

# **‘Inform, Consult, Involve, Devolve’**

## **Working with the Third Sector**

### **A Partnership Framework for Cheshire East Council**

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## INTRODUCTION

This document is informed by work undertaken in 2007 to develop a Third Sector Strategy for Cheshire County Council. The development and consultation process led by County Council staff involved over 140 third sector organisations and individuals, via the web, by email and 12 workshop events. Officers and senior managers from District Council's also contributed to establishing key principles for this work in line with the Compact's signed by the County and District Councils.

Work to date has

- established why a strategy is needed
- considered what outcomes we want to achieve
- aimed to define priorities
- identified levels of investment in the sector
- developed some proposals for improvement

A draft Strategy was endorsed by Cheshire County Council Management Board in October 2007. Consideration by Members was postponed pending a decision on Local Government Reorganisation.

The earlier draft has been revised and updated to take account of the formation of the Shadow Council for Cheshire East and it is presented as a legacy of work to date and a plan for the future.

## THE VISION

### A Vision for the Third Sector in Cheshire East

The Council and Third Sector organisations in Cheshire East will work to develop a relationship based on partnership not patronage, in order to secure **“A responsive, sustainable, innovative, distinctive and independent Third Sector, which represents and supports the community and plays a vital role in improving the quality of life of the people in Cheshire East through information, advocacy and service delivery.”**

### What do we mean by this?

A responsive sector is dynamic, open to challenges and involved. It is a sector that brings the energy and passion from people and communities to the planning table. It means a sector that is financially sustainable and not entirely grant dependant, a flexible sector with a positive approach to change, a sector that is innovative and pioneering in its activities and is anchored by good governance arrangements. A sector with these attributes will be better able to give a voice to people and communities, including hard to reach groups, when lobbying and influencing policy. It will also support local people, by grass roots action through to comprehensive service delivery. The sector in Cheshire East has many of these attributes. The new Council will have the opportunity to build on these strengths, while recognising the independence of the sector and the distinctive nature of the groups it encompasses.

### What do we mean by the Third Sector?

The Office of the Third Sector defines the sector as;

**“voluntary and community organisations, charities, social enterprises, faith groups, cooperatives and mutuals”<sup>1</sup>**

Key to this definition and the vision is the understanding that the Third Sector contributes to a tripartite relationship with the public and private sectors. It is not “third rate” or “third in line”. It is an important partner with rights and responsibilities.

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<sup>1</sup> Office of the Third Sector website, [http://www.cabinetoffice.gov.uk/third\\_sector/](http://www.cabinetoffice.gov.uk/third_sector/)

Organisations making up the sector across Cheshire East are very diverse and their activities important partner with rights wide ranging. These organisations have different needs and priorities, but each can make a valuable contribution to improving the quality of life for residents. The new Council will need to consider the legacy of earlier Compact Agreements and determine new arrangements to guide its relationship with the sector in future.

## Overview

The Framework is based on the needs of the Third Sector and the Council, in order that together we serve people better and improve the quality of life for people and communities in Cheshire East. Proposals for improvement are based on existing Compact commitments and local government's duty to **INFORM, CONSULT, INVOLVE** and **DEVOLVE**. The Framework recognises that groups will wish to be involved in different ways; dependant on their experience and capacity. It confirms that the delivery of public services is not the objective for all organisations. It acknowledges the responsibilities of the Council and Third Sector organisations across Cheshire East to work together to improve services to users and the public.

## WHY DO WE NEED A FRAMEWORK?

Cheshire East Council shares the same broad objectives with many organisations in the third sector – to build and sustain flourishing communities and to meet the priorities of a new Sustainable Communities Strategy. This Framework aims to strengthen our working relationship and enable us to achieve our ambitions together.

### **A Compact Way of Working**

The District Councils and the County Council have signed Compact Agreements with third sector organisations in each of the Cheshire East districts. These Agreements set out key principles, shared values, and ways of working together more effectively to deliver better services. They contain detailed codes of practice and have whole Council implications for the way we operate. The Compact has binding force as Government policy and its significance should not be underestimated. Our challenge is to ensure awareness and Compact compliance is embedded in all services and departments of the new Council, evidence of which will form part of future Comprehensive Area Assessments.

