**CB9(LA), Commissioner(M)**

Speaker Key:

CM Interviewer

IE Interviewee

CM Based on our last conversation, I would like to know more details about the project C. So, how this project come to be, what is the rationale behind it?

IE So, the council was always trying to make sure that it values local organizations, because we think that they are in unique conditions to help and provide services because they got a lot of very detailed local knowledge and in particular areas within the borough. So, we try to make best use of that resource by making sure that some projects go to those local organizations. And in the past, we funded them through a grants process, but we, a few years ago there was a set of commissioners coming in from central government to look at the council practices, and they actually suggested some changes to that. Rather than being done by a grants process there might be a rather more objective way of doing that rather than, the thing with the grants processes, it lacked a lot of transparency, so we are trying to improve the transparency a bit, we are trying to make it a bit more open to all groups. So, initially we thought about doing, using the council procurement processes to do that, but there were some concerns that, when we do it by procurement process we have to open it up to all sort of the organizations and anyone can really bid, and there is a little bit lot of worry, that maybe large outside organizations outside might come in, and we will lose all of the advantages that we set about the local organizations, having that local intelligence and the ability to sort of reach, to access hard to reach people, that maybe don’t necessarily get included in council services a lot.

So, we had a look at that again and we decided that we will come up with a hybrid process, somewhere between grants and commissioning, so, in the same way that the grants processes can be prescriptive to the local organizations, this process was prescriptive to local organizations. But when it comes to, how we decide to award contracts it wouldn’t be done by the grants process it would be done via, we get an independent provider to come in and to evaluate each bid, based on a set of criteria that we might set out in advance. So, that way we thought that we will get the benefits of both, the local intelligence that those organizations provides, the trust that those organizations that they develop with the local community and at the same time make sure that it was an open and fair and transparent process which any organization could bid for.

CM Do you mean this new model is not fully commissioning, but a hybrid between grants and some aspects of commissioning?

IE Yes, it took the best part of the commissioning into the – fairness and the transparency and in this case the best part of the grants process that we could control that we make sure we gave to organizations that definitely are proven that they got community value at the heart of what they do.

CM This new model of tendering is open to VSOs and other private organizations?

IE Yes, that’s way, what we are trying to do is to say that it could, potentially, it could include large charities organizations, but they will have to show that they go a track record of providing services in the borough. So, it cannot be an organization that it never provided any services in the borough that comes in, because one of the things we’re asking them to demonstrate how they will bring social value into (case B). But mainly I think the focus will be on small organizations with maybe a few large organizations that already got a good track record of having delivered successful services within the borough. And this includes as well social enterprises. In theory it could include local businesses if they show that they have done something that was maybe of community value rather than value to their own company. Sometimes they bring community benefits like developing the local area or something like that, but I think mainly is going to be about the voluntary sector organizations bidding for that pot of money.

CM How the processes of this project started?

IE One of the principles that we wanted to use was the co-design of services. So, we analysed the traditional model of council services where the council would more or less develop an outline of the project that they wanted and then take it to organizations and maybe residents to see whether can be twit (unclear) though a consultation process. We tried to get residents and voluntary sector organizations right at the start of the process, so we did that by holding a series of workshops and some information online and we are currently just finishing the process of developing what outcomes we are looking for services to provide. So, it started off with, we looked to that pot of money and then we asked people to say what themes they were thinking that were important, so they come up with five themes, so health and wellbeing, digital inclusion, community safety, advice and information which was mostly about job advice, and things like that and employment and improving skills, something that everyone identified that is key theme, and underneath that we are asking people what outcomes are looking forward within those themes, so we are currently at that stage where we are looking at what outcomes, what changes people are looking for in the community, in each of those areas. So, once we have finished developing that, which we plan to do by the end of December, we will be in a position then to start to provide a project brief to all organizations for them to bid about how they think that they will be able to deliver that change.

CM The first phase was of developing a framework of outcomes?

IE So, the very first phase was about developing the themes that they were felt that were important and then the second phase, is where we are now, is to develop the outcomes, the changes that the people are looking for in the society to come under those themes.

CM The current workshops on service specifications will define the final version of service design for commissioning?

