

<b>Project Title:</b>	Cymorth Commissioning	
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<b>Period Covered:</b>	From: June 2009	To: October 2009

## REPORT FOR CHILDREN & YOUNG PEOPLE'S PARTNERSHIP BOARD (14 October 2009)

### BACKGROUND

The JCG Meeting on 5 October 2009 requested a report to be made to the C&YP Partnership Board to outline to the Board the requirements from Welsh Assembly Government [WAG]; set out the current issues and progress; and seek the Board's approval and guidance for the management of the next steps.

#### WAG Guidance

Decision-making needs to be informed by the guidance issued by WAG on the use of the Cymorth fund. The latest guidance in December 2008 asks Partnerships to prioritise provision that takes forward the priorities set out in the C&YP Plan, and this has been the basis for Cardiff's new commissioning arrangements.

However, provision funded must also comply with Cymorth guidance, including the direction that "*All services ... must be additional to and distinctive from mainstream services provided by the local authority or other partners*". WAG has also asked Partnerships to anticipate the proposed new duties on local authorities and so to prioritise:

- actions that will **reduce inequalities of outcome** for all children and young people
- steps to ensure **adequate access to play** for all children and young people
- **promoting children and young people's participation** – ensuring local structures are in place and partners are working towards the National Participation Standards

The Partnership is also required to

- continue to ensure a spread of **investment across all Cymorth themes (process and activity)**
- continue to fund the costs of **central support and monitoring and evaluation**
- plan for the movement of 13.5% from **Cymorth to Flying Start** in 2010-11 (indicative funding for Cardiff suggests that this will mean £5,309,378 for Cymorth, with £924,363 transferred to Flying Start) – further information is set out under 'Issues' below and in the separate Board paper on transition arrangements
- take account of the standards set out in the **NSF**

#### Movement of Cymorth to Revenue Support Grant

One of the other factors that the Board will need to consider as it looks ahead is the continuing movement of Cymorth funding into the Revenue Support Grant [RSG]. If the current WAG policy continues, tranches of Cymorth funding will be allocated to the local authority as part of the RSG settlement, which means that it will no longer be ring-fenced. This process has already started, with the funding for childcare and the Family Information Service already transferred in the current year. WAG is introducing corresponding statutory duties for local authorities in relation to these areas as funding is transferred.

Further transfers are scheduled to take place in three tranches between 2011 and 2014, although it is intended that the new duties on local authorities in respect of tackling inequality, play and participation (as mentioned above) will secure the continuation of funding for the same purposes. Partnerships are waiting for more details from WAG about this process. However, there is a need for further planning within Cardiff about how this will be implemented locally: i.e. whether the local authority will delegate decision-making about these responsibilities to the C&YPP and whether the same proportion of funding will be maintained. This issue has recently been raised in a paper on commissioning being prepared for the Local Service Board.

In terms of planning, the C&YPP has been advised that it would be good practice to move to three year framework agreements with providers, supported by annual contracts which are subject to the availability of funding. These arrangements will need to take account of changing circumstances in the administration of the funding. However, a clearly planned programme would reinforce the C&YPP's role.

