice.gov.uk/news-publications-events/publications/strategy/NCPF\\_0809?view=Binary](http://noms.justice.gov.uk/news-publications-events/publications/strategy/NCPF_0809?view=Binary)
- *Third Sector Action Plan:* National Offender Management Service, April 2008  
[http://noms.justice.gov.uk/news-publications-events/publications/consultations/BWC\\_third\\_sector\\_08/Third\\_Sector\\_AP\\_consultation\\_doc?view=Binary](http://noms.justice.gov.uk/news-publications-events/publications/consultations/BWC_third_sector_08/Third_Sector_AP_consultation_doc?view=Binary)
- *Strong and Prosperous Communities:* The Local Government White Paper  
[www.communities.gov.uk/publications/localgovernment/strongprosperous](http://www.communities.gov.uk/publications/localgovernment/strongprosperous)
- *The Supporting People Strategy*  
[www.spkweb.org.uk/Subjects/Supporting+People+Strategy+-+CLG/Independence+and+Opportunity+our+Strategy+for+Supporting+People.htm](http://www.spkweb.org.uk/Subjects/Supporting+People+Strategy+-+CLG/Independence+and+Opportunity+our+Strategy+for+Supporting+People.htm)
- *Lifetime Homes, Lifetime Neighbourhoods: A National Strategy for Housing in an Ageing Society*  
[www.communities.gov.uk/publications/housing/lifetimehomesneighbourhoods](http://www.communities.gov.uk/publications/housing/lifetimehomesneighbourhoods)
- The World Class Commissioning Programme  
[www.dh.gov.uk/en/Managing\\_yourorganisation/Commissioning/Worldclasscommissioning/index.htm](http://www.dh.gov.uk/en/Managing_yourorganisation/Commissioning/Worldclasscommissioning/index.htm)
- *The Department for Work and Pensions Commissioning Strategy*  
[www.dwp.gov.uk/supplyingdwp/news/](http://www.dwp.gov.uk/supplyingdwp/news/)

# Section 4

## Needs Analysis

In 2006, the Department of Health White Paper *Our health, our care, our say* set out a new direction for improving the health and wellbeing of the population in order to achieve:

- better prevention and early intervention for improved health, independence and wellbeing
- more choice and a stronger voice for individuals and communities
- improved tackling of inequalities and improving access to services
- more support for people with long term needs.

Later that year the Local Government White Paper, *Strong and prosperous communities*, outlined a vision of responsive services and empowered communities delivered through a better understanding of local needs and priorities.

*Our health, our care, our say* identified the need for Directors of Public Health, Adult Social Services and Children's Services to undertake regular strategic needs assessments of the health and wellbeing status of their populations, enabling local services to plan both short and medium term objectives.

The Local Government Act 2000 s4 places a duty on upper tier local authorities to prepare a Sustainable Community Strategy and LAA in consultation with others. The Act also places a duty on upper-tier local authorities and PCTs to produce a JSNA. The draft statutory guidance accompanying the Act positions the JSNA as underpinning the Sustainable Community Strategy. The guidance emphasises that the JSNA should be taken into account by the local authority and its partners in preparing the Sustainable Community Strategy and therefore the LAA.

The Joint Strategic Needs Assessment:

- describes a process that identifies current and future health and wellbeing needs in light of existing services, and informs future service planning taking into account evidence of effectiveness
- identifies "the big picture" in terms of the health and wellbeing needs and inequalities of a local population

- is an essential tool for commissioners to inform service planning and commissioning strategies by identifying groups where needs are not being met and that are experiencing poor outcomes
- is a systematic method for reviewing the health and wellbeing needs of a population, leading to agreed commissioning priorities that will improve health and wellbeing outcomes and reduce inequalities.

Building on the new duty placed upon local authorities and PCTs and commencing 1 April 2008, the key focus of JSNA includes:

- understanding the current and future health and wellbeing needs of the population over both the short term (three to five years) to inform Local Area Agreements, and the longer term future (five to ten years) to inform strategic planning
- commissioning services and interventions that will achieve better health and wellbeing outcomes and reduce inequalities. In particular, JSNA will address those outcomes described in both the National Indicator Set for local authorities and local authority partnerships, and Vital Signs.

The JSNA process will be underpinned by partnership working; it will be undertaken by Directors of Public Health, Adult Social Services and Children's Services working in collaboration with Directors of Commissioning and housing-related support teams.

The JSNA is a continuous process. All contributors should engage with each other throughout and refine their analyses as part of this ongoing process. Each JSNA will be unique and will reflect local circumstances, leading to more detailed analyses of the issues identified. The published findings of the JSNA will be a concise summary of the main health and wellbeing needs of a community as opposed to a large, technical document.

This is a good opportunity for housing-related support teams to take part, as they should have experience of joined up needs analysis in the course of preparation for their local strategies. In any case, they will have made networks of contacts with commissioners and practitioners in housing-related support, social care and health, these networks will be invaluable to facilitate a robust joint needs assessment. However, the key is the importance of integrated needs analysis and the opportunities to combine process and integrate systems. The lead and details of the framework will be different in each case, and while the JSNA is not the only reason to carry out an analysis of the need for housing-related support, involvement in the JSNA process is a good opportunity for housing-related support teams to ensure that Adult Social Care and PCT colleagues recognise the contribution that housing-related support can make to the prevention agenda.

## Existing good practice in needs analysis

A number of Supporting People authorities carried out a needs analysis in 2004-05 to provide data for their Supporting People strategies. The methodology differed, but there are a number of similarities in approach which can be reproduced elsewhere.

The essential elements are:

- the national and local strategic context – this sets out national policies and initiatives relevant to each client group and how Supporting People can help to realise them
- a needs assessment that measures the incidence and prevalence of need for housing-related support – this brings together available information on national and local need, projections of local need based on national trends, and provides an indication of the relative need within the authority's area compared to levels elsewhere
- a triangulation of the needs assessment which compares locally gathered statistics, from homelessness and community care assessments for example, and consultation with as wide a range of stakeholders as possible, including actual and prospective service users
- information on current supply – information on the supply of Supporting People funded services within the area and their links to other services. The commentary should consider the type, mix and use of supply as well as quantity
- relative supply – this sets out the amount of supply relative to national, regional and sub-regional averages and explains reasons for any disparities
- balance of supply/demand – this should compare the two and summarise the main issues arising from the gap analysis
- recommendations (supply) – a summary of recommendations for altering supply, by how much and any estimate of the costs
- recommendations (other) – covering a wide range of other issues, from referral mechanisms, opportunities for cross-boundary and cross-disciplinary working, improving the evidence-base etc.

It is important to emphasise that there might be relatively limited data on the needs of people requiring housing with support. Therefore it will be difficult to triangulate the data. Since there is no statutory requirement to carry out such an assessment, existing data (Housing, Homelessness, Health, Social Care etc) will have been collected for a specific reason and may not reflect specific requirements in this area. However, by consulting as wide a range of stakeholders as possible and applying relatively new data, such as the Supporting People outcomes data, an accurate picture can be obtained. Qualitative as well as quantitative research is usually required.

# Section 5

## Commissioning

There are a number of slightly differing definitions of commissioning across Health, Adult Services, Criminal Justice, and housing-related support, but the significant elements are similar or the same.

This section looks at commissioning from a number of different perspectives. As there are recurring principles that are common to all, it sets out the key points and underlying principles and gives individual authorities the opportunity to apply the principles to local conditions. It is important to maintain a vision of the commissioning outcomes required for housing-related support and to link them to the area's wider commissioning structures.

As previously stated, commissioning refers to a series of interlinked processes, based on a robust analysis of needs in a defined area and the capacity in local housing, care and support economies, that enable the purchasing of services and/or market development that people need in a timely, efficient and acceptable manner, at a quality and affordable price that meets stated minimum requirements.

Commissioning is at the very heart of planning and providing effective social care and housing-related support. It is the process by which local authorities decide how to spend their money to get the best possible services for local people. Councillors, managers and staff at all levels, service users and carers, statutory agencies and service providers in the independent sector should all contribute to this process.

