

CCPS

COALITION OF CARE
AND SUPPORT PROVIDERS
IN SCOTLAND

Collaborative Commissioning



Collaborative Commissioning

A collaborative, rapid response to implementing recommendations from the Independent Review of Adult Social Care.

Learning from an online working group of CCPS members and commissioners working together to improve the way support is commissioned and provided.

The group was hosted by CCPS and facilitated by Graeme Reekie from Wren & Greyhound.

In this document:
Possibilities

Possibilities

Innovation **and alternatives** to traditional commissioning are not only possible, they already exist and are supported by existing procurement regulations. Consider the different models of commissioning and practice that have been (and continue to be) underpinned by the Social Work (Scotland) Act of 1968.

Of course, there's no single way to commission collaboratively, and each of the models below will have different advantages and disadvantages depending on what you are aiming to achieve. Many of the models set out below are not new, and some have previously been used to facilitate competition, not collaboration. However, they are just tools, means to achieving different ends. Used in the right way, with the right intent, they can all be used as part of a collaborative commissioning approach.

The four tests

Consider the four tests below when assessing any commissioning model:

- Does it shift power?
- Does it increase choice and control?
- Does it improve accountability and transparency?
- Does it improve sustainability?

The four tests come from CCPS's 'Big Ideas for Renewal', [available here](#) and linked to each of the following models where appropriate.

The tests can all contribute to a broader understanding of best value in collaborative, ethical commissioning while aligning with existing best value definitions¹.

¹ See the Local Government in Scotland Act 2003 <https://www.legislation.gov.uk/asp/2003/1/contents>
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1. Long-term flexible frameworks

Short term contracts create unnecessary inefficiency and uncertainty. Contracts of 5-7 years in length, or even longer, are therefore becoming more common.

Flexibility must be built in because the needs, outcomes and responses identified at the start of the contract are likely to be very different from those at the end.

Learning and responsiveness are key, so partnership agreements set out how these will be supported, how unanticipated requirements are met and how the contract is expected to vary over time. Ongoing review allows progress towards outcomes to be evaluated and mitigates risks. Similarly, the framework may be open to new entrants periodically to ensure further choice and innovation in response to emerging evidence.

Commissioners' and providers' systems have evolved to respond effectively to short term strategies, competition and output monitoring. Do not underestimate the scale of culture change that might be needed for your organisation and others when shifting to a long-term flexible framework.

However desirable longer-term contracts can seem, the collaboration, trust and systems change required takes time. Commissioners are therefore bringing communities and providers together to identify the needs and resources available, and how these can best be deployed, well in advance of contracts or services being designed.

Reflection

- What would a shift to longer term contracts mean for your organisation?
- What might sustainable finance, planning, staffing, partnerships and learning look like – and require of you? Can you prepare for these in isolation, or do you need to collaborate with like-minded partners?
- How could the approach be used to fulfil the 'four tests' (power, choice, accountability, sustainability)?

2. Outcome-based contracting and monitoring

Current commissioning models focus more on outputs than outcomes. They outsource and manage risk through lengthy specifications, a focus on 'time and task', hourly rates and contract monitoring. This risks creating poor outcomes for everyone – commissioner, provider, worker, person, family and community.

In contrast, outcome-based contracts set out the challenges being faced by people and the *difference* that the service needs to make to them. Good quality data (for example, about local need or individual outcomes) is shared with providers who are invited to set out how these outcomes could be achieved. This encourages provider innovation and involvement of the people they support. It removes the pressure on commissioners to specify every aspect

of the service. Once contracts are awarded based on a chosen service design, partnership agreements give providers and commissioners shared responsibility for ensuring outcomes are achieved.

As with any change in commissioning, time and care need to be taken for providers to prepare and prevent destabilising the market. However, outcome-based planning and evaluation have been the norm in the third sector for over 20 years, so providers are equally likely to have learning to share about making it work in commissioning.

