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## Report of the Director of Children's Services

### Scrutiny Board (Children's Services)

Date: 18<sup>th</sup> September 2008

Subject: Children Leeds Current Commissioning Arrangements

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<b>Electoral Wards Affected:</b> All	<b>Specific Implications For:</b>  Equality and Diversity <input checked="" type="checkbox"/>  Community Cohesion <input type="checkbox"/>  Narrowing the Gap <input checked="" type="checkbox"/>
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### 1.0 Purpose of report

1.1 This paper outlines current arrangements for the commissioning of services in Children Leeds and describes the challenges and opportunities for commissioning of children's services. The paper highlights key related national policy developments, gives some examples of current children's commissioning arrangements in Leeds and outlines the future direction of travel for children's commissioning. It will be supported by introductory slides to be presented to Scrutiny.

### 2.0 Background

2.1 Commissioning is the process of assessing need, defining priorities and choices, allocating resources, deciding on how services will be best delivered, planning and developing services and monitoring and evaluating the delivery and effectiveness of services. It is a process, not an end in itself. It should create the levers for service change, bring innovation, value for money and overall create sustainable improvements in outcomes. Commissioning is cyclical and can be summarised in four steps:

2.2 **Strategic needs assessment** – engaging with individuals to understand their needs and using a wide range of data to understand priorities for improvement to achieve better outcomes for children and young people. This will be done through the Joint Strategic Needs Analysis process and within the context of work for the C&YPP.

2.3 **Planning and service design** – working with services to identify what services need to be in place to meet needs and address priorities for improvement. Clarifying where change is needed and how this should be achieved, including any new models of service delivery.

- 2.4 **Deciding on how to deliver services, and with whom** – identifying which organisations are best placed to deliver services with clear outcomes, and putting in place formal agreements so that all parties are clear about what must be delivered;
- 2.5 **Review and challenge** – assessing the fitness for purpose of services and providers and monitoring their impact on outcomes. Identifying benchmarks for best practice and excellence in services as well as being clear about support and intervention when services are assessed as failing.

### **3.0 Main Issues**

#### **3.1 National Context**

- 3.1.1 Since the introduction of the 2004 Children's Act there has been a significant period of change and development to ensure compliance with the ambitions of Every Child Matters. Children's services nationally have had to develop in four key areas; shared systems and arrangements; integrated planning and commissioning; integrated systems, and integrated front line delivery.
- 3.1.2 Effective commissioning of local services is vital in delivering better outcomes for children and young people and for making the best use of available resources. The 2006 Joint Planning and Commissioning Framework for Children's, Young People's and Maternity Services sets a framework to help local planners and commissioners to design a unified system in each local area which will create a clear picture of what children and young people need, make the best use of resources, and joining up of services so they provide better outcomes than they can on their own.
- 3.1.3 The first national Children's Plan, Building Brighter Futures, and a range of additional policy documents further outline the challenges ahead for children's services, giving specific guidance to the on-going development of commissioning. National policy identifies the effective commissioning of children's services as vital to delivering better outcomes for children and young people and for making the best use of available resources.
- 3.1.4 In response to the Children's Plan, ministers announced a need to examine whether children's trusts would need to be strengthened, making it clear that local children's trust arrangements are seen as the means through which services should be developing the way they work to improve outcomes. It is clear from this and other government guidance and information that commissioning is seen as the model through which more effective targeting of outcomes can be achieved. From 2010 Children's and Young People's Plans will be required to provide details of local arrangements for joint commissioning, and identification of commissioning spend of each partner.
- 3.1.5 Developing national policy and guidance poses several opportunities and challenges in respect of commissioning:
- strategic planning and commissioning are seen as central to the cultural change that is required across all services

- the commissioning cycle needs to be applied whether services are delivered by in house teams, other public sector organisations, the third sector or any combination of these
- for a children's trust to be capable of championing the needs of local children and families it must be clear about its role both as commissioner and provider of services
- the need to demonstrate clear mechanisms for commissioners to hold in-house provider functions to account for delivery.

3.1.6 The Department of Children, Schools and Families is designing a three-year programme, to be launched later this year, to foster a sustained change in the way local authorities and their children's trust partners commission services. **The Commissioning Support Programme for Children's Trusts** is expected to deliver a positive step-change in the culture and capability for commissioning, focusing on areas such as use of information; planning of services; working with existing and potential providers and reviewing and monitoring of service delivery. Children's Leeds has been recognized as developing good commissioning practice nationally and has been asked to contribute to the design and development of the programme.

### 3.2 Local Context

3.2.1 Leeds introduced unique children's trust arrangements to reflect the size and diversity of the city. Strategic commissioning is central to the development of children's trust arrangements in Leeds and will increasingly be able to collectively target support to those people and places with specific types of need. The Integrated Strategic Commissioning Board is driving forward the commissioning agenda. It has set the vision for commissioning within a Commissioning Strategy. The 2007 Joint Area Review inspection judged the Leeds arrangements to be good with praise given to both the pace of change achieved and its innovative approach. Initial assessment against the recent consultation on Delivering the Children's Plan: Strengthening Children's Trust Arrangements indicates that Children's Leeds is in a good position to further develop commissioning.

