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| Agenda Item | 3.1 |
| Paper | Quality |
| Meeting Date | 20 Jul 2010 |

COMMISSIONING OF VOLUNTARY SECTOR ORGANISATIONS 2010/11

Decision Discussion Information

Report author: Patrick Zola , Commissioning Manager, Integrated Commissioning

Report signed off by: Lesley Perkin, Director of Commissioning and Delivery

Purpose of the report:

This report outlines the results of the review of voluntary sector commissioning undertaken by NHS Harrow for the purpose of assessing how resources are being used to achieve NHS Harrow's overall strategic objectives and makes recommendations for funding for 2010 – 11.

Recommendations to the board:

The Board is asked to:

1. To note the outcome of the review of voluntary sector commissioning.

Related PCT objectives:

- Financial performance
- Performance improvement to "good"
- Commissioning developments

Related "QIPP":

- Quality Diversity
- Innovation
- Productivity
- Prevention

Related "Use of Resources"

1.2, 2.1, 2.3

Reference to risk on Board Assurance Framework/ Risk Register

Related "Links to World Class Commissioning Competencies"

2,3,6,7,8,10,11

Report history:

The report was presented to the Delivery Committee on 31st March 2010

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COMMISSIONING OF VOLUNTARY SECTOR ORGANISATIONS 2010/11

Contact name: P Zola
Contact no: 020 8966 1171

1. Purpose of the report

This report presents the results of the review of voluntary sector commissioning undertaken by NHS Harrow for the purpose of assessing how resources are being used to achieve NHS Harrow's overall strategic objectives and outlines the decisions regarding funding for 2010 – 11.

2. Terms/ acronyms used in the report.

Committee members are asked to note that the PCT in the context of this paper means NHS Harrow.

3. Background

The PCT provides support for a range of voluntary organisations in order to maintain and improve the quality of life for residents and, in particular, to support some of the most vulnerable sectors in the community.

In 2009 – 10, the PCT provided funding of £1,046,558 to the voluntary sector spread across thirty eight services.

On 31st March 2010, the Delivery Committee endorsed the appointment of a broadly based Voluntary Sector Commissioning Review Panel, which was to be chaired by a Non Executive Director on behalf of the PCT Board.

a) Review Process

The review process was designed to be transparent, equitable and fair to all voluntary organisations.

The main aims of the review were:

- To ensure that current commissioning to the voluntary sector is targeted in line with the PCT's CSP and operating plan 2010/11 in order to secure an optimum level of health care service provision for Harrow residents within available resources.
- To generate recurrent savings from current voluntary sector commitments as part of a wider strategy to enable the PCT to achieve its CIP targets, and subsequent years.

b) Review criteria and scoring methodology

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Services provided by eligible organisations were assessed and scored by the Review Panel against the following criteria:

- Achievement of one or more of the PCT's strategic aims and priorities (as detailed in the CSP and Operating Plan).
- Achieving value for money.
- Involvement of service users and family carers.
- The extent to which the voluntary organisation is trying to lever in resources from other sources and they would seek alternative funding.
- The extent to which voluntary organisations work together to achieve the PCT's priorities.
- Impact on the service and its users if the PCT's funding is reduced or withdrawn.

Each criterion was given a weighted score, which together give a maximum total of 100 points.

Organisations were asked to undertake a self-assessment of their service against the above criteria. Detailed guidance was provided to all organisations specifying the information requirements for each assessment criterion.

The assessed services were categorised into one of three possible bandings, according the score achieved.

The service bandings are as follows:

| Category | Status | Score |
|-----------------|---------------------|--------------|
| Band 1 | Criteria met | 70 – 100% |
| Band 2 | Criteria partly met | 40 – 70% |
| Band 3 | Criteria not met | 0 – 40% |

Services that achieved a total score of 70% or above were placed in Band 1, and were deemed to have met the criteria for continued funding. Services achieving a score of between 40 – 70% met most but not all of the criteria and could therefore qualify for reduced funding. Those services achieving a score of less than 40% were deemed not to have met the criteria and funding could therefore be withdrawn.

c) Review Panel

The Panel comprised five members:

- Sanjay Dighe, Non Executive Director
- Julia Smith, Chief Executive of Harrow Association of Voluntary Services, HAVS
- Julian Maw, a member of Harrow Local Involvement Network (LINK) Executive Committee
- Nadiya Ashraf, Community Services Commissioning Manager
- Patrick Zola, Commissioning Manager

d) Funding allocation

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36 submissions were received out of a total of 38. The evaluation panel process had to be extended from 4th to 10th June due to the length of some of the submissions.

The evaluation process applied the principles of fairness, transparency and objectivity for all the submissions and there was a requirement that:

- All services were given an equal opportunity to succeed.
- The criteria for evaluation was well established and remained consistent and objective throughout the process.
- The reasons for acceptance and rejection were documented to demonstrate that the evaluation was properly conducted.
- All panel members were fully aware of the procedures and criteria to be used throughout the evaluation process.