Reflection

- How much information and intelligence has been gathered about the local market? How was this informed by providers, communities and people who use services, and how will it be shared with them?
- How will decisions be made about what outcomes will be measured, and the measures or indicators that will be used? Will they support learning and collaboration? How will this be balanced with accountability?
- Will contracts be flexible and adaptable, responding to emerging evidence and learning about what is working and what needs to change?
- How tolerant will contracts be of iteration, experimentation and 'failure'?
- How could the approach be used to fulfil the 'four tests' (power, choice, accountability, sustainability)?

3. Public Social Partnerships

Public Social Partnerships (PSPs) involve public and third sector organisations working together to design services (or redesign existing ones). New models are planned, piloted, evaluated and either mainstreamed in accordance with public procurement rules or discontinued.

PSPs are therefore a way to develop and test new models and approaches, or to address needs that are unmet by traditional approaches. With high-level support and sponsorship, they can encourage power-sharing and support coproduction, giving explicit permission for innovation and testing.

PSPs require a high level of coordination to ensure partners are pulling in the same direction and that learning is being shared. Like any test of change², clear criteria are needed for how PSPs will be evaluated and, if successful, sustained.

² <http://www.ihl.org/resources/Pages/HowtoImprove/ScienceofImprovementTestingChanges.aspx>

These factors have been stumbling blocks for previous PSPs where:

- They did not result in the anticipated levels of collaboration or power sharing
- They were costly for voluntary sector partners to contribute to, using charitable resources with no promise of work
- They still lead to competitive tendering
- They lacked clear objectives
- Anticipated funding to sustain the pilot was not forthcoming.

Providers report being willing to contribute to PSPs when:

- They can build on their strengths. 'We build models and adapt academic research into our delivery, which is something that never comes out in traditional contract discussions. It is really empowering to be able to demonstrate our capacity.'
- 'It takes away competitive hesitance and facilitates better partnership working. Working towards a shared goal allows more comfort.'
- 'It felt like a useful process for sifting out who was serious and wanted to engage in the process. This is a useful by-product of the PSP approach.'
- 'It gives you the chance to pilot something, you have a foot in the door, a model that works and can hope to do well – a pragmatic approach.'

Reflection

- What is your experience of whether and how tests of change are sustained?
- Can existing services be maintained while something new is being tried by the PSP, or would a clean start be better, if possible?
- How could the approach be used to fulfil the 'four tests' (power, choice, accountability, sustainability)?

4. Alliance contracts

Alliances are contracts between a commissioner and a group of providers, where each has a shared responsibility for planning and delivering support in partnership. Partners come together based on common goals, shared values and the expertise they can contribute, relevant to the situation that is being addressed. They do so with no expectation of merger, or risk of losing their identity.

At the same time, the commissioner has the benefit of having just one contract to maintain. They spend less time in tendering and in administration, and more in partnership meetings and collaborative decision-making.

Alliances aim to:

- Make decisions on the basis of what is best for people (not processes)
- Share risk and power
- Re-invest surpluses
- Use a consensus decision making model.

Contracts are typically long term (10+ years), with the Alliance meeting regularly to adapt plans in response to what people need and want. Alliances create time for relationship development but, like PSPs, can be very time consuming to coordinate and take part in. Commissioners have a key role in facilitating relationships, at least in the early days, as providers won't necessarily have or know all the right partners.

Alliances relates to Big Ideas:

- Alliances <https://www.ccps-big-ideas.org/>

Reflection

- What could be gained by having the shared ownership that Alliances create?
- What provisions can be made for bringing new providers into the Alliance once it has begun?
- What can be learned from recent developments in Alliances like [Future Pathways](#) and [Glasgow Alliance to End Homelessness?](#)
- How could the approach be used to fulfil the 'four tests' (power, choice, accountability, sustainability)?

5. Participatory Budgeting

Participatory Budgeting (PB) allows citizens to have a say in how public funds are spent. There is a COSLA agreement that 1% of local government budgets would be subject to Participatory Budgeting by the end of 2021 (although this doesn't currently include HSCP budgets.)³

PB has the potential to move the balance of power and decision making to communities and people that use services, leading to services that are tailored to communities. This can help avoid the costs involved in other procurement processes, and indeed from procurement-led models that don't meet local outcomes. However, PB can have negative connotations if it is seen more as a way to make cuts than to influence change.