Commissioning is about enhancing the quality of life of service users and their carers by:

- having the vision and commitment to improve services
- connecting with the needs and aspirations of service users and carers
- making the best use of all available resources
- understanding demand and supply
- linking financial planning and service planning
- making relationships and working in partnership.

Joint commissioning has to be based on:

- **a common set of values** and desired outcomes that respect and encompass the full diversity of individuals' differences

- **an understanding of the needs** and preferences of present and potential future service users and their carers
- **a comprehensive mapping** of existing services
- **a vision** of how local needs may be better met
- **a strategic framework** for procuring all services within determined guidelines
- **bringing together** all relevant data on finance, activity and outcomes
- **an ongoing dialogue** with service users and carers and service providers in all sectors
- **effective systems** for implementing service changes, whether of in-house or independent sector services
- **an evidence-based approach** which continuously evaluates services with a view to achieving measurably better outcomes for service users and their carers
- **an improving alignment** with the way that health and social care services are commissioned, particularly when commissioning across communities
- **alignment** with the principles of World Class Commissioning.

As part of the local performance framework, the Department has published a consultation draft for the statutory guidance on best value and commissioning<sup>4</sup>. This provides the key policy messages about commissioning and the link to the wider performance framework. The messages are that:

- Local Strategic Partnerships should regard themselves as strategic commissioners, turning their Sustainable Community Strategies, Health & Well-being Strategies and Local Area Agreements into reality
- commissioning is the means by which local authorities achieve positive outcomes for local communities and best value for citizens. This is determined through an active dialogue with local people and stakeholders
- local authorities should separate their commissioning and delivery roles so that they are able to champion the interests of citizens in the former and to promote service improvement in the latter
- people and places should be at the heart of commissioning, with users and communities involved at all stages of commissioning. Such involvement should deepen to the extent that local communities become co-producers of the services and outcomes they want to see

<sup>4</sup> *Creating Prosperous Communities Statutory Guidance: draft for consultation*, Communities and Local Government, November 2007. Consultation closed on 12 February 2008.

- local authorities should recognise and embrace diversity in the way services are provided by focusing on outcomes. There should be a positive approach to achieving a mixed economy of services in a geographical or interest area
- local authorities should represent the interests of citizens and service users when faced with under-performing services and where improvement is unlikely, seek new supply arrangements
- local authorities should be sensitive towards the capacity of both small and medium enterprises and their counterparts in the Third Sector.

The underlying principle in current national policy across the public sector is the allocation of resources to achieve improved outcomes for communities and individuals. To achieve the best possible outcomes services must respond to needs in ways that reflect the everyday lives of individuals. This has led to policies that require separate organisations (and services within organisations) to co-operate in service commissioning and delivery.

From April 2009 public sector performance will be assessed through a single Comprehensive Area Assessment (CAA) that will include how effectively resources have been invested and the extent to which improved outcomes for service users have been achieved. National policy emphasises the need for joint commissioning between local government, Health and other bodies with an interest in planning, funding and providing services.

In addition, a number of initiatives aim to improve vision, process and practice in commissioning in related areas:

- Communities and Local Government will publish statutory guidance on commissioning and the link to the wider performance framework in summer 2008
- The Department of Health launched the World Class Commissioning programme in December 2007. The programme will transform the way health and care services are commissioned by delivering a more strategic and long-term approach to commissioning services, with a clear focus on delivering improved health outcomes. The vision and competencies challenge PCTs to significantly develop their commissioning capability in order to achieve improved health and well-being outcomes for their local community. Clearly this end cannot be attained in full unless there are close and productive relationships with other key partners. One of the most crucial of these is local government
- A recent Audit Commission report<sup>5</sup> advises local authorities to work within the principles of 'Intelligent Commissioning' when commissioning from the Third Sector. Intelligent Commissioning is defined by the Audit Commission as:

<sup>5</sup> *Hearts & Minds: commissioning from the voluntary sector*, Audit Commission, 2007.

- a sound understanding of user needs
- a well-developed understanding and management of markets
- good procurement practice, which comprises:
  - the choice of funding approach (grant or contract)
  - the process prior to awarding the grant or contract
  - the basis for determining price
  - post award, the effective management of the working relationship.
- The Audit Commission has published its overall approach and key lines of enquiry<sup>6</sup> to, amongst other issues, assessing the commissioning capability of local authorities, specifically whether local authorities “...commission and procure quality services that are sustainable, tailored to local needs and deliver better outcomes and value for money.” This addresses in particular whether:
  - commissioning is shaped by [the local authority's] priorities and a good analysis and understanding of local need
  - commissioning includes local people, partners and suppliers in the design of services and the appraisal of options
  - the local authority understands the supplier market and seeks to influence and develop the market including building capacity of the third sector
  - the local authority evaluates different options to choose the best way of delivering goods and services that are sustainable and provide value for money.
- The Audit Commission National Report on Supporting People (2005) found that: “The Supporting People programme has delivered major improvements to the number and quality of housing-related support services available for vulnerable people. ...inspections show that overall it has led to:
  - a greater focus on users and carers
  - more attention to value for money
  - improvements to service quality and the range of local services
  - a new impetus to tackling some long-standing concerns
  - local partners working together more effectively, with a better understanding of local needs.”

<sup>6</sup> Use of Resources 2008-09, Overall approach and key lines of enquiry, Audit Commission, May 2008.

- The National Programme for Third Sector Commissioning was announced in *Partnership in Public Services: an action plan for Third Sector involvement*, published by the Cabinet Office in December 2006. The Programme is hosted by the Improvement and Development Agency (IDeA) on behalf of the Office for the Third Sector (OTS).
  - The Programme's vision is to bring about; "*better public outcomes for individuals and communities, which yield efficiency gains and community benefits, through smarter, more effective and innovative commissioning, and optimal involvement of the third sector in public service design, improvement and delivery and holding the public sector to account.*"

The action plan sets out eight principles for good commissioning

1. Understanding the needs of users and other communities by ensuring that, alongside other consultees, you engage with Third Sector organisations as advocates to access their specialist knowledge
2. Consulting potential provider organisations, including those from the Third Sector and local experts, well in advance of commissioning new services, working with them to set priority outcomes for that service
3. Putting outcomes for users at the heart of the strategic planning process
4. Mapping the fullest practical range of providers with a view to understanding the contribution they could make to delivering those outcomes
5. Considering investing in the capacity of the provider base, particularly those working with hard to reach groups
6. Ensuring that contracting processes are transparent and fair, facilitating the involvement of the broadest range of suppliers, including considering sub-contracting and consortia building, where appropriate
7. Ensuring long-term contracts and risk sharing, wherever appropriate, as ways of achieving efficiency and effectiveness
8. Seeking feedback from service users, communities and providers in order to review the effectiveness of the commissioning process in meeting local needs.

The programme also calls for:

- commissioners to be better skilled in commissioning from the Third Sector and a consistent approach to commissioning with the needs of the third sector at its heart

- significant improvements in procurement practice, with three-year grant funding the norm, fewer burdens and new opportunities for the Third Sector to access contracts and demonstrate their added value
- help for the Third Sector to innovate and support for the best of Third Sector innovation.
- The National Offender Management Service National Commissioning and Partnership Framework<sup>7</sup>, sets out the:
  - high level intentions and priorities and how provider performance will be assessed
  - new arrangements for allocating resources in 2008-09
  - the business and relationship environment within which regional and local commissioning decisions and negotiations will take place, including roles and responsibilities at the various levels
  - the need for provision of a diversity of services to meet the needs of offenders from every background (the right service for the right offender at the right time)
  - relevant links to wider policy areas.
- The Department for Work and Pensions Commissioning Strategy<sup>8</sup>, includes, under the heading 'Market development & stewardship', a commitment to 'play an active and transparent role to ensure that smaller, local providers, who have the capabilities we need and who perform well, can flourish and develop.'

