



CollaborationNI
working together, stronger together

Alliance Contracting

Is This The Answer to Radically Change How Public Services Are Delivered Through A Partnership Between Voluntary, Community & Social Enterprise Sector and The Public Sector?

Report

September 2015



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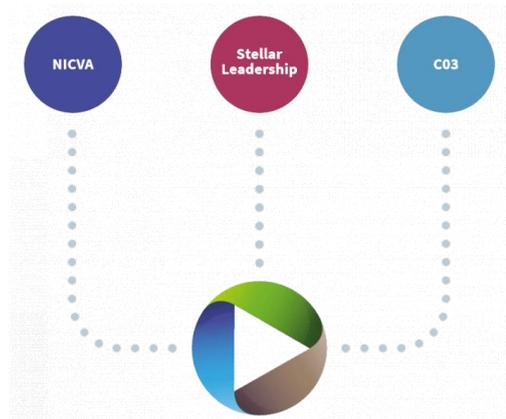
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List of Abbreviations

ACEVO	Association of Chief Executives of Voluntary Organisations
ALT	Alliance Leadership Team
CNI	CollaborationNI
CCG	Clinical Commissioning Group
CO3	Chief Officers 3 rd Sector
DHSSPS	Department of Health, Social Services & Public Safety
IPSA	Integrated Personalised Support Alliance
KPI	Key Performance Indicator
VCSE	Voluntary, Community and Social Enterprise

Introduction to CollaborationNI

CollaborationNI (CNI) was formally launched on 30 March 2011, as a consortium between NICVA, CO3 and Stellar Leadership, commissioned by Building Change Trust. CNI provides practical support and resources across the whole spectrum of collaborative working to voluntary and community sector organisations.



As part of Phase One of CNI, 553 events were held covering training, expert facilitation, legal support sessions, coaching and policy seminars for over 4,000 individuals from 754 organisations.

Phase Two, launched in July 2014, aims to produce deeper collaborations which will influence policy and decision makers. It will see an extension of the debate through a range of policy symposiums which will continue to challenge our thinking, examine current approaches and focus on particular models of collaboration, under a number of thematic areas, including health, social housing, young people, arts, criminal justice and older people.

The aim of the policy symposiums is to challenge, inform and develop political and government thinking about the support requirements of the Voluntary, Community and Social Enterprise (VCSE) sector to encourage and cultivate a culture of effective collaboration.

The broad range of discussion will also provide an opportunity for VCSE sector leaders and government officials to learn from good, and not so good, practices in Northern Ireland and elsewhere in building effective collaborations, resulting in improved services and better client outcomes.

The role of CNI is to facilitate discussions on the theme of collaboration in a way that that delivers better outcomes through high quality, professional services.

CNI aims to help the VCSE sector to work better together and has provided a range of different services to over 900 organizations. The support provided by CNI can be categorized into four broad areas:

- Action planning support;
- Legal advice;
- Expert facilitation; and
- Events.



For further information on the work of CollaborationNI please visit collaborationni.nicva.org

Alliance Contracting: Is This The Answer To Radically Change How Public Services Are Delivered Through A Partnership Between Voluntary, Community & Social Enterprise Sector And The Public Sector?

Alliance contracting is a relatively new form of work within the National Health Service (NHS) in England, which originated in the oil industry in the 1980s and radically changed the relationship between the oil companies, suppliers and contractors. The horizontal nature of its contract development means more equitable partnerships are formed. The ideas raised through discussing the details of forming alliance contracts follow on from previous events facilitated by CNI on co-design and co-production¹ and the commissioning process in Northern Ireland.²

“Alliance contracting is a contractual arrangement that relies on all parties having an equal decision making role in the delivery of services. It is a mechanism for delivering joined up services and delivery.”³

A recent report produced in England on alliance contracting cited this form of collaboration as the tool to enable the NHS to work better with the third sector and get better at providing care in the community. Its pathway of action is horizontal, which is different to the vertical contracting structures that are characteristic of a prime contractor sub-contracting out to smaller bodies.

It requires proactive commissioning and a more thoughtful approach to procurement. To ensure that health service commissioners and providers may have the knowledge and resources they need to effectively deploy alliance contracting, it is clear that collaborative commissioning should be explicitly supported by the next government. Alongside national guidelines, however, third sector bodies need to be proactive in encouraging the sector to recognise the benefits of alliance contracting, and how to be a truly valuable part of integrated care in the NHS.

The policy symposium provided an opportunity to hear from the report authors and showcase particular models that could help to shape and change public services in Northern Ireland.

The speakers were:

- Dr. Linda Hutchinson, Director, LH Alliances;
- Mark Winter, Director, ACEVO Solutions; and
- Aisling Duffy, Chief Executive, Certitude.

Following the presentations there was a Question Time style discussion, where speakers were able to expand on their presentations and engage in a wide ranging discussion session with questions from delegates being debated.

¹ Co-Design and Co-Production – CollaborationNI collaborationni.nicva.org/.../co-design_and_co-production_report.docx

² Unlocking the Commissioning Process – CollaborationNI

³ Alliance Contracting - Building New Collaborations to Deliver Better Healthcare. ACEVO, Feb 2015.

<https://www.acevo.org.uk/sites/default/files/ACEVO%20alliance%20contracting%20report%202015%20web.pdf>

What Are Alliancing, Alliance Contracting And What Are The Key Features?

LH Alliances brings a unique and powerful combination of expert knowledge of public services in the UK as well as extensive experience of alliancing and alliance contracts in other sectors and in other countries.

