

Research that makes a real difference

Commissioning, Outcomes and Consortia: Ten key questions for commissioners and third sector organisations from the carers tender in Birmingham

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HSMC has been one of the leading UK centres for research, personal and organisational development in health care for 40 years. Commissioning of healthcare and provision of healthcare outside hospitals have become specific areas of expertise in recent years, underpinned by a continuing commitment to issues of quality improvement and public and patient engagement. This reputation has also extended to adult social care, with a growing track record in inter-agency commissioning and provision of health and social care services. HSMC has also developed a national reputation for both organisational and leadership development across all health settings. For further information visit: www.birmingham.ac.uk/hsmc

Introduction

“A local authority’s own commissioning should be delivered through a professional and effective procurement, tendering and contract management, monitoring, evaluation and decommissioning process that must be focussed on providing appropriate high quality services to individuals to support their wellbeing and supporting the strategies for market shaping and commissioning.” (Care Act Guidance (2014), p63)

The Care Act sets out that Local Authorities will continue to play the central role in the commissioning of adult social care services. It places a duty not only to shape the local market for the services that Local Authorities directly purchase but also for those who are self funded by the person concerned. In doing so they are required to focus on the wellbeing of individuals who require care and support and their carers, and to take an ‘outcome-based’ approach to this work. According to the care act guidance achieving this will entail local authorities keeping ‘under review emerging ideas and best practice about outcomes based commissioning and payments by outcomes’ (p45¹). One such practice that is receiving increasing interest in the commissioning of a consortium of providers to be collectively responsible for ensuring a discrete population to achieve improvements in their wellbeing². This is also being explored in relation to the commissioning of community health services and services for people with mental health problems³. Such consortia arrangements can take different forms, including that of ‘prime contractor’ (in which one organisation takes responsibility for managing the other providers which deliver the related care), ‘prime provider’ (in which the lead organisation will also deliver services directly), and an ‘alliance contract’ (in which the commissioner and the consortium of providers share the risk and responsibility for achieving the required outcomes).

Such consortium approaches to contracting are not limited to health and social care or indeed to the UK, and are being promoted not only by central government but also by representative bodies of providers, including those from the third sector^{4,5}. The underlying thinking behind their application in different contexts, sectors and populations is similar. It is hoped that contracting with a group, rather than through separate contracts with individual organisations, will enable and encourage the providers concerned to work together. The shared responsibility to fulfil the contract (and so receive the connected funding) will motivate providers to collaborate across their organisational boundaries and be more flexible in their delivery and so more holistic in the outcomes achieved. It is expected that there will be a reduction in the costs that commissioners experience in managing the contracts in the prime models as this will be through a single organisation (often termed the ‘integrator’). Finally, the larger scale could enable the consortium of organisations to invest in new technologies and adopt more efficient approaches in regards to their infrastructure and support functions. There are examples in the UK and internationally in which some positive benefits have been demonstrated by such contracting models in line with this thinking. However the evidence base is still patchy, and it suggests that there are also major risks such as expensive implementation costs, new structures not leading to improved outcomes and integrators following

their own organisational interests⁶. It is also clear that contracting through such models is a complicated task which requires considerable skills, insights and capacity within the purchasing organisation.

A common call from reviews of evidence regarding this approach to contracting is for greater sharing of practice experience to inform the debate and improve further such arrangements. This report seeks to share learning from a Birmingham City Council tender for a consortium to provide carers services in March 2014. The tender was won by Midland Mencap who plan to launch a new social enterprise to undertake the integrator role. The report has been written by the Health Services Management Centre (HSMC) at the University of Birmingham who undertook independent research with key stakeholders between December 2014 and June 2015⁷. The focus of the report is on the procurement process (including the underpinning rationale for this approach, the establishment of the consortium, and the selection of the successful supplier) and the initial mobilisation of the contract. It ends with ten key questions for other localities considering consortia arrangements.

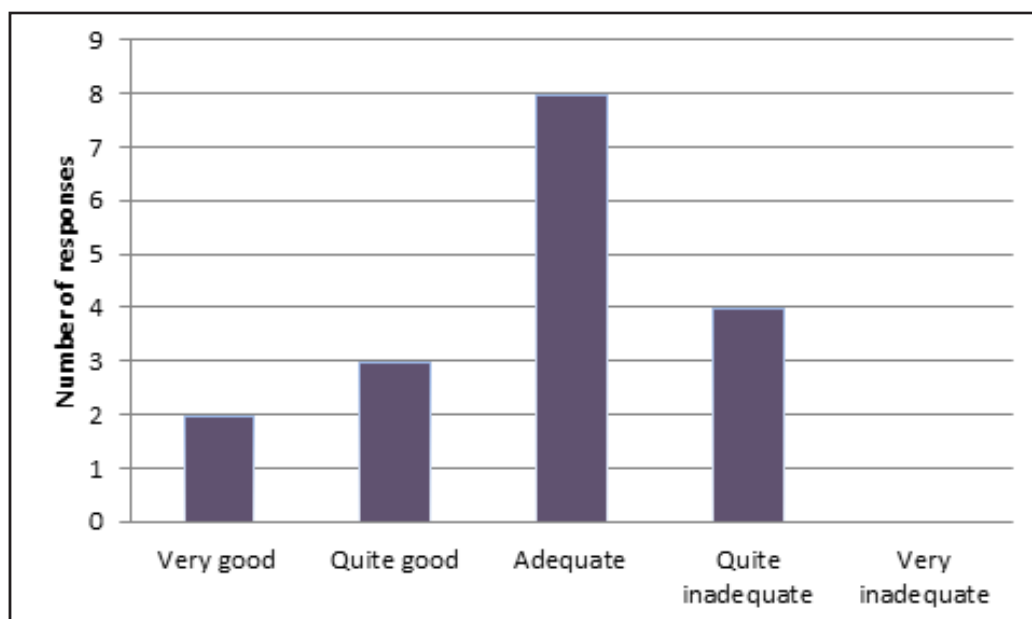
Carers services before the tender

Third Sector Organisations (TSOs) describe the support that was available for carers in Birmingham prior to the tender as being generally adequate (Diagram 1). There were a range of services available and some of these were tailored to the needs of particular communities and /or carers of people with different conditions or difficulties. As a result many carers did receive practical and emotional support and were able to access information and advice. However, it was also recognised that there were also disadvantaged communities with whom services often find it hard to engage who were not been well supported, and that there were issues with co-ordination between the offer provided by the different organisations and the awareness of statutory services –

“The Carers awareness was adequately raised in last few years. GPs were not engaged enough though. The variety of service provision reflects a good understanding of Carers needs; but services were not made easily accessible.” (TSO)

“Lots of smaller organisations providing similar things.” (TSO)