### **Strong and Prosperous Communities - October 2006<sup>2</sup>**

The Department for Communities and Local Government has recognised the 'diverse nature of the Third Sector and the different roles it plays – shaping and designing effective services, representation and advocacy, lobbying and influencing policy and has set out clear expectations about the full involvement of the sector as strategic partners.

### **Communities in Control - July 2008<sup>3</sup>**

The Department for Communities and Local Government published its community empowerment White Paper "Communities in Control" on 9 July. The proposals will place new duties on councils to ensure that local people and communities have

- more information and greater influence over the local decisions that affect them;

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<sup>2</sup> Local Government White Paper – DCLG 26 October 2006

<sup>3</sup> Community Empowerment White Paper – DCLG 9 July 2008

- more opportunity to get directly involved in managing and shaping how local services are delivered
- new means of holding politicians and Councils to account

The third sector has a unique ability to articulate and drive change through advocacy and action. The sector can be at heart of reform to improve public services: as **contractors** delivering public services, as **campaigners** for change, as **advisers** influencing the design of services and as **innovators** from which the public sector can learn. The White Paper recognises the role of individual active citizens, social entrepreneurs, volunteers and campaigners and seeks to support them and third sector organisations to play their full part in reviving civic society.

The needs of the new Council and the Third Sector are summarised below.

**Cheshire East Council will need:**

- to fulfil its statutory duties and community leadership role
- to manage a dialogue with service users and citizens about the design and delivery of high quality affordable services
- to grow the market and orchestrate the provision of these services
- to monitor and evaluate these services to ensure their effectiveness and efficiency

**The Third Sector across Cheshire East will need:**

- access to information about services - current provision and potential change
- support to coordinate consultation, engagement and empowerment
- strong and coordinated infrastructure organisations to support the front line
- sustainable funding for infrastructure and front line groups to enable them to deliver
- to maintain its independence

The Council will need to make the best use of the resources available to deliver desired outcomes in the context of many competing priorities. The Council will need to consider how to re-design services and build on models of good practice. Establishing how these can be implemented will take time and raise issues of organisational capacity, in both the Council and the third sector, which we will need to address. It will be important to identify how other public sector partners can contribute resources to achieving these outcomes and how the Third Sector can play a full part in delivering future Local Area Agreements.

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## OUTCOMES – WHAT DO WE WANT TO ACHIEVE?

<b>Active and empowered communities</b>	<ul style="list-style-type: none"> <li>• Organisations well supported in the local community, looking after their own interests.</li> <li>• People contributing, volunteering and being involved in many different types of activity.</li> <li>• Local people identifying their own needs, people feeling that their voice is being heard and they can influence decisions.</li> <li>• Community leaders and activists ensuring the diversity of community based activity</li> </ul>
<b>Third Sector organisations delivering more public services professionally, efficiently and effectively</b>	<ul style="list-style-type: none"> <li>• Expert and professional organisations with skilled staff and leaders, working to agreed priorities and quality standards.</li> <li>• Organisations that are focussed on outcomes, using resources efficiently and targeting them where they will have most effect.</li> <li>• Monitoring and evaluation in place that encourages improvement and best practice</li> <li>• Good governance – organisations demonstrating transparency and probity in their activities</li> </ul>
<b>Strong and coordinated infrastructure organisations that support front line organisations in the sector</b>	<ul style="list-style-type: none"> <li>• Streamlined infrastructure support for the sector that is easily accessible and inclusive, well informed, linked to national bodies, funded from public money and responsive to local needs (including small and start up organisations).</li> <li>• Specialist and generalist infrastructure organisations working well together, with clarity and transparency about their roles.</li> <li>• Infrastructure organisations acting as honest brokers and driven by the needs of the front line organisations they serve</li> </ul>
<b>Third Sector organisations that are well networked and coordinated</b>	<ul style="list-style-type: none"> <li>• Organisations working well together with little or no duplication of services and efficient use of resources.</li> <li>• Achieving a balance between competition and collaboration that provides the best outcomes for local people.</li> <li>• Organisations that are well connected to regional and national networks and well represented and participating fully in local partnership arrangements.</li> <li>• Frameworks in place that encourage good relationship management.</li> </ul>
<b>Third Sector organisations that have sufficient resources</b>	<ul style="list-style-type: none"> <li>• Financially stable organisations with a variety of income sources.</li> <li>• Organisations with capital assets and resources, including skilled and experienced people.</li> </ul>
<b>Third sector organisations focussed on local needs</b>	<ul style="list-style-type: none"> <li>• Predominantly locally based organisations tuned to the diverse needs in Cheshire East</li> <li>• Larger (national) organisations contributing where they are best placed to do so</li> <li>• Responding to need on the basis of evidence</li> </ul>