Issues - Description & Impact	Action
<p><b>WORK OF CORE GROUPS</b></p> <ul style="list-style-type: none"> <li>Core Groups have made significant progress in identifying the services which they recommend should receive Cymorth funding. However, they have also recorded concerns about the tight timescale and identified additional work that need to take place before they can finalise Development Proposals.</li> <li>Core Groups have also identified areas where services are needed but development work is required to produce proposals for consideration (e.g. strategy for disabled CYP, early childhood strategy, child as victim).</li> <li>Although Core Groups have prioritised their Development Proposals, there is still a need to complete the same process in relation to current projects. Some Core Groups feel their judgements are constrained by limited knowledge and information as well as time constraints within meetings. Risk assessments are particularly important for any services which will no longer receive funding.</li> </ul> <p><b>LEGAL AND PROCUREMENT ISSUES</b></p> <ul style="list-style-type: none"> <li>Although a request has been made for further information from legal and financial services (procurement) about costs and timescales, advice is that they require more precise instructions to provide this feedback (e.g. exact number and scope of contracts to be tendered). General advice received so far is that: <ul style="list-style-type: none"> <li>There are logistical difficulties and capacity issues (for the LA and for the C&amp;YPP) in dealing with the volume of contracts within the timescale if the whole programme moves to new arrangements at the same time (see Key Risks).</li> <li>The C&amp;YPP would have to pay legal services for all detailed contract work. Most of this will be 'above the line' (i.e. outside of the terms of the current SLA). However, they will almost certainly have capacity issues. Purchase of external legal advice possible, although more expensive.</li> <li>Financial Services would also need additional procurement capacity and are looking at ways in which this might be bought in. However, there is not the same precedent for this and so its acquisition might take longer.</li> </ul> </li> <li>Good practice (WAG/Cardiff Commissioning and Funding Framework/Procurement) suggests the use of three year agreements, but these would be extended on a year by year basis, dependent on the availability of funding. However, if the C&amp;YPP enters into three year agreements across the programme simultaneously, there would be similar pressures in managing the process in three years' time.</li> </ul>	<ul style="list-style-type: none"> <li>Development Proposals not completed by all core groups for JCG on 05-10-09 so second JCG arranged 22-10-09. Additional meetings may be required to complete decision-making process.</li> <li>Core Groups cross-referring proposals where shared interest. Further discussions needed in relation to specific areas of work.</li> <li>Possible use of underspend during the current year or research grants for supporting development work in some cases (e.g. child as victim).</li> <li>Core Groups, M&amp;R Group and JCG support the idea of a phased approach so that further scope for new commissioning within three year time span.</li> <li>Decisions still need to be made about how the remaining risk assessments will be completed and who will complete these.</li> </ul> <ul style="list-style-type: none"> <li>JCG considered the need for a phased approach and how this could be implemented in more detail (see Options Paper at Appendix 1) at their meeting on 05-10-09. The JCG recommended that the Board accepted option 2B, a three year rolling programme, as the best approach (i.e. to allow for the development of new work and to reduce risks).</li> <li>The Board and JCG to agree how decisions are made about which areas of work are commissioned within each phase, if this approach is accepted.</li> <li>More detailed information about costs and timescales to be requested when agreement about services to be funded is agreed. Also arrangements for additional legal and procurement support to be made as soon as clear decisions about the contracts to be let (in phase 1).</li> <li>Allocated Cymorth budget/underspend is currently available to cover additional costs of legal and procurement services. JCG to monitor costs and use of underspend to ensure sufficient is allocated to the commissioning process while ensuring that any not needed is used to progress delivery of the Plan in other ways.</li> <li>Use of a 'single provider/tender' route in situations where there is a clear business case (e.g. specialist providers for services such as health visiting) as advised by procurement to assist in expediting the commissioning process.</li> </ul>

## EQUITY AND TRANSPARENCY

- The tight timescale has meant that activity has focused on the work of core groups and less on the involvement of wider stakeholders:
  - Llygaid y Ddinas have started to get involved, but this needs to be further integrated into the process.
  - Projects and other stakeholders have been kept informed about the process through written updates, but there are still concerns about the continuing uncertainty and questions about how decisions will be made.
- There have been questions within core groups and the M&R Group about how decisions will be made and who exactly will be making the final judgements.

## TRANSFER OF FUNDING TO FLYING START

- In May 2009, the C&YP Board agreed that the Flying Start [FS] Board would manage the process of transferring funding and services. A number of the current projects already contributed to the delivery of the FS programme (CYM63 Sure Start Play; CYM50 Parents Plus at Home and CYM 71, 13, 33 & 47 health-related projects). It was agreed that corresponding proportions of their funding should constitute the sum transferred and the final figures are being discussed.
- The delivery of these services within the FS areas is already being managed under the FS programme. However, there is still a question about what happens to the elements of their provision that are delivered in the old Sure Start areas not included in FS, specifically St Mellons, Grangetown and South Riverside, where there are still significant levels of disadvantage.
- One of the areas where there is particular concern about the maintenance of provision under the new arrangements is St Mellons, where there is also a great deal of political interest in developments.

- Further work to be done with Llygaid y Ddinas to ensure that they are able to consider and comment on the proposals before final decisions are made.
- Providers of current projects to receive notification of their situation as soon as clear decisions are made.
- Workshop to be planned (with VAC's CYPFF network) in line with the commissioning timescale, to ensure providers who are interested in new contracts have an opportunity to find out more about the procurement process.
- Review of Terms of Reference and Membership of relevant groups so that Partnership Board is agreed on clear roles and responsibilities and this can be communicated to wider stakeholders.

- All the projects affected have been asked to submit business proposals setting out how they will realign services. These have identified issues around the interrelatedness of services in FS and non-FS areas.
- JCG to consider a proposal being put forward by the Nurturing Families & Communities Group which identifies potential benefits from a possible joint commissioning approach to some of these services as part of the Family Support Strategy.
- A St Mellons forum has been set up to look at the transition arrangements for that area and also to plan the development of Oakfield as an Integrated Children's Centre.
- A separate paper to be presented to this Board meeting to set out the transition issues in more detail.

