

Localised Commissioning (Essex)

Overview

Short profile of the Children's Trust

Essex is large and diverse county, served by 12 district councils in addition to the county council. The County Council delivers services to children and young people in partnership with five Primary Care Trusts, two mental health partnerships, three Foundation NHS Trusts, two Acute NHS Trusts, plus County-wide Police and Fire services. The Children's Trust in Essex currently consists of a single county-wide partnership board, 11 local Children and Young People's Strategic Partnerships (CYPSPs) and 27 local delivery groups.

The population of the area is growing with 1,360,000 people living in the area, 24 per cent of which are children and young people. Essex is becoming increasingly ethnically diverse and despite pockets of deprivation, there are no large concentrations of disadvantage, and Essex was ranked as one of the 20% least deprived counties in the 2007 Indices of Multiple Deprivation.

Service area

- Prevention and early intervention services including parenting support, services to support emotional well-being, advocacy and respite care.

Key features of the case study

- Localised commissioning by 11 district-based multi-agency strategic partnerships supported by a training programme provided by the Institute of Public Care.
- Localised needs analysis.
- Formula funding used to determine the budget of each local partnership from a total budget of £3.1 million.
- Strong involvement of the voluntary sector in the development and leadership of the approach and training on the commissioning and procurement process
- This approach has been commended in the local area's Joint Area Review, by the IDeA, Accountancy Age and the MJ Achievement Awards.

Why change was needed

Essex is a large and diverse county. Prevention and early intervention services provided by the voluntary and community sector were resourced through a number of quite disparate funding streams that were not being co-ordinated. There were many historical commissioning arrangements in place that did not necessarily meet local needs or priorities. It was evident that there was a need for a more localized approach to commissioning alongside the county approach and priorities

What was the situation originally?

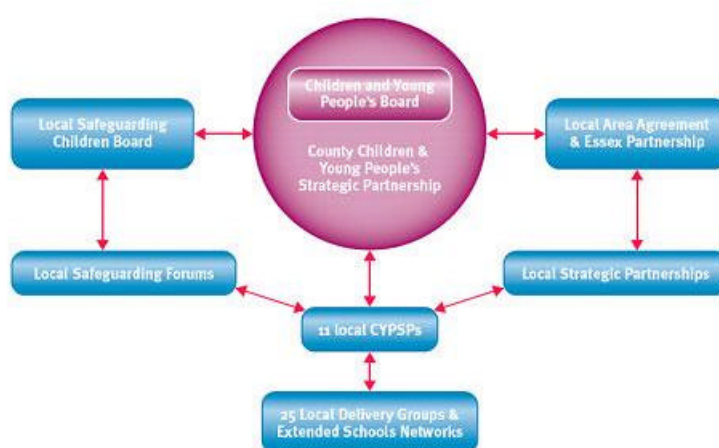
Essex is the second largest county council in the country and hugely diverse in terms of need and outcomes. In the past, prevention and early intervention services were resourced through a number of disparate funding streams that were not being adequately co-ordinated. There were also a number of historical commissioning arrangements in place that did not necessarily meet need or priorities.

It was therefore evident that the approach to commissioning in the area needed to be refined. Given the diversity and size of the area, it was felt that there was a need for a more localised approach to commissioning early intervention and prevention services. Essex Children's Trust looked at all the funding streams coming into the county and explored how these funds could be joined up to respond locally whilst also addressing countywide priorities.

What did we do?

The Children's Trust decided to pool elements of its children's services resources targeted at early intervention and prevention, which were formerly the separate funding streams of Children's Fund, Connexions and Social Care funding. These funds were used to form a new Local Priority Fund totalling £3.1m per annum across the County. These funds have been devolved to local Children and Young People's Strategic Partnerships (CYPSPs – see structure diagram below), for the partnerships to undertake a process to commission services to meet local priorities and needs. Devolved funds are non-ringfenced, to allow for maximum flexibility in addressing local priority needs. Commissioning now occurs at the local level unless there are cogent reasons for doing it at the county-wide or regional level.

CHILDREN'S TRUST APPROACH



To support the new localised approach, a certificated 4 day course was commissioned from the Institute of Public Care, Oxford Brookes University, held within Essex, for CYPSP Board members and local commissioners.

Funding allocations

The diversity present in Essex means that the funds allocated to each CYPSP vary and are apportioned according to need. Using a raft of demographic and outcome data, an overall funding envelope for each locality was determined by a specific formula and county wide priorities. For example, there was recognition that social deprivation drives many outcomes for children so the needs based resource allocation system used deprivation as one of its central features and also included rurality to reflect the additional costs of delivering services in rural areas.

Needs analysis

To identify needs, each local CYPSP analysed relevant data, strategies and plans including the Children and Young People's Plan, Children's Services Report Cards, Local Area Agreement, District Community Strategies and Health Profiles. The CYPSPs used comparative data to highlight where the area is performing well and where there are problems and issues that require prioritisation. Local priorities were then mapped onto a matrix in terms of need versus impact and then grouped under general thematic headings to identify which are the top priorities for the CYPSP and the elements of a service or project that could fit within the priority. Local CYPSPs then reviewed the services in their area against the agreed county-wide priorities and also reviewed lists of services commissioned by other partners and funding streams. This ensured the new commissioning complemented and did not duplicate existing provision in the area.

