

Electoral Division affected: All

Contribution of the Third Sector in Health and Wellbeing
(Appendices A, B and C refer)

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Executive Summary

Deeds, not Words

It is universally recognised that voluntary, community and faith groups and social enterprises (which can be embraced under the general title of ‘the third sector’) can make an important contribution to health and well-being. The benefits of utilising the assets which exist in all local communities are increasingly recognised, a fact underlined by the Marmot report on the Social Determinants of Health.

The King’s Fund video, ‘Sam’s Story’, illustrates well the sector’s contribution in its description of the principles underlying the Better Care –Better Value programme. Sam, 87 years old and recently widowed, lives with a number of long-term conditions. He avoids frequent hospital stays, and the eventual need to go into residential care, by having a single person (as it happens, a district nurse) who co-ordinates the work of a number of professionals. She also introduces Sam to a lunch club run by a local charity, where he enjoys good meals in company with others and meets friends and volunteers who support him in other ways. This could be said to be the ‘well-being’ complement to the skills of the health and care professionals, which enables Sam to do exactly what he wants to do: to go on living at home.

However, it has been said that there is too much lip-service paid to the importance of the third sector’s contribution and not yet enough ways of making it happen. This report proposes ways of pressing on with translating aspiration into action.

This having been said, the sector appreciates that it is to a degree already involved in partnership arrangements and contracts with public bodies. This is especially true of the larger charities. The thrust of this report is to explore ways in which all third sector bodies, national and local, large and niche might extend their contribution to local health and well-being economies.

Recommendation

1. The partners represented on the Lancashire Health and Well-Being Board re-affirm their commitment to work with the third sector.

2. The Board commits itself to the fundamental principles of the Social Value Act, and to apply them to all contracts, not just those above the EU thresholds.
3. The Board urges commissioners in health and social care to ensure that a clause is inserted in all procurement plans stating that 'the contribution that third sector bodies can make will always be taken into account in awarding contracts'.
4. The Board urges commissioners to enter into negotiations with third sector representatives to enable co-design of contracts
5. The Board refers this report to the Joint Officer for further considerations and report back.

Background and Advice

1. A Snapshot of the Third Sector in Lancashire

- 1.1. A 'Market Day' event held on the 30th of January 2014 and addressed, among others, by Steve Gross of Lancashire County Council and Mike Barker of the Greater Preston and Chorley and South Ribble Clinical Commissioning Groups, attracted an audience of 160 people, representing 100 third sector bodies working in the Health and Well-Being field. Each was invited to complete an A4 sheet to describe what their organisation does, who are its clients, what paid staff and volunteers are deployed and in which part of the county it operates.
- 1.2. These following few examples from the responses, chosen more or less at random, illustrate the huge diversity and reach of the sector, as well, perhaps, as its complexity:
 - Age UK Lancashire: Employ 300 staff in wide range of services to older people, in particular a hospital after-care service for 1400 people
 - Asian Women's Forum, Chorley: Variety of support offered including respite for women carers in the extended family situation
 - Homestart: Present in most parts of Lancashire: in Chorley and South Ribble offer support to 378 families with 745 children
 - Together Lancashire: A new Church of England project, starting up in Blackburn, but designed to spread through the 250 parishes of Lancashire, which provides a parish nurse to support health needs of people in the locality
 - The Stroke Association: Supports 1500 stroke survivors, their families and carers

- Preston Community Transport: Runs Dial-a-Ride, Community Car Schemes, Shopmobility, Day Trips on accessible minibuses and Volunteer Minibus Driver Training. Around 4000 people benefit from the service
- Maundy Relief, Accrington: Runs a drop in centre for food, clothing, advice, assisting 8000 people each year suffering homelessness, alcohol problems and marginalisation. Deploy 25 volunteers

1.3. The event which elicited this information was organised by Third Sector Lancashire (TSL), under the banner of One Lancashire which is now the recognised representative body for the whole sector in the County. Similar bodies exist in Blackpool and Blackburn with Darwen, and they work increasingly together. Third Sector Lancashire works in a strategic alliance with One Lancashire, now concentrating exclusively on Health and Well-Being. It too operates 'pan Lancashire'.

1.4. One Lancashire and Third Sector Lancashire are 'infrastructure' organisations. They do not themselves provide services, but support 'front line' bodies which do so.

1.5. One Lancashire is co-ordinating a portfolio of services for the front line covering business advice, training, funding, employment law, representation, tendering and learning.

1.6. Over the past three years, Third Sector Lancashire has organised a series of hearings for the sector (see Appendix A for the programme for 2014), on the evolving health and care landscape, in which experts (including several members of the Health and Wellbeing Board) have addressed third sector audiences. The next in the series, on "Innovation in Health and Social Care", is to be held in early May, and is designed in part to invite the sector itself to consider how it needs to collaborate and innovate. Future plans, under the umbrella of One Lancashire, include training sessions to prepare front line organisations to become 'commission ready'.

1.7. One Lancashire has established an informal 'Health and Well-Being Group', made up of the chief executives of the larger charities in the County. Its membership is illustrated in Appendix B. This Group meets monthly to share experience and ideas, and receives regular updates on the work of the Board.

1.8. The representative of the sector on the Board (the Chair of the Third Sector Lancashire) reports on its work regularly to the Group, and aims to feed back to the Board ideas and insights from the Group, and also (and most importantly) from the 'front line', via meetings, web-sites, events and regular

e-mail communications.