Like any collaborative process, PB needs a strong supportive structure, good facilitation and realistic timescales to allow genuine involvement to happen. Traditionally based on a grant approach not commissioning, it can be used to give people small budgets to use for

³ <https://www.cosla.gov.uk/news/2021/january/cosla-statement-on-participatory-budgeting>

preventative, non-specialist support. It can also be used for thematic rather than geographical communities, e.g. the recovery community.

Participatory Budgeting relates to Big Ideas:

- Place based and cross-system funding
- Open accountability <https://www.ccps-big-ideas.org/>

Reflection

- How can you ensure the process meaningfully involves the people who will be the end beneficiaries?
- How can PBs reach and benefit from service providers' input? For example, can providers help commissioners reach people?
- How can the process be managed to support informed choice and ensure market variety and sustainability?
- How could the approach be used to fulfil the 'four tests' (power, choice, accountability, sustainability)?

6. Community Commissioning

Community Commissioning devolves power to community groups at grassroots levels to plan for and commission local delivery. [The Big Local](#) and [Place Based funding approaches](#) are examples.

As with Participatory Budgeting, community commissioning can involve communities of interest or geographical communities. It can be used for discretionary funding or core services and may be part of a broader community development approach.

Community commissioners – people with lived and living experience of services – are given time and capacity-building support. This can have a positive impact on wellbeing and self-worth as an outcome of participation. Resources are spent on the things that matter for people – and the process gives them a much greater role in defining this than traditional commissioning.

Being bottom-up and community-led, there are no top-down targets or centrally imposed delivery models. Like PB, this may support smaller, more local community organisations, or it may favour larger better-known providers.

Community Commissioning relates to Big Ideas:

- Place based and cross-system funding
- Open accountability <https://www.ccps-big-ideas.org/>

Reflection

- Could this work at a service-wide level for commissioning of services and as a form of brokerage for matching people to providers on an individual level?
- How would community commissioners be supported and remunerated?⁴
- How could the approach be used to fulfil the 'four tests' (power, choice, accountability, sustainability)?

7. Direct Awards

Under the Procurement Reform (Scotland) Act 2014, local authorities can directly award, without a competitive process, certain [social care contracts](#) valued below £663,540⁵.

Direct Awards support collaboration to the extent that they allow commissioners to sustain relationships e.g. with existing providers. However, they are less collaborative in the stages of defining need and developing ideas. They therefore require robust market analysis to ensure that the most appropriate provider is identified.

See the CCPS procurement [How-to and MythsBuster guides](#) for more information on the possibilities permitted by current procurement legislation.

Direct Awards relate to Big Ideas:

- The end of procurement <https://www.ccps-big-ideas.org/>

Reflection

- Can Direct Awards be used to facilitate, or benefit from, collaboration?
- How can innovation and sustainability be achieved without competition?
- How could the approach be used to fulfil the 'four tests' (power, choice, accountability, sustainability)?

8. Grants

Grants were the standard approach to social care commissioning before the advent of competitive tendering. They can work in different ways and offer one of the most straightforward alternatives to price-based competition (a key recommendation of the Independent Review of Adult Social Care).

Organisations may receive project-specific funding, e.g. for a test of change, or core funding for their work as a whole. This may be in the form of a direct grant to the

⁴ <https://www.scottishhumanrights.com/media/2251/paid-participation-report-vfinal.pdf>

⁵ Figure is valid for the period 1/1/20 to 31/12/23

<https://www.legislation.gov.uk/ssi/2016/145/schedule/made>

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organisation for workers' salaries or allocated on a per person basis. Alternatively, a grant may be made directly to a supported person (like Option 1 of Self Directed Support).

Grants support the principles of ethical commissioning and Fair Work, removing the link between a worker's salary and the hourly rate attached to a particular contract. This then enables staff to adapt their time and role accordingly, led by the supported person, to meet their needs and outcomes flexibly.