IE What they will do is they will tell the organization what change in the community the people are looking for. So, for example in employment and skills, someone, there might be a consensus that said we are very concerned about unemployment for young people, so they will, maybe say that one of the outcomes that they looking for is to improve the employment of people, 18 to 25, or something like that, and if that was an outcome then, we would ask organizations, right, how you planning to provide a service that might be focus on young people and improve their employment prospects, we asked them to develop the details, so it is no very specific because those organizations, the maximum chances they suggest new innovative ways of how they might do that. But the change, the idea of improving employment among young people will be an outcome that would be developed by the community collectively.

CM How would you describe ‘working together’ with the VSOs?

IE One of the things that we acknowledge is that voluntary organizations actually have, two different parts to play into this process, so the first one is part of the group of wider people that might include statutory partners, like the policy and NHS, and stakeholders and in developing the service. And they will only be part of that. So, the voluntary sector organizations will just form one group, residents might form another group, council will be another interested party, maybe the police, the NHS might be one. But they will form, so that’s in developing new ideas, but then later on down the line they will also be bidders for the potential projects, so, and it is very important to keep those two areas separately because otherwise you might end up in a position where will be a conflict of interest, so a voluntary organization, if they had two might side, they might ask you only to design services that they are good to delivering and you got the chance to make sure that, when you designing services no one group has too much side. So the voluntary organization in that part, is certainly a very important contributor, but we don’t what to sometimes look like maybe we just designing the services that suits them, we want to make sure that we include other people. But later on, the voluntary sector organizations will have much more say how they deliver the services, and the outcome that we want to do, so there might be two different projects but hopefully have the same aim, that we then have to decide which project had the best merits to it. And the later on, you have to work with them, as the council, with any outside provider and challenge them to deliver the services, so make sure that they meet their targets, things like that. So, there is, voluntary sectors are involved but is very important that you understand in each part what their role is. So, as part of the service design team, bidders and then as delivery of the contract.

CM Could you give more details on how will you balance the process?

IE So, sometimes, one of the key things is about managing those design workshops in a wider, that people that are interested in their organizations, they are showing about that they want to do the best for the community. And there are various techniques that you can use to do that. So, sometimes, for example, you might put everyone suggestions up on a wall or a piece of paper and then you would get the all group a sticker or something like that and say, now everybody, go around and stick the three things that you think that are most important, and hopefully you can get more of a consensus, so you can slim out, if an organization is only talking about itself they start to understand they are not going to go very far in this, the rest of the community get behind it, so is building a consensus were you trying to get people to realise that they are not going to get just their project they need to attract the other people in the room to their idea, they need to get a consensus, and hopefully by doing that, that’s the best way of awarding organizations. Just doing for what they are already doing quite successfully now. And really thinking about what they users have asked them to do and using that intelligence to inform what we decide on, so the very important thing is how to manage that process in the wider, people don’t just start to shout about the thing they are most interested in, they will come together, and work out aims collectively.

CM What impact do you see as a result of these workshops?

IE The main reason for the current workshops, like I said, we already developed the themes but now the outcomes will go behind that, and we don’t want to many outcomes, we want 5 or 6 outcomes that we think everyone can get defined, everyone things is important for the borough, so the idea of the workshops is to get a lots of people from a lots of different areas in the community, some voluntary sector organizations, some residents, some statutory partners and to try to get them to broadly agree what they feel are the most important those outcomes and then those will be the ones that we ask bidders to try and deliver, so is just about bringing more focus to some of those things, …is not try to do too much but were the people can agree that they is 4 or 5 key things that might be more important than everything else to deliver.

For the C project, the workshops haven’t yet happened, they start next week, but we have done it in the past, we did it, two years ago, with a cohesion project, were we had the same process. And it was really successful in its ability to develop. I think lots of people really did understand that, because the council offer to share that power and getting people involved, at the design stage, it is very important to understand, it is very important for them not to just to talk about the things that they were purely the best for their organization, but they came together and they worked for the borough as a all. So, I think that they appreciate when the power shares as much power possible with them, they respond, so is important that they respond by being responsible and talking about the greater good of people rather than their individual organizations. So, it went very well, so we developed a community cohesion framework, again a set of outcomes that we felt that were important, we used that for a particular project that we were commissioning at that time. We felt that was so successful that, in the previous, two years since then, at the cohesion projects that we done, we used the same framework, to ask people, so how you are going to deliver services that will go to produce these outcomes, because it was really good getting something that it wasn’t just focusing on one organization. But was good for the borough as an all. So, it has been very successful.

