



# North Yorkshire's Voluntary Sector Commissioning Framework

Investing in a Voluntary Sector Essential  
Locality Service Menu

This draft framework, much of which will be subject to a three month discussion with the voluntary sector, will be the basis of financial investment decisions and commissioning and decommissioning decision in North Yorkshire's Voluntary Sector 2011-2015 by Adult and Community Services (ACS)

2/23/2011

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## Voluntary Sector Commissioning Framework

### *Creating the Essential Locality Service Menu*

#### Background

NYCC and its social care partners are, in the light of changing economic times and changing policy frameworks, having to revisit the services commissioned through the voluntary sector.

Services have grown up over time through historical happenstance and then over the years investments have been made without due regard to a strategic commissioning approach.

The Comprehensive Spending Review and the resultant reduction in public expenditure with the expectation of front loading of efficiencies present both a challenge and an opportunity to re-shape the landscape of service provision across North Yorkshire within a more strategic commissioning framework. The overall objective is to achieve £870K efficiencies in voluntary services 2011/12.

The need to transform services was initially outlined in Adult and Community Services (ACS) Directorate's 15 year commissioning framework 'Strategic Commissioning for Independence, Well-being and Choice 2007-2022 and then in the dialogue with the Voluntary Sector over 18 months under the banner 'Securing the Future'. In parallel with the latter there was also a series of events about personalisation outlining North Yorkshire commitment to Putting People First in North Yorkshire. Representative leaders of the Voluntary Sector were co-signatories of that concordat and commitment.

#### Equity of Service Delivery

Above it was noted that the development and funding of voluntary sector services had evolved over time without a strategic framework and often in response to local voices. While this may have served communities adequately in the past it has not resulted in equity of investment or service delivery between communities.

The average per capita social care spends on population 18+ years in communities is as follows: These include Voluntary Sector spend.

Harrogate/Craven	£269
Hambleton/Richmond	£218
Scarborough/Whitby/Rydale	£258
Selby	£228

The average per capita social care spends on people with registered needs in communities is as follows:

Harrogate/Craven	£9,000
Hambleton/Richmond	£7,056
Scarborough/Whitby/Rydale	£8,214
Selby	£7,244

In line with the JSNA and guided by the principles of fairness and equity, areas of higher investment will receive priority focus in any disinvestment programme while areas of lower investment may see future investment being made to ensure equity. Standing still is not an option. However in all such decisions account will also be taken of the needs within communities for social care.

## **Innovation Fund – Opportunity for transformation**

The decision by the Council within the recent budget process to focus its own provision on telecare, reablement, day respite support and respite care presents opportunity for reinvestment in the voluntary sector. The further decision of the Adult Strategic Partnership to create an Innovation Fund of £1,578,000 over a 3 year period to assist the transformation of services is also a new opportunity to transform how services are delivered and again underlines that standing still is not an option for existing organisations reliant on public funding via NYCC.

The innovation fund and the efficiency agenda in effect allows us to

1. work together to transform the delivery of services;
2. challenge existing services continuing to receive funding from North Yorkshire to be more responsive to the personalisation agenda;
3. requires the authority to be more specific in the services it wishes to commission within its wider strategy;
4. assists with any disinvestments in the authority's own service provision and so shift further investment to the voluntary sector

The bid to the NYSP for the Innovation Fund lists four examples of target areas for the fund these are:

1. *Day activities for Older People and potentially other vulnerable adults*
2. *Night Time Support for Vulnerable Adults*
3. *Local Work solutions for vulnerable adults (learning and physical disability and mental health)*
4. *Local Community initiatives*

The criteria for selecting successful bids may be:

- Identified community need e.g. lack of night care in a specific locality
- New service is delivered in line with priorities
- Evidence of community involvement
- Use of existing community infrastructure which may be underused e.g. leisure centres, community halls etc.
- Financial contribution from other funding sources and financial sustainability
- Evidence of planned evaluation

However these will be considered by the ASP in March. Once the criteria and framework has been agreed the sector will be notified and information placed on the NYCC website.