## The Third Sector

The Supporting People programme in each locality commissions substantial preventive services with the majority of services provided by Third Sector organisations (voluntary and community organisations, charities, social enterprises, cooperatives, mutuals and housing associations). The total value of housing-related support contracts with Third Sector organisations is approximately £1bn annually. This represents 65 per cent of total funding, and represents the largest domestic revenue investment by government in the Third Sector. Joint commissioning of preventative services, in the majority of cases, means commissioning from Third Sector organisations, and commissioners should have a good knowledge of the capacity, strengths, and weaknesses of the organisations in their area. They should also be familiar with the guidance and advice on commissioning and procurement from the Office of the Third Sector, the Audit Commission, and provider organisations such as SITRA and The Housing Associations' Charitable Trust (hact).

<sup>7</sup> National Offender Management Service National Commissioning and Partnership Framework, February 2008.

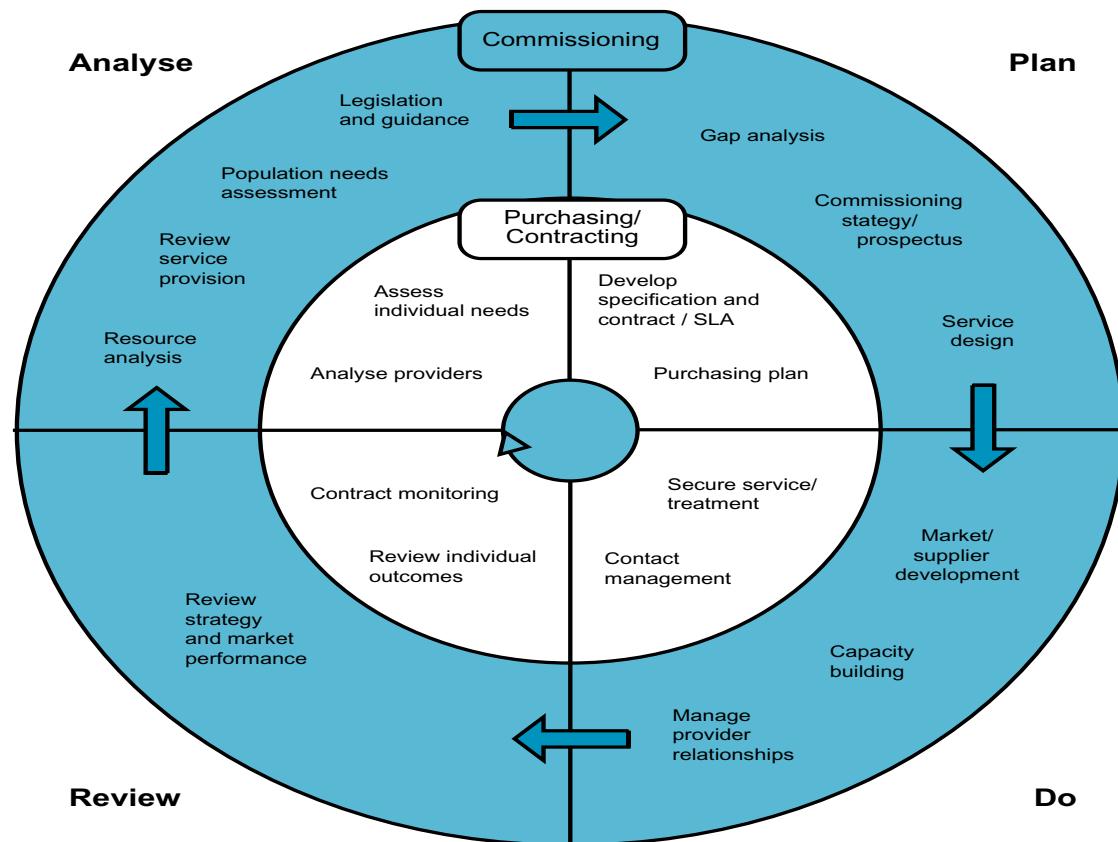
<sup>8</sup> DWP Commissioning Strategy (February 2008).

*Partnership in Public Services – an action plan for third sector involvement*, supports commitment to:

- invest in the skills of the 2,000 most significant commissioners for the third sector
- develop a National Programme for Third Sector Commissioning. This will provide targeted support across commissioning agencies to build the skills and knowledge necessary to involve the third sector
- improve commissioning from the third sector by committing itself to the eight principles of good commissioning
- create a cross-government forum to align the development of departmental commissioning frameworks that reflect these principles
- drive continuous improvement under Compact principles. The Commissioner for the Compact will be a strong independent voice for the third sector on commissioning and procurement practice.

## The commissioning cycle

The diagram below shows a version of the commissioning cycle which will be familiar to those working in health, adult social care and housing-related support. It links the commissioning cycle to the procurement cycle so that, although they are clearly separate processes, the links between them can be appreciated.



This cycle is set within a Plan, Do, Study, Act improvement framework. It is important to analyse, evaluate, and consider whether to alter the actions at all stages of the cycle.

### Analyse

- Undertake needs analysis
- Clarify the priorities
- Map and review services
- Identify the resources currently available
- Analyse the risks involved in implementing change and/or continuing with the status quo

### Plan

- Identify the gaps between what is needed and what is available, and plan how these gaps will be addressed –
- Undertake a gap analysis to review the whole system
- Design services to meet needs
- Write a commissioning strategy which identifies clear service development priorities and specific targets for their achievement

### Do

- Ensure services needed are delivered as planned, in ways which efficiently and effectively deliver the priorities and targets set out in the commissioning strategy
- Make arrangements to ensure service quality, including identifying the quality assurance criteria that should be included in contracts
- Commission new services and de-commission services that do not meet the needs of the population

### Review

- Monitor the impact of services and analyse the extent to which they have achieved the intended purpose
- Develop systems to bring together relevant data on finance, activity and outcomes
- Analyse any changes in population need and review the overall impact of services
- Identify revisions needed to the strategic priorities and targets

It is essential that all parties feel comfortable with the process. Other approaches are used in different contexts, so the most appropriate model may be the one that partners are most familiar with.

## Service users and carers-engagement and involvement

Service users, both past and current, and their carers, are a vital part of the process of designing services. Many commissioners and providers have established a robust user and carer consultation framework, which, among other functions, provides a way of challenging and 'reality checking' plans for future development. Where commissioners' networks are not robust or representative they should make contacts with providers and connect to existing users and carers organisations.

To fully and usefully integrate service users and carers into the process of commissioning and development they must be completely involved in the process and have all the information they need to advise on future development. For this to happen service users and carers should be fully informed and consulted at every stage of the process, from the initial needs assessment to the selection of service provider. Commissioners should also be aware that neighbours and representative or membership organisations should also be involved in the consultation process.

## Market management

Market management describes the process of strategic interaction with service providers with the intention of achieving commissioning goals in partnership. It can be a useful and effective precursor to a non-competitive negotiation process. Housing-related support teams will already be in regular contact and dialogue with service providers, market management focuses that dialogue and, on one hand, enables commissioners to work towards their goals, and on the other it promotes joint working and understanding.

## Joint working

Housing-related support teams and their partners should be aware of the work that is being done on joint commissioning in a number of areas.

The Health Act 2000 gave commissioners flexibilities and powers to use their budgets jointly to promote greater integration of services and improved outcomes. Summarised below are three approaches that can be used.

- **Pooled budgets**

Given the overlapping interests of health and local government in this area, there are strong arguments for pooling budgets that have been used by social services and PCTs to fund services that come within the definition of housing-related support.

In addition social services and PCTs might divert funds out of existing services and into housing-related support. For example, money previously used to commission residential intermediate care might be allocated towards floating support for high-risk owner-occupiers to reduce the risk of falls and social isolation. Advice on implementing pooled budgets is available on the Integrated Care Network website, see [www.icn.csip.org/personalisation](http://www.icn.csip.org/personalisation)

- **Lead commissioning**

Given the local authority experience of Supporting People and housing services in general, a PCT might decide to devolve the commissioning role to the local authority using a pooled budget.

- **Budget alignment**

As an alternative to, or a step towards pooled budgets, it is possible for PCTs and social services to develop a single commissioning plan and agree to use their funds in a co-ordinated way to commission a coherent set of services between them.