CM How you were able to understand that the process has value?

IE Well, one of the things that we tried to do, so you have outcomes that are designed. When organizations bid has to say how they are going to measure that, we call it an indicator, so as part of an organization coming up with a project as to how they are going to deliver the outcome that they want, they also have to tell us how they are going to measure it and that’s part of the process where we are going to evaluate how strong they are. So, sometimes is, in some cases is more difficult than others to put an indicator in place before hand, because otherwise it starts with innovation, but the important thing is when someone comes to us with a project, they also tell us how they are going to measure, whether they achieve the outcomes they are looking for, and we are looking at that and think is that a strong measure or not, so that’s part of the things that is built into the bidders.

CM Does your local authority uses any tool for how projects are monitored and delivered?

IE Sometimes has required a big change of ethos across the council, but actually what we are finding is measuring outcomes which is a process that is becoming more and more accepted, is better than the old process, when what we used to measure is what we call outputs. So, for example, if I was going to use employment again as an example, we might, in the old times of measurement, the outputs are juts numbers, so it might be in case of employment, maybe we decide to help, hold a course to help people write the application forms. And our measure is, how many people attended the course and how many people graduated to that course. But we didn’t then measure the impact it had on the community, which the most important immediately is if someone get the job. When you turn around the other way, and you say, now, your goal is to get 50%, or 70% or 80% of those people into the employment. They take the measurements to the next level, ok, so we had 100 people to attend this course, 90% of them passed and 60% will get a job within the 6 months and you can start to look at that, and think, actually that is much more useful in terms of measurement, we can see how we delivered the change within the community that we were looking to, if it said that it wasn’t good enough then you might need to reviewing the project, if it exceeded expectations then you might write that out as an example, but as you can see, by making the bidder more interested in the actual change that happens in the community, it allows us to measure impact sometimes better than we did before. And also, it gives the bidder an opportunity to change the contract halfway through. If we are measuring on how people get an employment, and they will say, well actually we are not getting this many people attending this course it is possible, but what we might do is, those people that have attended, to put x resources into them to see if we can get all of them to get a job rather, you see what I mean? We, they are focus more on the outcomes and getting people into the employment rather than just saying, yes, we had 100 people attended the course and so many people got… the good question that we have been asked to constantly remind them to say, is so what? So, what happened? So, you had a 100 people attended the course, so what? And then, they need then to say, they get into the employment, not just say we had 100 people and stop there.

CM There are any reporting guidelines?

IE Actually, the measuring, case studies is one way of doing it, we will put out a qualitative assessment, but really we should use, maybe not necessarily one measure that maybe sometime the all sequence of measures, and not all of them will be quantitative, some of them will be quantitative, so as I said if we will measure the number of people that end up getting a job that’s a quantitative assessment, so in that case, going back to the example that we used, you might say, first of all, we measure the statistics, how many people got a job, and you might also include case studies, or surveys, or those people that were employed or the ones that attended the course, and you can use a combination that you wanted so many satisfactory surveys, or case studies of it and also some figures about what is going into to affect the change so actually measuring can sometimes be a balance of those two. And it changes from project to project because some are easier to measure in terms of pure numbers and some of them are more about people experience of something, so it really depends on whatever you are looking to provide. So, the cohesion project provides, as I said, the five themes of such a wide range of services, so digital inclusion might be, as I said the outcomes haven’t be developed, but potentially it could have two outcomes, and one of them might be the potential people that have to the internet and you might have another outcome, which might be something like older people to feel more comfortable about the use of the internet, and that might be, so the first one might be easy to measure in pure numbers, how many people have access online, but the other might have to do with case, accommodation case studies and numbers, because you are asking people how much comfortable they feel about the online access. So, depending on what you are asking them to deliver…

So, what we are looking to do, when bidder comes back to us, with eventual projects, they need to say how they are going to measure it and we then asses on what we think that is right for that particular project, weather is too much one way of too much on the other, and whatever they got a good balance.

