

# Report:

## Results of the Third Sector Commissioning Survey

April 2010

Supported by



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Compact**



## SUMMARY

1. The Select Committee for Third Sector Commissioning charged the Bristol ChangeUp Consortium with undertaking a survey about Bristol's Voluntary, Community & Social Enterprise (VCSE) sector's experience of commissioning in Bristol.
2. The survey and this report should be considered to be part of the picture, as it investigated commissioning by Bristol City Council (BCC). The VCSE sector also has complex commissioning relationships with other public sector bodies: NHS, Avon & Somerset Constabulary, Avon Fire & Rescue Service, and Criminal Justice agencies.
3. It must be acknowledged that there has been good progress toward establishing good practice in many BCC commissioning processes. This report provides some indicators that will enable further improvements and the embedding of Compact and Intelligent Commissioning principles in all BCC commissioning practice.

### Is the survey representative? (section 2.1)

4. No. The respondents to the survey do not represent Bristol's VCSE sector. Social enterprises and organisations with annual turnovers greater than £100,000 are disproportionately represented. It is important to note that the views of charities (including registered charities, voluntary organisations, not-for-profit organisations, community groups) and those with turnovers less than £100,000 are not adequately represented in the response to this survey.

### Sector not involved in early stages of commissioning (section 2.2)

5. 48.6% of respondents reported that they had not been consulted in early stages of the commissioning process (e.g. development of 'analysis of need').
6. Of those that had input into early stages, just 1/3 thought that their input had made a difference.

### Readiness for commissioning (section 2.3)

7. Most respondents felt confident in their ability to deliver a service and said that they met the criteria for service delivery.
8. There was a good general understanding of commissioning and the difference between commissioning and procurement. There were high levels of familiarity with the change from grant-funding to commissioning.
9. Over half (58.1%) of the respondents were already delivering contracts or had service level agreements with the Council and/or the Primary Care Trust.
10. Sources of information were varied. The top 3 sources: local infrastructure organisations, previous experience, and BCC.
11. There are high levels (63.5%) of respondents' self-reported readiness for participating in commissioning processes but low levels (27.0%) of applications to become BCC suppliers.

12. When asked to agree or disagree with a series of statements that may deter engagement in commissioning, there was strong disagreement that groups are not developed enough, not experienced enough and have fears about abilities to deliver contracts.
13. There is, however, some agreement that fears about tender processes may deter engagement.
14. There is also a notable concern about the loss of independence – seen in the 1/3 that agreed with the statement about being tied too closely to the commissioner.
15. Respondents provided information on other factors that might deter them from bidding:
  - Bristol City Council – complexity of processes and capacity to engage with VCSE
  - VCSE capacity
  - Time frames often too tight
  - Proportionality – effort vs size of contract

#### **Bidding for contracts with Bristol City Council (section 2.4)**

16. Half (48.6%) of the respondents reported that they have started to prepare for commissioning. Preparations include training, online procurement registration.
17. Less than half (41.9%) said that they were confident about engaging in commissioning processes.
18. In commissioning processes, just 1/5 (20.3%) anticipated positive responses/support from Bristol City Council; while 2/5 (36.5%) anticipated negative responses/support.
19. Of the 16 BCC listed commissioning requirements, several have high proportions of being 'fully met' by these respondents. It is notable, however, that 6 of the requirements have low levels of completion (e.g. risk assessment, business plan). This apparent lack of readiness for commissioning (as evidenced by actual policies/procedures), appears to contradict some of the assertions of readiness in other parts of the survey.

#### **Experience of the commissioning process (section 2.5)**

20. Respondents report low levels of submitting bids:
  - 18.9% as part of a consortium
  - 32.4% as individual bidder
  - 32.4% had not bid at all
21. Of those that had formed consortia, 1/5 was not sure that their partnerships were genuine and workable.
22. Of those that had not bid at all, their reasons were:
  - Unclear information/support
  - Poor match of service specification with 'charitable' work
  - Low expectation of success
  - Organisation did not fit BCC criteria

23. Of those that had bid, most described their experiences as not good, with these themes:

- Short deadlines, time needed to form consortia
- Complexity and inconsistency
- Unfairness

24. Over half had registered on Bristol Electronic Procurement System (BePS) and most of those reported its ease of use. Of those that reported problems, the following themes emerged:

- Support required
- Technical problems
- Not a comprehensive source of commissioning information

25. When asked if there were any comments in general about commissioning processes, particular concerns came from smaller organisations. They were concerned that they would be 'driven out' by commissioning, commenting

- "It is intimidating for smaller groups"
- "Smaller, grassroots organisations like ours need a lot more support if we are really to stand a chance of competing with the big boys"
- "The process as currently conceived will lead to the demise of many voluntary organisations, very few are staffed to respond to tenders."
- "The VCS needs more support! What about issues such as compliance, directors' liability and insurance, ISO9001, environmental management systems accreditations."

### **Recommendations (section 3)**

26. Recommendations take into account the principles of Intelligent Commissioning and best practice described in The Bristol Compact.

27. There is a tension between strength of the VCSE sector and its independence (which contribute to innovation, responsiveness and connection with local communities) and the need for conformity and standardisation in commissioning processes.

### **General recommendations (section 3.1)**

#### ***28. Commissioning: needs city-wide strategic ownership***

It is recommended that high level ownership of Bristol's commitment to National Indicator 7 (public sector organisations' responsibility for promoting a thriving third sector in Bristol) be further developed.

#### ***29. Additional research needed: small VCSE organisations' experience and readiness for commissioning***

There is a strong need to enhance this research with additional research into the views, experiences, and readiness of small VCSE organisations. It is assumed that their lack of participation in this survey is related to their lack of capacity. Additional research with different methodologies (e.g. face-to-face, telephone contact) is recommended. This should be undertaken by the Compact Steering Group, assuming that resource implications can be overcome.

#### ***30. Establish strategic overview of all commissioning practice in Bristol***

There is a need to establish a detailed understanding of all commissioning practice in Bristol. A comprehensive benchmarking exercise that defines all commissioning is recommended. This should be undertaken by the Compact Steering Group.

### ***31. Publicise commissioning/procurement/grant-funding opportunities in one place***

There is a need to establish a single source of information, where commissioners publicise their commissioning activities and VCSE organisations find information. It is recommended that this be undertaken by the Compact Steering Group.

### ***32. Further and develop VCSE sector, especially small organisations***

It is recommended that development and training issues (understanding commissioning end-to-end process, collaboration/partnership, organisational development, commissioning fit with charitable objectives) be taken forward by the Compact Steering Group.

### **Recommendations for commissioners (section 3.2)**

#### ***33. Incorporate all principles of Intelligent Commissioning into all BCC commissioning practice***

The following focus in further developing commissioning practice is recommended:

- Early engagement of VCSE organisations in developing understanding of needs and service outcomes.
- Better communication of the results of engagement/consultation activities to VCSE organisations to share results and to consolidate their sense of participation and its value.