Dr. Hutchinson began by welcoming the interest displayed in alliance contracting amongst delegates, recognising that few are actively working on alliances at present.

Alliancing can be applied to many different ways of working and, being incredibly flexible, covers a wide range of working relationship and contractual arrangements. Whilst there is a focus on alliance contracting in the provision of health and social care services it should be noted that it has been successfully applied in areas as diverse as youth unemployment, children's services, domestic abuse support, probation services and rehabilitation of offenders.

Alliances are not new and businesses have been coming together for years when competitors realise that they cannot act alone or that they can do more together. Some high profile examples of this are in the airline, mobile phone and pharmaceutical industries. Businesses can come together through mutual benefit, for example if they identify a gap in the market, or through government and private finance schemes, which are classified as owner led alliances, to deliver public service contracts, such as the construction of Terminal 5 at Heathrow Airport or some Network Rail contracts.



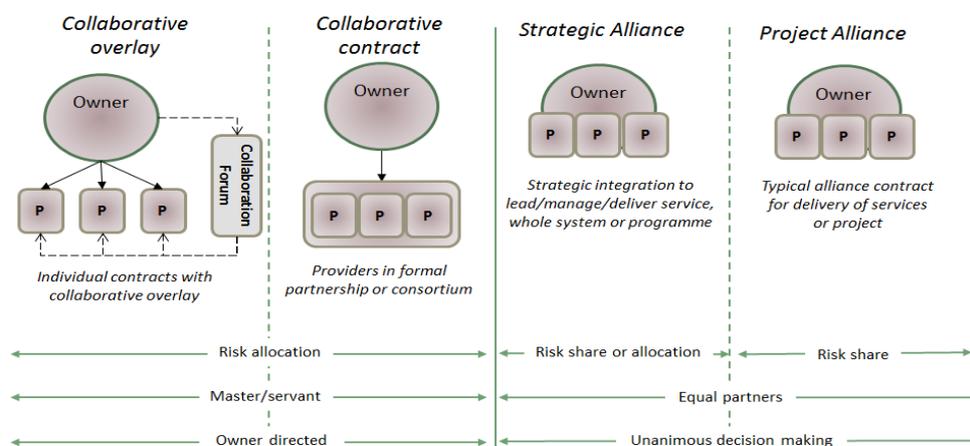
Dr. Linda Hutchinson
Director, LH Alliances Ltd.

Linda Hutchinson is Director of LH Alliances, a specialist consultancy providing alliance facilitation services. She is passionate about the power of collaboration in creating innovation through pooling diverse perspectives.

She led the development of the first alliance contract in health and social care in the UK, in mental health services in Stockport and is currently working with a number of localities around the country.

Linda is a paediatrician with 25 years' experience and has previously led improvement initiatives and change programmes at local and national level.

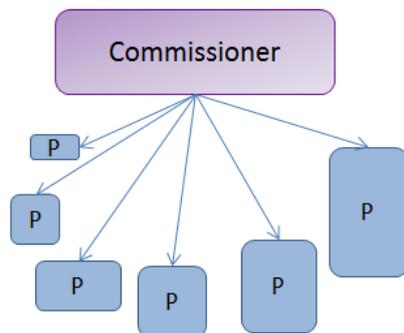
Spectrum of collaborative contracting



The spectrum of collaborative contracting outlines the various forms of alliance contracting which exist in the overall realm of contracting and demonstrates how the alliance model,

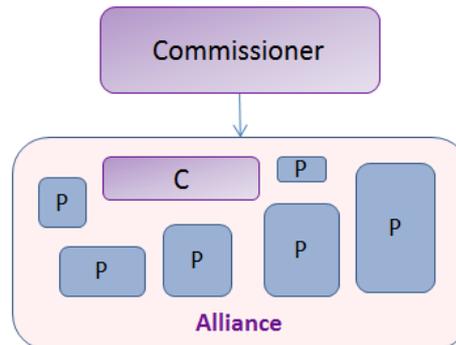
as opposed to the contract model, is more equitable as all partners are equal, share risk and have an equal say in the decision making process.

Traditional contract



- Separate contracts with each party
- Separate objectives for each party
- Performance individually judged
- Commissioner is the co-ordinator
- Provision made for dispute
- Contracts based on tight specification
- Change not easily accommodated

Alliance contract



- One contract, one performance framework**
- Aligned objectives and shared risks**
- Success judged on performance overall**
- Shared co-ordination, collective accountability**
- Expectation of trust**
- Contract describes outcomes and relationships**
- Change and innovation in delivery are expected**

The above diagram highlights the key differences that exist between the traditional 'go to teacher' contract model and the alliance contract, with the emphasis in the latter being on the single contract between the commissioner and alliance. The only definition of success is the success of the alliance- not that of the individual parties. All parties are tied in and have a common, vested interest in helping each other to succeed; your problem is my problems and my success is your success. Central to the operation of a successful alliance is the role of the commissioner who is not just a passive participant but has a clearly defined role to play in building relationships and encouraging innovation.