## Achieving the efficiency targets for 2011/12

In order to address the challenge of achieving efficiencies NYCC is proposing a six prong approach:

1. No inflation uplift given by the Council for 2011/12. This delivers some £200,000 of the efficiency target.
2. NYCC ACS has embarked on an exercise asking are existing investments in an organisation demonstrating value for money. VFM includes quality, price and effectiveness. If not consider disinvesting.
3. Organisations are expected to deliver the efficiencies already required in 2010/11 and 2011/12. Broadly 3% of their budget each year. If not consider organisations to be placing their total funding at risk.
4. Reduce funding levels in infrastructure organisations by 20% to further protect front line service delivery;
5. After all of the above consider the funding gap and the framework outlined here inc.
  - a. the need to have core essential services in geographical zones
  - b. The desired outcomes and the outcomes framework;
  - c. The important performance requirements in seeking a return in investment
6. The balance of investment across the county and the need for equity among communities.

In making investment decisions around what service to commission in the future and what to decommission a commissioning framework is proposed to assist in making the tough choices. By making this public it also assists organisations themselves to understand and shape their future in the care market in North Yorkshire.

### Uplift for inflation:

As part of the budget settlement process inflation is awarded to the Directorate. Aware of the budget shortfalls and the cuts required in the voluntary sector budget the executive decision was that in not pass-porting inflation uplift to the sector. This results in the sector contributing £200,000 towards the financial shortfall.

### Value for Money [VFM]

All agencies with a care service commission from Adult Social Care in North Yorkshire now need to understand that all existing services are up for review. Part of this process involves a value for money review. This is presently underway and near completion. Clearly where organisations either:

- Have low occupancy levels and are not maintaining the numbers agreed within the contract; [Based on presenting need rather than just capturing numbers]
- Have not demonstrated the outcomes NYCC ACS might expect of a modern service i.e. clear evidence of promoting people's independence and
- May have maintained people's dependency on their service over many years and have not demonstrated capacity to change this culture quickly
- Have not been able to maintain a viable financial business model and even with NYCC investment are not able to deliver efficiencies

then through the VFM these services will be considered among the first service areas to be considered for cessation in their NYCC funding with appropriate contract notice.

This robust process will deliver some efficiency as officers make recommendations on their VFM reviews during the month of March 2011. **Note:** *This is not subject of discussion with the sector as a whole but will form the basis of discussion with individual organisations.*

### **An existing 3% Efficiency target for 2011/12**

All providers have been asked to deliver a 3% efficiency in 2011 or 6% if they failed to deliver 3% in 2010 and have been given some six months notice of this intention. Agencies that did not take this seriously and plan accordingly will now be placing their total funding at risk.

**Note:** *This has been the subject of earlier communication and is not again for further discussion.*

### **Infrastructure Budget Reduction**

Every effort is being made to protect direct front line service delivery and so with infrastructure organisations the proposal is that we seek to deliver 20% in 2011. Initial discussions have been held with NYFO and the CVS Local Infrastructure Organisations. This has also involved Corporate County Council and the PCT. A financial funding level will be set. A new service specification is being agreed among the commissioners and negotiations will now start with the agencies concerned on the capacity of the agencies to deliver the specification under one umbrella. If agreement cannot be reached to everyone satisfaction a new procurement exercise will be embarked upon.

### **Shortfalls in efficiency targets and future funding decisions framework:**

While some organisations may get their contracts extended for a period after the VFM reviews all, over time, will only continue to do business with NYCC in so far as they have a role to play in delivering a service within this framework outlined below.

Below find:

- The Principles which guide the commissioning activity;
- The outcomes we wish to commission
- The key critical measures of success for organisations working in partnership with us
- The list of essential services required in any district area in North Yorkshire upon which a local menu of services will be built and made available to those self funders or those holding personalised budgets from which to choose their services.