#### ***34. Enable more time in commissioning processes for the formation of consortia***

Where commissioning encourages the formation of partnerships/consortia, it is recommended that all BCC commissioning timelines allow additional time at the tender/application stage. It is recommended that The Bristol Compact's best practice on consultation ("that 12 weeks be allowed"), as a minimum, be applied to allow small VCSE organisations to more easily form partnerships.

#### ***35. Complexity should be proportionate to level of funds***

It is recommended that commissioning processes adopt principles of proportionality and decision-making tools, such as that used by some BCC commissioners. Such a tool will enable commissioners to decide if a set of outcomes will be best delivered by contract or grant-funding, and to check that the financial level of contract is commensurate with complexity of process.

### **Recommendations for VCSE sector organisations (section 3.3)**

#### ***36. Review 'commissioning' in strategic planning processes***

It is recommended that the following questions be considered in strategic planning processes by governance functions (management committees, boards of trustees/directors etc):

- How does the change from grant-funding to commissioning affect our organisation?
- How does our organisation want to be contracted to deliver public services?
- How does our organisation have everything in place to engage in commissioning processes?
- What does our organisation need to have in place to engage in commissioning processes and to deliver services?

- Where else can we get support with this?
- Who in the council can we contact to ask and feed in our views?

### ***37. Engage with commissioning processes***

It is recommended that VCSE organisations proactively seek support and information from (a) their BCC link/grant officers/contact person, (b) local infrastructure organisations, and (c) contacts in the sector.

### ***38. Infrastructure organisations respond to VCSE sector's needs***

It is recommended that infrastructure organisations respond to the support, training and development needs identified in this report. The contents of this report could also be used by infrastructure organisations in their representations of the sector to key decision-makers.

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April 2010

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## CONTENTS OF THIS REPORT

<b>1. Background</b>	<b>Page 8</b>
1.1. <i>Commissioning context</i>	
1.2. <i>Voscur's provisional comments on the survey results</i>	
1.3. <i>Acknowledgements</i>	
<b>2. Detailed analysis of survey results</b>	<b>Page 8</b>
2.1. <i>Is the survey representative?</i>	
2.1.1. Type of organisations	
2.1.2. Catchment area of respondents	
2.1.3. Respondent organisations' annual turnover	
2.2. <i>Involvement of VCSE organisations in the development of services</i>	
2.2.1. Consultation on 'analysis of need'	
2.2.2. Influencing service design	
2.3. <i>Readiness for commissioning</i>	
2.3.1. Familiarity	
2.3.2. Understanding of 'commissioning' and 'procurement'	
2.3.3. Sources of information	
2.3.4. Bidding and delivering services	
2.3.5. Readiness for tendering	
2.3.6. Application to become supplier	
2.3.7. Deterrent from bidding	
2.3.7.1. Bristol City Council and processes	– 38.2%
2.3.7.2. Internal capacity	– 35.3%
2.3.7.3. Time and resources	– 17.6%
2.3.7.4. Scale	– 8.8%
2.4. <i>Bidding for contracts with Bristol City Council</i>	
2.4.1. Awareness of change from grant-funding to commissioning	
2.4.2. Preparations for participating in commissioning	
2.4.2.1. Preparations	
2.4.2.2. Confidence about engaging in processes	
2.4.2.3. Response and support from BCC	
2.4.2.4. Meeting BCC's requirements	
2.5. <i>Experience of the Commissioning Process</i>	
2.5.1. Actual experiences of bidding	
2.5.1.1. 'Yes, as part of a consortium bid'	– 18.9%
2.5.1.2. 'Yes, as an individual organisation'	– 32.4%
2.5.1.3. 'No'	– 32.4%
2.5.2. Experience of commissioning process	
2.5.2.1. Good experiences	
2.5.2.2. Not good experiences: deadlines, time needed to form consortia	
2.5.2.3. Not good experiences: complexity and inconsistency	
2.5.2.4. Not good experiences: unfairness	

- 2.5.3. BePS (Bristol Electronic Procurement System)
  - 2.5.3.1. BePS: support required
  - 2.5.3.2. BePS: technical problems with the system
  - 2.5.3.3. BePS: comprehensive source of information?
  - 2.5.3.4. BePS: general comments

### **3. Recommendations**

**Page 22**

#### **3.1. *General recommendations***

- 3.1.1. Commissioning: needs city-wide strategic ownership
- 3.1.2. Additional research: small VCSE organisations' experience and readiness for commissioning
- 3.1.3. Establish strategic overview of all commissioning practice in Bristol
- 3.1.4. Publicise commissioning/procurement/grant-funding opportunities in one place
- 3.1.5. Further and develop VCSE sector, especially small organisations

#### **3.2. *Recommendations for commissioners***

- 3.2.1. Incorporate all principles of Intelligent Commissioning into all BCC commissioning practice
- 3.2.2. Enable more time in commissioning processes for the formation of consortia
- 3.2.3. Complexity should be proportionate to level of funds

#### **3.3. *Recommendations for VCSE sector organisations***

- 3.3.1. Review 'commissioning' in strategic planning processes
- 3.3.2. Engage with commissioning processes
- 3.3.3. Infrastructure organisations respond to VCSE sector's needs

## **1. Background**

A survey of commissioning practice in Bristol was commissioned by Bristol City Council's Select Committee on Third Sector Commissioning and undertaken by the Bristol ChangeUp Consortium. The purpose of the survey was to gather information about Voluntary, Community & Social Enterprise (VCSE) organisations' experiences of commissioning, so that future practice could be improved. The survey was aimed at VCSE organisations who had successfully or unsuccessfully bid to deliver public services either as individual organisations or as part of a partnership or consortium and at VCSE organisations which had considered submitting a bid but had been deterred from doing so.

The survey was open for responses between 10 February and 24 March 2010 and was circulated both in an electronic and a hard copy format to the Bristol ChangeUp Consortium's joint membership of approximately 900 organisations. 74 responses were received.

### **1.1. Commissioning context**

It should be noted that this report and survey concentrated on commissioning associated with BCC. VCSE organisations in Bristol are also engaged in commissioning processes with the following:

- NHS Bristol
- Avon & Somerset Constabulary
- Avon Fire & Rescue Service
- Criminal Justice agencies (National Offender Management Service, Youth Offending Team, Crown Prosecution Service)

All of these public sector bodies use different commissioning processes and this presents multiple complexities for Bristol's VCSE sector. It is, therefore, important that Bristol City Council considers its commissioning practice in the overall context of the sector's complex relationships with multiple public sector agencies.