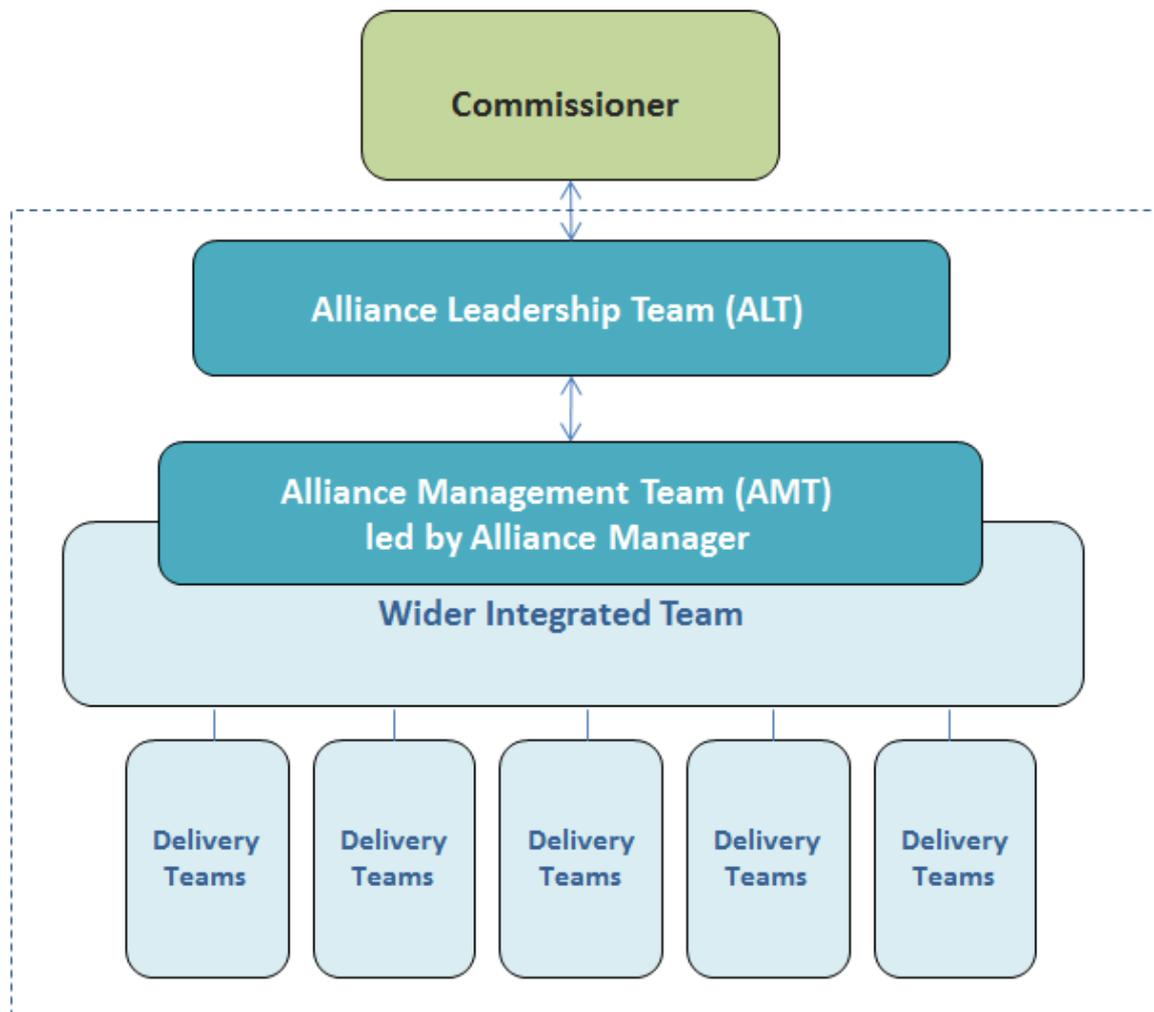
An alliance is an agreement between two or more individuals or entities stating that the involved parties will act in a certain way in order to achieve a common goal.

History of 'project' alliances

The concept of project alliances developed in the early 1990s in the UK North Sea Oil industry after a number of new oil rigs went up and each of them was over budget, late and everyone was in dispute. This was typical behaviour and the idea of project alliances emerged following failed attempts to form strategic alliances, partnerships and other attempts to drive collaboration. It was only when all the partners moved to genuine risk sharing between all parties involved that they were successful, as it brought about a change in behaviour. Project alliances then became a standard operating procedure in the oil industry and have spread as far afield as Australia and New Zealand where this is now the prevailing methodology.

Alliancing is increasingly finding a place in the delivery of public services, as the very nature of it appeals to public service values. In some instances, it is merely the formalising of pre-existing collaborative working practices and recognising the innovative and diverse roles that can be played by a wide range of VCSE organisations. The fact that all partners have a say and decision making is shared removes the master/ slave relationship which exists in some supposedly collaborative contracts. We all know that we spend a lot of time talking about working collaboratively but in reality we do not actually spend that much time working collaboratively.