## RESOURCES – WHAT DO COUNCILS IN CHESHIRE EAST CURRENTLY SPEND IN THE THIRD SECTOR?

As part of the resource mapping for the new Cheshire East Council managers have made some initial assessments of the grant and contract expenditure in the sector in Cheshire East in 2008/9

### Local Government – Cheshire East

Administering authority	Department	Funding Type		
		Contract	Grant	Grand Total
Cheshire County Council	Community Services	1,617,718.94	162,028.00	1,779,746.94
	Environment	117,394.50	290,309.00	407,703.50
	Children's Services	40,373.00	13,466.50	53,839.50
<b>Cheshire County Council Total</b>		<b>1,775,486.44</b>	<b>465,803.50</b>	<b>2,241,289.94</b>
Congleton Borough Council	Chief Executive		10,000.00	10,000.00
	Community Development		194,310.00	194,310.00
	Revenues		21,530.00	21,530.00
	Streetscape		2,840.00	2,840.00
	- Unconfirmed -		33,180.00	33,180.00
<b>Congleton Borough Council Total</b>			<b>261,860.00</b>	<b>261,860.00</b>
Crewe & Nantwich Borough Council	Community Development	214,257.00	76,210.00	290,467.00
<b>Crewe &amp; Nantwich Borough Council Total</b>		<b>214,257.00</b>	<b>76,210.00</b>	<b>290,467.00</b>
Macclesfield Borough Council	Community & Well-being		148,530.00	148,530.00
	Corporate	70,150.00	29,650.00	99,800.00
	Legal & Democratic		145.00	145.00
	- Unconfirmed -	5,000.00	56,395.00	61,395.00
<b>Macclesfield Borough Council Total</b>		<b>75,150.00</b>	<b>234,720.00</b>	<b>309,870.00</b>
<b>Grand Total</b>		<b>2,064,893.44</b>	<b>1,038,593.50</b>	<b>3,103,486.94</b>

### Central and Eastern Cheshire PCT

Administering authority	Funding Type		
	Contract	Grant	Grand Total
Central and Eastern Cheshire PCT (spending in Cheshire East only)	331,360.70	765,320.28	1,096,680.98

This investment secures a wide range of services for people and communities in Cheshire East including adult and older people's social care, children's services, arts, sports and cultural services, health promotion, community transport, environmental initiatives, lifelong learning, community development, advice and information and many more.

This investment assessment relates only to Council base budgets. It does not include services funded from national government external grant, for which the County Council or District Councils are the Accountable Body or distributing organisation eg Supporting People, Carers Grant, SureStart etc.

This assessment does not include details of County Council social care block contract values with third sector providers.

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## INFORM

To achieve our outcomes and a vision for a Third Sector which ‘plays a vital role in improving the quality of life of local people through information, advocacy and service delivery’ the Council will need to improve information to the sector, ensuring that it is clear, timely, and well directed to the requirements and capacity of different groups and organisations.

The Council will need	Proposals – the Council will:	What we are trying to achieve
To improve the information available to local citizens and service users	Use third sector organisations, within an overall communications strategy, to inform people and communities about services  Support the establishment of a Third Sector network or Assembly in Cheshire East	Well informed and engaged citizens and service users better able to access services  Specialist and generalist infrastructure organisations working well together, with clarity and transparency about their roles.
Better corporate awareness of the nature, purpose and value of the third sector	Establish an internal Programme Board to bring together staff with responsibility for engagement with the sector	Increased capacity of staff to work effectively with the third sector
The sector will need	Proposals – the sector will:	What we are trying to achieve
Accurate and accessible information about Cheshire East Council policies, services and opportunities related to the sector	Have access to a Third Sector specific section on the new Council’s website	Organisations working well together with little or no duplication of services and efficient use of resources.