Diagram 1: Support for carers prior to tender according to consortium members



Commissioners also recognised that there was much good work being carried out by TSOs but thought that overall the offer to carers was too fragmented. From their perspective there was a tendency for the providers to work with a set group of carers over a long time period. This meant that it could be difficult for new carers to receive support, and some carers fell between the gaps in the different providers' offers. They believed there was duplication in what was available and that some carers would go to multiple providers to get the same type of support whilst others. Commissioners also recognised there was inconsistency between the services available to carers of children and young people with disabilities, young carers and carers of adults. They also identified therefore that the overall model was not working as effectively and efficiently as possible-

“You find there was the same group of carers that would go to all the smaller carers’ organisations in terms of very similar support. They’d get support from one provider but also go to another carers’ organisation where they’d get exactly the same support as well.” (Commissioner)

“We knew that we had to do more with the resources that we had and having an integrated system where there was a clear pathway of support is what - our ambition was that we wanted to try and deliver that.” (Commissioner)

Commissioners and TSOs had a different view though of the causes of this fragmentation and duplication. For the commissioners it was due to TSOs being ‘territorial and restrictive’ and wanting to ensure that they had a clear set of beneficiaries that they were primarily responsible for in order to develop and then maintain a distinctive ‘turf’. TSOs saw their joint working relationships as working reasonably well albeit it with some room for improvement. For TSOs the bigger issue was deficits in the previous commissioning arrangements for carers, with

half of the survey respondents describing prior commissioning arrangements as being unsatisfactory. Key weaknesses were a lack of direction in local and national policy, little clarity as to what was to be provided and the expected outcomes, and inadequate systems for allocation and review of funding. -

“suppliers then worked with cohorts of families that they knew of and people that they knew of and you didn’t get a wider, you didn’t get a throughput if you like, you know the demand kind of stayed static within those organisations.” (Commissioner)

“Commissioning for carers was previously rolled over, time and time again, due to delays and changes occurring within BCC and Government Policy; this delayed the commissioning of appropriate services for carers. Due to changes around monitoring and review, which were poor or felt non-existent, a lack of credible service provision for carers continued beyond a reasonable time.” (TSO)

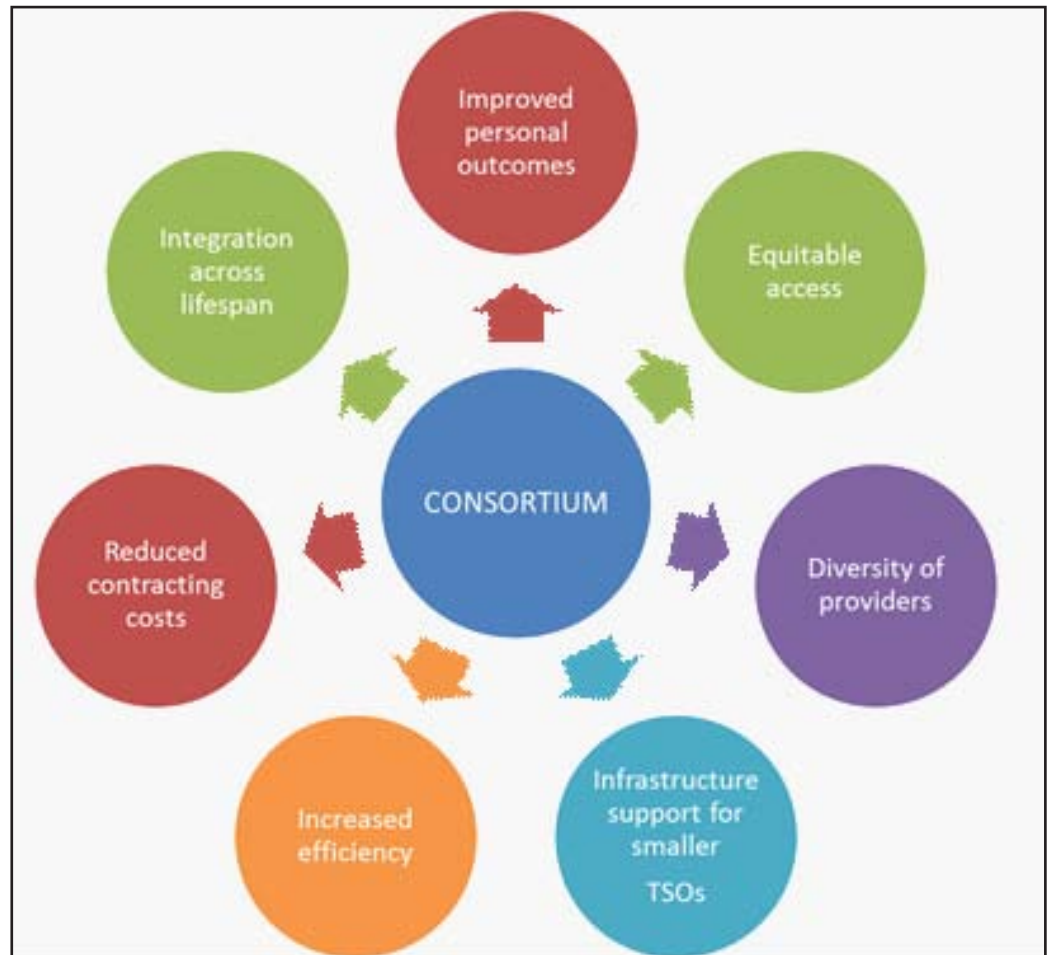
“Prior arrangements were very fragmented and many organisations received very little whilst others received disproportionately more without necessarily following demography or need. Innovation was stilted and lots of the SLAs (if not all) seemed to mentioned signposting and never really described the service being provided.” (TSO)

The commissioners developed their current strategy through the Carers Partnership Board which has members from carers’ representatives groups, TSOs and statutory partners. The need to better join up support offers to achieve more holistic, person centred care was a central component of the strategy. This dovetailed with an opportunity to undertake a major retendering of carers services due to a number of individual contracts coming up for renewal to suggest a consortium tender. It was further influenced by the general context of austerity and increasing projected needs, with the weaknesses in the current support system suggesting that there was substantial opportunity for greater effectiveness and efficiency. The decision to tender on a consortia basis was how reflective of a general move to consider such arrangements and the need to reduce the contract monitoring burden required by multiple providers. The particular aims that the commissioners hoped that a consortium would be able to deliver are set out below (and summarised in Diagram 2)–

- An integrated strategy across children and adults and young carers which would address current gaps and inconsistencies
- Holistic pathways for carers which would build on the strengths and innovations of both large and smaller providers
- Better outcomes for carers with reducing resources and greater flexibility to respond to changing needs
- Improved equity through the identification of carers who were receiving enhanced levels of support and those who were not receiving their entitlement
- Fairness in the allocation of funding between TSOs and for no organisation to be unfairly disadvantaged through the reduced funding

