

CYMORTH COMMISSIONING PROJECT

INTRODUCING A PHASED APPROACH: OPTIONS PAPER FOR BOARD 14 OCTOBER 2009

INTRODUCTION

The project brief and highlight report have identified a number of reasons why a phased approach to the new commissioning arrangements would be advisable. In summary these are:

- To mitigate the risks associated with attempting to enter into new arrangements across the whole Cymorth programme before 1 April 2010
- To enable the potential for funding to be released/reallocated to provision identified by strategic development work taking place under priorities in the Children and Young People's Plan
- To enable the Partnership to review and learn from the experience during the first phase and make any appropriate amendments to subsequent phases

The JCG has recognised the potential benefits of a phased approach, but requires the Board to recommend which approach they wish to support.

OPTION 1

A phased approach could be taken simply as a way to mitigate risk when that risk occurs. The main situation where this will happen is if it should become apparent that a particular contract is unlikely to be let and agreed within the timescale. In this situation, the Partnership would seek to extend the existing arrangements until the new contract is agreed.

Pros:

- The main intention of re-commissioning the whole Cymorth programme could be maintained and an extension of existing arrangements only introduced in situations where it is absolutely necessary.

Cons:

- Extensions would be entered into as an emergency measure and would not necessarily be applied to the services where the Core Groups have advised that provision might most usefully continue.
- If the need for an extension becomes apparent after the provider has received notice that the current arrangement will end, then the provider may have already started redundancy proceedings and disposal of property so that continuation of the old arrangements might not be possible.
- Even if these processes are able to be reversed, there is still a risk to the relationship with providers/partners as a result of continuing uncertainty and wasted effort.

OPTION 2

A planned phased approach would identify at the decision-making stage those elements of the programme that should continue under the existing arrangements for the time being and those which should move to new arrangements straightaway. This would enable the C&YPP to prioritise the procurement of the areas of work where Core Groups have identified clearly that they need to do something new or different. The areas where current arrangements would be extended would be those areas where a definite decision has been made that either the service is already delivering against the priority or there is further work planned before the group is able to identify the changes that are needed, but that some kind of service needs to continue in the meantime.

It would be possible for the extension of the existing arrangements to be for any period we might choose up to a year. However, there are two reasons why a year's extension might be advisable:

- Although employment contracts are technically possible for less than a year, providers have reported difficulty in terms of employment with staff for periods of less than a year which has an impact on recruitment and retention.
- A year would give greater scope for the procurement process and, potentially, could allow new contracts to be agreed before notice to end funding is given. This would mean that where an existing provider wins the new contract they could maintain services rather than running down provision and then having to build it up again. If a new provider wins the contract, there could be a greater lead in time for new arrangements to be set in place, including any TUPE arrangements that are needed.

There are two further options within a planned phased approach:

- A. A simple two-phased approach whereby we move to new arrangements for the parts of the programme where we have identified we want to do something new in 2010-11 and then the remainder of the programme for 2011-12.
- B. A three year rolling programme so that each year roughly a third of the programme is subject to review and change, allowing the C&YPP to respond to developing strategic work and also to establish a work plan that fits better with the three year contracting cycle.

Pros:

- The prioritisation of key areas to be procured during the first phase would enable the resources and time available (C&YPP, legal and procurement) to be better targeted, thus making it more likely that there will be sufficient capacity to ensure the delivery of these new contracts.
- There would be clearer communication with providers and less risk that the C&YPP would not be able to follow through on decisions.
- There would be a proportion of the Cymorth budget that the C&YPP could choose to use differently each year to take account of developing work, including the development of the new C&YP Plan.
- Demands on the C&YPP in terms of capacity and resources would be spread and could be managed more effectively. One of the consequences of this is that we would not face similar pressures in three years' time.

Cons:

- The JCG would not achieve a Cymorth programme where all contracts have been through a new procurement process by 1 April 2010. However, all aspects of the programme would have been subject to review against the priorities of the Plan.

CONCLUSION

The JCG has spent a considerable amount of time considering the most effective way to address the need to improve the allocation of Cymorth funding to ensure the Children and Young People Plan's priorities are met. Given the sheer number and diverse range of the extant services that require review, as well as limited access to legal and procurement resources, the JCG feel a pragmatic way forward would be to require each core group to undertake their reviews on a rolling programme basis.

RECOMMENDATION

For the reasons outlined above, the recommended course of action is **Option 2B: a planned phased approach that could lead to a three year rolling programme (subject to the availability of funding).**