Joint steering groups with a wider membership can ensure that all relevant perspectives are included. For example, the probation services and prison might be part of a service to improve housing options and reduce offending.

Commissioning should provide for a “whole system” approach to developing improved outcomes, which links strategic objectives, the intermediate outcomes required from individual services and specific outputs required from delivery arrangements. It involves developing policy directions, service models and delivery capability to meet those needs in the most appropriate and cost effective way; and then managing performance and seeking service improvement through parallel management of various relationships with providers and commissioning partners. This requires a broad understanding and proper consideration of the full range of possible delivery options, providers and partners through contracting, grants, shaping markets, partnerships, behavioural change and co-production with users existing providers, and local communities, and also highlight the common themes, shared techniques, and positive practice in joint working.

# Section 6

## Examples of Joint Commissioning

Set out below are instances where housing-related support has achieved service improvement as well as value for money. This section complements *Commissioning housing-related support for health and wellbeing*, a joint report by Integrated Care Network at the Care Services Improvement Partnership and Communities and Local Government. Most of the following services have been jointly planned and/or funded and all have the potential to be organised in this way.

### Reducing health costs

#### Salford

##### **Falls reduction**

The Sure Footed in Salford pilot was designed to create more integrated management of falls in older people. The aim was to train housing support staff to identify people at risk of falls and assist with preventive measures. Preventing accidents and reducing emergency hospital admissions were important objectives.

Recruitment to a trial of fall detectors and bed sensors was limited but those who took them up and used them avoided falls during the pilot. The pilot involved Housing/Planning and Community/Social care in the local authority, the PCT, Age Concern and user representatives<sup>9</sup>.

<sup>9</sup> *Evaluation of Supporting People Health Pilots*, September 2006. [www.spkweb.org.uk/NR/rdonlyres/A7BF3C35-A788-4D1B-97DA-7BE28AB91FA1/10026/KeyFindingsSummary.pdf](http://www.spkweb.org.uk/NR/rdonlyres/A7BF3C35-A788-4D1B-97DA-7BE28AB91FA1/10026/KeyFindingsSummary.pdf)

## Facilitating hospital discharge

### Staffordshire

#### Practical support at time of hospital discharge

Age Concern South Staffordshire provides services in seven hospitals, including two in neighbouring authorities. Each year it supports over 3,000 people, almost half of whom are over 80. Its service provides a range of practical supports: shopping, prescription collection, food preparation, heating, cleaning, transport to appointments, home safety checks and remedial work, bill payment and contact with relatives.

It links users to opportunities for social contact and activity and has enabled users to claim over £2million in benefits each year. By addressing not just practical, but also emotional, social and financial needs, the services ensure safe discharge and help to restore confidence, motivation and inclusion. The resulting readmission rate is less than 3 per cent<sup>10</sup>.

### Doncaster

#### Earlier discharge and reduced readmissions

Doncaster – On Track service provided floating support for young people (16-25) with dual diagnosis (mental illness and substance misuse) at risk of being homeless or already homeless. The service aimed to intervene early and maintain contact with service users so that improvements were sustained.

The support workers ensured that people could be discharged from hospital as soon as they were ready, liaising with housing providers to either set up or maintain tenancy arrangements and co-ordinating other services.

Readmission rates fell significantly for those supported. Take up of health and other services increased and people remained engaged with support services in a way that they had not done before. At the end of the pilot period the service was integrated into the Doncaster Dual Diagnosis Strategy.

The service was provided through a voluntary sector housing organisation and commissioned via the Supporting People/Housing services of the local authority in co-operation with the local community mental health team<sup>11</sup>.

<sup>10</sup> *Making Partnerships Work, examples of good practice*, a National Strategic Partnership Forum document published by the Department for Health, March 2007.

<sup>11</sup> *Evaluation of Supporting People Health Pilots*, September 2006.  
[www.spkweb.org.uk/NR/rdonlyres/A7BF3C35-A788-4D1B-97DA-7BE28AB91FA1/10026/KeyFindingsSummary.pdf](http://www.spkweb.org.uk/NR/rdonlyres/A7BF3C35-A788-4D1B-97DA-7BE28AB91FA1/10026/KeyFindingsSummary.pdf)

## Reducing health inequalities

### Northampton

#### **Improving health of sex workers**

Northampton – ‘SWAN NEST’ service meets the accommodation and health needs of sex workers or people at risk of becoming sex workers; 80 per cent of whom were homeless and 90 per cent drug misusers.

The aim was to increase take up of housing-related support and improve access to primary health care and treatment for sexually transmitted infections. The longer term aim was to help individuals leave the sex industry.

A tenancy support worker offered help in gaining and maintaining accommodation and two beds were available for people needing support before gaining a tenancy.

Development work with other agencies led to improved access to short term accommodation (eg night hostels) for sex workers. The service enabled approximately half of the homeless individuals to move to long term housing.

Registration with GPs and the take up of drug treatment increased. The pilot developed through partnership between the PCT, local authority, police, drug services, primary care practice and voluntary sector<sup>12</sup>.

### Lambeth and Southwark

#### **Improving health of people with HIV/AIDS & communication difficulties**

This pilot was to provide support services for people living with HIV/AIDS who were either homeless or at risk of homelessness and who had communication difficulties.

The aim was to make contact with individuals who found it hard to access support, to increase tenancy achievement/sustainment and improve their general health. One objective was to increase numbers registered with GPs.

The service was provided by the Terrence Higgins Trust and commissioned by Southwark and Lambeth councils and Lambeth PCT (commissioning voluntary sector services for Lambeth, Southwark and Lewisham PCTs). The service was able to help people that the traditional Supporting People service had been unable to support effectively.

The outcomes included better self-reported health for 80 per cent of users, take up of antiretroviral medication, new registrations with a GP, new attendance at HIV clinics and effective maintenance of tenancies. The use of a well-established voluntary organisation helped with access into networks of services, lack of stigma and service flexibility<sup>13</sup>.

<sup>12</sup> *ibid*

<sup>13</sup> *ibid*

## Hull

### Support for people with dual diagnosis

In Hull, a new service (Clear View) opened in March 2007. It is delivered in partnership between Hull's Supporting People, Health and Adult Social Services teams and the Drug Action Team in conjunction with the accommodation provider English Churches Housing Group. The service is jointly funded by Adult Social Services, the PCT, Drug Action Team and Supporting People.

The aim is to provide medium term accommodation and support services to people with complex support needs such as drug/alcohol dependency and mental health issues or other complex needs. The service is intended for vulnerable people with chaotic life styles who are committed and motivated to accessing treatment, establishing stability and maintaining a drug free life. Service users live in a safe, supportive environment to enable them to address their individual issues and goals.

The service aims to develop working partnerships with local support agencies, in order to deliver integrated housing support services. The staff team provides a seven day, 24 hour housing and general counselling and support service.

Staff focus on relapse prevention, sustaining / maintaining tenancies and encouraging service users to implement solutions to problems or challenges.

## Camden

### Employment and Mental Health services via primary health care

Covering four GP practices, Jobs in Mind at St James House, Camden, has provided supported employment services since 1999. Most clients have severe and enduring mental health problems, are in receipt of incapacity benefit, and have typically been unemployed for over five years.

The service is based on the well researched Individual Placement Support and Supported Employment Models, as well as rigorous monitoring and evaluation of outcomes with user involvement. It uses a structured person centred approach to assessment, action planning, support, review and care management.

This enables clients to choose, reach and maintain vocational outcomes. Last year the service supported 22 per cent of its clients into paid employment, 24 per cent into voluntary work and 27 per cent into education and training<sup>14</sup>.

<sup>14</sup> *Making Partnerships Work, examples of good practice*, a National Strategic Partnership Forum document published by the Department for Health, March 2007.

## Moving out of residential care into ordinary housing

### Adaptations – Improved quality of life and reduced costs

For a seriously disabled wheelchair user, the cost of residential care is £700-£800 a week – £400,000 in 10 years. In a London borough, two wheelchair users were able, after the adaptation of suitable properties, to leave residential care placements that had been costing the local authority a total of £72,800 per year.