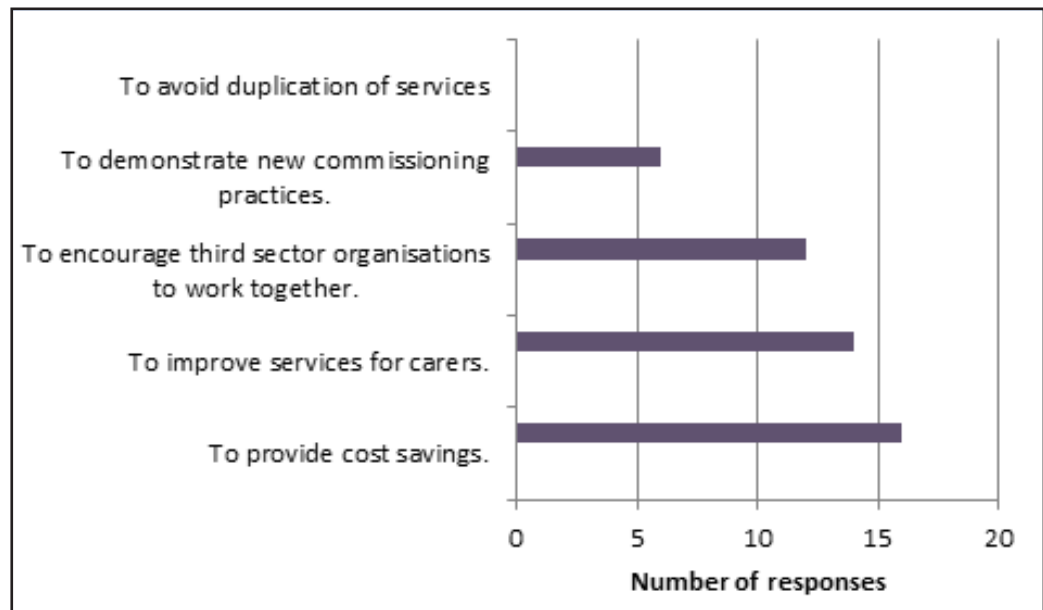
- Reduced transactional costs for the City Council through providing a single point of reference through which the local authority could manage the contract
- Organisational support and development for smaller TSOs that would enable them to meet financial and performance returns.

Diagram 2: Commissioners' aspirations for consortium



TSOs believed that cost savings were the greatest driver, followed by a wish to improve the support available to carers and to encourage better joint working between TSOs (Diagram 3).

Diagram 3: Consortium members' views of the commissioning intentions



The tendering process

The Local Authority began engagement with providers of carers' services in Spring 2013 through a series of events linked to the Carers Partnership Board. A local third sector development organisation provided input to these events regarding consortia working. The final tender document was launched in November 2013 with three lots (see Box 1) which could be bid for individually or in any combination. Submissions were welcomed by 'consortia or a group of providers who are part of an existing partnership arrangement with a nominated lead agency' with a requirement that whatever groupings were successful in winning lot(s) they would be required to work together to ensure there was 'an integrated system to carers of all ages'. Tenders were to be submitted by early January 2014 with clarification interviews to confirm aspects of each bid. The successful consortia would be announced in time for service delivery to begin in April 2014.

Midland Mencap learnt of the tender through attending the engagement events held by the City Council. They already worked with carers of both children and adults with a disability and provided arrange of services including direct support, vocational guidance and out-of-school clubs. They were therefore possibly more familiar than many of the TSOs in working with a spectrum of carers. They also recognised that there was both the risk of them losing much of their local authority contracts and the opportunity for them to strengthen their income and deliver a more holistic support package. Perhaps more fundamentally, their initial mission as an organisation was to support carers of children with a learning disability and they therefore felt a responsibility to actively engage with such a carers' focussed endeavour-

“there was a very strong sentimental view that we had to step forward now; we can't be a carer founded organisation and then not stick our head above the parapet and say 'well actually how are we going to be part of the new offer to carers'?” (Midland Mencap)

Box 1: The three lots within carers tender

Lot Number	Overview
Lot 1: Carers Hub	The Carers' Hub will deliver a range of support services for carers of all ages who are providing unpaid care and support for a vulnerable adult or child in the City. The Carers' Hub will form the central element of the new carers' pathway to ensure an integrated approach to services for carers. The aim is to increase the number of carers identified and provide appropriate support and intervention based on an understanding of need.
Lot 2: Young Carers	The objective of the Young Carers Service is to provide a whole family approach to supporting young carers, including practical, emotional and relational support involving activities to build roles, responsibilities and routines within the family.
Lot 3: Short Breaks for Disabled Children (community based)	Community-based short breaks for children and young people with a range of disabilities and age ranges (4-18yrs). This includes inclusive and specialist out of school activities during weekends and school holidays and time-limited brokerage support to co-ordinate and empower families to create their own short breaks solutions.

Many of the TSOs did not appear initially to take on board the implications of the move to a consortium based tender and seemed to believe that ultimately the City Council would return to more individually based contracting arrangements-

“there was a sense that I think for a long time they didn't take it seriously. They didn't really seem to realise what was coming. They weren't listening. Then at the end of it when it was the stage to start acting, there was like an odd silence. Nobody seemed to be moving or doing anything.” (Midland Mencap)

Midland Mencap organised a meeting with interested TSOs regarding the tender opportunity. Key initial motivations to joining a Birmingham based consortium appeared to be a wish by the individual organisations to continue receiving current funding (and so maintain support for carers), and to ensure that the services in Birmingham would not become dominated by national carers organisations. At the meeting those interested in leading the consortium were asked to come forward but only Midland Mencap volunteered. They had previously had some experience of being a member of another consortium but this was of a much smaller scale and they were not the lead organisation. This meant that they had to effectively feel their way through the process both in terms of their leadership role and in relation to what an end consortium could look like:

“we knew that, you know, from a governance point of view it would be impossible to create almost an organisation that was so many different bits. But we didn't stress about that. We just thought we would go through a process and see where it got us” (Midland Mencap)

There was then a period of several months in which the City Council were finalising the specification. Midland Mencap used this time to liaise with potential consortium members. There were initially sixty-two organisations but this then reduced to thirty-eight who formally returned the expression of interest. Other than confirming their potential inclusion, prospective members were asked to be open if they were also considering working with a rival consortium. Midland Mencap secured a grant from the Department of Health to build their internal capacity to bid for such contracts this enabled them to engage an external consultant with experience of bid writing and consortium working, to work with a private sector organisation with specialist knowledge of call centres (related to Lot 1), and to provide back fill within Midland Mencap for the people who were leading the work. They also used this time to restructure within their own organisation to ensure that their services reflected the future direction of travel envisaged by the commissioners.

