

# why?

Fact sheet 1

## Why does commissioning matter?

### First, what is commissioning anyway?

Commissioning describes the process of assessing need in a local authority, identifying resources available, planning how to use the resources, arranging service delivery, reviewing the service and then reassessing need. This process should be ongoing and repeated continually to ensure that children, young people and families are getting quality services that are effective, efficient and economical – i.e. that the services offered are the ‘best value’ available.

Procurement, or ‘the acquisition of goods and services from third party suppliers under legally binding contractual terms’, is one part of the commissioning process. It is about commissioners ‘buying’ services that address identified local needs from private, voluntary and independent organisations and other public bodies.

### Who are the commissioners?

A commissioner is anyone who purchases services from a third party. Commissioners can be employed by local authorities, Primary Care Trusts, larger organisations, children’s trusts or any other agency buying services.

### How does procurement work?

After identifying local needs and gaps in provision, commissioners will advertise tenders to deliver specific services. Organisations can then put in a bid to deliver a service, either alone or in partnership with other organisations. It can be done in a two-stage process with many organisations putting in expressions of interest and the local authority then inviting certain organisations to put in a more detailed application to tender. The commissioner should choose the service that offers the best value, that is, the most effective, efficient and economical service.

### Where does the voluntary and community sector fit in?

Many grants streams, such as Children’s Fund, Local Network Fund, and Neighbourhood Renewal Fund, will come to an end in 2008, and services or projects that had previously been funded by grants will now have to be commissioned through **children’s trusts arrangements**. It is, therefore, becoming increasingly important for voluntary and community sector organisations delivering public services to engage with these arrangements in order to secure funding. This will include conforming to particular procedures, such as having safeguarding policies, effective monitoring and evaluation systems and outcomes that are aligned with the five Every Child Matters outcomes (for more information on outcomes, please see *fact sheet 2*).

### But, what exactly is a children’s trust?

Children’s trust arrangements are led by local authorities in order to commission, plan, fund and deliver children’s services. Children’s trusts are not legal entities, they are partnerships between different organisations such as education, social services, health, police and the voluntary and community sector. Children’s trusts establish what services are being provided locally and what services are still needed in order to coherently address the needs of children and young people in the area. They are responsible for producing a Children and Young People’s Plan, which is a strategic plan that focuses on the outcomes for children and young people in an area over the long term.

**But why do it? (please turn over)**

# Why does commissioning matter?

## So, what does it have to do with me?

The voluntary and community sector (VCS) is well placed to respond to local need. It can play a crucial role in the development of children's trusts' commissioning strategies and can also lead parts of the agenda for a trust. The VCS also has a role to contribute to an analysis of local need as information held by VCS organisations can identify gaps where services need to be developed and where services could be integrated to better address the diverse needs of children. Every area should have routes for the VCS to participate in developing its local children's trust. Contact your local children and young people's forum or council for voluntary (youth) service for information about what is happening in your area.

## Are there risks involved?

Yes, there can be.

There has been a major government drive to encourage organisations to take part in the commissioning process and deliver public services. However, this presents a risk that organisations will experience what is known as 'mission drift'. Mission drift happens when, in order to obtain funding, organisations take on projects or deliver services that are outside of what they were set up to do.

Organisations need to be clear about what they are doing and for whom, and they need to ensure that any new activity they take on is something that fits in with their aims and objectives. Funding will always be a factor in the work of the voluntary and community sector, but organisations need to be careful that they are not compromising what works for the children, young people and families who use their services; organisations need to be sure that they want and are able to deliver the kind of service that is being requested.

## Does everybody need to take part in commissioning?

No.

Many voluntary and community organisations who currently receive grants from their local authority in the form of Children's Fund, Neighbourhood Renewal Fund or Local Network Fund for Children and Young People may find that they will be required to take part in commissioning processes if they wish to continue receive certain grant funding.

However, there are other options for sustainable funding, and the VCS has a long history of raising funds for its activities. Organisations that choose not to be involved in commissioning can apply to charitable foundations, run their own fundraising events or seek donations from individuals and local businesses.

**But what is it? (please turn over)**



**NCVCCO**

*helping charities help children*

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