Integrated Governance

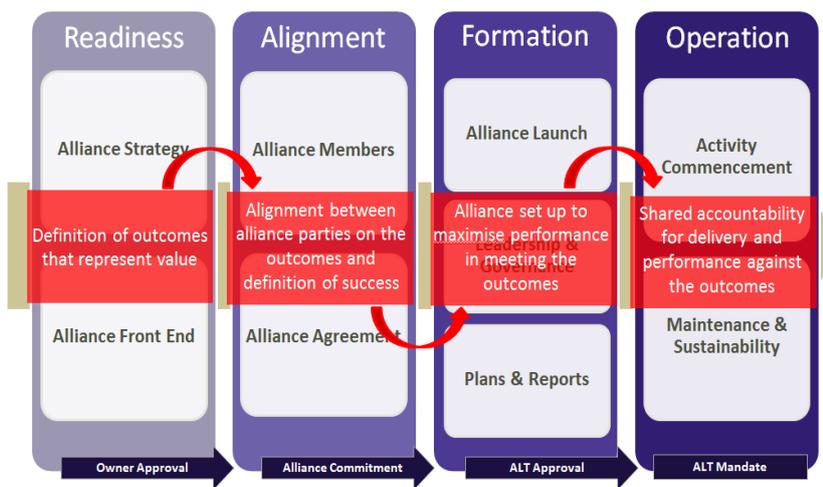


In the model outlined above, the commissioner has to set the mandate, what they want the alliance to achieve, describe the purpose that the alliance has to serve, think about the risk strategy and the risk share. They give that to the Alliance Leadership Team (ALT), which is made up of the senior members of the partner organisations which, along with the commissioner, are the governance body of the alliance, acting as a virtual company. Each ALT member must have delegated authority to act which removes the ability of partner organisations to stop the process after the ALT has reached a decision. The ALT will be supported by a management team which will operate the alliance on a daily basis and engage directly with the service delivery team. Key decisions must be made on a unanimous basis, so that even in a large alliance all partners, no matter how big or small, must be in agreement; this is not a shareholder approach. Decisions should be taken on what provides the best

outcome for the service, not just for individual partners. Alliances also adopt a ‘no blame, no dispute’ approach, which encourages innovation as partners feel able to try new approaches, in the knowledge that not everything will be a success, but that there will be teachable learnings that allow the alliance to adapt and change, without partners being apportioned blame for individual failings. This can only happen if the alliance is truly aligned and success for the alliance means success for the organisation.

Performance Framework

This is set by the commissioners, albeit often after dialogue and consultation with others including those who use services and providers. The outcomes should always be focused on what matters to people and will work best if kept simple. The very first thing that it should do is outline the vision and purpose of the alliance which needs to be nothing more than a simple statement of what you are trying to achieve. By listening to service users, and determining what matters to them, an outcome set can be developed which should be a clear statement outlining the key outcomes that matter to all. It is only when these first two co-design steps have been completed that the alliance should agree statements of gamebreaking, stretch, minimum, poor and failure for each key result area. Following on from this is the drawing up of the Key Performance Indicator (KPI) Return which is used in formulating the gainshare and painshare. It is essential to clearly agree gain (incentive) and pain (penalty), aligned against KPIs. If alliances do not adopt this approach they can end up with an output focused approach full of things that can be measured, rather than an outcome focused approach focused on things that matter.

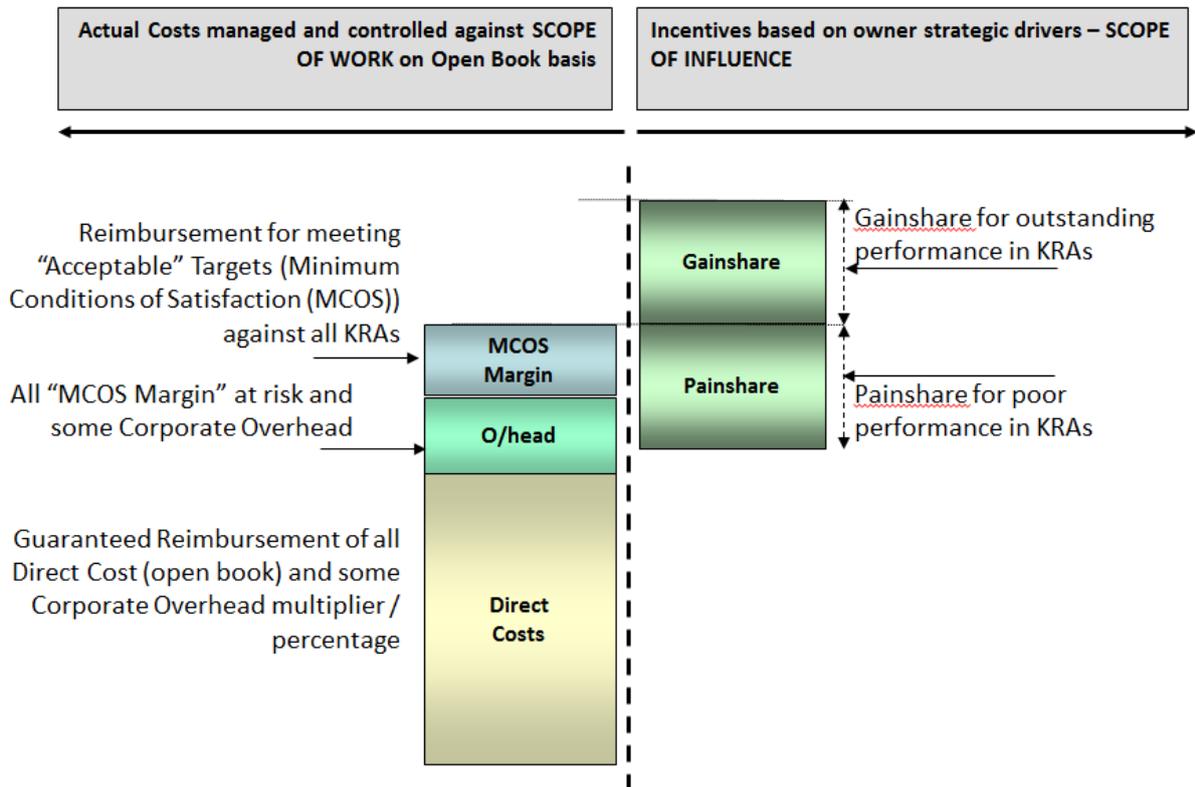


Financial Arrangements

The following diagram illustrates the financial arrangements of project alliances and how costs are redistributed and surpluses are allocated. The applicability to public services varies and will depend on the context. This typical arrangement is shown for illustration of some of the

principles.