**These will form the basis of funding or cessation of contracting decisions:**

### **Principles**

- Investment will be Outcomes focussed, aiming to optimise positive outcomes for people who meet NYCC eligibility criteria or who are at risk of becoming eligible for NYCC services within 6 months.
- The aim is to have consistent and equitable levels of service across the county.

- The requirement of our strategic approach is that we have a menu of essential voluntary sector provided services within agreed geographical areas. Core Voluntary Sector Services

### Core Essential Services required in zones.

The key core services required in each locality and therefore the essential elements of a locality menu of services include:

- Day support for people who would be at severe to critical risk if day support were not available.
- Handyperson services – the specification for this is being reviewed
- Advocacy services for people who would otherwise be unable to make their voice heard. – This will only be commissioned via selected partners within an existing framework.
- Welfare benefits advice – this will only be commissioned in the first instance via CABs
- Support to people with dementia
- Services allowing people to contribute to their local community as an agreed part of the Pathway to Employment
- A telecare based responder service for people qualifying as needing evening or night support without which there would be severe or critical risk to their independence or safety
- Short breaks for carers.
- Carer support: the service specification for this has been agreed with Carer Resource Centres including personalised support for carers.
- Support from VS to people with visual or hearing sensory impairments
- Sign- posting and information and advice services. [A framework and specification on this is being shaped in partnership with the sector.]

Projects or Schemes not contributing to this essential locality service menu will be the subject of particular focus in any additional efficiency exercise even though they may be playing their part in delivering the desired outcomes sought by the Directorate.

In moving towards the development of the locality critical service menu outlined above

- The aim is to have increased choice and personalised approaches, with services attractive for people using personal budgets.
- Prevention, early intervention and promotion of independence and well being, with services **able to evidence that people have been supported to keep out of services and/or maintained or increased their independence.** The likely risk factors are decreased functional ability, multiple long term conditions, lack of supportive networks and frequent unplanned hospital admissions.
- Value for money (optimum combination of cost and quality)
- Contracts will have a clear link to identified NYCC strategic key themes of Safeguarding, Quality, Personalisation, Efficiency and Prevention and Early Intervention.
- Partnership arrangements with voluntary sector partners will be Compact compliant which is currently being revised.



- Every effort must be made to minimising transaction costs for providers and commissioners
- Commissioners will encourage joined up approaches via partnership bids, with single agency rewarded grants as an exception rather than the norm.
- Duplication will not be funded (eg: many organisations offering benefits advice)
- Activities which are the remit of other statutory bodies will not be funded
- Organisations will be able to evidence their engagement with people in shaping services. [agreement may need to be reached on the how]

### Desired Outcomes

The overall aim is that people will be able to maintain their independence in their own homes for as long as possible. The following outcomes would contribute to this aim:-

- Maximising inclusion by connecting people with their communities
- Short breaks for carers which offer a positive experience for the cared for person
- Easy access to information which enables people to make informed choices about how their support needs can be met
- Income maximisation for individuals
- People are enabled to make their immediate environment safe and where possible enhanced to maximise their independence.
- People who have difficulty making their voice heard about the support they need are enabled to contribute and have their say.
- There is early identification of people at risk of loss of independence and signposting to appropriate support
- The Strategic Outcomes are as follows:
  - **Improved health and emotional well-being**
  - **Improved quality of life**
  - **Making a positive contribution**
  - **Choice and control**
  - **Economic well-being**
  - **Freedom from discrimination**
  - **Personal Dignity**

These are outlined in more detail in the outcomes framework attached at appendix 1

### Performance Areas – linked to contract management.

In any consideration of future funding and a return of public sector investment the following performance factors will be considered in investment decisions:

- Equity – is the service available to those who need it irrespective of belief, ethnicity, sex or age?
- Equitable – is there an equitable menu of service in each zone in North Yorkshire?
- Accessibility – is the service easily accessed by those who need it?
- Acceptability – does the service meet the requirements of the people using it?
- Efficiency – is the service cost effective in maximising volume and quality within available resources?
- Effectiveness – does the service deliver the desired outcomes? - **able to evidence that people have been supported to keep out of services and/or maintained or increased their independence and achieved the strategic outcomes outlined above**