## Key Risks – Description & Impact

- A key risk still remains the potential loss of provision for CYP and families if the transition to new arrangements is not managed effectively:
  - Advice received from Legal and Procurement has highlighted questions about capacity (C&YPP as well as their own) to support the volume of new commissioning arrangements as well as logistical problems if the Partnership attempts to move to new arrangements for the whole Cymorth programme simultaneously. Delays could lead to loss of key staff and gaps in provision. While some services will need to come to an end, this needs to be by clear decision and not default.

## Mitigation

- Additional legal, procurement and CUPS Team capacity may be purchased. However, C&YPP needs to consider how other members can be supported so that there is sufficient capacity (e.g. availability for meetings, carrying out additional pieces of work such as preparation of service specifications etc).
- A planned phased approach, such as a three year rolling programme, would enable the volume of contracts to be managed over a longer timescale.

<ul style="list-style-type: none"> <li>➤ There is a risk to relationships with current providers, who are also partners, and there could be a loss of confidence if the C&amp;YPP is not able to carry through on arrangements notified to them.</li> <li>➤ Agreements to extend current arrangements will need to be made before end Nov, (which allows for the four months' notice the Board has agreed to give to existing providers) to enable new contracts to be in place for 1 April 2010. If extensions are agreed after this point, providers will have already started redundancy proceedings, disposing of property etc and there is a risk that they may not be able to continue even if the Partnership and they want to.</li> <li>➤ C&amp;YPP will not be able to allocate funding to work identified following strategic development work if whole programme is commissioned.</li> </ul>	<p>It would also ensure that a proportion of the Cymorth fund can be realigned each year to take account of developing work and enable any learning from the review of the first phase to be taken into account in later phases (in line with good commissioning practice).</p> <ul style="list-style-type: none"> <li>• Extending current agreements with projects as part of a phased approach would be a good way to avoid loss of provision and mitigate risk. This would be better done on the basis of prioritising those projects where there is a clear decision to maintain provision for the time being rather than introducing it only where arrangements appear to be unlikely to result in a new contract within the timescale.</li> </ul>
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## Recent Achievements / For Information

<ol style="list-style-type: none"> <li>1.</li> <li>2.</li> <li>3.</li> <li>4.</li> </ol>	<p>A full set of guidance and project documents has been produced to support the decision-making stage of the project, including:</p> <ul style="list-style-type: none"> <li>• Guidance for Core Groups to support the preparation of Development Proposals</li> <li>• Information for Core Groups about current projects</li> <li>• Prioritisation Guidance and matrix</li> <li>• Updates for projects and wider stakeholders to inform them about progress on the project</li> </ul> <p>Despite concerns about the timescale and timing, Core Groups have all met at least twice to consider the preparation of Development Proposals, as well as carrying out work outside of meetings. They have made considerable progress in discussing how to realign services and in identifying the provision that they wish to recommend for Cymorth funding. The use of the Prioritisation Guidance has been effective in helping groups to prioritise their proposals and has led to interesting discussions.</p> <p>Through this work, Core Groups have also made progress in identifying broad thematic areas of work, which will help in the move towards a more coherent programme with fewer individual and unrelated projects.</p> <p>First steps have been taken to involve Llygaid y Ddinas in the commissioning process. They have produced an initial report on the importance of projects to the different priorities, which has been circulated to LSOs.</p>
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## Additional Information

<p><b>Appendix 1: Options Paper (discussed by JCG on 05-10-09)</b></p> <p><b>Appendix 2: Summary of Core Group Development Proposals &amp; Recommendations (Confidential)</b></p>
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## Next Steps

<p>The C&amp;YPP Board is asked to <b>consider the recommendation of the JCG</b> that a planned phased approach, leading to a three year rolling programme, would be the most effective way to manage the commissioning process.</p> <p>If this approach is agreed, the Board is also asked to consider the basis for decision-making to inform the work of the JCG on 22 October 2009:</p> <ul style="list-style-type: none"> <li>• Is the Board able to identify key thematic areas of work which will help to provide more coherence to the programme and highlight areas where Core Groups need to prioritise work (within groups and cross-cutting)?</li> <li>• Should Core Groups chairs be asked to do further work to bring forward recommendations about which specific areas of work can or should be taken forward in each phase (looking at their own group's priorities and advising on the stage of development each has reached)?</li> <li>• Does the Board support additional meetings (Board, JCG and Core Groups) to ensure this work is expedited?</li> </ul>
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