All financial arrangements must be unanimously agreed in advance in an open and transparent manner so all parties know what their financial commitments are and what they can expect to receive in return.

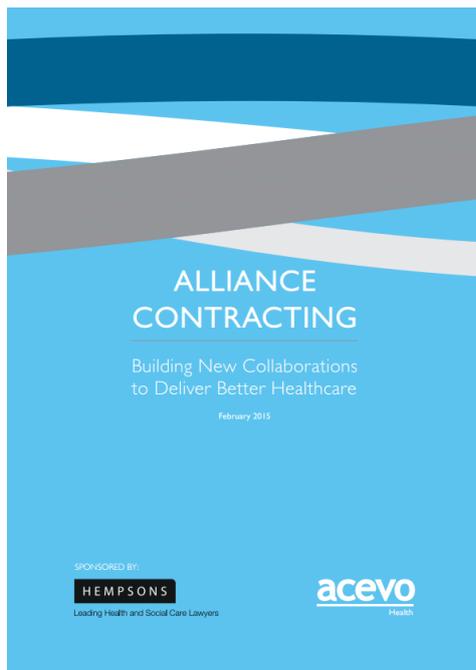


The painshare/ gainshare side of the diagram illustrates how participants might have the opportunity to increase their surplus if there is better than expected performance in the contract. Conversely, if KPIs are not reached and there is an underperformance in the alliance then participants can expect to face pain, rather than gain. One of the key concepts of the gainshare/ painshare model is the idea of 'game breaking targeting' which is a level that, by definition, is 'off the scale', impossible to reach. If an alliance is set up well, is allowed to innovate and there are monetary benefits for hitting a number of KPIs, not infrequently, some of these are reached. Suddenly, goals which at the beginning of the alliance would have been seen to be impossible become reality as a result of the collaborative efforts that have been made. This has resulted in tangible benefits such as massively reduced costs and better working arrangements.

In order for alliances to work time has to be invested in people because it is through improving and strengthening interpersonal relationships that trust is built and alignment of priorities actually happens.

General Lessons And Challenges From Setting Up Alliance In UK Public Sector Environments

ACEVO Solutions helps charities and social enterprises to grow, compete, and succeed, providing a supportive extra hand whenever clients need it. ACEVO helps organisations with a range of needs including business development strategy, bidding, service development, financial modelling, investment readiness, and market positioning.



ACEVO look at alliance contracting from a health and wellbeing point of view, based on experience working in the VCSE sector in England. They believe that the growing move for more VCSE collaboration creates a situation where achieving commissioning excellence means maximising the collective strengths of the voluntary, public and private sectors.

They have been telling commissioners of the importance of sustainable relationships, recognising the true costs of

service delivery, rewarding innovation and not taking it for granted and recognising that continuous innovation is not always compatible with a continuous squeeze on funding. Fortunately the message has been received in NHS England, who value the role played by the VCSE sector in delivering services.

acevo

Charity Leaders Network

Mark Winter
Director, ACEVO
Solutions

Mark is co-author of ACEVO's 2015 report on Alliance Contracting. Building on private sector business development experience and contracting insight gained with a FTSE 100 services company, Mark supports ACEVO members to build their capacity through business development, bid and contract support, and training.

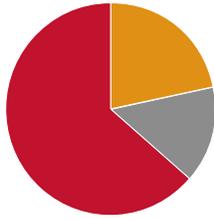
Mark is committed to securing a greater role for the third sector in the delivery of public services and other business opportunities.

As well as a professional commitment to the sector, Mark is an active volunteer for several charities, including as a trustee of Ways to Wellness, a social prescribing organisation.

“When funding is tight, NHS, local authority and central government support for charities and voluntary organisations is put under pressure. However these voluntary organisations often have an impact well beyond what statutory services alone can achieve...these organisations provide a rich range of activities, including information, advice, advocacy and they deliver vital services.”

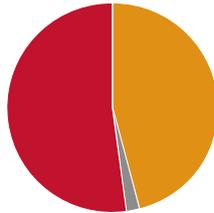
-NHS England

“ My organisation is influential in CCG’s decision making process”



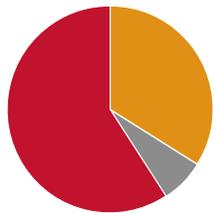
22% AGREE
15% NOT SURE
63% DISAGREE

“ My organisation is well engaged with the CCG”



46% AGREE
2% NOT SURE
52% DISAGREE

“ The CCG understands my organisation’s services, aims and ways of working”



34% AGREE
7% NOT SURE
59% DISAGREE

The commissioning process in Northern Ireland is not dissimilar to that in England and budgetary pressures means that there is an onus on both central and local government to deliver services with a reduced budget, but an increased role for the VCSE sector. This funding challenge provides an opportunity for the VCSE sector as there is an obvious and pressing need for things to be done differently. The VCSE sector has always been innovative but the big question that needs to be asked is: are commissioners willing to do things differently? The ACEVO 2014 study shows that VCSE groups in England are not yet confident that commissioners and CCGs place full value on their work.

⁴VCSEs have found it difficult enough to get their message across under the current system, so there is obvious apprehension at how perceived ‘new’ models, such as alliance contracting will be received.

