

# **Voluntary Sector Joint Liaison Committee**

**23<sup>rd</sup> September 2014**

## **Reshaping Services – a new change programme for the Council**

### **Third Sector Response**

#### **Purpose of the Report**

1. The following report encapsulates the initial thoughts, issues and concerns of local Third Sector organisations in relation to the Council's Reshaping Services initiative.

#### **Recommendations**

- 1 Recognition that the Third Sector are keen to engage in meaningful conversations about any proposals with the aim of contributing to Reshaping Services.
- 2 Involvement in discussions about Reshaping Services from the beginning would support the third sector contribution.
- 3 Having an identified person within the Council to liaise with the third sector about proposals submitted would help facilitate those conversations and they can ensure that other Council staff are involved in discussions as appropriate.
- 4 Additional resources to enable the Third Sector to participate fully in the co-production and planning involved in this initiative.

#### **Reasons for the Recommendations**

2. To ensure that Reshaping Services has the greatest opportunity for success.

#### **Background**

3. Following the presentation of the Cabinet paper on Reshaping Services at the Local Service Board in August, VCVS held a briefing event to engage the Third Sector in looking at how they might input to this complex scenario

#### **Relevant Issues and Options**

- 4.1 We note that Reshaping Services outlines the need to consider alternative delivery models for services. The third sector is well placed to play a role in these discussions, given its experience in innovative design and delivery, flexibility and adaptability to change.

- 4.2 However, ongoing conversations need to look not just at what is currently being provided and how best to provide that, but also to consider the need to do different things. This requires looking at what is needed, why it is needed and who can deliver. The result might be not just a move to different providers of current services, but also encompass the development of different services delivered by a range of providers.
- 4.3 An example of this is the provision of residential care. This could be looked at differently in terms of quality of the offer and there is a role for the third sector in providing quality residential care on a different, not for profit model.
- 4.4 There are a number of important issues to consider. These include the costs of developing different models, which cannot be borne by the third sector alone. Over the last few years, the third sector locally has lost resources and therefore capacity and faces increased competition for external funding from sources such as the Lottery. A move to different models of service delivered by the third sector must include some longer term commitment from the Vale of Glamorgan Council to the third sector organisations involved.
- 4.5 There is also the issue of the public sector moving to a function which is primarily about managing contracts and relationships. As more services are moved to other providers, the safety net function of local authorities is diluted and disappears. For example, if residential care is primarily delivered by the private sector and a provider decides to close down what role would the local authority have in ensuring the safety and wellbeing of the residents involved?

## **5. What the third sector needs to be able to contribute to reshaping services**

Below are some initial thoughts on what will be important for the local Third Sector

- 5.1.1 Involvement in discussions about Reshaping Services from the beginning would support the third sector contribution.
- 5.1.2 A better understanding of the range of Council services would help third sector services identify the areas where they may be able to deliver. It will help us take a broader look beyond what we currently provide.
- 5.1.3 There are a number of third sector services which are currently being funded by the Council, but which are potentially facing funding reductions. These services may well be the kinds of services which Reshaping Services is aiming to achieve.
- 5.1.4 The third sector currently plays a vital role in promoting health and wellbeing and as such contributes both to the public health agenda and to legislation such as the Future Generations Bill. The preventative nature of these services, which save future, more costly interventions from taking place, needs to be considered.
- 5.1.5 Some third sector organisations have already established trading and enterprise companies which could potentially take on a range of service provision, if adequately resourced.
- 5.1.6 Having an identified person within the Council which can liaise with the third sector about proposals submitted would help facilitate those conversations and they can ensure that other Council staff are involved in discussions as appropriate.

- 5.1.7 VCVS and the wider third sector are keen to work with the Council to put in place a process whereby Expressions of Interest in providing services can be submitted, discussed and evaluated.
- 5.1.8 Third sector organisations are being encouraged to think outside their normal areas of delivery.
- 5.1.9 VCVS will support the Reshaping Services strategy, with support from Third Sector Representatives, drawn from a range of third sector organisations, resources are required to support this increased activity.

## **6. Commissioning**

- 6.1 Competitive tendering is not well suited to smaller, local third sector groups or to supporting co-production on a local basis. A preferred providers list would ensure that local third sector groups, which provide local services and support co-production on a local community basis, are supported to bid for statutory funding. Where this is not possible or the size of the contract would suggest broader appeal from larger organisations, then the weighting in the score card for evaluation should take 'co-production' more into account.
- 6.2 There may be other models of commissioning which are alternative to either contracts or grants, and which may work better with new models of service.

## **7. Other issues to consider**

- 7.1 There is a range of help available via Wales Co-operative Centre, Co-production Wales and Social Board Wales, which could be utilised.
- 7.2 There needs to be a way of encouraging private sector investment, as it may not be easy to pull in private capital to support new models of service delivery, unless there is a commercial gain involved.
- 7.3 New models of service may require looking at new roles, rather than perpetuating traditional health and social care roles.
- 7.4 Discussions about Reshaping Services would benefit from involving Health Board colleagues as investment in social services has an impact on use of health services.
- 7.5 The proposed merger of local authorities is due to take place by 2020. A legacy statement detailing third sector funding at the time of merger would provide stability to the organisations funded.

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