When the tender was released Midland Mencap co-ordinated the overall process on behalf of the consortium. They also took the lead for writing Lots 1 and 3, with the YMCA Sutton Coldfield taking the lead for Lot 2. Other consortium members were approached to potentially contribute, however Midland Mencap discovered that they would have to undertake much of the work by themselves.

“Every single organisation was approached to contribute something. We very quickly discovered we were on our own, very, very quickly. There was one big factor about this. The deadline for the submission was the 2 January, so the bid writing took place in the sort of five weeks leading up to that point.”
(Midland Mencap)

“we got to about the 16th or 17th of December, and you don’t notice it when you’re just part of the celebration of Christmas. The world empties. And people just simply say ‘shutting down; good luck’. I mean the number of emails we got from people saying, thinking of you.” (Midland Mencap)

Another complication appeared to be in relation to local branches of national organisations securing the formal approval for their contribution to the final bid. These seemed to be because this was not in line with their general policy regarding entering into consortium or because the short timescales for signing off could not be met within their governance systems –

“organisations were affiliated to national organisations, getting a decision making through that structure with the timing of board meetings. They had to drop out of the consortium because the board meeting of their national body didn’t take – it didn’t happen quick enough for it to be approved. So we’d lost key partners.”
(Midland Mencap)

“the local branch forwarded us an email they'd received from somebody at their head office. I can't remember the exact detail, but I remember it was a very short reply. It simply said 'no, that they discouraged their local members from joining other consortiums'.” (Midland Mencap)

This led to considerable pressure on the core team who were responsible for writing the tender, with their Christmas being dominated by finalising the content. Due to the difficulties of getting formal sign off from other organisations during the holiday period the final submission date was extended by a week by the commissioners. The Local Authority had hoped for multiple consortia to bid and that the tender would attract interest not only from organisations currently working on the city but also from new providers. In practice there was only one consortium who bid for all three lots, and a single organisation who bid for lot 2. In retrospect, the commissioners would have done more to generate engagement from new providers outside of the local area.

The consortium was then summoned to clarification interviews at the end of February. These were undertaken by three different panels, each one representing a different lot of the contract. For Midland Mencap, this reflected the whole tendering process in that they did not experience a joining up between the different commissioners and what they required –

“this is a very strong message to commissioners, there was no golden thread through those three meetings. There wasn't one person who was consistent on the three panels” (Midland Mencap)

“I think one of the biggest problems in it all was that it went back to being adult and children's commissioned, and that what we were trying to, and still what we still struggle with now, is that preventing this whole sort of family type approach where the outcomes and the key performance indicators are very much separated still.” (Midland Mencap)

This contrasts with the view of commissioners, who believed that there were able to work across the traditional silos of children and adult services, and that this reflected a move over recent years to more integrated commissioning –

“Particularly since the transfer of Public Health there has been a lot more commissioning across the boardwe are genuinely citizen focused and it's not about the providers, but about the citizens and what their journey is.” (Commissioners)

The final decision was confirmed in the third week of March. Forward carers won Lots 1 and 3, with another organisation being awarded Lot 2 (young carers). This was announced via the on-line procurement portal rather than by personal phone call or other communication –

“they didn’t ring us up and say, you know, ‘can you come in and we’ll tell you’. They sent it through the In-tend portal as a communication for you. Logged on and it was like, you know, we’re pleased to advise you that you’ve been successful. So you’ve got this massive commission and this really remote communication” (Midland Mencap)

Along with better joining up across commissioners, more open and regular communication with the providers was another aspect of commissioning practice that the Midland Mencap team believe could have been strengthened. This was in the basis that the procurement process and contract delivery is a significant undertaking for both parties, and one which reflects their common interest in improving support for carers:

“I would say to the commissioners look to form that relationship; don’t just award the contract. It’s a partnership. And I think if, you know, at times I felt genuinely abandoned by the commissioner.” (Midland Mencap)

The contract had to start from the beginning of April, and the previous providers (many but not all of which were part of the consortium) had already been given notice that their existing funding would stop on the 31st March. This meant there was a very short period in which the consortium could organise itself to deliver the necessary services over the easter break period.

“we had providers that had made entire staff teams redundant. They had to go back and rehire the people.” (Midland Mencap)

“what we had to do was establish good faith, verbal contracts with our partners to deliver these services. Before we could put in place all of the formal contract and documents and memorandums of agreement, and all those sorts of things. You had to simply sit people down in this room and say ‘look will you do this, and we will pay you this to do it’. Trust us to pay you and we’ll trust you to deliver it.” (Midland Mencap)

The commissioners recognised that the timing between contract award and delivery was not ideal and in future would ensure there was a longer period before the current services being decommissioned. They also thought that issuing the notices to terminate the contract acted as a ‘wake-up call’ for TSOs who believed that funding arrangements would ultimately not be changed.

Mobilising the consortium

Forward Carers was launched in April 2014. Initially it is being hosted by Midland Mencap with a view to it subsequently being spun-out into an autonomous social enterprise. A new Chief Executive with a background in commissioning has been appointed. Their work is overseen by a steering group comprising of the Chief Executive of Midlands Mencap and the Chief Executives of two Birmingham based TSOs with experience of such arrangements. There are twenty-one consortium members at present (see Box 2) who represent a wide range of carer services and communities of need, culture or geography. There are also associate members who deliver services on behalf of Forward Carers (Box 3). The Consortium has developed a Carers Hub to act as the portal through which carers and others can find out about the range of services on offer in the city. This can be accessed through the web or via telephone and social media such as twitter is being used to communicate updates and to engage carers. This includes the facility for carers to express any concerns, compliments and suggestions about its work. The Carers Hub can also be used by carers to arrange services provided by Consortium members (see Box 4) including a carers emergency back up service, carer training, support groups and individual case work. An innovative recent development has been the introduction of the 'Time for Me' initiative. Carers who provide more than ten hours per week of care can apply for a 'wellbeing voucher' to a value of £150 which they can then use to spend on activity provided by consortium members. These are advertised through an on-line market place within the Forward Carers website with contact details and prices. They include day trips and short breaks, access to leisure activities, complementary therapies, access to the gym, yoga and tai chi.

Box 2: Forward Carers Consortium members (June 2015)

ACCR (African Community Council for the Regions) A charity established to improve the quality of life African people living in the West Midlands. This includes dedicated support to carers around health needs, providing education and training, access to employment and addressing hardship.

ACP Group (Ashiana Group) A charity working to improve the lives of people in the Sparkbrook locality with a particular focus on the family.

Action for Children Registered charity that supports and speaks out for the most vulnerable children and young people in the UK. Locally the service supports parents carers through information and advice.

Age Concern Birmingham A charity that offers information and advice as well as practical support to older people including dedicated support to carers.