- Will it give added value – can the organisation demonstrate additional community benefit over and above NYCC funding?
- Partnership approaches – can the organisation demonstrate that partnership approaches are being taken? [This should lead to more whole system working and less fragmentation.]
- Does the project or proposal demonstrate reciprocity and mutual support and empowerment? Does the scheme or project diminish the distinction between the helped and the helper, those supporting and supported, those classed as staff and those considered as 'customers'?
- Organisational flexibility - can the organisation evidence that it has the capacity to change with changing circumstances while remaining sustainable?

A complementary set of questions on areas for consideration on 'sound investment decision making is attached at appendix 2

All of the above framework would be subject to a complete EIA.

### Dialogue and Feedback

No one wants cuts to the voluntary sector budgets. However the economic climate deems that this is not possible. However the approach taken by North Yorkshire ACS reduces the impact on the sector considerably in comparison to other areas of the country. At the same time NYCC wants to invest additional innovation funds to assist transform the way we support people.

NYCC is taking this opportunity to be clearer with the sector about its decision framework supporting its investment decisions. It is also taking the opportunity to outline what it sees as core essential services and the outcomes and performances it wants to achieve.

ACS will welcome feedback from the sector on the 6 prong approach to achieving efficiencies outlined in this document.

1. Does it seem a reasonable and fair approach to achieving the efficiencies?
2. If it is deemed to be unreasonable or unfair in what ways is this so?

ACS wants the sector to better understand the services it deems to be essential, the outcomes it wishes to achieve and the performance elements it sees as important.

1. Does this framework document assist the sector to better understand what commissioners are seeking?
2. Does it help organisation to understand how commissioners are seeking to influence the market though their investment approach?

It is essential that ACS completes its next phase of its equality impact before finalising any further decisions. (Remember one EIA has already been completed)

1. Are there any aspects of the proposed framework which suggests ACS may be in danger of taking an inequitable approach and which would result in the need to reconsider any aspect of the proposed way forward?

Feedback closes on the 27<sup>th</sup> May 2011 via: Document down-load from:  
[strategic.commissioning@northyorks.gov.uk](mailto:strategic.commissioning@northyorks.gov.uk)    <http://www.northyorks.gov.uk/voluntarysector>

## Appendix 1 - Outcomes Framework

### NORTH YORKSHIRE COUNTY COUNCIL AND NHS NORTH YORKSHIRE & YORK

Within this framework we believe that safeguarding is an outcome which should be embedded in all aspects of the work we do with people in receipt of social care and health service. It underpins the outcomes which have been identified and therefore does not have outcomes specifically identified to this areas.

The outcomes included in this framework are overarching and strategic. The outcomes for each person are identified on an individual basis and recorded in the Support Plan. The individual outcomes are monitored through the review process for people who receive care managed care and support. For people who receive care and support which is not care managed, outcomes are reviewed via the providers own reviewing system and this data is used to evidence performance as part of the contracting monitoring process.

<b>Strategic outcome</b>	<b>Overarching outcome</b>	<b>Examples of activities</b>	<b>Examples of individual outcomes for people</b>
<p><b>Improved health and emotional well-being</b></p>	<p>The person has better strategies for managing their physical, mental and emotional health &amp; well-being</p> <p>The person is sufficiently confident to express concerns about levels of satisfaction relating to services or their safety</p> <p>The person understands what abuse is and knows how to report concerns</p>	<p>Assisting people to register with a local GP, dentist, optician and specialist health care professionals, as required, and developing relationships with the local medical/health centre.</p> <p>Encouraging and supporting the person to engage in some form of exercise, using a wide range of options i.e. gym membership, walking groups, to using computer games with a physical element, considering the financial</p>	<p>Person enjoys good health and lives a healthy lifestyle.</p> <p>Person avoids unnecessary hospital admissions</p> <p>Person's needs are met in accordance with their wishes.</p> <p>Person has a good understanding of their medical condition and is able to manage it as positively as possible.</p>