## CONSULT

The third sector has a unique ability to give a voice to the community and drive change, most powerfully where third sector organisations work together. However, effective consultation with organisations in the Third Sector has been problematic for all Councils and the process has often been complex and fragmented.

The new Council will need to ensure that inclusive participative structures are put in place to enable the sector to have a consistent, effective and accountable voice in local decision-making. Generalist and specialist networks encompassing the broad spectrum of opinion within the sector, will need clear governance arrangements that set out their role, responsibilities and relationships with each other and public sector agencies.

The White Paper<sup>4</sup> reinforces the need for meaningful involvement of third sector organisations on Local Strategic Partnerships (LSPs). These principles of representation will help the sector to organise its involvement in the new LSP and help the Council to decide how to support this involvement in a sustained way.

The Council will need	Proposals – the Council will:	What we are trying to achieve
Effective systems to consult Third Sector organisations and meaningful involvement of the sector in the new LSP	Support the establishment of a Third Sector network or Assembly in Cheshire East  Support specialist infrastructure organisations/hubs reflecting LAA themes	Specialist and generalist infrastructure organisations working well together, with clarity and transparency about their roles and the ability to contribute to/deliver LAA and other partnership outcomes
Compact compliant consultation processes embedded in all services and departments	Establish an internal Programme board to bring together staff with responsibility for engagement with the sector  Provide Compact training and awareness programmes for staff and Members	Increased capacity for staff to work effectively with the sector

<sup>4</sup> Communities in Control – DCLG July 2008

	Develop an online Compact Toolkit for managers	
The sector will need	Proposals – the sector will:	What we are trying to achieve
Effective system for coordinating responses to Cheshire East Council consultation processes	Develop a Third Sector network or Assembly in Cheshire East in 2009  Coordinate specialist infrastructure organisations/hubs reflecting LAA themes	Streamlined consultation processes which are inclusive, effective, timely and proportionate  Specialist and generalist infrastructure organisations working well together, with clarity and transparency about their roles and the ability to contribute to/deliver LAA and other partnership outcomes
Infrastructure organisations with efficient and cost effective back office support	Consider mergers/consolidation of existing organisations to maximise front end resources	Streamlined infrastructure support for the sector
Compact compliant consultation processes embedded in the new Council	Contribute to Compact training and awareness programmes for staff and Members	To ensure all Council consultation complies with Compact principles and best practice

## INVOLVE

Some individuals and Third Sector organisations are asked to be involved in many different partnership arrangements. The Council will need to establish strong partnerships with the sector, harness its own capacity to relate to the sector and support the sector to undertake its various roles.

The sector has a key role to play to encourage active citizens and ensure that they know about the opportunities to volunteer or take up civic roles in their communities. The role of faith communities is particularly relevant here, with many faith based groups entirely reliant on volunteering effort to support vulnerable people, from parent and toddler groups, youth groups to older people.

*Volunteering is defined as 'an activity that involves spending time, unpaid, doing something that aims to benefit the environment or individuals or groups other than (or in addition to) close relatives.'*<sup>5</sup>

Recent years have seen an increase in volunteering in Cheshire from 36% in 2004 to 42% in 2006.<sup>6</sup> To support this trend the new Council will need to tackle some of the barriers to volunteering by increasing the awareness of opportunities through Volunteer Centres.<sup>7</sup> In the 2005 Cheshire wide Citizenship Survey, 59% of those who did not volunteer on a regular basis (at least once a month) cited work commitments as the main barrier. Employers can support staff to volunteer in a variety of ways and new standards are now in place for employers – the Investing in Volunteers for Employers Award. As a major employer the new Council will consider arrangements for employee supported volunteering.

