



Wandsworth Voluntary Sector Development Agency

enabling voluntary action

Policy Briefing, Dec 2009

Commissioning

Background

Commissioning is when a public or statutory sector organisation carries out a process of planning and delivering services to meet community needs. It is defined by the Audit Commission as:

"the process of specifying, securing and monitoring services to meet people's needs"

Commissioning involves a number of different steps:

1. Assessment of need a
2. Identification of resources
3. Planning how to use the resources
4. Arranging delivery of the service through a procurement process
5. Monitoring and reviewing service delivery

How does it affect the voluntary sector?

There has been a change in the way the voluntary sector is funded. Grant funding from public and statutory bodies for the voluntary and community sector has decreased. At the same time, there has been an increase in the use of commissioning. This means that instead of getting grants, voluntary groups are increasingly delivering services as part of a commissioning process and in competition with other organisations (both voluntary and private). Voluntary and community sector groups will find:

- ◆ They may have to compete for the funding that they may have previously been receiving as grants for many years.
- ◆ That if they want to engage in commissioning, they need to switch the way they operate to consider themselves as actors in a marketplace, bidding against other organisations.
- ◆ They will need to make sure that they meet the required standards (often called 'approved provider' requirements) in order to compete for funding to deliver public services.
- ◆ They will have to prepare bids i.e. proposals (also called tendering applications) specifying how they will meet the public or statutory requirements for the services, and showing how the outcomes they can offer are better than those offered by other organisations.
- ◆ They may have to compete to deliver a local service with service providers in other regions and sectors.
- ◆ They may be encouraged to work in partnership with other organisations, as large contracts (as opposed to several smaller

contracts) are seen as a cost-effective way of delivering public services.

- ◆ That in a majority of commissioning processes, the public sector will choose the provider that quotes the lowest cost for its services.
- ◆ As the public sector has started working more with voluntary and community organisations to deliver public services, there are a greater number of contracts and opportunities for voluntary sector providers.
- ◆ Depending on how well resourced they are, smaller organisations may be unable to engage in commissioning.
- ◆ The more complicated nature of bidding during the commissioning cycle as compared to applying for grants means that more time and resources are needed to prepare the necessary documentation. There may also be limited time to prepare this information.

What is happening in Wandsworth?

During the summer and autumn of 2009, NHS Wandsworth organised a series of seminars to build closer relationships with potential voluntary sector providers. The seminars focused on NHS Wandsworth commissioning priorities.

A number of local organisations deliver services this way. For more information please contact us at policy@wvsda.org.uk

Read More About it

[Pathways through the Maze: A Guide to Procurement Law](#) published by NAVCA (National Association for Voluntary and Community Action).

[Need help with Commissioning and Procurement?](#) published by NAVCA.

[Hearts and minds: commissioning from the voluntary sector.](#) A report from the Audit Commission.

[Third Sector Strategy and Action Plan: Intentions into Action.](#) From the Department Children, Schools and Families (DCSF)

[Commissioning and procurement.](#) Guidelines and information from East London CVS Network

[Commissioning and the Community Sector: How community sector organisations can be ready for commissioning.](#) A introduction to commissioning from Kindle aimed at organisations working with children and young people.

Wandsworth Voluntary Sector Development Agency is the Council for Voluntary Service in Wandsworth

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