

**A quick guide to Best Value and  
Commissioning of Social Care  
Support**

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## About this quick guide

This guide uses the revised [Best Value Statutory Guidance](#) from 2020 and applies it to the commissioning and procurement of social care support. It is designed for finance and commissioning professionals in commissioning authorities and provider organisations. It consists of two parts:

1. A description of what transformation looks like for each Best Value (BV) theme in relation to the funding, commissioning and procurement of social care support. It is designed to help organisations and partnerships undertake self-evaluation and continuous improvement. It also provides a useful framework for discussions between finance professionals in commissioning authorities and provider organisations, as they seek to find ways of working more collaboratively in pursuit of sustainable, effective social care support services.
2. A short and sharp scrutiny checklist, designed primarily for Board members and councillors, asking 21 key questions across the BV themes, allowing for robust scrutiny of commissioning and procurement practices.

## Introduction to Best Value

Best Value as a concept has been around since the late 1990s, introduced by the new UK Government as a replacement for – and to some extent an antidote to - the Compulsory Competitive Tendering (CCT) regime. In Scotland, the Best Value taskforce was established in 2002, leading to the Best Value duty in local authorities being enshrined in the Local Government in Scotland Act 2003, supported by statutory guidance published in 2004.

In recognition of the significant changes in the policy and operating environment since 2004, [refreshed statutory guidance](#) was published in March 2020. The 2020 statutory guidance set out seven Best Value themes that local authorities should have regard to in all their operations, including commissioning and procurement. While this statutory guidance applies to local authorities, it is worth noting that other public bodies (through their Accountable Officers) also have to demonstrate their commitment to best value as set out in [this guidance](#).

The duty of Best Value requires local authorities:

*to make arrangements to secure continuous improvement in performance (while maintaining an appropriate balance between quality and cost); and, in making those arrangements and securing that balance, to have regard to economy, efficiency,*

*effectiveness, the equal opportunities requirement and to contribute to the achievement of sustainable development.*

Best Value does not require local authorities to proceed on the basis of the lowest cost option. It expects decision makers to take into account a much wider set of characteristics, balancing quality and cost, and to have regard to fairness, equality and sustainable development. These are critical considerations in the context of commissioning and procuring social care support services.

In Scotland, the Best Value scrutiny regime for local authorities is overseen by the Accounts Commission for Scotland, supported by audit teams from Audit Scotland and audit firms. External auditors are required to report on aspects of BV each year in their annual audit reports, and the Controller of Audit reports more comprehensively to the Accounts Commission on the pace, depth and continuity of improvement in each council. More information on Best Value auditing, including BV audit reports, [can be found the Accounts Commission / Audit Scotland website](#).

## Best Value in the funding, commissioning, and procurement of social care

The table below (p3-6) builds on a wide range of good practice materials to describe, in simple terms, the journey towards the transformation of funding, commissioning and procurement functions in relation to social care. This table can be used by public authorities to review their financial management practice and identify their priority areas for future development.

The statutory Best Value themes (in the left-hand column) provide the organising framework, and the 'Developing' and 'Transforming' columns show two ends of a spectrum. The 'Developing' column describes practices that meet current minimum requirements and reflect the 'old thinking' described in the Independent Review of Adult Social Care (2021, p3) where services are reactive and relationships transactional. The 'Transforming' column provides a set of indicators of best practice - what we should be striving to achieve- where financial practices reflect a cultural shift into a collaborative and whole systems approach. The descriptions should support a process of self-evaluation and provide a framework for discussions within commissioning authorities and between funders and support providers.

This table is followed by the checklist for Boards and councillors (p7-8). The checklist sets out 21 questions based on BV themes to support robust scrutiny of commissioning and procurement practices.