Research has shown that people on a low income are less likely to volunteer. The Council will need to consider a policy for recruitment, management, recognition and reward of individuals who give up their time to assist in various roles. Research established that voluntary activity can play an important

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<sup>5</sup> The Compact Code of Good Practice in Volunteering - [www.vounteeering.org.uk](http://www.vounteeering.org.uk)

<sup>6</sup> Cheshire Community Survey was conducted in February and March 2006, with interviews from 1,304 people using the Citizens Panel.

<sup>7</sup> Volunteering England define the six core principles of Volunteer Centres as; Brokerage (to match individuals and groups), marketing volunteering, good practice development, developing volunteering opportunities, policy response and campaigning, and strategic development of volunteering.

role in helping people who are not working to keep in touch with the labour market and to obtain skills and experience that may help them into work. The White Paper<sup>8</sup> proposals include a review by the Department for Work and Pensions (DWP) exploring the role of the third sector in welfare-to-work reform.

The Council will need	Proposals – the Council will:	What we are trying to achieve
Strong, empowered and self reliant communities	<p>Consolidate community development practitioner teams to work with local groups and communities to build their capacity for real involvement, empowerment and change.</p> <p>Expand on pilot projects for the transfer of community assets, where appropriate, to local organisations and/or a Community Property Trust</p>	<p>A network of community development workers well co-ordinated and operating across Cheshire East, supporting people to become involved in community activities and run local projects/services as volunteers, community leaders or members.</p> <p>Financially stable organisations with a variety of income sources. Organisations with capital assets and resources.</p>
Active involved citizens	<p>Develop local working arrangements with opportunities for involvement of citizens in neighbourhood/community councils, focus groups and networks.</p> <p>Develop a policy to direct recruitment, training and payment of expenses to all volunteers working with the Council</p> <p>Consider opportunities to contract with Volunteer Centres to increase volunteering opportunities, maintain a volunteer skills register, train, support and accredit volunteers</p>	<p>To meet statutory duty to involve</p> <p>Reduce barriers to volunteering and recognise the value of volunteer involvement in service planning and delivery</p>
Motivated and well skilled employees	Review existing leave provisions related to volunteering activity.	Increase opportunities for Council staff to develop and share their skills through volunteering activity

<sup>8</sup> ibid

	<p>Consider an Employee Supported Volunteer Scheme (ESV)</p> <p>Integrate volunteering opportunities within staff appraisal and team building processes</p>	
<b>The sector will need</b>	<b>Proposals- the sector will:</b>	<b>What we are trying to achieve</b>
Greater opportunities to participate fully in LSP arrangements, strategic planning and LAA thematic groups.	<p>Develop a Third Sector network or Assembly in Cheshire East</p> <p>Coordinate specialist infrastructure organisations/hubs reflecting LAA themes</p>	Increased participation and empowerment of citizens and service users – greater choice and voice to influence in Council services and priorities.
Increased investment in Volunteer Centres	Negotiate with the Council to increase investment in Volunteer Centres to maximise volunteering opportunities, maintain a volunteer skills register, train, support and accredit volunteers	More people contributing, volunteering and being involved in different types of activity. Improved LAA and CAA outcomes



## DEVOLVE

To meet Local Area Agreement commitments the Council will need to devolve public service delivery increasingly to Third Sector organisations. The Council will need to build on work done to date to improve financial relationships with the sector and to be more explicit about whether we are supporting organisations to improve quality of life and civic pride as part of the Council's community leadership role (*grant making*) or engaging with organisations to deliver specific services, derived from a commissioning cycle and firmly linking investment to outcomes (*contracting*) or building capacity in the sector (*investing*). The Council will need to consider these distinctions in its commissioning frameworks.

The Council confirms its intention to achieve better public outcomes for individuals and communities, which yield efficiency gains and community benefits, through smarter, more effective and innovative commissioning, and the optimal involvement of the third sector in public service design, improvement and delivery.

### Principles of Good Commissioning<sup>9</sup>

Commissioning is *the process of specifying, securing and monitoring services to meet people's needs at a strategic level. This applies to all services, whether they are provided by the local authority, NHS, other public agencies or by private and voluntary sector organisations* (Audit Commission).