VCSEs must also recognize that commissioners face a daunting task, dealing with national and

European commissioning laws, political changes, public opinion, clinical evidence and guidance as well as ever shifting change in public opinions and pressure to deliver more with less. They always have to strike the balance between securing low prices and value for money with delivering successful outcomes at the same time. Commissioners also have an important role in market stewardship which involves encouraging the diversity of the public, private and VCSE sectors. Encouraging alliances to be part of the marketplace would demonstrate intelligent commissioning and would be evidence to the VCSE sector that they are being treated as a valued partner.

Experience has shown that if commissioners are willing to consider alliance contracting then VCSE organizations are well placed to deliver them, but it is vital that they get their foot in the door with the commissioner. There are three key tips to building, and understanding, these collaborations:

1. Is there is an opportunity to work creatively with your local commissioners to tackle a particular entrenched or complex issue. Can you solve a problem together?
2. Get them to speak to the range of resource, capacity and VCSE umbrella organisations. Work with them to demonstrate the commercial potential and value of innovative approaches to engage with patients, the public and specific communities.
3. Are there any gaps in their evidence or commissioning expertise? Show them how your support your knowledge and services in specific areas to improve health outcomes.

⁴ ACEVO Social Sector Tracker 2014/15

There is much that the VCSE sector does that reflects the spirit of collaboration and where and when the sector looks to come together, it is often motivated by looking to bid for and deliver larger contracts, combine existing contracts, and form partnerships in expectation of new opportunities to deliver public services. Consortium development partners spend time defining and agreeing 'core operating values.' These are used to articulate 'the offer' to prospective members and eligibility criteria.

In consortia, much like alliances, core operating values will typically include a commitment to:

- Objectivity and impartiality;
- Openness, honesty and transparency in their involvement in consortium affairs;
- Working with integrity for the good of the whole consortium;
- Expressing equality in status for all member organisations; and
- Welcoming new consortium members rather than operating as a closed circle of collaborators.

Approximately one third of delegates indicated that they already work as part of consortia and have therefore already developed some of the behaviours and vehicles required for alliances. There may be no need to re-invent the wheel, and given that these consortia relationships are hard won, any time spent setting up new alliances may be time wasted.

One of the myths that ACEVO have discovered when working with commissioners on alliance contracts is that they are anti-competitive. Nothing about alliancing prevents new entrants from entering into the market as a competitive process can still encourage multiple partnerships and alliances to come forward within what is permitted under procurement legislation. A second qualification stage would establish partnership credentials and appetite for sharing risk and reward, but may also involve specific examination of experience, expertise, cultural fit, and ability to offer value for money. Before a commissioner decides who to share risk and reward with, a competitive process with different alliances and partnerships could test each partnership's ability to respond in areas that are important to the service.

Finally, alliance contracts may be an element of the solution that commissioners are looking for, so it is imperative to talk to them. It is also vital for VCSE organisations to think about their existing partnerships, informal alliances and consortia, because in many cases they are the building blocks for alliance contracting.

Being Involved In An Alliance Contract From A Voluntary, Community and Social Enterprise Perspective

Certitude is one of five organisations, comprising two not-for-profits, a local authority, a Clinical Commissioning Group and an NHS Foundation Trust, that recently formed an alliance to offer people with serious mental illness who currently go into long-term, expensive hospital rehabilitation wards or registered care homes the chance to live more independently in the community.



The alliance, which Certitude is part of, operates in the London Borough of Lambeth, faces one of the highest levels of mental ill-health in Europe which, posed a challenge for commissioners

who wished to provide supportive services for people experiencing serious mental ill-health. Alongside Certitude, the alliance includes the London Borough of Lambeth, the Lambeth Clinical Commissioning Group and South London and Maudsley NHS Foundation Trust, the largest provider of secondary care mental health services in Lambeth, and Thames Reach, a charity with a long record in working in the area of homelessness. Their collaborative journey started almost a decade ago, when as a result of budget cuts, organisations had to start doing things differently, and share a bit more in a way that would allow people to get better outcomes. This collaboration brought together service users, carers, clinicians, VCSE organisations and statutory bodies to form the Living Well Collaborative, which allowed them to build relationships and work with the lead mental health commissioner in Lambeth. By developing this relationship over a number of years they were able to highlight the value of the VCSE sector and the opportunity that it brought to Lambeth. Much of the innovation in developing user centred treatment and service provision in Lambeth came out of the VCSE sector and this was used to persuade the commissioner of the opportunities that alliancing could provide. These factors, coupled with economic pressures and imposed efficiencies of up to 20% meant that the commissioner was open to new ideas and was prepared to consider a negotiated, not a tendered, collaboration.

The Lambeth Living Well Collective set the following '3 Big Outcomes':

- Recover and Stay Well;
- Make their own choices and achieve personal goals experiencing increased self-determination and autonomy; and
- Participate on an equal footing in daily life.