### **1.2. Voscur's provisional comments on the survey results**

To aid the Select Committee on Third Sector Commissioning discussion on 31/3/10, Voscur submitted a provisional response. This report provides a comprehensive response on the main points from the survey<sup>1</sup>. This report is intended to provide evidence to inform the Select Committee's 29/4/10 discussion of the Final Report to Council, and to inform developments of commissioning practice in Bristol.

### **1.3. Acknowledgments**

This survey was supported by the Bristol City Council's Select Committee on Third Sector Commissioning and the Bristol ChangeUp Consortium. Thanks to Aria Hussain and Liz Gorman for their work on developing, implementing and collating the survey.

## **2. Detailed analysis of survey results**

### **2.1. Is the survey representative?**

74 responses were received, which represents 8.2% of the ChangeUp Consortium's joint membership. Before considering the 'content' responses to the survey, it is important to establish the validity of the sample group – are the 74 respondents a representative sample of Bristol's VCSE sector?

Where possible, comparisons have been made with Voscur’s membership. As a generalist local infrastructure organisation, its membership is representative of the diverse VCSE sector and is thought to reflect the general membership of the Bristol ChangeUp Consortium<sup>2</sup>.

**2.1.1. Type of organisations**

While not directly comparable, due to the differences in categories, it is clear that the sample group does not match the profile of Voscur’s membership. If we consider the ‘aggregated’ figures (shown highlighted in black), it is very clear that the respondents and Voscur membership are very different:

- Registered charity: 52.3% of respondents vs 86.6% of Voscur membership
- Social enterprise: 26.3% of respondents vs 8.2% of Voscur membership

<b>Respondents</b>		<b>Voscur membership<sup>3</sup></b>		
Registered charity	52.3%	Registered charity	30.8%	<b>86.6%</b>
		Voluntary organisation	21.9%	
		Not-for-profit organisation	21.9%	
		Community group	12.0%	
Social enterprise	26.2%	Social enterprise	5.1%	<b>8.2%</b>
		Community Interested Company	3.1%	
[other]	22.5%	Other	5.1%	

**2.1.2. Catchment area of respondents**

The table below shows the range of catchment areas of the respondents that provided details of their organisation.

<b>Type of organisation</b>	<b>Respondents</b>
Local (Bristol-based)	71.2% (23/32)
Regional (Bristol office of regional organisation)	3.1% (1/32)
National (Bristol office of regional organisation)	25.0% (8/32)

**2.1.3. Respondent organisations’ annual turnover**

The table below shows the annual turnovers of the organisations that provided these details. These are compared with the annual turnovers of Voscur membership.

While not directly comparable, due to the differences in turnover scales, it is clear that the sample group does not match the profile of Voscur’s membership. If we consider the ‘aggregated’ figures (shown highlighted in black), it is very clear that the respondents and Voscur membership are very different:

- Turnover less than £100,000: 40.0% of respondents vs 61.5% of Voscur membership
- Turnover more than £100,000: 60.0% of respondents vs 31.3% of Voscur membership

Respondents			Voscur membership		
Less than £50,000	28.0%	40.0%	Less than £20,000	33.5%	61.5%
£50-100,000	12.0%		£20-75,000	20.4%	
£100-250,000	4.0%		£75-100,000	7.6%	
£250-500,000	16.0%	60.0%	>£100,000		31.3%
More than £500,000	40.0%				

**Comment on representativeness of the respondents:**

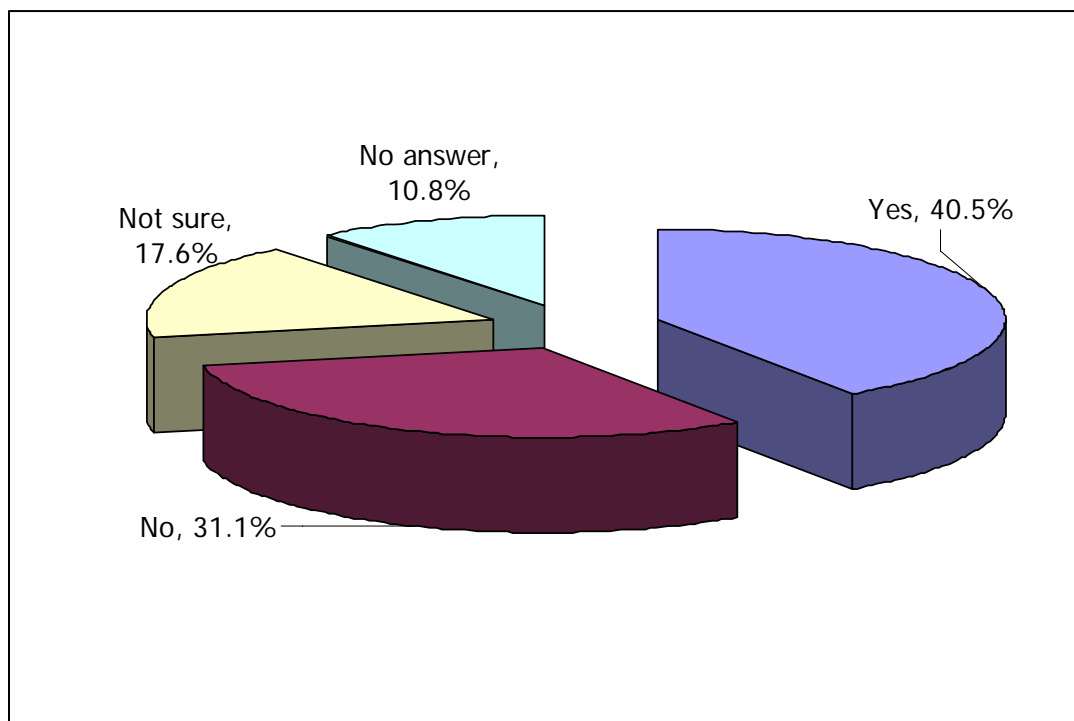
The respondents to the survey do not represent Bristol's VCSE sector. Social enterprises and organisations with annual turnovers greater than £100,000 are disproportionately represented. It is important to note that the views of charities (including registered charities, voluntary organisations, not-for-profit organisations, community groups) and those with turnovers less than £100,000 are not adequately represented in the response to this survey.

**2.2. Involvement of VCSE organisations in the development of services**

The survey included questions about organisations' participation in the development of an 'analysis of need', an early part of the intelligent commissioning process.

**2.2.1. Consultation on 'analysis of need'**

In response to the question "Has your organisation been consulted on the needs of service users and the results of the consultation used to design a new service?" the following responses were received.



It is notable that 48.6% of respondents reported that they had not been consulted ('no' and 'not sure') in early stages of commissioning process (e.g. development of 'analysis of need').

### **2.2.2. Influencing service design**

In response to the question "How confident are you that your input made a difference to the final service design?", less than 1/3 (28.4%) said that they were confident that their views had made a difference.

It is notable that a high proportion (24.3%) did not answer this question, suggesting that they were unsure of their influence in service design.