This will achieve savings of over £30,000 per year for each of them after the first year. One or two similar cases per housing authority would produce savings in England of £10m annually, growing incrementally each year<sup>15</sup>.

### Equipment enabling people to live at home

A social services authority, by spending £37,000 on equipment, was able to achieve savings of £4,900 per week in respect of residential care for 10 people. The outlay was recouped in less than eight weeks<sup>16</sup>.

## Reducing or removing needs for personal care

### Northumberland

#### Better health and inclusion in rural areas

Run by Age Concern Northumberland, this service aims to enable older people living in the rural extremities of the county to come together for cultural and health events and to do their shopping.

Each year, between 1,000 and 1,750 people participate and this has resulted in improved health, reduced social exclusion (particularly of older men) and helped people stay in their own homes. People who had been totally reliant on home help services for shopping (and therefore had little reason to leave their homes) have developed new friendships and regained some independence<sup>17</sup>.

<sup>15</sup> Heywood, F. and Turner, L. (2007) *Better outcomes, lower costs*, University of Bristol School for Policy Studies for DWP.

<sup>16</sup> *ibid*

<sup>17</sup> *Designed to Deliver, reducing isolation of OP in rural communities*, HACT and Housing Corporation, 2007.

## Improving independence and dignity

### Value for money and independence

There is substantial evidence that for the average older applicant, an adaptation package will pay for itself within the life expectancy of the person concerned and will produce better value for money in terms of improved outcomes for the applicant.

The average cost of a Disabled Facilities Grant (£6,000) pays for a stair-lift and level-access shower – a common package for older applicants. These items will last at least five years. The same expenditure would be enough to purchase the average home care package (6.5 hours per week) for just one year and three months<sup>18</sup>.

## Essex and Thurrock

### Savings and improved continuity of service

Essex and Thurrock councils have worked together to consolidate 23 providers of 66 services for vulnerable people into three large scale contracts. These should enable people to experience a planned transition from supported to independent housing whilst receiving continuous support.

The project has already realised efficiencies of £1.2m per annum, while increasing support by 20 per cent<sup>19</sup>.

<sup>18</sup> Heywood, F. and Turner, L. (2007) *Better outcomes, lower costs*, University of Bristol School for Policy Studies for DWP.

<sup>19</sup> *Value Improvement Pilots, report of the evaluation*, Communities and Local Government, 2007.  
[www.spkweb.org.uk/NR/rdonlyres/D3C18C2F-BE33-4BA7-94CE-6CDC11BB0A4F/14179/070917PilotEvaluation.doc](http://www.spkweb.org.uk/NR/rdonlyres/D3C18C2F-BE33-4BA7-94CE-6CDC11BB0A4F/14179/070917PilotEvaluation.doc)

## Durham

### Community alarm and warden services

In 2003 Durham County Council took responsibility for contracts for community alarm and warden services. Services had developed on an ad hoc basis resulting in widely differing standards, contract prices and charges – as well as unmet need.

Emergency service providers in the county were also keen to see wider availability of community alarms and warden services. They estimated that emergency calls from older people could be halved if they could work with service providers to reduce falls.

Research showed that over three-quarters of older households lived in owner-occupier or private rented sectors with few community alarm or warden services available to these households.

Among older owner occupiers and private renters, four out of five people described themselves as “not in good health” in the 2001 census. This is the group most likely to benefit from community alarm or warden services to reduce the risk of crises.

The new specification included a communication hub capable of expansion to meet the requirements of telecare and telemedicine initiatives including:

- warning devices for the home, including gas detection and smoke detectors
- telecare services, including lifestyle monitoring and temperature sensors
- devices to support hospital discharge arrangements, including fall detectors and bed sensors
- devices to support telemedicine, including blood pressure monitors, medication monitors, electronic dispensers, door sensors
- devices to promote safety and security, including intruder alarms, and bogus caller alerts.

It is easy to see the mutual benefits to health and social care of investing in this type of preventive service<sup>20</sup>.

<sup>20</sup> *ibid*

## Reducing homelessness

A study by Crane and Warnes<sup>21</sup> examined the outcomes for a group of homeless people who were aged over 50 and had been re-housed in a variety of types of accommodation.

They found that continued contact with a support worker was important in the early months following re-housing. They also found that a long history of homelessness and association with other homeless people reduced the chances of successful long-term settlement.

This emphasises the importance of services that identify at an early stage people at risk.

Based on the research the most successful schemes in the long term for this group involve support workers who help before and after re-housing and who can provide:

- help to overcome and plan for worries about being re-housed in advance of move
- placement in self contained accommodation either independent or sheltered housing (residential or shared housing arrangements frequently break down)
- help to re-establish previous social contacts or make new support network within the neighbourhood
- help with furnishing and decorating accommodation.

<sup>21</sup> Crane, M. and Warnes, A., The outcomes of rehousing older homeless people: a longitudinal study, *Ageing and Society*, Vol 27, Part 6, November 2007.

## More integrated services and cost reductions

### Knowsley and Leicester

#### **Supporting people services**

Reviews of Supporting People services in Leicester identified a number of instances where service users were receiving advice and assistance from housing-related support services, as well as a range of other agencies.

This pointed to potential inefficiencies in service delivery, duplication in commissioning, procurement and contract monitoring, and difficulties in co-ordination of service.

Knowsley MBC found a similar situation when it reviewed its services for people with learning disabilities. The council had contracts for the separate provision of housing-related support and adult social care services with 11 different service providers.

This involved the provision of 44 separate services to 154 service users and annual expenditure from the SP programme of £3.8m and £ 4.7m from adult social care budgets.

The councils decided that by jointly commissioning the services as integrated housing-related support and social care services, the needs of young people, people with learning disabilities and other client groups could be addressed in a co-ordinated way.

This joint approach required an information sharing agreement between the Supporting People team, Social Care and Health Care Commissioning teams. A single charging policy was introduced for Social Care and Supporting People and one set of outcomes agreed; together with common Input/Output/Outcome monitoring arrangements.

Cashable savings of approximately £900,000 have been achieved from a combined learning disability budget of about £8m, with another £200,000 identified.

Leicester identified good practice in joint commissioning and a number of potential models including:

- aligning services to ensure complementary service objectives and delivery arrangements
- integrating provision so that a single service is able to provide for housing-related support, social care and, potentially, a range of other services
- lead commissioner arrangements where one organisation contracts for a service on behalf of a number of other organisations
- pooled budgets where health, Supporting People, or social care funding is combined to purchase a service<sup>22</sup>.

<sup>22</sup> *Value Improvement Pilots, report of the evaluation*, Communities and Local Government, 2007.  
[www.spkweb.org.uk/NR/rdonlyres/D3C18C2F-BE33-4BA7-94CE-6CDC11B0A4F/14179/070917PilotEvaluation.doc](http://www.spkweb.org.uk/NR/rdonlyres/D3C18C2F-BE33-4BA7-94CE-6CDC11B0A4F/14179/070917PilotEvaluation.doc)

## Plymouth

### **Plymouth advice and assessment service**

An outreach support service for ex-offenders, people in community drug and alcohol treatment and people who have a dual diagnosis (mental health and substance misuse). The service is jointly commissioned by the Supporting People team, the Devon & Cornwall Probation Area (DCPA), the Drug and Alcohol Action Team (DAAT), ASC & the Primary Care Trust (PCT). The contract is managed by the Supporting People team. It links closely with the Offender Gateway operating in Plymouth. The benefits are:

- consistent housing advice and support services for socially excluded people in the city through a service that has excellent links with and knowledge of other services
- improved links between statutory agencies enabling more holistic commissioning and service provision
- one contract for service providers leading to a reduction in administration
- improved data and monitoring to inform commissioning
- improved client monitoring to ensure successful outcomes
- improved information sharing.

### **Alcohol service**

Outreach support for people with an alcohol issue jointly commissioned between the Supporting People team, DCPA, ASC, DAAT, PCT. The contract is managed by the DAAT.