The eight Principles of Good Commissioning are:

- **Understand the needs of users and communities** ensuring that, alongside other consultees, the Council engages with third sector organisations, as advocates, to access their specialist knowledge
- **Consult potential provider organisations**, including those from the third sector, well in advance of commissioning new services, working with them to set priority outcomes for that service;
- **Put outcomes for users at the centre** of the strategic planning process
- **Map the fullest practical range of providers** with a view to understanding the contribution they could make to delivering those outcomes;
- **Consider investing in the capacity of the provider base**, particularly those working with hard-to-reach groups;

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<sup>9</sup> Good Commissioning challenge questions – SEE APPENDIX 1

- **Ensure contracting processes are transparent and fair**, facilitating the involvement of the broadest range of suppliers, including considering sub-contracting and consortia building, where appropriate;
- **Adopt long-term contracts and risk sharing**, wherever appropriate, as ways of achieving efficiency and effectiveness
- **Seek feedback from service users, communities and providers** in order to review the effectiveness of the commissioning process in meeting local needs.

### **A distinctive Third Sector role?**

There are three important dimensions to the Third Sector's role which the new Council will need to consider. The first relates to *commissioning with* the sector, that is, their contribution to an understanding of the market – what exists in the sector and what could be developed – and by providing best practice examples from their experience. The second relates to *commissioning from* the sector, that is, third sector organisations as potential providers of services, contributing and maximising resources through access to charitable/trust funding streams and the social return on investment (SROI). The third relates to partnership working in which the third sector and the Council jointly bid to an external funder for resources to deliver services together.

*Commissioning with* the sector through their involvement in “upstream” strategic planning and service design presents challenges for the new Council in the commissioning process and when making procurement decisions. Third Sector organisations will need to be able bid, without suggestion of undue preference, for Council contracts as potential providers. The Council and the third sector will need to take account of issues with regard to risk and independence, and the sector will need to consider whether objectives in the contract conflict with the organisations core objectives, for example campaigning, lobbying or faith promotion. .

The Office of the Third Sector will be carrying out a new national survey of third sector organisations – including faith-based charities – later this year to better understand the issues and working to tackle the barriers to commissioning services from faith-based groups

Currently local Council staff and managers<sup>10</sup> are able to provide professional support to commissioners to identify third sector organisations and to ensure that social and economic benefits are given appropriate weighting in consideration of bids from the sector. This includes separate commissioning for social outcomes and the inclusion of 'social clauses' within contracts. Using principles of social accounting and audit to account fully for its social, environmental and economic impact the sector's distinctive contribution to meeting the wider wellbeing needs of people and communities can be more accurately assessed.

Guidance suggests that criteria which include quality, price, technical merit and social and environmental impact allow for a wider interpretation of "most economically advantageous tender" and enables commissioners to pay particular attention to the added value of contracting with third sector organisations<sup>11</sup>. In addition the Office of Government Commerce has recently published guidance on how to consider social issues in procurement policy<sup>12</sup>. The Council will need to consider how best to consolidate professional expertise in this area.

### **Grant Making**

A grant is a *'donation by way of money or otherwise to support an organisation, a specific service or activity, with the donor having no right to receive anything in return other than an indication that the donation is being used for the purpose for which it was donated.'*<sup>13</sup>

Not all third sector organisations desire or currently have the capacity to deliver public services but they do make a contribution to local quality of life. The Council will need to consider how to support such activity through *giving* or *grant making*. Supporting Third Sector organisations through grant making can enable the Council to sustain community activity in small scale projects which often maximise the use of volunteers.

Whether contracting with, or grant aiding third sector organisations, the Council will need to take account of government guidance and move towards multi year agreements which can enable small organisations to forward plan, allow for flexibility and provide better cover for overheads<sup>14</sup>. Multi year agreements can also increase sustainability and avoid the added transaction costs incurred by Councils through annual funding arrangements.