Barefoot Birmingham Yoga & Wellbeing A Community Interest Company that aims to improve health and wellbeing of local communities through yoga and complementary therapies.

Box 2: Continued

Birmingham Buddhist Centre Provides a network of spiritual friendships and provides dedicated mindfulness opportunities for family carers .

Birmingham Mind An independent charity providing high quality recovery based services to improve mental wellbeing. Information and services or offered to people experiencing mental distress and their family carers.

Cerebral Palsy Midlands A charity that empowers people with cerebral palsy and other disabilities.

Chinese Community Centre Provides services that meet the Social, Health, Welfare and development needs of the Chinese community. Our aim is to develop innovative services that better target the needs of the Chinese community in Birmingham

Contact a Family Contact a Family is a national charity for families with disabled children providing information, advice and support. We bring families together so they can support each other.

Disability Resource Centre A charity which aims to support disabled people and their families to take control of their lives to achieve their full potential.

Freshwinds Charity which offers care and support to people with life threatening and life limiting illness as well as individuals from socially excluded backgrounds.

Headway West Midlands A charity that works to improve life after brain injury by providing information support and services to people affected by brain injury, their families and carers.

Health Exchange Social enterprises which works with people and their communities to achieve better health and wellbeing.

iSE (Initiative for Social Entrepreneurs) A social enterprise to change lives by supporting the development and sustainability of other social enterprises.

KIDS A not for profit organisation making a life changing difference to the lives of disabled children and young people along with their families.

Midland Mencap A charity that offers a wide range of services to families of disabled people including advice, care and support and housing, short breaks for disabled children, family support, sporting opportunities and a carers emergency backup services.

Narthex Sparkhill Faith based charity based in Sparkhill that encourages cohesion through education, social action, families and young people.

Box 2: Continued

NYAS (National Youth Advocacy Service) A charity providing information, advice, advocacy and legal representation to children, young people and vulnerable adults.

Small Heath Community Forum Charity which aims to help resolve issues and tend to the concerns of the local community and the wider public by offering free and impartial advice and advocacy services.

St Paul's Community Development Trust Charity which aims to work with and alongside the people of Balsall Heath in Birmingham and the wider neighbourhood to promote education, recreation and life-long learning.

YMCA Sutton Coldfield Charity with christian values at it's heart, providing accommodation, support and a range of activities and projects for young up to the age of 30 years.

Box 3: Associate Members of Forward Carers

Forward Carers is commissioned (Lot 3) to coordinate out of school activity clubs for children with additional leads. The providers are listed here: Midland Mencap (Lead and Coordination), Norton Hall, Kings Heath Playcare, Mayfield School, Fox Hollies School, Hamstead Hall Academy, St Pauls Comm. Trust, YMCA, Action for Children, Seven Up, Fun Club, Friends of Malachi, Longbridge Childcare Strategy Group, and St Paul's Community Development Trust.

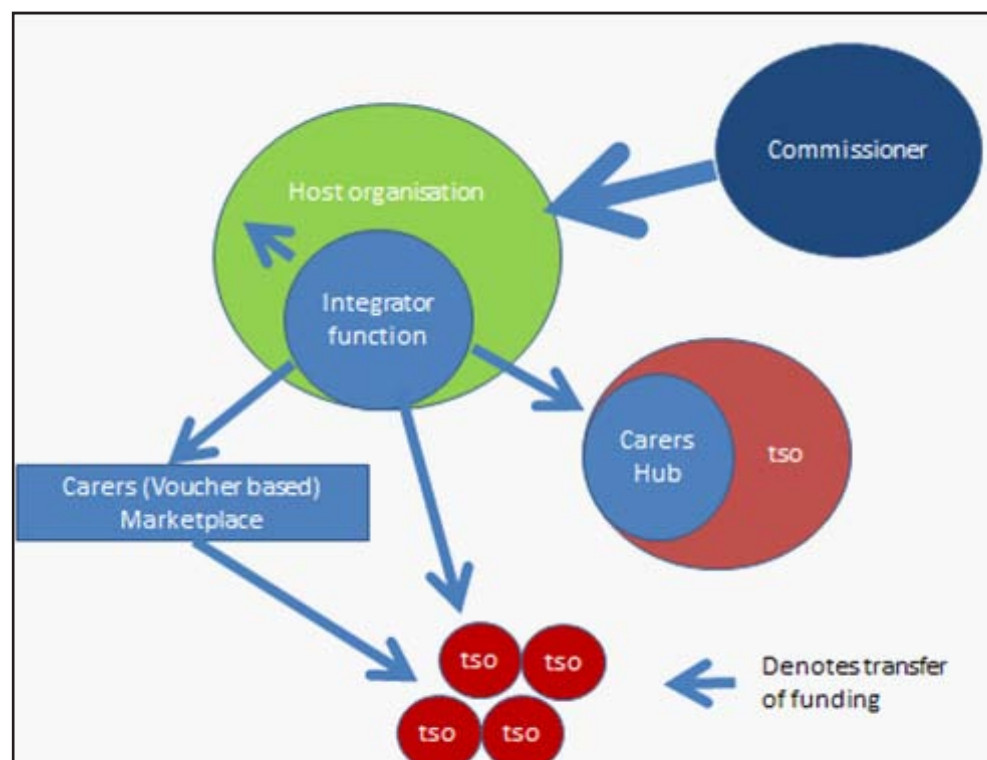
Box 4: Services provided by Consortium members

- Information and advice line
- One to one support – from assisting with welfare entitlements to counselling
- Carer emergency back up service
- Training for carers
- Carer support groups
- Wellbeing provision, for some 'me-time' away from caring
- Out of school activities for children with additional support needs
- Signposting to other agencies who can assist carers
- Online communities through our facebook and twitter platforms.

Forward Carers uses a mixture of block, activity and performance based payments within the contracts it holds with its members. The block payments are used to fund certain members to provide core services such as the running of the carers hub and the co-ordination of the holiday clubs, (see diagram 4) with the TSOs concerned required to deliver a specified range of services and report against connected targets and indicators. The activity payments relate to the uptake of the services provided by general members for carers. This includes the 'time for me' initiative, individual case work with carers, and the running of local carers groups. The latter has a stepped pay-schedule in which the provider receives more funding dependant on the number of attendees. The performance aspect relates to achievement of key indicators, such as £30 for each new carer registered on a central database.

Forward Carers itself receives ninety percent of its funding in four block payments in arrears from the City Council on the basis that it provides quarterly performance data within specified timescales. Failure to do so will result in a reduction in payment with monthly penalties. The remaining 10% of the contract value will be paid if the consortium meets specified performance standards. In the first year these primarily relate to the registering of active carers on a central database and the undertaking of assessments of their needs (see Box 5). In years 2 and 3 this payment will be linked to improvements in carers' wellbeing. These performance measures have required Forward Carers and the City Council to agree what quality of life assessment and process would be appropriate. This was the subject of much debate due to the perceived lack of suitable existing tools and datasets. The result is a combination of key indicators from the Adult Social Care Outcomes Framework and a bespoke quality of life tool developed by Forward Carers (see Box 6). The consortium has introduced a new software package to be used by the members to capture this information.