This holistic community based alcohol treatment service incorporates housing-related support; continued operation is only possible due to partners pooling funding for this provision.

The benefits are:

- specialist support is provided to service users living in housing-related support schemes/hostel accommodation
- training for housing-related support staff
- improved links between statutory agencies enabling more holistic commissioning and service provision
- one contract for service providers leading to a reduction in administration
- improved data and monitoring to inform commissioning
- improved client monitoring to ensure successful outcomes
- improved information sharing.

## **Offender gateway**

A referral hub and case management service for ex-offenders, it is jointly commissioned between the Supporting People team, DCPA, ROM. The contract is managed by the DCPA.

Benefits – as above

Supporting People Offender Services in Plymouth are to be re-procured over the next 12 months and data from the Gateway will be invaluable in this process.

## **Suffolk**

### **Background**

This service has been awarded funding for two years by the Suffolk Supporting People Commissioning Body.

### **Specific Purpose**

This service will provide support for Offenders. It will work with Offender Managers and Prison Resettlement staff to ensure that every opportunity is provided for Suffolk prisoners to receive the support necessary to allow them to resettle in their local community.

Getting offenders into settled and suitable housing can be viewed as the foundation to other parts of an offender's rehabilitation, resettlement and managing risk. It is important not only because, for many offenders, it can give roots to a previously unstructured life, but also because it is a springboard for other important steps such as getting a job, registering with a doctor or getting into drug treatment. All of these things are made easier with an address that is stable and, where necessary, supported.

Suffolk Probation Area has found that the most effective way of working with partners in delivering services, is when these partners are co-located in the Probation offices, alongside the probation offenders managers, (i.e. Suffolk Probation Area currently includes Police Officers, Multi-Agency Public Protection Team, the PPO Team, the Street Free Team, a Social worker, a Drug worker and Money Advice Workers). The experience is that this brings greater exchange of information and better outcomes for offenders and they have access to a range of services under one roof.

## SMART objectives

This project will be evaluated in order to ensure the effectiveness and value for money of this work. Management information will be provided quarterly demonstrating progress to key objectives and/or numbers achieved.

Issues monitored will include:

- numbers of offenders successfully gaining accommodation (a baseline figure will be available after year one allowing this percentage to be increased in year two)
- numbers of those gaining and sustaining accommodation for 12 weeks (or to the end of their Order or Licence, whichever comes first)
- numbers of offenders who take up additional services as a result of securing accommodation and/or being referred to the projects such as NABS, ETE, Debt Advice, Alcohol/Drug Services
- numbers of offenders who move out of institutional accommodation into suitable secure accommodation.

It will also be possible to segment this data to highlight the approach to working with Prolific and Other Priority Offenders and High Risk cases, as well to working with diverse groups. The support workers will also be asked to develop a user feedback form to evaluate the service and this will be collated on a 6-monthly basis and provided for inspection by the Supporting People team in order to assist in the review and development of the service.

## Outcomes

- preventing homelessness and the cycle of homelessness
- enabling prisoners leaving institutional care or the approved premises to access accommodation.
- reducing re-offending

## Funding Model

Supporting People will provide a grant for the staffing and organisational overheads. Suffolk Probation Service will provide contract management, office space, telephone and IT services, on-site management consultancy and support to post-holders at nil cost to the Project.

## Torbay

Jointly commissioned a Housing Interventions Officer post with Probation and also an enhanced offender/substance misuse service in the private sector to which DAAT also contributes. This, coupled with some Supporting People funding for a rent deposit scheme, has increased access to support and accommodation for offenders with substance misuse issues. The service was originally targeted at DIP referrals but is now wider than just that group.

Torbay are starting the procurement process for all Homelessness, Criminal Justice, substance misuse and domestic abuse services and social inclusion (generic) floating support. The services are being tendered in 5 lots of linked networks and specifications have been developed jointly with commissioning partners, providers, service users and other stakeholders. The intention is to provide innovative solutions, promote partnership delivery and commissioning, and cement links between housing, employment and training through social enterprise and a targeted approach to multi-agency engagement, assessment and resettlement of single homeless people.

### **Housing Interventions Officer (HIO)**

This is a jointly funded and managed Supporting People/Probation post. There has been a problem solving more complex cases, including work with private landlords to prevent homelessness and secure accommodation. The post liaises with local prisons on resettlement of offenders.

Outcomes: increase in referrals from prisons and probation staff, more successful placements and increased accommodation in the private sector through use of Supporting People grant contribution to rent deposit account scheme. Work is being done with the referral Hub on more complex cases, including Multi Agency Public Protection Arrangements (MAPPA) and Prolific Priority Offenders (PPO). The model will now be rolled out in mental health, learning disability and physical disability.

The work with local prisons has been challenging but the postholder has developed specific referral processes for prisons and useful contacts. *"We do not have many referrals from prisons outside Devon but there is no reason people wouldn't be picked up this way by referral to our Hub. This type of referral should come via the probation service."* The HIO also works with DV cases acting as the link between Housing/HUB/Probation/Police. The result has been a quicker result for the victim. The HIO also liaises with the Specialist Health worker who has a responsibility for children of substance misusing parents. The HIO role has expanded from that first envisaged; it will often act as a link between the voluntary agencies and the Criminal Justice system. This has enabled staff from all agencies to have confidence in each other and the role they play. The main benefactor of joint working has been the client as positive decisions are made more quickly and constructive advice/help given in other cases.

## **Enhanced floating support for offenders with substance misuse issues**

This is jointly funded by Supporting People, probation and DAAT. It has been put out to tender and won by LHT an existing hostel and offender support services provider.

The remit of this service has expanded to include anyone with a link to the criminal justice system and those referred do not have to be under probation supervision or in drug treatment/known to drug services.

Both this service and the offender floating support service (see below) focus on MAPPA and PPOs but they would not be excluded from other services if they met their needs and any risk could be managed effectively. Because both of these services are provided in dispersed private sector units there is no problem with other offenders receiving the same service.

Currently this service and the offender floating support service work largely with private landlords but the service can also be provided to social housing tenants. The real need at the time of development was to link the provision of accommodation to an enhanced level of support, and the only way to ensure that this coincides with prison release or discharge from rehab in Torbay is to use PRS.

## **Offender floating support service**

Existing service provided by LHT. It has been re-modelled pending procurement so that line management is now shared between the provider and Probation. The housing support worker is co-located with Probation. The service includes 'ordinary' (for less complex cases) and 'enhanced' units. The Supporting People team & Probation are planning to use some Boosting Community Sentences money to provide additional units. This would form part of a credible alternative to custody which addresses an offender's resettlement needs with a particular focus on emotional well-being, from low level isolation, to more complex mental health issues.

## Stoke-on-Trent

### **Floating Support for High Risk Offenders, provided by Heantun Housing Association**

The Supporting People team in Stoke have jointly commissioned an intensive floating support scheme for high risk offenders with the Staffordshire Supporting People team (Cross Authority service) and the Staffordshire Probation Area service. The housing-related support is delivered by Heantun Housing Association (see below). This provides an enhanced level of support and surveillance to MAPPA offenders who have been assessed as requiring resettlement and housing support.

The scheme provides 45 units of floating support (eight specifically in Stoke). The service won the Howard League for Penal Reform Community Programmes Award in 2005 and was identified as an example of good practice in Inside Housing in April 2007.

The service helps make an important contribution to the risk management of sexual and violent offenders in the community. It aims to reduce the risk of re-offending as well as making Staffordshire a safer place to live.

#### **Structure**

The service is jointly funded and commissioned by Staffordshire County Council, Stoke on Trent City Council and Staffordshire Probation Service. The funding split is 58 per cent, 17 per cent and 25 per cent respectively.

The contract, which was tendered in 2007, allows Heantun Housing Association to employ three Public Protection Liaison Officers, with management cover and admin support, to deliver 45 units of floating support to high risk offenders across Staffordshire and Stoke on Trent. The majority of service users are Category 1 MAPPA offenders, and Registered Sex Offenders.