All evaluation panel members used the same ranking/evaluation forms to provide an objective and auditable mechanism of whether a submission met the PCT's essential requirements.

Following the evaluation process, the Review Panel – chaired by Alison Butler, Deputy Director of Integrated Commissioning and Sanjay Dighe - met to moderate scores and allocate funding in line with review results.

The Review panel did not start the discussion with a target figure for reductions and used the following principles:

- Funding should go to meet health care focused needs rather than social care ones.
- Funding should not be directed to meet general core costs.
- Funding could cover the element of core costs directly attributable to delivering agreed outcomes.
- Funding should be provided to achieve clearly defined and negotiated outcomes not necessarily projects.
- Funding should be used to help the PCT achieve its priorities.
- Unnecessary overlaps and duplication of funding should be eliminated.
- Organisations should be encouraged to work together wherever appropriate

By applying these principles, the Review Panel was able to re-allocate funding and also achieve a saving compared to last year's budget of £310,353.

4. Outcome of the review

The following organisations had their funding withdrawn for failure to submit completed self-assessment forms:

- Edo State Women Association
- National Autistic Society

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The review concluded that some organisations are providing services which do not fit within the current strategic framework of the PCT. These included:

| Name of the organisation | Name of service |
|---------------------------------|--|
| Citizens Advice Bureau | Northwick Park Mental Health Outreach |
| Community Link Up | Health Improvement Project |
| Age Concern | Lunch and leisure club |
| Harrow Community Transport | Community Transport |
| Richmond Fellowship | IPS Employment |
| Loud and Clear | Advocacy and Independent Project |
| Healthy Living Centre | Healthy Lifestyles |
| Harrow Crossroads | Respite Break for carers |
| Harrow Crossroads | Healthcare support in intermediate care |
| Iwanaaji | Somali Elderly and Disabled Outreach Advocacy |
| Family Action | Women's only mental health and drop in |
| Sneh Care | Day service for Asian Community with mental health |
| Harrow Women's Centre | Administration support/advice worker post |
| Rethink | Phoenix Employment |
| Knowledge is Power | Alcohol Peer Education Programme |

The review considered that it was inappropriate to continue to provide funding for core costs and posts in addition to overhead costs. Therefore the review recommended reducing funding for the following organisations:

- Harrow Mind
- Harrow Mencap
- Harrow Home Start

The review also recommended reducing funding for Harrow Carers as in overall terms the PCT was funding a disproportionate share of their costs and there is duplication in funding training for carers of people with mental health needs.

The review recommended keeping funding at 2009/10 levels for the following services as they comply with the PCT's priorities and are fit for purpose:

| Name of the organisation | Name of service |
|--|---|
| Home Start | Healthy families |
| Stroke Association | Family and Carer Support Service |
| HAVS | Racial Equality |
| Kids Can Achieve | The Haven Project |
| Loud and Clear | IMHA |
| Loud and Clear | Community Advocacy |
| Harrow Women's Centre | Women Crisis Counselling |
| HAD | Advocacy |
| Harrow Association of Somali Voluntary Organisations | Prevention Project to reduce ill health, social isolation and Substance Misuse for BMEG |
| Alzheimer's Society | Day Support for Persons with Dementia of Working Age |

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5. Financial implications

The above proposals will lead to reductions in voluntary sector investment of £310,353 on 2009/10 budgets.

Further details on funding allocations can found in Appendix 1 of this report.

6. Equality impact assessment

The review was undertaken using a process that is robust and fair, and designed to ensure that services provided by the voluntary sector are consistent with the PCT's strategic objectives and priorities.

There is a potential risk of redundancies in the voluntary sector where reduced funding or withdrawal of funding is recommended as a result of the review process. However, the PCT will continue to work closely with the voluntary sector to develop and expand community-based health care services, in line with the commitment to shift significant amounts of care closer to patient's homes and improve quality and outcomes.

Impact Assessment of this review is attached as Appendix 2 of this report.

Further impact assessments of organisations that previously received funding above £40k and had it either reduced or withdrawn are included in appendices 4 to 8.

7. Recommendations

The PCT Board is asked to:

- a. To note the outcome of the review of voluntary sector commissioning.

8. Appendices

Appendix 1: Funding allocations for 2010/11

Appendix 2: Impact Assessment of the review

Appendix 3: Impact Assessment Harrow Community Transport

Appendix 4: Impact Assessment Harrow Mind

Appendix 5: Impact Assessment Harrow Crossroads

Appendix 6: Impact Assessment Harrow Mencap

Appendix 7: Impact Assessment Rethink

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Board Report Executive Director sign off

This report has been approved by the accountable Executive Director and satisfied that the implications for the following areas have been adequately considered.

Financial

Equalities

Name: Lesley Perkin

Job Title: Director of Commissioning and Delivery