## ***2.3. Readiness for commissioning***

This section of the survey was included to establish the awareness and readiness of VCS organisations for the possibility of delivering public services.

### **2.3.1. Familiarity**

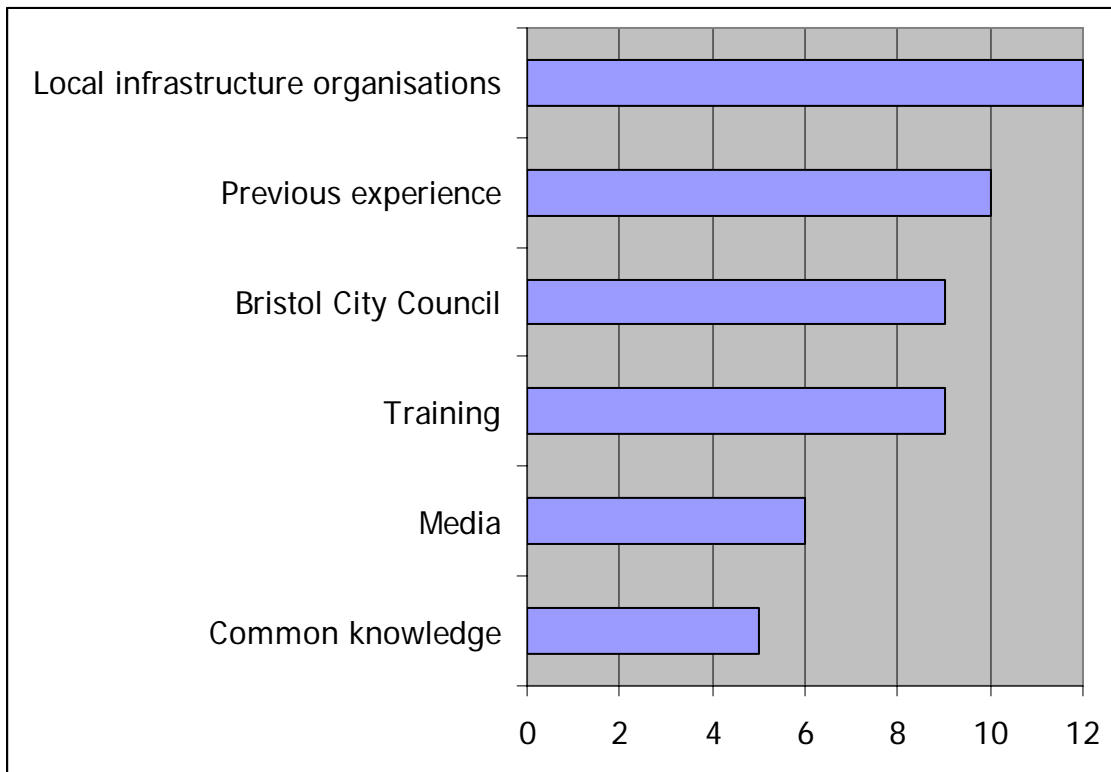
It was unsurprising to find that, in a survey about commissioning, there were high levels (67.6%) of familiarity with those concepts.

### **2.3.2. Understanding of 'commissioning' and 'procurement'**

Although many different definitions were provided, there is broad understanding of the meaning of these concepts.

### **2.3.3. Sources of information**

Of those that answered the question "In what ways have you become aware of commissioning and procuring?", the responses were grouped into the following.



Of those that received information from local infrastructure organisations, 61.1% received information from Voscur. The majority of respondents described information sources as useful:

*“Very useful as it allows us to identify potential upcoming funding streams and the process to apply for these. Also helped identify training opportunities to fill any knowledge/skills gaps.”*

#### **2.3.4. Bidding and delivering services**

A high proportion (58.1%) of respondents reported that they had bid for or delivered services on behalf of public bodies. They describe a range of contracts and services, for example:

- *“Central Govt x 2 = c £4.5m, European funding x 1 = c £0.4m, BCC x 5 = c£0.6m”*
- *“Day Care worth £600K+”*
- *“Magazine production for Welsh Local Government Association, Oxfordshire County Council East Sussex County Council Doncaster MBC”*

#### **2.3.5. Readiness for tendering**

Given that a high proportion of the respondents have already or are currently participating in commissioning processes, it is not surprising to hear that 63.5% report that they are “in a position to tender”. However, it must be noted that, generally speaking, the respondents are larger, more resourced organisations.

#### **2.3.6. Application to become supplier**

27.0% of respondents had “applied to become a supplier on a framework arrangement.” Those respondents were then asked if they had been successful in gaining any ‘call off’ contracts through those frameworks. 10.0% said ‘yes’, 55.0% said ‘no’ and there were several comments about not being aware of ‘call off’ contracts.

### 2.3.7. **Deterrent from bidding**

The survey asked to what extent some factors deter organisations from bidding to deliver services. The notable responses are highlighted in black in the table.

	Agree	Neutral	Disagree
Concerns about the responsibility involved in taking on a contract	23.0%	24.3%	29.7%
Concerns about the monitoring that may be involved in delivering a contract	28.4%	23.0%	37.8%
Feeling that your group is not developed enough to take on a contract	17.6%	6.8%	<b>64.9%</b>
Feeling that your group does not have enough experience of delivering services	13.5%	9.5%	<b>67.6%</b>
Concerns that contracting will tie you too closely to the Commissioner rather than your users	<b>36.5%</b>	25.7%	28.4%
Fears about the process of tendering for a contract	<b>43.2%</b>	14.9%	32.4%
Fears about your ability to deliver a contract	10.8%	18.9%	<b>59.5%</b>

When asked to agree or disagree with a series of statements that may deter engagement in commissioning, there was strong disagreement that groups are not developed enough, not experienced enough and have fears about abilities to deliver contracts.

There is, however, some agreement that fears about tender processes may deter engagement.

There is also a notable concern about the loss of independence – seen in the 1/3 that agreed with the statement about being tied too closely to the commissioner.

In addition to the above, there was a question that asked respondents to describe any factors that may deter them from bidding for services. These responses have been grouped into the following sections, which are illustrated by quotes.