#### **Intentions**

The service aims to:

- enable offenders to sustain their tenancy or to identify more suitable accommodation for their needs
- reduce re-offending behaviour by offering offenders choice and alternatives to their current life style and enabling them to be re-integrated back into the community
- prevent re-offending through early intervention
- support the MAPPA partnership in ensuring that supervision plans/licences are adhered to.

## Improved outcomes

The service contributes to a number of strategic priorities identified through the Local Area Agreement, particularly in relation to Safer and Stronger Communities. It contributes directly to Supporting People's national outcomes framework, particularly in relation to compliance with statutory orders and related processes linked to offending behaviour.

Commissioning the service jointly has brought a number of benefits. The increased funding has allowed the service to grow and to be delivered across a wider area. It has reduced bureaucracy through the contract being managed by just one Supporting People Team. Joint commissioning has allowed better recognition of overlapping strategic priorities. Joint funding with Probation allows the service to deliver housing-related support alongside functions not normally eligible under existing Supporting People grant conditions.

Most service users are referred through the MAPPA partnership and are under licence or subject to a Community Order, although support continues to be delivered after the licence has ended.

The service maintains close working relations with all MAPPA partners, including Probation Accommodation Officers. The package of support can commence whilst the service user is still in an approved premises, with support through the move into the community.

The service is targeted at high risk offenders and therefore referrals are predominantly through the MAPPA partnership. Supporting People commissions other services that deliver housing-related support to lower risk offenders.

Staffordshire Probation Area has developed a joint working protocol which outlines a common procedure for housing providers when dealing with offender housing applications to support information sharing and referral processes.

The service's role in relation to housing resettlement might include:

- liaison with a Probation Accommodation Officer and an offender whilst the offender is in prison or approved premises to establish their support needs and work with housing providers to help secure follow-on accommodation
- liaison and/or negotiation with housing providers to support an offender in finding more suitable accommodation than they currently have
- working with housing providers to change perceptions towards ex-offenders and help develop a more informed understanding of housing and support needs.

# Section 7

## Procurement

'Procurement' is not the same as 'commissioning', although the words are often used interchangeably. Commissioning is the process of specifying, securing and monitoring services to meet people's needs at a strategic level.

An ongoing process, it deals with whole groups of people which distinguishes it from the process of buying individual services. Procurement is the process involved in identifying and selecting a provider.

Central Government policy and guidance on public sector procurement is set out by Communities and Local Government and promoted by the Office of Government Commerce (OGC). Advice from the OGC is that local authority procurement and contracting practices should:

- promote continuous improvement in service delivery
- help the authority to achieve year on year efficiency gains or savings
- encourage providers to see them as partners rather than adversaries
- identify and manage risks to service delivery.

There are a number of competitive tendering methods currently approved by the UK regulations. More details of the tendering regulations, their definitions, and key processes are set out in the companion pack, *A Provider's Guide to Procurement*.

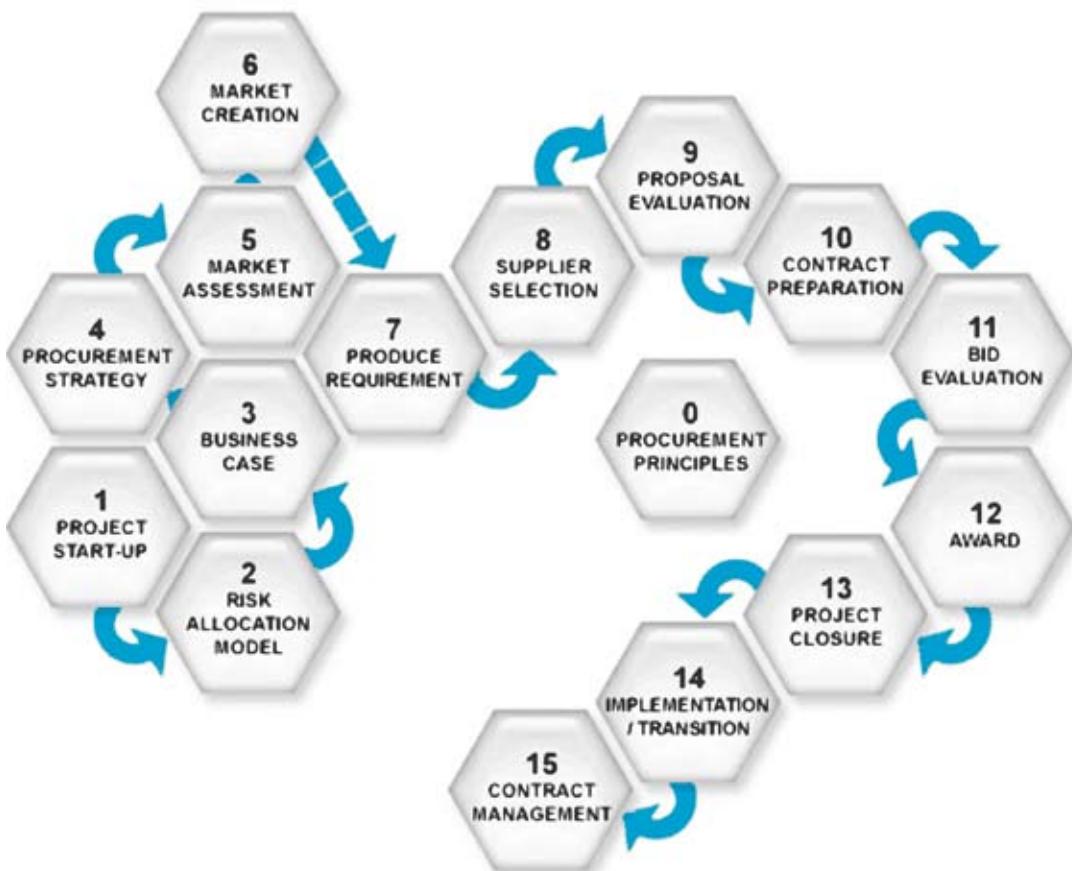
For more information see the OGC website at:

[www.ogc.gov.uk](http://www.ogc.gov.uk)

### The procurement life cycle

Once you have established your local strategic requirements, the procurement life cycle from the Office of Government Commerce shown below illustrates the stages of the buying process you may need to follow.

[www.ogc.gov.uk/introduction\\_to\\_procurement.asp](http://www.ogc.gov.uk/introduction_to_procurement.asp)



## 1. Project start-up

The project must have a clearly defined agreed output which contributes to overall business objectives – an unambiguous business case.

## 2. Risk allocation model

This helps to determine which procurement approach best suits your needs. It also emphasises consideration by customer and supplier together of objectives, plans, risk, and problem resolution.

## 3. Business case

The business case presents information necessary to support a series of decisions. Early decisions focus on whether the investment is justified in value for money terms. Later decisions focus on whether the investment continues to offer value for money in the light of any changed circumstances and the delivery of promised benefits.

## 4. Procurement strategy

Take account of previous procurements. Do not view the procurement in isolation. Look at the outcomes of previous procurements, particularly for similar goods or services, and take account of their problems and successes in deciding the procurement strategy. Aim to build on success, not to repeat problems.

## 5. Market assessment

There is a need for the public sector to take a strategic and systematic approach to the market, rather than engaging with it on a tactical, short-term and project-by-project basis. A key part of this is engaging with markets at an early stage, in order to gather and consider market intelligence in relation to programme aims.

## 6. Market creation

- understand the marketplace and the commercial drivers of the suppliers
- be prepared to market to the supply side, to stimulate and maintain their interest
- undertake market soundings and be prepared to adapt your requirements to the capacity and capabilities of the marketplace
- be open to novel approaches and to consideration of technical and commercial options for meeting the requirements
- ensure the support and commitment of departmental senior management in dealings with suppliers
- where there is an incumbent supplier, consider whether competition is realistic; demonstrate that the bid is winnable, maintain a level playing field for all bidders and allow competitors to demonstrate their competence.

## 7. Produce requirement

Test assumptions and validate sources.