It depends of the outcomes we have ask for, in these 2 cases, one of the very mixed balance, something that is maybe more about people’s opinions and surveys and the other one might be looking for hard figures, numbers of people, so you have to make those changes, it is not an exact science, every time we look at the project we start and say well we think this outcome it needs to be quantitative, this one needs to be quantitative, this one needs to be a balance 50-50 between the two, there are different ways to looking at it. And again, we would probably try to involve stakeholders in that decision. When we get an idea of what the outcomes might be we might try to do some sort of consultation with them to say, maybe we suggest a few ways of putting measure, they will say that they are in agreement with that or they might suggest different ways. But mostly measurements tends to be something were professionals have more interest in that then just citizens, so citizens will say, we don’t care how you measure it, we just want to see how that improvement happens, so is making sure that people are comfortable engaging at the level they want to, so sometimes some of the people might be interested in design, other people might be very interested in how you measure it and bringing these people on the right side.

CM How do you operationalise social value in a project?

IE I think is good. So, one of the things that we talked about is the co-design of services but then one of the other thing that is going hand in hand with that is that we are hoping that a lot of the projects will be able to do what is called co-delivery so we get people involved in trying to help deliver those services, or feedback on how successful they are or suggestions, maybe new projects. And one of the great things about, if you operationalise things is you get people, because they feel that when you say something it really happen, and it get them involved and that feel more connected to the services, so that’s another change. Unfortunately, the biggest problem we have, the biggest barrier is that we got very good involvement from partners like statutory services and good involvement from the voluntary sector, but there is not so great involvement from the stakeholders, residents, at the moment, so we have biggest focus on what we try to improve at the moment is what we call community engagement. So, we got plans, we are producing a new talking for organizations that have new ideas on how they could involve with communities, and that’s one of the things I’m mostly looking in the future how that improves, because we are looking to have projects that might be designed by citizens and see how successful they are compared with projects that are designed by professionals, in previous case. It is not something that we really have been able to analyse and see the results as of yet, but we think is got a lot of potential and we try to do as much we can to make that happen. And also hopefully will complete a cycle, because when people start out with some of the projects we have got, people that were involved they can say that they liked them or didn’t like them, if they suggest changes so the next time around, when we come to recommission, we can take those ideas on board and we can bid, and go around in a cycle, and get better and better. But the key thing is to make sure that we have got residents and people that work in the borough, and study in the Borough, included being involved in these projects, not just someone that has things done through them, but they actually get chance to contribute.

CM In our previous conversation you mentioned the need for capacity building. Could you give me more details about it?

IE I think they are begging to understand the cycle of what we call commissioning at the moment, the hybrid scheme, and they are becoming more and more reassured. When we moved away from the pure procurement to the hybrid scheme they got their hands out. And I think also the reason of being well aware of what the co-design of services are, I think the biggest challenges is going to be to make sure that everyone gets a clear understanding of what co-delivery means. And how important is going to be for them to make sure that the residents get behind the projects that they do, help contribute, so I think, we are not at the gold standard yet, we are still working towards that, but we can see that is been quite a lot of improvement in two of the three areas. And it is only really, I think when the project starts to go live that they go to understand the barriers about the co-delivery and that’s the moment when we will step in and support them. One of the important things about the capacity building is that needs to be done at the time when people require that knowledges, so there is no point rely on talking about co-delivery of the services until we know, maybe a clear picture of who the winner bidder is likely to be. There is a lot of organizations that may go to these events, but they don’t need them because they don’t win the bids. All the other way around might think, is so far in the future, we don’t need to attend the training yet, we will see if we get the bids, so some of the capacity building it has to be done a bit later down the line than other bids, and that’s the one area that at the moment, I think, is going to need the most attention. But as for the other areas, in the last two years that I have been working on co-production, people understanding of how-to co-design services is much better than it was right at the starts. Because I think, co-production it can mean different things to different people and more we start to get now is an understanding that here in (case B) co-production means co-deliver and co-design of services and all start to get that now so, ya, they all are coming to the meeting with the same idea of what we are going to discuss. The start with some people talked about things that they call co-production but other people – I don’t think that is co-production and might be half an hour discussion of what co-production was to start with. Now we don’t have to worry about that most people are clear about that and all start to develop the things that are important in those meetings. So I think that’s gone up a lot, so ya, there is the next challenge about co-delivery.