Diagram 4: Current consortium arrangements and funding flows



Box 5: Key Performance Indicators for Forward Carers

Outcome: **“Carers will be respected as expert care partners and will have access to the integrated and personalised services they need to support them in their caring role.”**

PBR KPI 1 – number of active carers registered and assessed (all ages)

PBR KPI 1a – number of active young carers (under 18 years of age) registered and assessed

PBR KPI 2 - number of carers registered (all ages) who are providing over 50hrs of unpaid care per week

PBR KPI 3 – number of carers registered, who are providing over 50hrs of unpaid care per week and who are living alone with the cared-for (all ages)

PBR KPI 4 - number of carers registered, who are providing over 50hrs of unpaid care per week and who themselves have significant health problems/disability (all ages)

PBR KPI 5 - number of carers registered, who are providing over 50hrs of unpaid care per week and who is not able or willing to co-operate with the care provided (through learning disability, mental health problems, dementia, etc) (all ages)

Outcome: **Carers will be supported to stay mentally and physically well and will be treated with dignity and respect.**

PBR KPI 7 – number of carers (all ages) registered for Emergency Response

PBR KPI 8 – number of emergency responses made in the calendar month

PBR KPI 9 – number of planned (sitting) responses made in the calendar month

PBR KPI 10 – number of support networks for active carers supported (all ages)

PBR KPI 11 – number of GP practices in Birmingham identifying an active carers' champion

Box 6: The Wellbeing Assessment Questions:

Time / Occupation: how much time do you have to do the things you value and enjoy, this could be work, socialising or leisure activities?

Control: How much control do you have over your daily life and ability to make choices?

Social Participation: How much contact do you have with friends and family?

Emotional Wellbeing: Do you have opportunities or coping strategies to manage your stress levels?

Accommodation: Do you feel your accommodation is suitable and safe to carry out your caring role effectively (considering adaptations, equipment, IT and assisted technology)?

Support: Do you know how to find useful information about carrying out your caring role?

Safety: How safe do you personally feel at present? By 'personal safety' we mean feeling safe from fear of abuse, being attacked or other physical injury or harm.

Relationships: The impact your caring responsibilities have on other important roles in your life e.g. wife, husband, parent, student, work employee?

In January 2015 the TSOs within the consortium who responded to the survey reported being largely positive about what had been developed to date, their own sustainability as organisations, and future support for carers in Birmingham (see Box 7). Most recognised that it was early days for the consortium and that a longer time period would be required before they could judge if and how it would be successful. It is important to note that there were a few respondents who at that point did believe that the consortium was yet having a positive impact. Most also flagged up concerns regarding the reduction in funding available for carers services:

“On one hand there is fair optimism for the recognition of carers, particularly via the care act, but, resources and continuing budget reductions are often in contrast to the idea that carers will be better recognised and supported.” (TSO)

“It could do either way. I think the Hub has a lot of potential and I have every faith in the leadership of the consortium. However its just a very grim time for a service which is non-statutory and I don't know what the future holds funding wise.” (TSO)

They identified three key aspects of the consortium's work and operation that should be priorities for future development. Firstly, a strengthening and opening up of the internal partnership and governance arrangements. Up to that point key decisions had effectively been made by a small steering group chaired by Midland Mencap. Whilst members understood that there had been an initial need for decisions to be made rapidly and therefore a small group, they wanted to see much more transparency and member participation in key decisions in the future. Secondly, they wanted to see better communication with the consortium about recent developments as well as opportunities to come together in order to share good practice and learn from each other's experiences. Finally, they saw a need to improve communication with carers and with wider stakeholders regarding the role of the consortium and the services that they could provide.

Box 7: Comments from members regarding the initial work of the consortium

"Reaching many more carers offering a service that enables carers through the support offered."

"I think harnessing the joint capabilities of the partners will provide a stronger broader support offering to carers."

"I feel this totally new approach to carer services will reach out to a much broader range of carers, including those who may not previously have even considered themselves a 'carer'."

"We feel that we have been given more opportunities to work with the Consortium and give more input."

"I consider the plans that have to date been put in place and those identified going forward are a good base to grow the consortium"

"The Consortium is already reaching more children, young people and their carers than the previous arrangements."

"So far the consortium appears to be running in a spirit of cooperation for the benefit of the service users and if it continues in this way then we are optimistic the future (subject as always to funding)."

What can be learnt from Forward Carers to date?

The thinking and aspirations behind the consortium tender for carers services in Birmingham reflects those commonly found within such tendering approaches. These include integration of services across pathways, populations and/or providers, ensuring that the resources available are used as effectively and efficiently as possible, and enabling people who access the services receive flexible and holistic support. Forward Carers is currently an amalgamation of the lead provider and contractor models as whilst the host organisation delivers services the consortia function is being managed semi-autonomously within this organisation. It is too early to evaluate what impacts the new contractual and provider arrangements will have in practice for carers. However it is reasonable to note that the approach has led to a new alliance between a number of third sector organisations within the City and the development of an integrator organisation to shape, co-ordinate and oversee their collective work. It has also enabled the introduction of a single point of access for carers with opportunities for carers to be informed about and engaged in its work, and an innovative marketplace through which they can select and purchase the support and opportunities that they think will promote their well-being. Therefore there is sufficient evidence to state that there are initial positive signs of a constructive foundation being laid through the tender and consortium in which carers services will be more integrated, accessible and responsive.

Alongside these strengths it is also important to recognise that there have been a number of key risks which could have derailed the tender process and which need to be addressed going forward. In relation to the tender, it would appear that the third sector found it difficult to work together in regards to such a large bid, and that there was a substantial risk that without Midlands Mencap there would not have been any organisation willing to lead a consortium. From a commissioner perspective, greater competition from the market could have resulted in a wider variety of models and suppliers from which they could select. Communication about and co-ordination of the process across the age group silos could have been improved, and timing of the both the bid submission and award (in respect of the termination of the previous contrasts) were also far from ideal. The consortium members were positive on the whole about the potential of the new arrangements, but their on-going commitment may rely on perceptions of transparency of decision making, opportunities for members to engage in the governance, and fairness in the allocation of funding and other resources. Commissioners will need embrace their more distant relationship with providers, and be able to strike a balance between working with integrator as a partner and performance managing them as a contracted provider.