## 8. Supplier selection

The advertisement should make it clear what the business need is so that suppliers can see what services are required and the organisational structure, skills and resources needed to deliver these. Suppliers can then assess whether they can/want to do it. Where following Restricted, Negotiated Procedure or Competitive Dialogue, you may need to issue a Pre Qualification Questionnaire to candidates who have expressed an interest.

Ensure that the questions are permitted for selection of bidders and support your evaluation criteria.

## 9. Proposal evaluation

The invitation to tender should include:

- the requirement specification
- a draft contract recommended for use when contracting for goods or services that include the provision to cover:
  - the gathering and sharing of management information with other government departments

- transparency of relationships with sub-contractors, particularly the obligations on and payment to sub-contractors
- the use of incentive clauses, e.g. such as volume price reductions, profit sharing
- instructions and conditions for submitting responses
- the evaluation criteria.

Ensure the invitation is clear, and that suppliers know how to respond and the deadline for responses.

## 10. Contract preparation

Within contract preparation, the authority may also need to consider how risk will be allocated through the supply chain, who is accountable and will manage it, and how this will be incorporated in the contract.

## 11. Bid evaluation

The documentation should cover:

- form of tender (agreement, qualifications, any requirements for guarantees)
- contract terms and conditions
- scope of work (the requirement specification and details of the supplier's solution)
- pricing schedule
- administrative instructions (how to respond, bidding timetable).

## 12. Award

Award contract to successful bidder if no complaints are received during the notification period. Issue notification to all unsuccessful bidders.

## 13. Project closure

You will need to make a clear statement about the reason for closure; where problems have been encountered, ensure that the organisation can learn from the experience.

## 14. Implementation/Transition

Monitor progress against the implementation/ transition plan and be alert for early signs of slippage or emerging issues that could cause slippage.

Assess the business impact of any potential problem and if appropriate be prepared to implement the contingency plan in good time to minimize it.

## 15. Contract Management

This sets the foundation for subsequent contract management of delivery of services and the relationship with the supplier, including governance arrangements and shared approach for managing risk. Contract management is the process which ensures that both parties to a contract fully meet their respective obligations as efficiently and effectively as possible, in order to meet the business and operational objectives required from the contract and in particular to provide value for money.

# Glossary

**Care Management:** the process of meeting needs at an individual level, otherwise known as micro-commissioning.

**Collaborative commissioning:** two or more agencies co-ordinating their strategies for using their resources.

**Commissioning:** the process of specifying, securing and monitoring services to meet individuals' needs at a strategic level. This applies to all services, whether they are provided by the local authority or by the private or voluntary sectors. Commissioning is a term that is interpreted in many different ways. For example, the National Health Service commissions services at a high strategic level for example hospitals or prescribing budgets, whereas local authorities apply the term to services at all levels from the individual upwards.

**Contracting:** putting the purchasing of services in a legally binding agreement.

## Core Elements of Commissioning:

Commissioning has to be based on:

- **a common set of values** that respect and encompass the full diversity of individuals' differences
- **an understanding of the needs** and preferences of present and potential future service users and their carers
- **a comprehensive mapping** of existing services
- **a vision** of how local needs may be better met
- **a strategic framework** for procuring all services within politically determined guidelines
- **a bringing together** of all relevant data on finance, activity and outcomes
- **an ongoing dialogue** with service users and carers and service providers in all sectors
- **effective systems** for implementing service changes, whether of in-house or of independent sector services
- **an evidence-based** approach which continuously evaluates services with a view to achieving measurably better outcomes for service users and their carers
- **an improving alignment** with the way that other health and social care services are commissioned.

**Decommissioning:** the process of planning and managing a reduction in service activity or terminating a contract in line with commissioning objectives.

**Joint commissioning:** two or more agencies pooling their resources to implement a common strategy for providing services.

**Macro-commissioning:** the process of meeting needs at a strategic level for whole groups of service users and/or whole populations.

**Needs Assessment:** a process that identifies current and future needs in light of existing services, and informs future service planning, taking into account evidence of effectiveness.

**Purchasing or Procurement:** securing or buying services. At a corporate level in local authorities, the term 'procurement' often has an equivalent meaning to strategic commissioning in Social Services.

**Service Level Agreements:** written undertakings agreed between purchasing and providing agencies.

**Social Care Markets:** describe how the purchasers and providers of social care services do business with one another. As in all markets, there are different combinations of purchasers and providers, interacting differently in all the service sectors for each of the service user groups and sometimes differently within the same authority, as, for example, between urban and rural areas in what are termed different market segments.

**Stakeholders:** all of the relevant parties including councillors, managers and staff of local authorities, other related commissioning bodies, such as Health, service providers in the statutory, private and voluntary sectors and, above all, service users, their carers and their associated advocacy organisations.

**Strategic Commissioning:** The process of establishing a common view of required future developments, shared values and broad strategic objectives, a broad approach to implementing strategy, including agreement of the structure of commissioning and the phasing of planning cycles. The key is to focus not only on what is happening in your environment at the moment and how you should respond to it, but also about where you want your organisation to be in 3-5 years' time, and what is the best way in the long term of achieving its objectives.

# Appendix A

## National Indicators relevant to housing-related services including highlighted overlaps with Vital Signs

### Stronger communities

NI 2: % of people who feel that they belong to their neighbourhood Public Service Agreement – (PSA) 21

NI 7: Environment for a thriving third sector – Cabinet Office Departmental Strategic Objective (DSO)

NI 18: Adult re-offending rates for those under probation supervision – PSA 23

NI 32: Repeat incidents of domestic violence – PSA 23

### Safer communities

**NI 39: Alcohol-harm related hospital admission rates – PSA 25**

**NI 40: Drug users in effective treatment – PSA 25**

NI 46: Young offenders access to suitable accommodation – Ministry of Justice DSO

### Adult health and well-being

NI 119: Self-reported measure of people's overall health and wellbeing – Department of Health DSO

**NI 124: People with a long-term condition supported to be independent and in control of their condition – Department of Health DSO**

**NI 125: Achieving independence for older people through rehabilitation/intermediate care – PSA 18**

NI 130: Social Care clients receiving Self Directed Support (Direct Payments and Individual Budgets) – Department of Health DSO

**NI 131: Delayed transfers of care from hospitals – Department of Health DSO**

**NI 132: Timeliness of social care assessment – Department of Health DSO**

**NI 133: Timeliness of social care packages – Department of Health DSO**

**NI 134: The number of emergency bed days per head of weighted population – Department of Health DSO**

### **NI 136: People supported to live independently through social services (all ages) – Department of Health DSO**

### **NI 137: Healthy life expectancy at age 65 – PSA 17**

NI 138: Satisfaction of people over 65 with both home and neighbourhood – PSA 17

NI 139: People over 65 who say that they receive the information, assistance and support needed to exercise choice and control to live independently – PSA 17

## **Tackling exclusion and promoting equality**

NI 141: Number of vulnerable people achieving independent living – Communities and Local Government DSO

NI 142: Number of vulnerable people supported to maintain independent living – PSA 17

NI 143: Offenders under probation supervision living in settled and suitable accommodation at the end of their order or licence – PSA 16

### **NI 145: Proportion of adults with learning disabilities in settled accommodation – PSA 16**

### **NI 146: Proportion of adults with learning disabilities in employment – PSA 16**

NI 147: Proportion of Care leavers in suitable accommodation – PSA 16

### **NI 149: Adults in contact with secondary mental health services in settled accommodation – PSA 16**

### **NI 150: Adults in contact with secondary mental health services in employment – PSA 16**

## **Local economy**

NI 152: Working age people on out of work benefits – PSA 8

NI 156: Number of households living in Temporary Accommodation – PSA 20

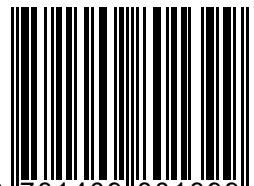
NI 158: % decent council homes – Communities and Local Government DSO

## **Environmental sustainability**

NI 187: Tackling fuel poverty – people receiving income based benefits living in homes with low energy efficiency – Department for Environment Food and Rural Affairs DSO

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