		<p>impact.</p> <p>Promoting a healthy lifestyle including smoking cessation, good, healthy nutrition, special diet, if required.</p>	
<b>Improved quality of life</b>	<p>The person has participated in training, education and related activities, i.e. arts and crafts</p> <p>The person has engaged in volunteering opportunities, paid employment, work-like or other day time activity</p> <p>The person has a strategy in place to cope with an emergency or crisis, without the risk of losing independence.</p>	<p>Listening to person's views and acting on them.</p> <p>Involving the person in all aspects of planning their support.</p> <p>Arranging access to aids and equipment to promote independence</p> <p>Ensuring the person knows how to report abuse</p>	<p>Person feels valued and listened to.</p> <p>The person is able to live as independently as possible as a result of using equipment and aids.</p> <p>The person feels in control of their services</p>
<b>Making a positive contribution</b>	<p>The person has more involvement and choice in their chosen activities and desired community participation</p> <p>The person has engaged in volunteering opportunities, paid employment, work-like or other day time activity</p> <p>The person has established positive links with other services, groups, friends and family.</p>	<p>Supporting the person to access and take part in the local community activities.</p> <p>Supporting the person to take part in social events.</p> <p>Supporting the person to take part in user forums and groups.</p> <p>Supporting the person to take part in volunteering</p>	<p>Person feels well informed about what is happening in their local community</p> <p>Person feels part of local community</p> <p>Person feels valued</p> <p>Person make a positive contribution by helping others,</p>

		opportunities.	
<b>Choice and control</b>	<p>The person has maintained their ability to manage their accommodation and improve independence</p> <p>The person can make an informed decision before accepting an offer of a service and knows about the range of services and support available to meet their needs.</p> <p>The person has control over decisions which affect their lives and their views are taken into account</p>	<p>Involving the person is all aspects of care planning, reviewing, etc.</p> <p>Supporting the person to live in their own home for as long as they choose to.</p> <p>Ensuring information can be accessed in a range of formats so that the person is well informed.</p> <p>Individual Budgets, Direct Payments, etc are made available.</p>	<p>The person knows what is in their support plan, service delivery plan and feels it reflects their wishes.</p> <p>The person decides how their services are delivered and by whom.</p> <p>The person can remain in their own home, if they want to.</p>
<b>Economic well-being</b>	<p>The person has engaged in volunteering opportunities, paid employment, work-like or other day time activity</p> <p>The person knows how to raise concerns about managing money and accessing benefits and is able to maximise their income</p>	<p>Ensuring people can access available welfare benefits and funding for their support package.</p> <p>Promoting and supporting education, training and work.</p> <p>Promoting and providing budgeting advice and support</p>	<p>Person has sufficient resources to meet their needs and is able to live within their means.</p> <p>Person enjoys taking part in education, training or work</p>
<b>Freedom from discrimination</b>	<p>The person is seen and treated as an individual and not as a by product of their condition, disability or level of dependency.</p>	<p>Ensuring staff are appropriately trained and have sufficient knowledge and expertise to provide</p>	<p>The person feels safe in their own home or care setting.</p> <p>The person's cultural needs</p>

	<p>The person is able to access services which demonstrate equality of diversity, inclusion joining and leaving the service and this is embedded within the culture of the service.</p>	<p>quality care to people from ethnic groups.</p> <p>Supporting the person to access ethnic/cultural/gender groups, if they choose to.</p> <p>Ensuring the person knows how to report abuse and that staff know how to recognise and report abuse.</p>	<p>are met, if they wish.</p> <p>The person is protected from abuse.</p>
<b>Personal Dignity</b>	<p>The person is seen and treated as an individual and not as a by product of their condition, disability or level of dependency.</p> <p>The person is encouraged to do things for themselves</p> <p>The person is treated with dignity and respect in all aspects of their life</p>	<p>The person has the necessary equipment and aids they require and they have been trained in their use.</p> <p>Equipment and aids are maintained and in safe working order.</p> <p>Information retained about the person is kept confidential.</p> <p>The person is addressed in their chosen name.</p> <p>When interventions are taking place staff speak to the person and offer reassurance.</p>	<p>The person feels valued.</p> <p>The person is treated in a respectful manner by all staff.</p>