CM How the objectives with social value policy is going to be fulfilled in the project?

IE I think that is going to be evident because if we do the design correctly we can clearly say that the reason that we design it to produce these outcomes there is something that the ordinary people in the borough and people that are involved in voluntary organizations and from many different walks of life- view that are important issues to them. So, already we are getting that information, in many ways we are gathering intelligence at the same time. It is lot of people that say that an issue for them is tackling poverty then in many ways it proves itself by the fact that we can say we had a meeting with many people involved in as possible, not just professionals, but actual have the lived experiences of what changes are, and this is what they said was important to them. So, you can already see that demonstrating social value, just simple by the fact that you get out the people to have their say about what they think is important, so what you are delivering are the changes that are key to people that live and work in the borough. So, I think there is a lot of social value into that. I think when we talk about, the government more and more talk about measuring happiness, so is very important to, these issues, maybe a professional might look it and say actually, the issues that face people in the borough are different to the residents field, but if you work on the ones that the residents feel important, you are already building happiness, because they feel that have been listen to, they feel that the issues that there is more pressing in there, there is something that has been looked at. So, there might be other projects that going on where professionals have considered on what has been done, but in this case this is one that is going to give making people feel that they are listen to a lot more and the things that they actually feel are important are taken forward and improved so I think there is a slot of social value to be set in that thing, just to start with, really. I would say, we also using the local organizations to try to connect with people that are harder to reach so that way you are drawing them into the community, so ya, I think there is a lot of social value that can be measured in many different ways really as part of this project.

CM You mentioned previously that is difficult to look at social value because of the social economic context. How social value is linked to the economic aspects and issues like inclusive growth and social inclusion?

IE Yes, I also think about the co-design of services it can often take you in directions that you didn’t think that you are going to go, and that’s very important because it sometimes challenges professionals, that often I think that knows best for people, they do things for them, and citizens are there just to be helped. But in this way the change around the citizens become an asset, you take advantage of all the thing that they got, so the knowledge of what is happening on the ground, the experience of their everyday lives, picture directions you didn’t want to go you learn a lot more maybe about the social conditions that is faced by people than if you just start design the project yourself and what you though that might be the best way to go forward. So, is a lot of social value in that as well I think.

CM What’s your opinion about your local council understanding of social value?

IE Well, the local, so the …there is two different sights, the local councillors that are local residents and of course they are very much in touch with the citizens, they …. And there is of course the professional sight of the council where we have people that play… but try to come and deliver what councillor says are important to local citizens. The best way to looking at that we find that councillors are very involved in the communities and they come up often with, I think the main issue that they come up are social housing as key thing in the borough and its improvement and also tackling poverty and will be a third one that is not far behind is the access to health services so I think all of these things are, tackling them, is very important to delivering social value and addressing problems of the area. So the councillors are often fed back information of what they feel that is important and has been elected representatives in the instances who has gone to them and come back time and time again. So I think we do have a good understanding of the social issues but ( name local council-case B) often comes out as one of the most area of deprivation, so the level, so one of the poorest borough in the country, life expectancy is way below the national average and of course it is a very overcrowded borough, so social housing comes up, so I think that those things, not only they talk about the residents anecdotally but you can probably can back it up with a lot of statistics to say these are the key things that needs tackling all of which, by working on, is inevitable build social capital, so I think the primary borough priorities are very much focused on building social capital. So is probably more so than other authorities, certainly other local authorises that don’t necessarily have those urgent social care needs. So, ( name local council-case B) is a borough I think that all of its merger priorities seems to be around social issues really. Ya, so we are very much focused, we are aware about those things but is just the question of how best way to solve the changes that we are looking to do. Especially, I think another thing that challenges us is this, such a big difference between the people that have a good income and the people that don’t, so, you have got in this borough, at the same time you got the worst level of poverty level in the country. You also have areas of great wealth. So, people, is a question making sure that we do things like share that well, but social value is very much directed in all the things that we do things like that, so ya, in key things really.