3.2.2 Current arrangements for commissioning of services within Children's Leeds have been focused on priorities for the city as set out in the Children's and Young People's Plan and have been established drawing on best commissioning practice. Key areas of commissioning development in support of the commissioning strategy are;

### 3.3 Preventative and Partnership Services

3.3.1 ISCB prioritised more effective use of external grant funding within the partnership. In September 2007 the Sure Start Partnership, Leeds Children's Fund, the Youth Work Partnership and Connexions amalgamated to form the Joint Preventative Commissioning Panel. The focus for this panel has been to ensure best value in the provision of children's services, in the context of providing three yearly funding agreements for providers, improved performance management against required outcomes and freeing up resources to be spent on key priorities for the city.

### 3.4 Services for Vulnerable Groups

3.4.1 Within the CYPP a number of services for the most vulnerable have been prioritised. Commissioning developments have taken place in mental health, teenage conception reduction, substance use and disability services. Over the last year the focus has been on identifying current spend on these services by all partner agencies; assessing need; working with service providers to develop better pathways of care and ensuring performance management is used to deliver improved outcomes. A further focus has been on the reduction of bureaucracy and duplication across partners.

### 3.5 Locality Commissioning

3.5.1 Increasingly, the locality is seen central in both the commissioning and delivery of children's services. The challenge is to bring together local people who provide services, to help shape what will be commissioned and then to ensure the way they operate their services is integrated with each other and matches local needs. The emerging children's trust arrangements in localities (wedge and extended service cluster level) provide a locus to explore in detail what might be possible in integrating children's services, the barriers to progress and how they might be overcome. Integral to this is developing commissioning for, with and by localities, underpinned by an explicit understanding of levels of need and service delivery so personalised services are realised. Within a city wide commissioning framework, the development of locality planning and locality CYPP's, can free up resources and empower local decision making which means significant changes can start to be made to improve outcomes.

## 4.0 **Future Direction of Travel**

4.1 The next Children and Young People's Plan is in development. In reviewing priorities for 2009 and beyond there is opportunity to build on the learning from commissioning so far, taking into account both national policy development and the local needs in Leeds. Work is taking place on the development of a revised commissioning framework for Children Leeds. This is overseen by the ISCB.

4.2 This framework will:

- provide coherence and consistency for commissioning arrangements across all aspects of children's services
- reflect national and local best practice in commissioning
- align with the developing framework for the whole City Council and whole Health Service and thereby enable more effective commissioning across children's services and wider services. This is particularly relevant to localities where a "whole neighbourhood" approach will be beneficial.

### 4.3 Challenges and Opportunities

- 4.3.1 In progressing with the strategic commissioning agenda a number of challenges and opportunities will need to be addressed.

### 4.4 Workforce Capacity

- 4.4.1 Successful strategic commissioning requires a wide range of skills, such as procurement, market analysis, service remodeling, financial management, legal awareness, user engagement, evaluation and data analysis. The workforce requirements to undertake effective commissioning needs to be understood, within the context of existing resource availability. Skills and knowledge development will be essential as will cultural and behavioural change, in line with the One Council change programme.

### 4.5 Corporate Connection

- 4.5.1 The impact of developments in strategic commissioning within children's services on corporate procurement, finance, legal and other support services need to be understood. In addition, the impact of commissioning developments on partner organisations need to be assessed and addressed.

### 4.6 Value for Money

- 4.6.1 In addition to improving outcomes, commissioning needs to ensure services are delivering outcomes efficiently and effectively as well as making cost savings for re-investment in key priorities. Commissioning across a partnership needs to free up resources by reducing duplication and increasing integration.

### 4.7 Commissioning Governance

- 4.7.1 There needs to be clear and transparent processes for decision making within commissioning, especially when commissioning signals a change in provider, due to the need to secure better outcomes and value for money. Contracting processes need to be consistent and proportionate to the complexity and monetary value of services. The role of ISCB will probably need to develop to encompass all aspects of children's strategic commissioning, ensuring commissioning plans are reflective of local and national targets and local needs.

### 4.8 Engagement

- 4.8.1 For strategic commissioning to be its most successful there needs to be effective partnerships and engagement with children, young people, families and communities, as well as with practitioners and providers of services. This involvement and engagement needs to be in all aspects of the commissioning cycle and be subject to transparency and scrutiny.

## **5.0 Conclusion**

5.1 This report and accompanying presentation provide, an explanation of commissioning, a summary of national policy development in respect of children's commissioning and a summary of commissioning work to date within Children Leeds. In addition, the paper sets out the developing vision for commissioning within the children's trust arrangements and highlights some of the key issues to be addressed. It is clear that strategic commissioning will be key in the development of children's services; Children Leeds has a very firm foundation upon which to build.

### **Background papers**

1. The 2006 Joint Planning and Commissioning Framework for Children's, Young People's and Maternity Services.
2. The first national Children's Plan, Building Brighter Futures.
3. Delivering the Children's Plan: Strengthening Children's Trust Arrangements.
4. Children's and Young People's Plan.