#### 2.3.7.1. **Bristol City Council and processes – 38.2% of responses**

- *“Complexity of application process”*
- *“Feel that the council does not have the capacity to manage the process or the contracts properly”*
- *“Lack of confidence in the impartiality of the process”*
- *“Poor design of services”*
- *“Unrealistic expectations of what can be delivered at what cost”*

#### 2.3.7.2. **Internal capacity – 35.3% of responses**

- *“Wasting cost, time and effort when there is negligible chance of success”*
- *“Capacity for bid writing (especially short term contracts)”*
- *“Capacity to complete bids, time allowed from when tenders are opened and closed”*
- *“Financial value of contract vs what is wanted to be delivered or provided”*
- *“Too much time involved in developing partnership bid”*

- *“Too much upfront resources needed before income from tender is received”*

### **2.3.7.3. Time and resources – 17.6% of responses**

- *“Tight timescales involved in submitting bids”*
- *“Too tight deadlines”*
- *“Unreasonable time scales and when the process is disproportionately time consuming or complex for the amount or service that is being commissioned.”*
- *“Formal information is usually ‘late’ in that it takes time to prepare bids.”*

### **2.3.7.4. Scale – 8.8% of responses**

- *“The scale of contract rules us at Pre Qualification Questionnaire stage”*
- *“The size of contracts are a deterrence for us, as the contract is normally written to cover all communities, whereas we are only specialised in the Chinese community.”*

## **2.4. Bidding for contracts with Bristol City Council**

This section of the survey was included to establish in more detail the experience of VCSE organisations with BCC.

### **2.4.1. Awareness of change from grant-funding to commissioning**

It was unsurprising to find that, in a survey about commissioning, there were high levels (62.6%) of awareness of the concept that most grant-funding is planned to be replaced with commissioning of services.

Most respondents said that they had become aware of this through local infrastructure/ voluntary sector (27.0%) or through Bristol City Council (24.3%). Notably, there was a high level (48.6%) of ‘no response’ to this question, perhaps because respondents felt that they had previously answered a similar question – see section 2.3.3.

### **2.4.2. Preparations for participating in commissioning**

#### **2.4.2.1. Preparations**

In response to the question “What (if any) preparations have you made for taking part in this process?”, responses were grouped as follows:

- Actively sought training – 20.3% of responses
- BePS registration – 13.5% of responses
- No preparation at all – 10.8% of responses
- Organisational review – 8.1% of responses
- Collaboration/networking – 6.8% of responses

#### **2.4.2.2. Confidence about engaging in processes**

In response to the question “How confident do you feel about engaging in this process?”, less than half (41.9%) said that they were confident.

#### **2.4.2.3. Response and support from BCC**

In response to the question “How confident do you feel about the response and support that you will receive from the Council?”:

- 20.3% answered affirmatively (0% ‘very confident’, 20.3% ‘fairly confident’)

- 36.5% answered negatively (20.3% ‘fairly unconfident’, 16.2% ‘not confident at all’)

#### 2.4.2.4. Meeting BCC’s requirements

Respondents were asked to indicate their current position with being able to meet BCC’s listed commissioning requirements. The notable responses are highlighted in black in the table.

	Fully met	Partly met	Not met
Equal Opportunities Policy and Procedures (inclusive of recruitment procedure)	83.8%	2.7%	4.1%
Health and Safety Policy	82.4%	6.8%	1.4%
Child and Vulnerable Adults Policy and Procedure (inclusive of CRB checks for all staff and volunteers)	75.7%	8.1%	5.4%
Governing Documents	81.1%	8.1%	0.0%
Annual Accounts	86.5%	2.7%	0.0%
Clearly defined roles and responsibilities for those delivering the project	71.6%	16.2%	2.7%
Work plan which demonstrates a risk assessment and milestones to be achieved	51.4%	32.4%	5.4%
An organisational structure chart showing how staff or project managers are accountable to trustees	79.7%	5.4%	5.4%
Records from AGM (minutes and attendance list)	81.1%	9.5%	0.0%
Procedure in place to review all policies and procedures	62.2%	25.7%	1.4%
Organisational development plan or business plan	60.8%	25.7%	4.1%
Records of all staff/volunteers/trustees in the company/organisation	81.1%	8.1%	0.0%
Company/organisation registered with Companies House and/or the Charity Commission where appropriate	87.8%	2.7%	0.0%
Procedures to address the training needs of volunteers, trustees and staff	59.5%	28.4%	1.4%
Accreditation under a nationally recognised quality standard system (or working towards one)	40.5%	25.7%	23.0%
List of the full names of any professional association or guarantee schemes of which the company/organisation is a member - where appropriate, indicating the maximum value of any one contract covered by the scheme	45.9%	13.5%	23.0%

Of the 16 BCC listed commissioning requirements, several have high proportions of being ‘fully met’ by these respondents. It is notable, however, that 6 of the requirements (highlighted in black) have low levels of completion:

- Work plan which demonstrates a risk assessment and milestones
- Procedure in place to review all policies and procedures
- Organisational development plan or business plan

- Procedures to address the training needs of volunteers, trustees and staff
- Accreditation under a nationally recognised quality standard system (or working towards one)
- List of the full names of any professional association or guarantee schemes of which the company/organisation is a member

This apparent lack of readiness for commissioning (as evidenced by actual policies/procedures), appears to contradict some of the assertions of readiness in other parts of the survey.

## **2.5. Experience of the Commissioning Process**

This section of the survey was included to establish in more detail the readiness of VCS organisations for the possibility of delivering public services.

### **2.5.1. Actual experiences of bidding**

Respondents were asked “Did you submit a bid?” and, depending on their answers, directed to the next question.