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<sup>10</sup> County Council's Third Sector Development Unit

<sup>11</sup> Commissioning within the Legal Framework, Capita conference – Third Sector Commissioning 14 June 2007

<sup>12</sup> Office of Government Commerce (2008) *Buy and Make a Difference: How to Address Social Issues in Public Procurement*, London

<sup>13</sup> Funding definition adopted by Cheshire County Council 2007

## Community asset transfer

Community-based organisations are the key to solving some of the most difficult and complex neighbourhood issues. But they often require greater financial stability. Neighbourhood organisations can provide a base from which people and grassroots groups can get involved in driving positive social change through a range of activities, services, support and facilities. The Government review into the community management and ownership of public assets <sup>15</sup> was published in May 2007 and concluded that “to place land and buildings in community hands is to provide the means for people to create profound and long term transformation in their neighbourhood”.

The County Council is a pilot authority for asset transfer and has been working with community organisations in Winsford, Dunham Hill and Bollington to transfer surplus school buildings and a community centre on a leasehold basis. Consideration has also been given to establishing a Community Land Trust to act as a mechanism for future asset transfer. Proposals in the White Paper<sup>16</sup> include plans to consult on a national framework for Community Land Trusts and the Audit Commission has published the basis on which they intend to assess the way local authorities manage their assets under the new Comprehensive Area Assessment.

The Council will need	Proposals – the Council will:	What we are trying to achieve
To grow the market of potential service providers	<p>Embed Third Sector commissioning within an integrated Commissioning Framework linking investment to outcomes, with clear priorities, outcomes and resource allocations</p> <p>Increase staff capacity and skills to contract with Third Sector providers</p> <p>Provide development and training workshops to</p>	<p>Third Sector organisations delivering services where best placed to do so</p> <p>Consistent commissioning and procurement processes that comply with Compact principles and best practice operating across the Council</p> <p>Monitoring and evaluation carried out in a way that is focussed on outcomes, and is proportionate to the size of the contract and risk.</p>

<sup>14</sup> Treasury Guidance – Improving Financial Relationships with the Third Sector: Guidance to Funding and Purchasers, HM Treasury, 2006

<sup>15</sup> Making Assets Work: The Quirk Review – DCLG May 2007

<sup>16</sup> *ibid*

	<p>build the capacity of the sector to tender for and deliver more public services</p> <p>Develop plans for the transfer of community assets, where appropriate, directly and/or via a Community Land Trust</p> <p>Provide information, training and advice to Third Sector organisations to help them to own/manage assets</p> <p>Adopt full cost recovery and multi year funding agreements, wherever possible</p>	
The sector will need	Proposals - the sector will:	What we are trying to achieve
Increased capacity to negotiate for contracts and to demonstrate social value and impact	Have access to training to build the capacity of the sector to tender for and deliver more public services and own/manage assets	Joint understanding of priorities and processes. Third sector organisations well supported to tender for and deliver public services
Financial stability with a variety of income sources.	Develop plans for the ownership/management of community assets, where appropriate	Third Sector organisations with capital assets and resources, including skilled and experienced people

## **Good Commissioning – Challenge Questions for service managers**

### ***Understanding service needs***

- How do we know how effectively we are identifying user needs within each service delivery area?
- How are we involving service users in the design of service delivery? What have we changed, because of that involvement?
- What means have we for engaging relevant Third Sector and private sector providers in the design of services, to meet identified user needs?
- Which features of service delivery have our users said are the most important to them? How do we assess our performance against them?
- What outcome measures have we identified for each service delivery area? Are they things that users value? How do we monitor our performance against them?

### ***Understanding the market***

- How do we know what numbers and types of providers can supply the specific services we want to commission?
- How are we identifying potential local and national suppliers that might wish to tender for these services?
- How do we involve potential suppliers in service design and the design of our commissioning processes? What have we changed because of that involvement?
- How competitive are the markets for these particular services? How has that changed recently?
- If there is no market in this area of service delivery, what steps are we taking to create one?
- What effect is our current commissioning practice having on our local supplier market? What could we do to improve it?

### ***Effective procurement***

- How do we assess compliance with the principles of good commissioning in our own commissioning and procurement practice?
- How are we monitoring the performance of our current suppliers and how are we using the information we collect to improve service delivery?
- How well do competing bids for service contracts enable us to compare value for money? How do our suppliers know what information to include, to help us to do so?
- What wider social, economic, or environmental benefits do we expect to gain from our current commissioning practice? How do we take account of them, when considering overall value for money, and how do we know that we are achieving them?