Deciding what to commission

Taking into account the above information, each local CYPSP ascertained which providers they would continue funding, and identified the remaining level of funding available to commission against identified gaps for each priority area. Relative weightings were identified for each priority to agree the level of resource that it gets from the overall local pot. This was determined by a range of factors including the scale of the issue/need, importance and impact and whether partners and other funding sources are funding the priority area sufficiently. The result of this process did mean that in many areas several organisations were set to lose their current fixed term funding - all projects were risk-assessed to minimise the impact of any termination of funding.

Once the priorities and broad service outlines were agreed, each CYPSPs commissioning recommendations were consulted on extensively at a local level with the broader CYPSP partnership and with local Youth Councils.

Competitive tendering

Once local priorities had been validated, the CYPSPs specified the outcomes, outputs and activities it expected from each priority and drew up outcome based service specifications. These specifications have now been put out to a competitive tendering process. The tenders advertise 2.5-year contracts with break clauses at 12 and 18 months, thus allowing for adjustments in strategic direction if required.

The opportunities were advertised through a new e-tendering system (BRAVO), which enabled 454 individual applications to be managed in an efficient manner. The providers received training in the use of this new online system, which will also notify them of all future Essex County Council funding opportunities. It has enabled the processes to be fully compact compliant, with clear and transparent processes for all bidders.

The CYPSPs across Essex are currently in the process of engaging with existing and potential providers, who have bid for the tenders that have been advertised. Each bid will be reviewed by a Local CYPSP Commissioning Panel, which is chaired by the Head of Locality Commissioning for the area and includes commissioning partners. Forty per cent of the scoring will be from a Young

People's Panel, ensuring young people's voices are central to the decision making process. One area is also piloting a Parents Panel to inform their commissioning decisions.

Monitoring and evaluation

Once commissioned, service providers will be required to submit regular monitoring reports and the Essex County Council Commissioning Team will undertake monitoring meetings. The outputs and outcomes of the monitoring will be collated and sent through to CYPSPs on a regular basis.

Who was involved?

Membership of the CYPSPs includes key children's trust partners such as PCT, the Police, headteachers, voluntary sector representatives and District Councils. There has been substantial involvement of young people in the bid selection process, strengthened by a dedicated resource to support this. Young People and Parents have also been involved in the priority setting exercise in several CYPSP areas.

The voluntary sector has also played a key role in the process, particularly the Essex Council for Voluntary Youth Services (ECVYS). ECVYS have been involved in shaping and developing the new approach, creating buy-in and ownership amongst their membership. Workshops were held around the County to consult with the voluntary sector on the overall approach, consult on the monitoring arrangements and support providers to bid for the tenders. A Locality Commissioning Project Group has developed, overseen and project managed the entire process, which includes ECVYS Executive Officer, representative CYPSP Chairs, PCT Commissioner and ECC Commissioning staff.

The new Schools, Children and Families Commissioning Service oversees the continuous commissioning activities and processes, including development of the needs analysis and the Sourcing and Supply team managing the allocation formula, and providing technical and operational support and guidance.

What was the impact?

The service specifications are currently out to tender therefore it is not yet possible to talk about improved outcomes, nevertheless the new approach to locality commissioning is already having a positive impact in a number of areas, including:

- Flexible, locally responsive services, addressing identified needs
- Improved local services to children, young people and families
- Invigorated local CYPSPs, who now have a greater sense of purpose
- Significantly improved relationships with both statutory partners and the voluntary sector, with greater buy in and ownership.
- Improved relationships with young people who had real input into the whole process
- Reduced duplication in commissioning activities and services delivered
- Targeted use of resources to improve outcomes where there is greatest need and where there will be greatest impact.

Praise for this approach

The success of this approach has been recognized by a number of external bodies. Essex's 2008 JAR report said: *'Devolved budgets and increasingly good local intelligence are enabling effective commissioning and targeting of resources. CYPSPs are receiving increasing support to enable them to effectively commission services to meet local needs. This includes involvement and development of the voluntary sector.'*

A recent independent review of the Children's Trust carried out by the IDeA said the empowerment of local CYPSPs had given them a real sense of purpose. The needs based financial strategy underpinning this has already won an Accountancy Age award and Ofsted stated that it '*enables delivery against the CYPP priorities, with the emphasis adjusted and action targeted in line with local needs.*' The approach is shortlisted for the 2009 MJ Achievement Awards.

Next steps

Essex County Council plan to look at whether there are opportunities to build on this approach, for example to extend this to commissioning mainstream services. They would also like to explore opportunities to pool budgets with key partners such as, the police and the PCT, leading to joint commissioning.

To find out more

The interview on which this case study is based was conducted with Matthew King, Head of Locality Commissioning (South East), Essex County Council.

If you would like to find out more about this case study please contact:

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