As ever, the real test of such an initiative is if it achieves the expected outcomes in practice. In this case these related to carers wellbeing, efficient use of resources, and partnership working with the third sector. It is planned that a second study will be undertaken in summer 2016 to evaluate the extent to which these have been realised. In the interim period it is still possible to build on the experiences to date in Birmingham and findings from previous studies to propose five key questions for commissioners and TSOs considering procuring from or delivering through a consortium.

Five questions for Commissioners

1. Are you being realistic about what can be achieved through a consortium?

Much of the rationale for commissioning with a consortia is derived from an awareness of the weaknesses of current commissioning arrangements, and a belief that doing something different will enable these weaknesses to be addressed. It is hoped that a combination of an emphasis on outcomes with connected financial incentives, a lead integrator with experience of delivery, and a new type and set of inter-organisational peer relationships will lead to greater efficiency, more innovation, better integration and so on. Aspirations for such arrangements therefore seem to be running high in England, and whilst there expectations may be met there is no guarantee that this will be the case. It also appears that commissioners expect the integrator organisations to be able to address key failings in the local markets that they themselves have struggled to satisfactorily resolve. However, there is also the risk that they will not, as the integrator fails to have the leverage, capacity or capability to generate new interconnections and behaviours. It is therefore vital that commissioners spend adequate time thinking through their aspirations before proceeding with a consortium tender.

2. Have you considered the potential dangers as well as benefits of consortium delivery?

Much procurement and contracting research explores the difficulties that purchasers face in trying to ensure that they get what is required from the organisations and supply chains that they buy from. Key concepts within this process are those of 'power' (in particular the extent to which either parties can influence the other to do what is in their interest) , 'opportunism' (in particular the degree to which a provider is able to promote their interests to the detriment of the purchaser), 'information asymmetry' (in particular the degree to which providers have access to detail about the delivery of the contract that the purchaser is not privy to) and 'lock in' (when a contract has been let and it is hard for the purchaser to then withdraw due to financial or political). Many of these can be seen to apply to arrangements in which a commissioner tenders with a lead provider or contractor. For example, the integrator organisation will be given a powerful position in the local marketplace with unique access to information about the work of the supply chain. The purchaser will have some levers that it can apply to the integrator if it

is not seen to deliver, however it is also difficult for a commissioner to be seen to have selected a lead organisation that then fail. There is the further potential for an integrator in such a situation to publically challenge the funding and quality of the tender and contract. The costs of preparing for such a tender are significant which may make the purchaser reluctant to then cancel any contract if this funding will be lost and have to be repeated. Whilst a discussion of dangers could run for many pages, it is also worth highlighting that a consortium may lead to less rather than less market diversity, with a connected danger that integrator will be able to take a dominant position.

3. Are you ready as individuals, as a commissioning team and as an organisation to undertake a consortium tender?

It is clear therefore that commissioning through a consortium has much complexity that needs to be carefully thought through if the potential gains are to be achieved and pitfalls to be avoided. This is not to say that commissioning by more traditional single agency contracts is simple, or that working through an integrator will not simplify some aspects of the purchasers' responsibilities. However there are a set of additional issues that will arise. Procurement and contracting literature again highlights the importance of the buyer having sufficient capacity and expertise to oversee the whole purchasing process, and the potential for internal politics and interests to result in confused and inefficient buying decisions⁸. The importance of a sufficiently robust commissioning function is confirmed in the limited studies that have been done which also suggest that this is not always in place within local authorities and other public sector commissioning bodies⁹. Before moving to the adoption of such new contractual arrangements it would therefore seem vital that the commissioning organisation spend time in assessing its internal competence to purchase through a consortium and then respond to any identified gaps. Key within this will be anticipating that the individuals, teams (and in the case of health care) organisations may be restructured over the life of the contract and developing sufficient records and processes that the responsibility for overseeing the integrator can be successfully transferred to others.

4. Is the market place ready to undertake consortium tendering and delivery?

Leading a consortium bid also entails considerable complexity and risk which may be unfamiliar and potentially intimidating for third sector organisations (and indeed many private sector providers). Taking on the integrator role further entails distinct pressures and responsibilities. This includes a different relationship with peers in which the integrator has the power and responsibility to allocate money and undertake review of their performance. This is particularly pertinent in contracts involving small organisations whose survival may depend on the continuation of the connected funding. Preparing local TSOs and private providers, and working with local branches of interested national organisations for consortia working, will therefore be an important part of commissioner's market shaping duties.

5. Have you considered the practicalities as well as the vision of working with a consortium?

Along with the strategic thinking connected with such commissioning are a number of practical tasks that need to be successfully planned and undertaken. These include communication with and engagement of potential providers, the timing of the tender and bid submission deadline, and the transition between the old and new arrangements. It is vital that there is meaningful engagement of people who will access the tendered services in the development of the specification and in selecting the successful provider. The performance framework and connected payment systems are also key ingredients which can be developed once the contract is place to enable the involvement of the selected integrator/consortium.

Five questions for Third Sector Organisations

1. Are your trustees engaged with the possibility of consortia working?

Trustees' role is to agree the future strategy of TSOs, and determine the risk appetite of organisation and how this will be managed. Whilst it will often be the chief executive who will become aware of or develop opportunities for consortia working, trustees need to feel comfortable with how such partnership arrangements help fulfil their mission and how connected risks will be managed. These include the governance arrangements that will be in place and any decisions will be delegated to the integrator, if their income and impact will be determined by the performance of others, and the overall vision and values that they are signing up to as a member of a consortium. Trustees may also want to agree what decisions regarding membership of a consortium will be delegated to their chief executive, and if there is merit in chairs being authorised to agree on behalf of trustees in certain circumstances. Due to the often short deadlines with tender submissions, there is a danger that some organisations may miss out on key opportunities due to delays arising from their governance arrangements.

2. Have you undertaken a strategic review of the use of consortia within your future service areas?

Whilst it is becoming more common, consortium purchasing is not the norm as yet within health and social care, and the appetite varies between commissioners. There is also variation between user groups and/or service types, with current national exemplars focussing on home care, mental health, end-of-life and musculo-skeletal services. Mapping out potential deployment in the localities that TSOs want to work in the future needs to consider both the local and national data. The 'local' would be the expressed commissioning strategy of the clinical commissioning groups and the local authority in relation to the populations of interest, the extent to which these bodies are applying such tender arrangements more generally, and the personal interest and perspectives of the key commissioners. The 'national' is to keep abreast not just of key policy statements and practice guidance but also the views of influential think tanks and commentators as these are often considered by commissioners when developing their future purchasing strategies.