CM Which do you think are the top barriers in implementing the policy?

IE I think one of the biggest barriers is that a lot of people who leave in the borough don’t get really an opportunity to work in some of the rich jobs, in some of the rich areas of the brought. One of the things in the rich area, a lot of people commute into the borough to work here and that is also match with low levels of income so what is to be said is that the jobs in ( name local council-case B) seems to be quite high level jobs, very few citizens seems to get them so sometimes we are looking at things that we can do to ask skills people and maybe to give them the opportunities to give them employment that local. This is another thing that you have to listen to people and maybe projects that didn’t go in the direction that we hoped, we need that we had a problem with poverty and years ago we managed to attract really huge asset like area which contributes hugely to the economy of the country as a whole, but we the hope that local people will benefit from that, but maybe that hasn’t necessarily happen so, what we need to look at is addressing that balance and then linking to, we hope to do that before but need to look in different ways to do it, so. I think that those are better key ones. And they haven’t gone to other priorities because levels of income goes up then people access to better housing goes up and then health care as well will go up, as a consequence, so lots of social value is embedded in those sorts of things.

CM In our previous meeting you mentioned that the scoring of the contracts with social value is around 5%. There will be a rethinking about the scoring along with the new model?

IE I think that one of the thing that we think that it might be quite beneficial to local organizations is maybe to start changing the structure the way that they function, so in a lot of cases, and this is another reason that we changed from grants to hybrid processes that, a grant might be something that we might expect people to do where is not for profit, and if fact sometimes is a loss, we ask them to provide services themselves then we might only match the funding. And that might be great for that project in terms of the value of the project overall, but it is not necessarily the best thing to do for the organization itself, because we are asking them to give the services at our lost money, so they are not very strong financially and could cause some problems and you can get organizations collapse. So, we want to try to make them stronger and maybe a little more independent but giving them the opportunity to be financially strong. So, in some ways, although it looks strange but reducing the amount of social value that we measure in the contract, may look bad, in another way is good for those organizations because we are pressing on the importance of them making themselves financially strong, so maybe a small percentage being given to them to be able to call a profit, whereas in the past there weren’t be any profit or maybe a loss, is actually making the organization stronger themselves so it is a question of finding that balance that possibly in the past, we actually gone a bit too far in asking organizations to provide so much social value and so little to build the strengths of their organizations themselves that it might be, we looked at it and, maybe we need to balance that a little bit more and rain in the social value (unclear) and let the organizations to be a bit more stronger on themselves. So, its, I think is very strange but in the long term it probably will be a benefit for the community to have a strong local organizations that got good governance, a reasonable amount of financial reserves and know how to compete, so that they possibly can be out fit for things outside. Because a lot of organizations they do, say the Charity Commission I think, usually recommends that organizations have enough reserves to be able to run for, I think for 6 months, and very few organizations here in (case B) have that sort of reserves. The C itself is saying that really, by the way they define it, the organizations are not stronger as they hope them to be. I think several years ago there was a lot of organizations collapsed and they were letting a lot of people, they were doing a lot of great work socially but they had lack of financial strength, that risked of them collapsing overnight, actually ended up causing a lot of social problems, so ya, we are trying to make sure that organizations are bit more balanced in terms of their own strengths and what they can provide to the community.

CM What difference makes the implementation of the social value policy in the commissioning?

IE I think is going to make a big difference, because as co-production gets wild out, the project is an example of this which start to see the success and expand more and more. Organizations and people can see that the council is really committed to designing services with, in partnership with residents, in partnership with the voluntary community, so, local organizations is going to have to make sure that they will be able to deliver services based on needs of people that live work and study in the borough rather than a traditional model where they can say, we can, they look at something that can be measured from the professional point of view. So they need to be a bit more flexible, they need to really, they can take this opportunity, and this is where they got the advantage if we are listening to residents and we are designing our residents around what they are saying and they are locally based maybe they can actually get some information from the residents before we do and possibly we can get ahead of the game but is all about making the use of the assets that they got of being locally connected.

CM Thank you very much.