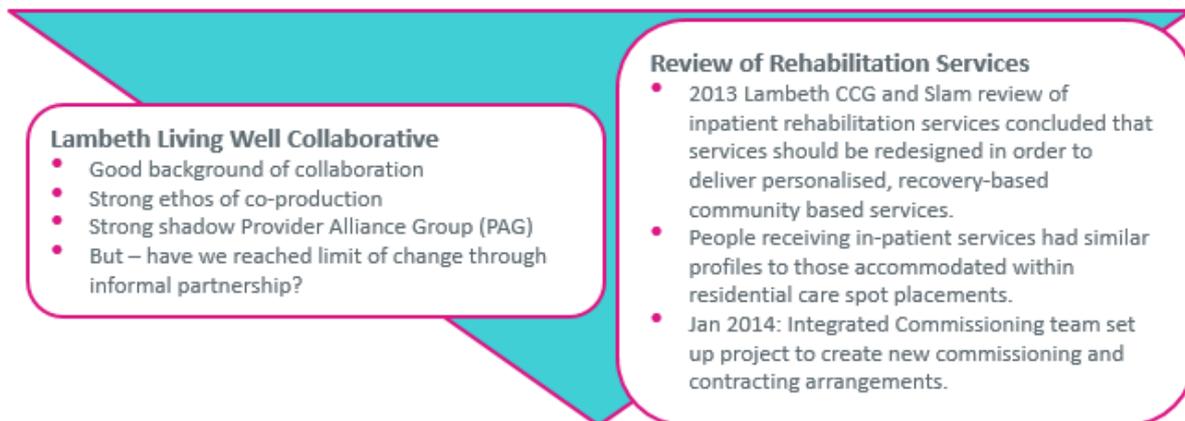
certitude
everyone has the right to a good life

Aisling Duffy
Chief Executive, Certitude

Aisling is Chief Executive of Certitude, a not for profit organisation providing a range of person centred support options for 1,300 people with learning disabilities and mental health needs in London.

Previously Chief Executive of Southside Partnership, she led the merger of it with Support for Living to form Certitude in 2010.

Aisling started her career in psychology and has spent the past 20 years working within not for profit organisations, seeking to improve opportunities for people with learning disabilities and people with mental health needs.



When the Lambeth Living Well Collaborative began to review the provision of services in the Borough they discovered that on average people were having seven acute stays in hospital before they got an offer of rehabilitation. They wanted to see how they could intervene at an earlier stage, so that they would need a reduced number of, or much shorter, hospital stays, by meeting their needs within their community.

Alliance Objectives

The Integrated Personalised Support Alliance (IPSA) has two objectives to ensuring the 3 Big Outcomes for people with severe and enduring mental health and complex life issues:

- Objective 1 – To provide integrated personalised support packages for 200 people currently in rehabilitation wards, health, nursing and residential spot placements.
 - Housing provision and support in Lambeth
 - Wrap around support at home
 - Circle of support – multi disciplinary team model: clinicians, support workers, psychology, peer support, connect and do, etc.
 - Reduce bed usage through the development of viable community solutions
- Objective 2 – To support and, where appropriate, manage the process and funds for Care packages and personal budgets for all those assessed as eligible.
 - Integrated needs and support assessments
 - Enable personalised support planning
 - Budget Allocation process and review

Alliance Principles

During the formulation of the alliance they spent a considerable period of time drawing up the values that would drive their decision making. They did this through facilitated sessions and workshops, with some of the values coming together quite naturally, because they were part of what brought them together as the Lambert Living Well Collaborative. They also came to the realisation that what would be best for service users should be the best for the organisation, and that the alignment of values between individual organisations and the alliance was vital. All of their values are aspirational and have been tested as the alliance operates. They have worked to ensure that their goals and values are not about creating an alliance, but their goal is to change people's lives and to change the outcomes. The principles of the organisation are:

- Co-production in all we do;
- Service user at the heart;

- Honesty;
- Best for service decision making for service improvement and development decisions;
- Empathy and understanding of each other;
- Openness through open book reporting and accounting;
- Transparency through publication of our outcomes and performance; and
- Unanimous decision making.

The Alliance Agreement



The Alliance Agreement sets out the principles and governance arrangements, the commercial and performance frameworks as well as the outcomes that they seek to deliver. Each of the provider organisations also has an NHS standard contract with the commissioner and that is what holds each individual provider to

account with the standards that they are expected to achieve within the regulation framework. The Alliance Agreement is what drives performance and ties it in with the commercial and performance framework which the alliance seeks to achieve.

From the experience of Certitude there are a number of key considerations that Aisling felt were worth sharing. Their long history of working with people in the Borough meant that people would have naturally looked to them as one of the key local VCSE organisations who could provide a voice for people. There is no doubt that the alignment of outcomes between all partners was vital- all organisations had spent a lot of time working to support people and acted as a main driver. They had also developed a range of innovative solutions for delivering peer support and services and a history of connecting people and this alliance was seen as an opportunity to innovate on a larger scale- in a way that they would not have been able to do alone. Without a doubt there was a need to have an appetite for risk, especially from a legal point of view, as boards are often risk adverse and not wanting to risk their reputation or ability to deliver services to existing users. To enter into an alliance cold, without prior collaboration with a range of organisations, may have been too big a task, so it was essential that the alliance was seen as building on existing relationships. In order to make a massive shift in how an organisation works there has to be a large enough incentive, be it a gainshare or a painshare, if this is not possible, the only thing that can bring about the fundamental shift in thinking that is needed is complete clarity of purpose between partners and an overarching desire to deliver better services.

The alliance has only been up and running for the past six months and some of the early learnings are:

- Understand the wider context and the interdependencies;
- Commitment from members is essential to the development – time, people, resources;

Time spent early on building relationships will pay off later

- Clarify budgets, scope and baseline data as early as possible – it gives the parameters in which the design and planning can then take place;

“Spend time understanding how each partner organisation works and how this may impact on the timeline of the Alliance – not all organisations work to the speed of the Third Sector

- Ensure sufficient time is given to understand each other’s organisation perspectives, processes, obligations and constraints.
- Ensure sufficient time is given to checking alignment – keep revisiting!
- Continuity of members of governance team is essential – changes mean revisiting previous work and causes delay.
- Ensure governance and delegated authority is understood and that people are committed to it.
- Ensure other people are sighted and involved

early – finance leads and key staff groups.