#### **2.5.1.1. ‘Yes, as part of a consortium bid’ – 18.9% of respondents (14/74)**

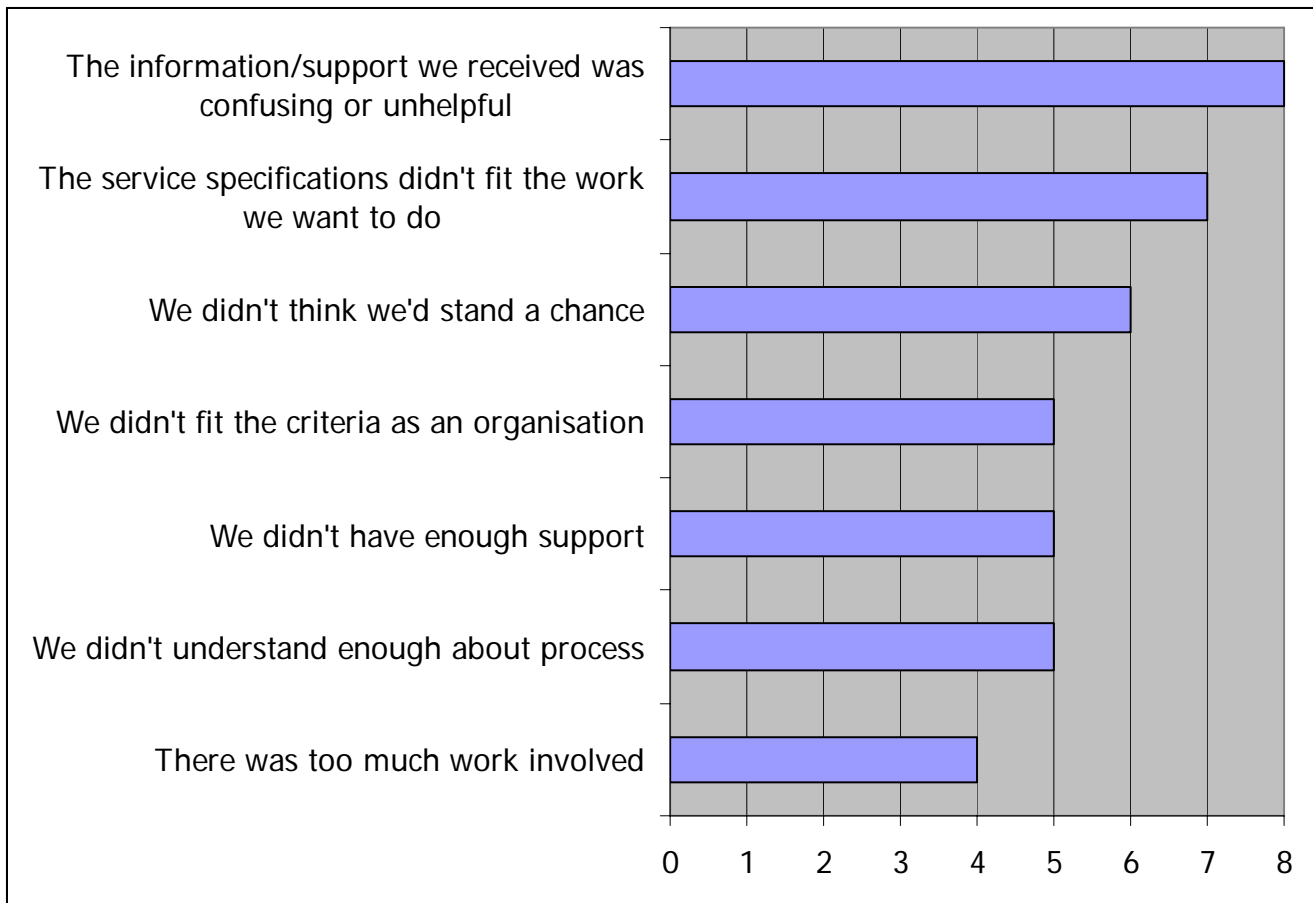
These respondents were asked “How confident are you that the consortium represents a genuine and workable partnership?” It is notable, however, that 1/5 of respondents were not confident (or unsure) of the quality of those partnerships – this represents an issue of the time allowed in commissioning processes for the holistic formation of workable partnerships (e.g. “Although BCC said they were keen on consortium bids, the timescale made this completely impossible, unless you were a consortium already”).

Curiously, 17 respondents answered this question – compared with the 14 that said ‘Yes, as part of a consortium bid’.

#### **2.5.1.2. ‘Yes, as an individual organisation’ – 32.4% of respondents (24/74)**

#### **2.5.1.3. ‘No’ – 32.4% of respondents (24/74)**

These respondents were asked “Why did you decide not to go ahead?” Their answers are represented below and further illustrated by quotes.



- *“Didn't have the track record demanded”*
- *“Timescales too short to secure partners”*
- *“We were told that we were considered a financial risk...[even though] we have a fantastic delivery and financial management track record / reputation”*
- *“The problem? ... 1. the council checks (eg on financial stability of the org) are totally divorced from anyone who understands what has been achieved/knows the organisations on the ground; 2) the processes are aimed at national/large orgs, with the aim of weeding out essential Bristol based orgs who understand the client groups - eg obsessed with models over local knowledge”*
- *“Need someone to talk to in procurement.”*
- *“The amount of money for the work was not enough compared to what was required.”*
- *“The contract was larger than the capacity that the Group could cope with.”*

### **2.5.2. Experience of commissioning process**

Respondents were asked “If you submitted a bid individually and/or as part of a consortium, what was your experience of the process?” Of the 29 responses to this question, 20.7% (6/29) described positive experiences; 79.3% (23/29) described negative. The responses have been grouped as follows and respondents are quoted at length as their comments comprehensively illustrate recurrent themes.

### **2.5.2.1. Good experiences**

- *“Apart from one recent experience where the bid got stuck in a legal department, it has always been very straightforward”*
- *“Fairly good”*
- *“Generally good”*
- *“Guidance was clear”*
- *“We just fill the form bid and submit it.”*
- *“I think the process is fine.”*
- *“The processes seemed well thought out”*

### **2.5.2.2. Not good experiences: deadlines, time needed to form consortia**

- *“Timescale far too short - everyone I know who bid successfully was working literally all night at home during the week before. Which is an unreasonable requirement!”*
- *“It didn't allow for extra time required to submit from a consortium.”*
- *“In our one experience, ridiculously little time to put consortium together”*
- *“Always short deadlines - on one occasion missed because of pressure to 'tick all boxes' in too short a timescale - otherwise not dissimilar from writing a funding application”*

### **2.5.2.3. Not good experiences: complexity and inconsistency**

- *“It also was very prescriptive and did not cater for complex responses to complex needs.”*
- *“In one instance, painful. In another, fine. Depends it seems on competency and authority of commissioning officer.”*
- *“I found it virtually impossible to get straight answers about the service we were bidding to deliver. We weren't allowed to speak to anyone on the phone because that would be "unfair", so we had to post questions. It took days for those questions to be answered and when they were, they didn't really address the question we were asking. Sometimes questions are too complex to be answered by email and a discussion needs to take place. Therefore we were not particularly impressed by the system.”*
- *“Process is very complicated and the support is not very good after the bid.”*