As with Direct Awards, this approach is collaborative insofar as it creates space for commissioners to build and sustain relationships with providers. An element of competition is still likely to be required, since the pot of money available is finite. This may be managed competitively, based on the quality of the application (e.g. evidence of outcomes) or proportionately, spreading the amount of money available across all the applications received.

Grants relate to Big Ideas:

- The end of procurement <https://www.ccps-big-ideas.org/>

Reflection

- Most grant making trusts align themselves with the direction of public policy and many distribute public monies. What can commissioners learn from them?
- Providers have reported having a more equal role and relationship with grant makers than with commissioners. What might be the reasons for this?
- Can transparency and accountability be built into grant making in the same way they are in competitive tendering?
- How could the approach be used to fulfil the 'four tests' (power, choice, accountability, sustainability)?

9. Challenge funds

Challenge funds set out the needs and outcomes that have been identified by commissioners or communities (e.g. via market facilitation), but leave the service specification open. This unlocks innovation and changes power dynamics, enlisting providers' experience in developing novel solutions to shared challenges.

As with Grants, an element of competition is likely to be needed. Different providers will propose different delivery models, so applications need to be assessed on criteria other than price.

Reflection

- Are you making full use of the capacity for innovation available in communities and partner organisations?
- What local challenges could you enlist people in exploring?
- What needs to be specified and where is it possible to leave space for creativity and development?
- How could the approach be used to fulfil the 'four tests' (power, choice, accountability, sustainability)?

10. Looking more holistically at commissioning for Care at Home

Increasing the choice and sustainability of support available across all SDS options in Care at Home services will involve commissioners in facilitating collaboration with voluntary and private sector providers. Partnership models need to be in place to make the care at home market attractive to all.

Likewise, changes in commissioning culture and contracting mechanisms are likely to be needed to transition from task-oriented contracts to outcome-focused care, or to find the right balance between the two.

True partnership approaches will help to build trust and change practice. There is no one clear solution or route to achieving this, though commissioning for outcomes and learning can help. It makes room for responsiveness and adaptation, harnessing providers' ability to develop innovative responses.

However, competition between providers can stifle the sharing of innovation. Commissioners need to work with providers to create an environment where trust can be built and there is a joint responsibility for sharing learning and innovation.

Reflection

- What can you learn from the Care at Home approaches in different local authorities?
- How well do you currently engage with public, private and voluntary sector partners?
- What role do commissioners have in encouraging providers to work with them, and with each other? How can the sharing of learning and innovation be encouraged while protecting providers' intellectual property?
- How much flexibility and control can providers be given?
- How can you make all four SDS options available within Care at Home?
- How could the approach be used to fulfil the 'four tests' (power, choice, accountability, sustainability)?

Collaborative and ethical commissioning checklist

This checklist encourages you to review your practice against the elements identified above, ideally in collaboration with others.

You can assign a score to each element using this suggested scoring guide:

2 = We have good consistent evidence

1 = Our evidence is mixed or patchy

0 = We cannot evidence this

There is also space for comments, which can help you compare notes with partners and colleagues, or just review progress over time. These notes will often be more meaningful than just a score.

Element	Score	Comments
1. Our commissioning is person centred, facilitating choice, control and enabling risk.		
2. Our commissioning is effective, focusing on quality, values and outcomes, not price.		
3. Our commissioning is ethical, with a workforce that is well regarded, rewarded and supported.		
4. Our practice is sustainable, supporting financial transparency, commercial viability and reinvestment in services.		
5. We facilitate participation, benefiting from the expertise of a range of people in all stages of commissioning.		
6. We invest time and resources in relationships, capacity building and collaborative commissioning.		
7. We commission for learning by fostering innovation, identifying outcomes and embedding good practice.		
8. We are mutually accountable, sharing information and intelligence, with proportionate monitoring arrangements.		

Final reflection

Knowing what you do now, having reflected on these possibilities, what does best value mean to you, and how might collaborative commissioning provide it?

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