- Keep the vision alive while appreciating the reality on the ground – keep talking about how you can find ways to close the gap.
- Acknowledge differences in pace between member organisations and, together, discuss how you can use the flexibilities of the ‘faster’ ones or other approaches to avoid having to move only at the pace of the ‘slower’ ones.
- Identify key roles and recruit to them early.
- Be explicit about the purpose, reasons and challenges in moving from legacy roles to new ones.
- Accept that modelling can only take you so far, you have to adapt and adjust as you move into implementation.
- Inaccuracy of data causes delays, confusion and adds to risks.

Role model honesty – it needs to be a cultural norm, which can be a genuine challenge to custom and practice

Know what you are prepared to compromise on and what your not

- Discuss and agree risk share early.
- Pragmatism and willingness to compromise is required.
- Separate out negotiation discussions (‘them and us’) from shadow alliance governance (‘in this together’).
- Be clear on how and where decisions are

made – among alliance members, by commissioner participants, elsewhere within commissioning organisations.

Aisling finished off her presentation by advising delegates that if they are considering entering into an alliance, but are not comfortable with the commitment that is required, that they should not do it. Everyone involved has to show a determination not only to change the outcomes for service users but to totally rethink how they operate and to embrace change.

Question and Answer Session

Following the presentations, delegates were given an opportunity to address questions to the contributors, covering a wide range of areas relating to alliance contracting. Below is a summary of this discussion.

Q. In the past five years we have seen the commissioning model shift place an enormous emphasis on cost which has provided ‘cheap and nasty’ services. How do we stop the spread of this model and return the emphasis to quality?

- The biggest seller of new models is the emphasis on quality. In the recent past some commissioners were placing an emphasis on cost of 90% and only 10% on quality. There has been a recent shift back to equilibrium but that can only be achieved by massively transforming how services are delivering.
- There is a need to develop relationships with commissioners and to engage at a very early stage with people who use and develop services.
- CCGS have faced massive cuts in recent years and whilst some have taken the approach of seeking the lowest costs bids others have actually taken a longer term approach and have moved away from the ‘cost first, quality second’ approach. For this to happen the quality has to be of an incredibly high standard.

Q. What role has the Social Value Act to play when it comes to alliance contracting?

- Unfortunately, very few commissioners use social value in their commissioning process- with statistics showing only 1 in 4 consider social value.

Q. Is alliance contracting another way of building on previous working relationships?

- You have to choose where to put your precious time and resources. If you have solid, existing relationships that is the natural place to devote more of your time and effort. It can be very difficult to enter into an alliancing arrangement with organisations you do not feel closely align with your organisation and with the wider alliance.
- It can also be very difficult to work outside of areas that you do not have experience in, as you are placing an enormous amount of trust in other organisations. Alliancing works best when individual partners are able to focus on doing better what they already do well.

Q. How would you describe the experience of staff on the ground, who actually deliver services, as part of an alliance contract?

- This is key. Improving the services which are delivered is the key reason for alliancing so it is vitally important that people on the ground, who deliver the service, are fully part of the project.
- Research has shown that the experience of service delivery teams is not dissimilar from those at the top of the organisation who are steering the alliance.
- These staff benefit because they see first-hand the improvement in service delivery and the positive impact that this has on people’s lives. They are seeing the reality, not just the theory.
- They also build alliances with each other and see the transformations in personal relationships. They may have worked with staff from other organisations from many years but it is only when

they work with them through the alliance that they are able to appreciate how these organisations function and how they deliver services.

Feedback and Key Messages

Following the conclusion of the presentations delegates were asked to complete a feedback form to capture the key messages related to the potential benefits of co-design and co-production. The key messages that were identified from the feedback forms were as follows:



To government

We need:

- To focus on quality and applicability, not just cost. Success should not be measured by the amount of money spent, but on the change delivered.
- Clarity is needed on legal issues with regard to competition policy and procurement.
- Improvement to the tender and procurement processes and a reform of budgetary processes to ensure that there is no end of year rush to spend outstanding monies.
- It is important to create and implement real cross-departmental co-operation and communication.
- Consultation and engagement with relevant experts in the VCSE sector to explore this model as a potential form of funding needs to happen.
- Alliance contracting needs to be considered as a model of integrated care, this is particularly relevant for the health and social care sector.

To politicians

We need politicians to:

- Listen more to what the public have to say and give them an input into policy formulation.
- Engage more with the VCSE sector and recognize the levels of policy expertise and service delivery experience that exist within the sector.
- Learn more about the potential of alliance contracting as a model for service delivery.

To the VCSE sector

The VCSE sector needs:

- To encourage as many organisations to get involved in collaborative working and to resist the urge to empire build.
- Sharing, caring, smarter, stronger delivers effective, valued services.
- To build genuine relationships across the sectors and not just engage in contrived relationships solely for the purpose of securing funding.
- To gain a better understanding of alliance contracting as a new form of partnership working.

To funders

Funder need to:

- Spread the risk- working with an alliance can reduce the risk of a single point of failure.
- Support collaboration and support research into the piloting of new models.



81% of respondents said that the overall input was either Excellent or Very Good. 100% of respondents Strongly Agreed or Agreed that they found the input useful and 100% of respondents Strongly Agreed or Agreed that the input increased their knowledge.

Delegates were asked to reflect on the event and below are some of their comments.

“Good to explore innovative approaches to collaboration working across sectors.”

“Excellent event, very informative and thought provoking.”

“Excellent event – covered the whole spectrum of alliance contracting.”