### **2.5.2.4. Not good experiences: unfairness**

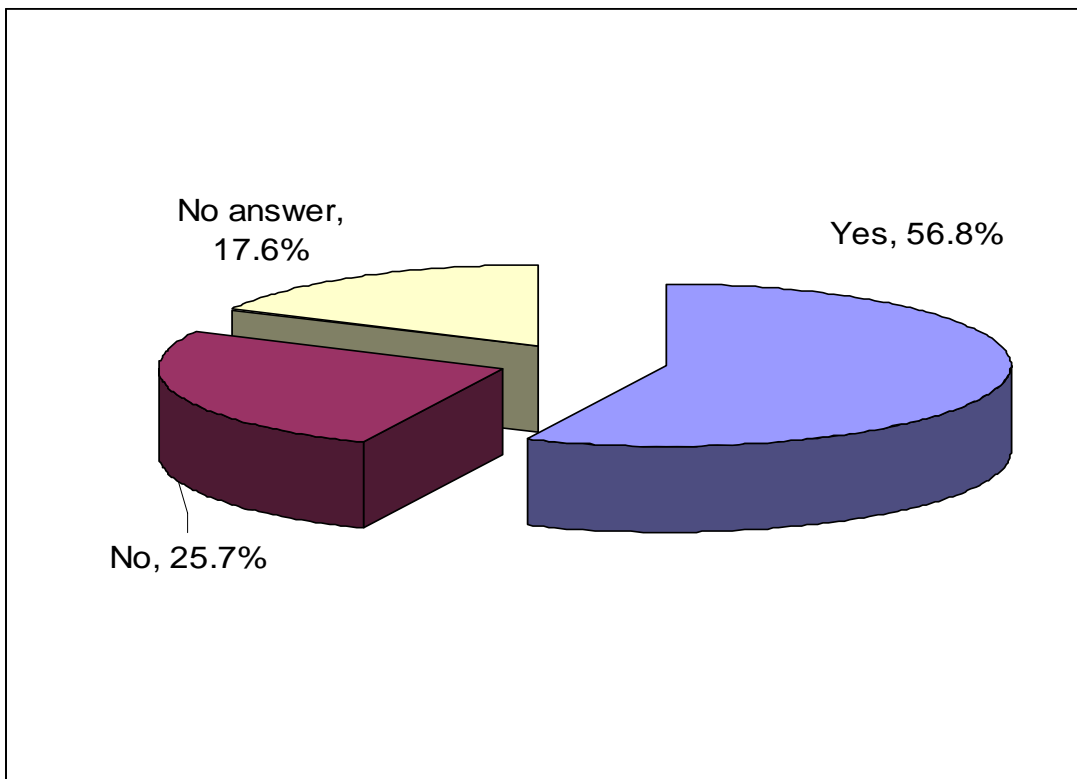
- *“There's mismatch between how long BCC give themselves to prepare stuff, & how long they give the VS”*
- *“We are not sure how committed the council (officers) are to seriously encouraging and considering local voluntary sector applications.”*
- *“The system seems weighted toward larger organisations who have larger infrastructure and more experience of these processes - rather than accommodating local providers who can respond to their communities.”*
- *“One opportunity said that consortium bids were preferred yet the majority of tenders approved were individual bids. There is little understanding from the commissioners that consortium bids take more time to prepare and can be more costly to deliver.”*
- *“We accepted and met the tight timescales involved in submitting, having won the contract the value and breadth of the contract was then picked apart by the Council. I feel that a private company would have been close to instigating legal proceedings if they'd been treated (and spoken to) in this way. Eventually the issues were resolved*

*and the contract was put in place 3 months late due to the delays by the council, which meant a complete re-write of budgets, delivery programme, outputs, milestones etc.”*

- *“Imbalanced power relationship especially during commissioning process.”*
- *“A fear that partnership may mean being swallowed up by the big boys (retaining independence).”*
- *“Very difficult once the tender was won and price agreed. BCC then force us into protracted negotiations regarding budgets and costs resulting in a 8 week delay in the start of the programme. Once the price is accepted there should be no further need for financial negotiation.”*

### **2.5.3. BePS (Bristol Electronic Procurement System)**

In response to the question “Has your organisation registered on Bristol City Council’s e-procurement system?”, the following responses were received.



Of those that had registered on BePS, over half (57.5%, 23/40) reported that the system was easy to use. The following comments indicate some potential areas of improvement for BePS:

#### **2.5.3.1. BePS: support required**

- *“Access to a person to support on process of opportunities that suit our groups”*
- *“We need to be confident with commitment from trainers to enable all organisations to understand, and be confident in the BePS system”*

#### **2.5.3.2. BePS: technical problems with the system**

- *“I found it extremely difficult to register, not at least because unknown to us our organisation had been registered twice previously by I.a. officers. We could not access*

*these registrations and when we tried to clarify the position and register ourselves the support via email and phone was unhelpful and dismissive.”*

- *“failed dismally [to upload something] despite trying several times.”*
- *“its difficult to navigate and missing a lot of information”*
- *“The text boxes did not work well on BEPS. Text did not flow from one line to another in any one box. Instead it flowed "off the page" requiring constant re-formatting of text when changes were made to keep inside the word limit”*

#### **2.5.3.3. BePS: comprehensive source of information?**

- *“It is rubbish at alerting one to opportunities arising in particular re the small contracts the council does set up”*
- *“I don't believe all opportunities are reaching us. I've been handed tenders for work (which we have been successful with) by council officers with a week to the deadline, but no prior indication from BEPS/any other route.”*
- *“The keyword search for categories does not seem to recognise most of the activities and services we provide.”*

#### **2.5.3.4. BePS: general comments**

- *“Very long winded BePs system for small amounts of money”*
- *“Ridiculous to have to upload supporting information each time.”*
- *“We were told to submit final tender by hard copy so a bit odd”*
- *“Often used for very small funds such as locality level TPA recently which is overburdensome for the amount of money available”*

### 3. Recommendations

This survey and report provide much food for thought and will benefit both Commissioners and VCSE organisations in Bristol. The recommendations in this report have been framed in the context of the principles of intelligent commissioning<sup>4</sup> and the Bristol Compact<sup>5</sup>.

#### Information – for reference purposes

The 8 principles of intelligent commissioning are:

- Develop an understanding of the needs of users and communities, by ensuring that, alongside other consultees, they engage with third sector organisations as advocates, to access their specialist knowledge.
- Consult potential provider organisations, including those from the third sector and local experts, well in advance of commissioning new services, working with them to set priority outcomes for that service.
- Put outcomes for users at the heart of the strategic planning process.
- Map the fullest practicable 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.
- 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.
- Seek to ensure 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.

In making these recommendations, there is an awareness of the tension between strength of the VCSE sector and its independence (which contribute to innovation, responsiveness and connection with local communities) and the need for conformity and standardisation in commissioning processes.

Recommendations have, therefore, been made with the perspective of commissioning arrangements being the embodiment of sustainable, positive partnerships between public and VCSE sectors, as described in The Bristol Compact.

#### **3.1. General recommendations**

##### **3.1.1. Commissioning: needs city-wide strategic ownership**

It is clear from the research that there are many issues with commissioning in Bristol and its adherence to The Bristol Compact. Commissioning practice within BCC is varied and consistency is improving. The commissioning practice of other public sector bodies is inconsistent. There is no one place where all commissioning practice is understood, coordinated, standardised or promoted. This represents a significant gap in Bristol.

It is recommended that high level ownership of Bristol's commitment to National Indicator 7 (public sector organisations' responsibility for promoting a thriving third sector in Bristol) be further developed.

### **3.1.2. Additional research: small VCSE organisations' experience and readiness for commissioning**

The respondents to this survey are from the more resourced part of the VCSE sector – organisations with annual turnovers greater than £100,000 and social enterprises. It is assumed that the reason for the lack of response from 92% of the Bristol ChangeUp Consortium members is lack of capacity, not lack of interest in commissioning.

There is a strong need, therefore, to enhance this research with additional research into the views, experiences and readiness of small VCSE organisations. With the above assumption, additional research with different methodologies (e.g. face-to-face, telephone contact) is recommended. This should be undertaken by the Compact Steering Group, assuming that resource implications can be overcome.