## Best Value transformation

Best Value Theme	Developing (meeting the minimum requirements)	Transforming (implementing best practice)
<b>Vision and leadership</b>	<ul style="list-style-type: none"> <li>• Commissioning and procurement are seen as stand-alone functions</li> <li>• Transactional, focused on cost, inputs and outputs</li> <li>• Commissioning and procurement are seen as largely operational functions to buy social care services</li> <li>• Elected members and board members have limited or ad-hoc engagement with commissioning and procurement functions</li> </ul>	<ul style="list-style-type: none"> <li>• Senior officers and elected members/board members have a clear vision for how strategic commissioning and procurement contributes to the wellbeing of their local communities</li> <li>• Leadership is focused on the whole system, not just individual organisations</li> <li>• Strategic commissioning is central to a community wealth building approach in the local area</li> <li>• The vision for commissioning and procurement is focused on the people served – providing coherence across partners as to ambitions, driven by central focus on best possible outcomes for people</li> <li>• The leadership of the organisations develops a learning culture, fostering innovation, identifying, embedding and sharing good practice.</li> </ul>
<b>Governance and accountability</b>	<ul style="list-style-type: none"> <li>• Commissioning and procurement functions adhere to relevant legislation and guidance</li> <li>• The governance of Commissioning and procurement is primarily driven through the finance and procurement functions, with a focus on contract compliance</li> <li>• There is limited visibility of commissioning and procurement in strategic plans and service plans</li> </ul>	<ul style="list-style-type: none"> <li>• Approach to commissioning and procurement is designed to:               <ul style="list-style-type: none"> <li>○ share power, shifting power and control to individuals;</li> <li>○ ensure commissioners act as system enablers and market facilitators, rather than gatekeepers and enforcers</li> <li>○ enable risk and innovation: recognition that innovation involves risk and change</li> <li>○ encourage long term, flexible frameworks, shared with and developed jointly by commissioners, providers and service users</li> <li>○ performance reporting and accountability is based on measuring outcomes and a shared understanding of what success looks like.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• Performance reporting is internal only, and limited to a narrow set of indicators relating to costs and input measures</li> <li>• There is limited governance at political / board level for commissioning and procurement of social care support services.</li> </ul>	<ul style="list-style-type: none"> <li>○ establish proportionate monitoring and reporting arrangements for finances and performance, focusing on outcomes, as well as inputs and activity.</li> </ul>
<p><b>Effective use of resources</b></p>	<ul style="list-style-type: none"> <li>• Spending decisions regarding social care support tend to be short term and reactive to service pressures</li> <li>• The authority can demonstrate sound stewardship of public funds being spent through commissioning and procurement of social care services</li> <li>• Commissioning and procurement staff are competent and keep CPD up to date</li> <li>• Information relating to commissioning and procurement is well managed and in line with relevant statute and guidance.</li> </ul>	<ul style="list-style-type: none"> <li>• Social care is seen as an investment, rather than a burden</li> <li>• Funding of social care support is clearly prioritised as a strategic priority in budgets</li> <li>• Commissioning approaches develop long-term, predictable financial arrangements that make it possible for commissioners and providers to maintain an honest dialogue about delivery</li> <li>• Levels of funding are based on a thorough understanding of costs, ensuring that services are sustainable in the long term</li> <li>• Where savings or cost avoidance is achieved, clear arrangements and incentives are in place for sharing the benefits and re-investing in services</li> <li>• Commissioning and procurement approaches are based on collaboration, not competition</li> <li>• Quality is clearly prioritised over price in any procurement activity</li> <li>• Innovative commissioning and contracting models are regularly used, such as Alliancing, participatory budgeting, direct awards and community commissioning</li> <li>• Approaches to commissioning and procurement allow staff freedom to operate, giving autonomy to use their professional judgement in meeting the needs of the people they support</li> </ul>

		<ul style="list-style-type: none"> <li>Finance, commissioning and procurement staff are encouraged and supported to work in new ways.</li> </ul>
<b>Partnerships and collaborative working</b>	<ul style="list-style-type: none"> <li>There are some examples of joined up commissioning and procurement practices</li> <li>Commissioning authority provides clear information to suppliers</li> <li>Commissioning and procurement teams have effective operational relationships with existing suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>Built on trusted relationships – professional and personal relationships underpin collaborative efforts, both among staff and more personal relationships with supported people</li> <li>Partnership is an end-to-end process: collaboration is prioritised at all levels of commissioning, from strategic planning through to procurement of individual services and supports</li> <li>Partnerships are based on the principle of ‘high trust, low bureaucracy’, encouraging staff to cut through unnecessary process in the interests of the people they support</li> <li>Partnership and collaboration are evident in how resources are used – money, people, information and buildings. Pooled budgets and integrated resourcing frameworks are in use across partnerships</li> <li>The third sector is recognised as a valued, equal partner and relationships are actively developed and nourished on an ongoing basis.</li> </ul>
<b>Working with communities</b>	<ul style="list-style-type: none"> <li>Commissioning and procurement decisions are communicated to services users and the wider community in a timely manner</li> <li>Services to be commissioned and procured are defined by a needs assessment undertaken predominantly by the commissioning authority.</li> </ul>	<ul style="list-style-type: none"> <li>Commissioning and procurement are participative processes, benefiting from the expertise of people with lived experience, carers, local communities, providers, commissioners and other professionals</li> <li>Commissioning and procurement approaches encourage a focus on place, designed with and for communities.</li> </ul>