3. Have you approached other organisations that you may wish to develop consortia with?

Whilst the exact detail of future tenders will not be known, it is still possible to identify potential partners to work with as and when opportunities arise. Undertaking initial discussions without the deadline and pressure of an imminent tender deadline will enable a fuller consideration of respective priorities, values and ways of doing things. Congruence (or at least accommodation) of the differing cultures and mission is vital if a consortium is going to thrive. Perhaps even more difficult a question is which organisations a TSO would not be willing to join in with. Declining an approach from a peer within the local third sector can put strain on an existing relationship, and choosing not to join a consortium that is then successful could lead to feelings of isolation and a loss of funding. If consortia tenders do become more commonplace then so will the hard decisions about who is (and is not) an acceptable partner.

4. Do you have a set of key criteria regarding consortium membership?

To inform the decisions above it may be helpful for TSOs to develop a set of key minimum criteria regarding membership of a consortium. This should include - the values that a consortium would be expected to espouse, the minimum income that need to be gained, the social impacts that would be a priority, the type of organisation that you would be willing to partner with, and the risks of not becoming a member. Such a checklist of criteria will help to structure thinking, which can be particularly helpful in situations in which decisions have to be made in a short space of time.

5. Do you have the competence and capacity within your management team to lead or join a consortium?

Mirroring the issues for commissioners, TSO managers also need a set of competences regarding working in a consortium. This applies to not only to those who plan to lead bids, but also those who want to be members. These competences apply in part to technical issues such as legal agreements and payment mechanisms, but also to softer skills such as influencing and leadership. Anticipating what the key competences will be and undertaking an audit of current knowledge and skills will enable appropriate development opportunities to be arranged. Capacity is also key, as consortium, particularly in their early stages, will place added demands due to the need to meet, consider and negotiate with potential partners.

Appendix 1: Summary

To fulfil their duties as the key commissioners of adult social care services under the Care Act Local Authorities are encouraged to consider 'emerging ideas and best practice'. One such idea which is receiving increasing interest is tendering with a consortium of providers rather than with multiple single agencies. The evidence for such arrangements is still evolving, with a call for experiences to be shared so a body of practice knowledge can be established. This report summarises the learning from Birmingham, in which the Local Authority has tendered for carers services through this approach. It concludes with ten key questions regarding commissioning through consortium.

Birmingham City Council has historically funded a range of third sector organisation (TSOs) to provide support to carers. Whilst carers valued these services, the Carers Partnership Board recognised that not all carers were accessing support, there was duplication between providers, and a lack of joined up working across children and adults services. The Council therefore decided to tender for a consortium to encourage better joint working and more integrated support for carers. This was advertised in November 2013 and awarded to the Forward Carers Consortium in March 2014.

The consortium comprises of twenty-one TSOs, with the 'lead contractor' or 'integrator' function being hosted within Midland Mencap. It is planned for this to be spun-out into a new independent organisation. Members are funded on a block, activity and/or performance basis. This includes through 'wellbeing vouchers' that carers can spend through an on-line market place. Forward Carers operates a carers hub which provides a portal for advice and guidance through telephone, e-mail and social media.

The contract with the consortium has a block and performance element, with 10% of the funding being dependant on meeting of key targets. In Year 1 these have been related to the registration of active carers and assessment of their need. From Year 2 this element will be dependent on improvements in carers' wellbeing, with the connected indicators being developed during Year 1.

Views from the commissioners

Commissioners hoped that in addition to the issues of fragmentation and inequality of access, a consortium would lead to more efficient use of the funding available and reduce their contract monitoring costs. They were disappointed that only one consortium applied for the tender, and in future would do more to develop interest from the local market and from relevant providers not working in the locality at present. Developing the specification required commissioners working across user and age groups which in the Council's view enabled an integrated process. Issuing cessation of contracts was as a 'wake-up' call for TSOs who did not think there would be change.

Views from the members

TSOs agreed that there was potential to improve on the previous arrangements. However they attributed this to poor commissioning practice rather than their inter-organisational working. Six months in, they were largely positive about progress to date and the potential of the consortium. They saw better communication with the members and more transparent decision making as being key enablers going forward. They also highlighted the need to raise awareness of their work with carers and with external partners. Future reduction in funding was the major issue of concern.

Views from the bid developers

Midland Mencap were surprised at how long it took for many of their TSO peers to accept that the previous contracting arrangements would not be continuing. No other organisation came forward to lead the bid and so they took on the role by default rather than design. Midland Mencap saw the tender as an opportunity to fulfil their original mission of improving support for carers. They benefitted from specialist support from a development agency funded through a government grant. In future they would be clearer and more formal regarding prospective consortium members regarding their contribution to bid development. They would also strongly recommend that commissioners do not tender over the Christmas period and for a longer period between contract award and the mobilisation date.

From the experiences in Birmingham and other reports and studies, we suggest 10 key questions regarding commissioning of consortium:

Questions for commissioners

1. Are you being realistic about what can be achieved through a consortium?
2. Have you considered the potential dangers as well as benefits of consortium delivery?
3. Are you ready as individuals, as a commissioning team and as an organisation to undertake a consortium tender?
4. Is the market place ready to undertake consortium tendering and delivery?
5. Have you considered the practicalities as well as the vision of working with a consortium?

Questions for third sector organisations

1. Are your trustees engaged with the possibility of consortia working?
2. Have you undertaken a strategic review of the use of consortia within your future service areas?
3. Have you approached other organisations that you may wish to develop consortia with?
4. Do you have a set of key criteria regarding consortium membership?
5. Do you have the competence and capacity within your management team to lead or join a consortium?

Notes

- 1 Department of Health (2014) Care & Support Statutory Guidance. Issued under the Care Act 2014, Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/315993/Care-Act-Guidance.pdf
- 2 Bolton, J. (2015) Emerging practice in outcome-based commissioning for social care, Available at <http://ipc.brookes.ac.uk/publications/index.php?absid=807>
- 3 Addicott, R. (2014) Commissioning and contracting for integrated care. London: The King's Fund. Available at: <http://www.kingsfund.org.uk/sites/files/kf/kings-fund-commissioning-contractingintegrated-care-nov14.pdf>
- 4 O'Flynn, J., Dickinson, H., & O'Sullivan, S. (2014). The prime provider model: an opportunity for better public service delivery?. Brotherhood of St Laurence. Available at file:///C:/Users/millerr/Downloads/OFlynn_etal_Prime_provider_model_2014%20(2).pdf
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- 6 Billings, J., & De Weger, E. (2015). Contracting for integrated health and social care: a critical review of four models. *Journal of Integrated Care*, 23(3).
- 7 This included interviews and focus groups with the bid writers and commissioners, a survey of consortium members, analysis of key documents and an engagement event with consortium leaders and members.
- 8 Lonsdale, C. (2012), "Procurement and Market Management", in Glasby, J. (ed.) (2012) *Commissioning for health and well-being: An introduction*, The Policy Press, Bristol.
- 9 Rees, J., Miller, R. and Buckingham, H. (2014) *Public sector commissioning of local mental health services from the third sector*, Third Sector Research Centre Working Paper 122, May 2014.

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