### **3.1.3. Establish strategic overview of all commissioning practice in Bristol**

Currently, there is great variety in commissioning practice across Bristol – both within BCC (different directorates) and in comparison with other public sector bodies (e.g. NHS, Avon & Somerset Constabulary, Avon Fire & Rescue Service, and Criminal Justice agencies).

There is a need to establish a detailed understanding of all commissioning practice in Bristol. A comprehensive benchmarking exercise that defines all commissioning is recommended. This should be undertaken by the Compact Steering Group.

### **3.1.4. Publicise commissioning/procurement/grant-funding opportunities in one place**

It is clear that there are multiple sources of commissioning information and little consistency about commissioning in Bristol. There is no one source of information in a standard format that can be accessed.

There is a need to establish a single source of information, where commissioners publicise their commissioning activities and VCSE organisations find information. It is recommended that this be undertaken by the Compact Steering Group.

### **3.1.5. Further and develop VCSE sector, especially small organisations**

It is clear that there are some serious capacity issues in the VCSE and there are real dangers that some organisations will not be able to engage with commissioning.

Development and training issues highlighted by this research include:

- Understanding of the entire end-to-end commissioning cycle
- Collaboration and partnership
- Getting ready for commissioning (organisational development)
- Does commissioning (as a revenue stream) fit with specific charitable objectives?

It is recommended that these development issues be taken forward by the Compact Steering Group, using a range of tools (e.g. training, workshops).

### **3.2. Recommendations for commissioners**

The following recommendations are made specifically for BCC commissioners but could also apply to other public sector commissioners.

#### **3.2.1. Incorporate all principles of Intelligent Commissioning into all BCC commissioning practice**

While all principles are relevant, there are two that stand out in this research:

- “Develop an understanding of the needs of users and communities, by ensuring that, alongside other consultees, they engage with third sector organisations as advocates, to access their specialist knowledge”
- “Consult potential provider organisations, including those from the third sector and local experts, well in advance of commissioning new services, working with them to set priority outcomes for that service.”

The following focus in further developing commissioning practice is recommended:

- Early engagement of VCSE organisations in developing understanding of needs and service outcomes is recommended.
- Better communication of the results of engagement/consultation activities to VCSE organisations to share results and to consolidate their sense of participation and its value.

#### **3.2.2. Enable more time in commissioning processes for the formation of consortia**

There is evidence of insufficient time in commissioning processes deterring many organisations from engaging. Some commissioning processes actively encourage partnership and collaboration, often in the form of consortia.

Where commissioning encourages the formation of partnerships/consortia, it is recommended that all BCC commissioning timelines allow additional time at the tender/application stage. It is recommended that The Bristol Compact’s best practice on consultation (“that 12 weeks be allowed”), as a minimum, be applied to allow small VCSE organisations to more easily form partnerships.

#### **3.2.3. Complexity should be proportionate to level of funds**

There is evidence that the complexity of some commissioning processes deters many VCSE organisations from engaging. There are many comments that the complexity of commissioning process is often greater than the perceived value of contract. For example, there are comments that engaging in many stages of a commissioning process takes resources that are not comparable with the financial outcome of the contract.

It is recommended that commissioning processes adopt principles of proportionality and decision-making tools, such as that used by some BCC commissioners. Such a tool will enable commissioners to decide if a set of outcomes will be best delivered by contract or grant-funding, and to check that the financial level of contract is commensurate with complexity of process.

### **3.3. Recommendations for VCSE sector organisations**

The following recommendations are made specifically for VCSE organisations to aid the development and their capacity to engage in commissioning processes.

#### **3.3.1. Review 'commissioning' in strategic planning processes**

The change from traditional grant-funding to outcomes-based commissioned services is fundamental. The old assumptions will no longer apply.

It is recommended that the following questions be considered in strategic planning processes by governance functions (management committees, boards of trustees/directors etc):

- How does the change from grant-funding to commissioning affect our organisation?
- How does our organisation want to be contracted to deliver public services?
- How does our organisation have everything in place to engage in commissioning processes?
- What does our organisation need to have in place to engage in commissioning processes and to deliver services?
- Where else can we get support with this?
- Who in the council can we contact to ask and feed in our views?

#### **3.3.2. Engage with commissioning processes**

There is much confusion about commissioning and changes in Bristol. It is imperative that VCSE organisations understand their organisational needs (regarding commissioning) and maintain information links so that they do not miss opportunities.

It is recommended that VCSE organisations proactively seek support and information from (a) their BCC link/grant officers/contact person, (b) local infrastructure organisations, (c) contacts in the sector.

#### **3.3.3. Infrastructure organisations respond to VCSE sector's needs**

This report includes evidence of the need for greater support to the VCSE sector. Such infrastructure services are currently going through a commissioning process and, at this time, it is unclear how these support services will be delivered in the future.

It is recommended, however, that infrastructure organisations respond to the support, training and development needs identified in this report. The contents of this report could also be used by infrastructure organisations in their representations of the sector to key decision-makers.

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April 2010

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<sup>1</sup> The percentages included in the provisional analysis have been amended in this report. The revised calculations represent proportions of the total survey respondents, rather than proportions of respondents to each question. This allows some simple monitoring of the 'ease of answering' each question.

<sup>2</sup> Due to the nature of the ChangeUp Consortium and the members having different information management systems, there is limited scope to analyse the demographics of the combined membership.

<sup>3</sup> Source: Voscur membership analysis 8/4/10.

<sup>4</sup> Source: Audit Commission (2007). Hearts and Minds: commissioning from the voluntary sector. The 8 principles of intelligent commissioning are:

- Develop an understanding of the needs of users and communities, by ensuring that, alongside other consultees, they engage with third sector organisations as advocates, to access their specialist knowledge.
- Consult potential provider organisations, including those from the third sector and local experts, well in advance of commissioning new services, working with them to set priority outcomes for that service.
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- Consider investing in the capacity of the provider base, particularly those working with hard-to-reach groups.
- 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.
- Seek to ensure 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.

<sup>5</sup> Source: The Bristol Compact (2009). Under the theme of 'Resourcing and Commissioning', The Bristol Compact lists the following best practise:

- The Partnership is committed to put in place longer-term funding agreements where practical.
- The Partnership is committed to intelligent commissioning and to implementing the recommendations of the Audit Commission's report "Hearts and Minds: commissioning from the voluntary sector", July 2007.
- The Partnership is committed to achieving better co-ordination of funding streams and monitoring processes.
- The Partnership will balance the need for accountability with a commitment to simplifying monitoring processes and evaluating outcomes.

- 
- The Partnership is committed to supporting VCSES organisations in other ways apart from funding, eg Community Development support, asset transfer, low cost use of community buildings, training and fundraising support.
  - The Partnership will share information about funding and investment opportunities and opportunities to tender for commissioned/procured services.