2. The Sector's Role in Commissioning

- 2.1. Two important messages are being heard 'loud and clear' by the sector. One from Lancashire County Council, that it must move towards fewer larger and more effective contracts, especially in light of the draconian cuts it is facing; the other from Clinical Commissioning Groups, that such is the plethora of voluntary and community groups in their areas that the work of designing commissions in which the sector can play a part (which they desire to do) can become impossibly complex.
- 2.2. In response to the latter, the Health and Well-Being Group has identified an experienced representative for each of the 8 CCG's (that is, including Blackburn with Darwen and Blackpool) to work closely with lead commissioners. They are all chief executives of their organisations, or in one case, a deputy.

Blackburn with Darwen	Angela Allen- The Families Health and Wellbeing Consortium
Blackpool	Richard Emmess- Blackpool Fylde and Wyre Council for Voluntary Service
Chorley and South Ribble	Judith Culshaw- Deputy CEO, Age Concern Central Lancs
East Lancashire	Terry Hephrun- Burnley Pendle and Rossendale Council for Voluntary Service
Fylde and Wyre	Richard Emmess
Greater Preston	Judith Culshaw
Lancashire North	Stephanie Tufft- Age UK
West Lancashire	Greg Mitten

3. The Commissioning Climate

- 3.1. In the early days of the Coalition, the Government enthusiastically endorsed a private member's bill which became the Public Services (Social Value) Act 2012. It came fully into force on 31 January 2013.
- 3.2. The Act places a requirement on commissioners to consider the economic, environmental and social benefits of their approach to procuring services before the actual process of procurement starts. This is because of the need to inform the whole shape of the procurement approach and the design of the services required. Commissioners can use the Act to re-think outcomes and the types of services to commission before the procurement process gets underway.

3.3. On the face of it, such a process should give significant opportunities for the sector to both participate in the design of public contracts, and to be in a better position to tender for them.

3.4. Unfortunately, the Act is overlaid by European Union Directives and Public Contract Regulations which mean that it applies only to contracts above certain thresholds, namely

- £113,057 for services contracts awarded by central government and the NHS
- £173,934 for all other contract bids

3.5. This means that only the larger third sector bodies are able to deploy the social value case in tendering for such contracts, although they can in turn 'sub-contract' elements of them to smaller partners. Nevertheless, commissioners can, at their discretion, apply social value clauses to contracts under these thresholds.

3.6. A question of vital importance is whether local authorities and CCGs intend to apply social value just to contracts above the thresholds, which is the mandatory requirement, or whether they also intend to apply them to smaller contracts. This would enable smaller organisations to enter the public service delivery market directly.

3.7. An interesting example of commitment to social value is the work that Oldham Council has done with its partners, including the third sector. It is described in Appendix C.

3.8. The National Association for Voluntary and Community Action (NAVCA) says that "Chris White, the MP who proposed the Bill has called the Act 'a work of persuasion'- a way of trying to change a culture. It is not about compliance but about procurement taking risks..... But support for the principles of the Act appears to be waning."

3.9. If true, this is a shame. Of course the third sector understands the pressure that public bodies are under to squeeze every drop of benefit out of every pound they spend. But the extensive use of volunteers by the third sector can, of itself, enable it to compete effectively on price, given the opportunity to do so. But approving all tenders simply on the basis of lowest price can deny to the public benefits which cannot always be measured in financial terms. They include:

- Closeness to communities

- Enabling good understanding of each other with elected representatives and better engagement with community interests
- 'Going beyond the call of duty'
- Working outside 'office hours'
- Agility in finding ways to deliver services, and responding to urgent needs
- Demonstrating 'the heart as well as the head' of community service

4. Obligations upon the Third Sector

4.1. It goes without saying that there are obligations on the part of the third sector itself if it is to extend its role in commissioning.

4.2. These certainly include:

- Gaining a good understanding of the constraints upon the public sector
- Willingness to collaborate with sector partners
- Recognising the need for reform and rationalisation within the sector
- Moving away from a 'culture of entitlement', where grants are being largely replaced by contracts
- A willingness to innovate
- Focussing on good service to the public rather than its own internal machinations.

4.3. One Lancashire, across the whole sector, and Third Sector Lancashire in the Health and Well-Being field, are totally committed to working with the 'front line' in fulfilling these principles.

4.4. At the same time, the sector recognises that it cannot be given preferential treatment for contracts regardless of cost. Instead, it seeks to secure a commitment from commissioners always to take into account the distinctive offer it can make.

5. Conclusion

5.1. The thrust of this paper has been to recognise the contribution that the third sector is ready and willing to make to the effective and efficient provision of quality services to the public through the commissioning process in the health and well-being field.

Hopefully, it is a balanced portrayal, recognising especially the work the sector can offer to 'well-being', alongside the much greater and more extensive skills of professionals working in health and social care. It is in that spirit that the above recommendations are made.

Consultations

One Lancashire Board members were consulted on this paper

Implications:

The public sector bodies who make up the Health and Wellbeing Board will need to take legal advice on the final recommendations made by the Joint Officer Group:

Risk management

If the recommendations above are not taken on board, then there is a risk that the Marmot Principles of having a vibrant third sector could be jeopardised and the smaller grass root third sector organisations would remain dependent on grants.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Directorate/Tel
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Reason for inclusion in Part II, if appropriate

N/A