## Appendix 2 – Decisions on Sound Investment

### How is a sound investment decision made?

A draft commissioning framework is outlined above and will be discussed with the sector. Set out below is model which seeks to add to this by posing a series of questions which will test the soundness of the funding proposal under question. It is drawn heavily from work undertaken by the Institute of Public Care (IPC) for another local authority but seems applicable to North Yorkshire and will complement what is already in place, or about to be in place.

This viability test looks at a number of dimensions including the outcomes of service, its ability to promote independence, an assessment of the viability and leadership capacity of the provider. The notion of ‘added value’ is included but that will require further clarification to make this more a more meaningful term.



#### 1. Are there clear outcomes to the project?

The project / organisation should be described in terms of the outcomes or benefits it delivers rather than in terms of what services it provides or the volume of that provision. The outcomes or benefits should be backed up by researched evidence that they are appropriate and needed.

#### 2. Does it increase people’s independence?

Interventions should lessen peoples need for care and support and promote their well-being, which again should be evidenced.

### **3. Is the project underpinned by a strong evidence base?**

Evidence should not only support the outcomes to be achieved, but should demonstrate that the methodologies or approaches to be used are the most appropriate that are available. The service should be targeted at a clearly identified and appropriate audience and suggest why any intervention is timely.

### **4. Is the project sustainable in terms of resources and commitment?**

Does the project have sustainable funding and commitment from those who manage and govern the organisation? Some of the tests that might be used here are: is the voluntary organisation heavily dependent on one income source? Is that income source consistent or is it dependent on factors which may be outside the organisation's control? Are there other resourcing issues like difficulties in appointing staff (particularly if it is for a time limited project), or a short term lease on premises? Will the project or organisation be expected to take on staff that are TUPE'd across on terms and conditions which may not be sustainable?

### **5. Is there strong evidence of leadership in addition to the necessary management skills?**

This is a measure of more than just the management and capacity of the provider. Projects that work well have a good balance of leadership, ie, the ability to motivate staff / volunteers and give the work a clear vision and sense of purpose. Also required will be the organisational skills to make sure people and resources are appropriately managed and that the organisation has good business planning. These skills may not necessarily be embodied in one individual but if they are in more than one person the different personalities should at least not work against each other and should be evident in the governance arrangements.

### **6. Are there elements of reciprocity and mutual support?**

Some of the best schemes diminish the distinction between the helped and the helper. Relationships might not be equal but a degree of reciprocity can still be achieved within many schemes which begin to empower service users and would be essential in User Led Organisations.

### **7. Does the project offer added value?**

It is increasingly likely that those who purchase services will be looking for the added value that the voluntary sector can bring to service provision. This may not only be in terms of lower overheads but also in terms of identifying what additional value does the use of volunteers offer. It may include the leveraging of external monies to the County, bringing other resources into play such as volunteers and other skills or building capacity in Communities. This would particularly be the case in areas of high social need where such capacity may be less available or more challenging to attract.

### **8. Does the project reflect or promote whole systems working?**

Most social care and health services are highly fragmented, not based around the service user but around a discipline, such as physiotherapy, condition, stroke, or services, like home care, care or assistive technology. There is a strong desire for this to change. At a wider level this may be about place shaping but can the organisation concerned work across a range of disciplines in order to ensure that a single set of outcomes are achieved for an individual. Is the voluntary sector organisation offering an approach that considers a whole person or problem or does it only deal with part of an issue or problem?