<p><b>Sustainable development</b></p>	<ul style="list-style-type: none"> <li>• Commissioning and procurement activity takes account of economic sustainability ie. affordability</li> <li>• Some aspects of environmental sustainability are considered as part of procurement processes.</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable development, in balancing social, economic and environmental wellbeing, is clearly articulated in commissioning and procurement strategies and plans</li> <li>• Commissioning and procurement arrangements are used as levers to improve social, economic and environmental wellbeing for people who receive social care support and local communities</li> <li>• Decoupling social worker decisions on people’s care needs from questions of affordability in the first instance.</li> </ul>
<p><b>Fairness and equality</b></p>	<ul style="list-style-type: none"> <li>• Commissioning and procurement functions are carried out fairly and equitably in relation to suppliers and competition</li> <li>• Social care staff are paid in accordance with relevant statutory requirements and guidance</li> <li>• Commissioning and procurement of social care support is subject to robust equalities impact assessments</li> <li>• Commissioning authorities meet their statutory obligations in relation to equalities and human rights.</li> </ul>	<ul style="list-style-type: none"> <li>• Commissioning and procurement is person centred and human rights focused: upholding people’s human rights and their rights to support</li> <li>• Arrangements take into account factors beyond price, including fair work, wider terms and conditions and trade union recognition</li> <li>• Commissioning of social care support services is seen as a key mechanism for ensuring fair work and equality for staff and people who use services</li> <li>• Approaches to commission and procurement are designed in collaboration with equality groups.</li> </ul>

## Scrutiny checklist – 21 Key questions for Board members and councillors to ask when scrutinising the funding, commissioning and procurement of social care support services

<b>How do we ensure we are achieving Best Value in commissioning and procuring social care support services?</b>			
<b>Vision</b>	Q1. Do we have a clear, shared view of how commissioning and procurement is contributing to our vision for local communities?	Q2. To what extent is our vision and strategy for commissioning and procurement of social care leading to learning, innovation?	Q3. To what extent are we able to oversee and scrutinise the whole system, rather than just our organisation?
<b>Governance and accountability</b>	Q4. To what extent do our governance and accountability arrangements encourage a whole system, collaborative approach?	Q5. How do we ensure that our governance processes are helping, rather than hindering, a more collaborative approach to commissioning?	Q6. To what extent does our approach to governance encourage power sharing and a more collective approach to decision making?
<b>Effective use of resources</b>	Q7. To what extent are we taking a collaborative approach with our partners to how we use our money, people, information and buildings?	Q8. How / when do we bring the use of competition in the procurement of social care support services to an end?	Q9. To what extent are we using more innovative models of commissioning and procurement?
<b>Partnerships and collaborative working</b>	Q10. What evidence do we have that partnership working is truly embedded, end-to-end, in commissioning and procurement processes?	Q11. To what extent are our partnerships based on the principle of 'high trust, low bureaucracy'?	Q12. To what extent are our third sector partners genuinely seen as valued, equal partners in the commissioning and procurement process?

<b>How do we ensure we are achieving Best Value in commissioning and procuring social care support services? (continued)</b>			
<b>Working with communities</b>	Q13. To what extent are our approaches to commissioning and procurement designed and delivered in collaboration with people that use social care support services?	Q14. How confident are we that commissioning and procurement is meeting the needs of individuals, families and communities?	Q15. What evidence do we have of commissioning and procurement decisions being directly influenced through engagement with local communities?
<b>Sustainable development</b>	Q16. To what extent do our strategies and plans clearly articulate how commissioning and procurement can improve economic, social and environmental wellbeing in our local area?	Q17. How do we ensure that equality groups and diverse voices are genuinely engaged in the commissioning and procurement process?	Q18. What assurance do we have that commissioning and procurement decisions have been subject to thorough equalities impact assessments?
<b>Fairness and equality</b>	Q19. To what extent do our arrangements for commissioning and procurement deliver fair work for people working in all parts of the system?	Q20. How do we ensure equality and parity in terms of pay, terms and conditions for workers across social care support services, regardless of who their employer is?	Q21. To what extent are our approaches to commissioning and procurement focused on human rights?

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*The CCPS Commissioning and Procurement Programme is funded by Scottish Government*



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