

# Substance Use Network Edinburgh

## Getting Ready for Better Services

Report of the Investing in Ideas Learning Programme November 2013

### About SUNE

The Substance Use Network Edinburgh (SUNE) represents third sector drug and alcohol agencies working in Edinburgh. It's remit is to share ideas and good practice, find solutions to challenges facing the sector, and provide a voice within public sector planning and decision making.

SUNE was established in 2012, but there is a long history of networking and representation from the drug and alcohol third sector. Members include a wide range of drug and alcohol services, many are long-established, experienced organisations, as well as some new, smaller initiatives.

The ethos of the network is one in which meeting the needs of people affected by substance use is the unifying vision. For this to happen, the third sector needs to be effective and sustainable. The voice of the sector brings forward both deep insight into the needs of service users and their communities; and the practicalities of operating services to a high standard.

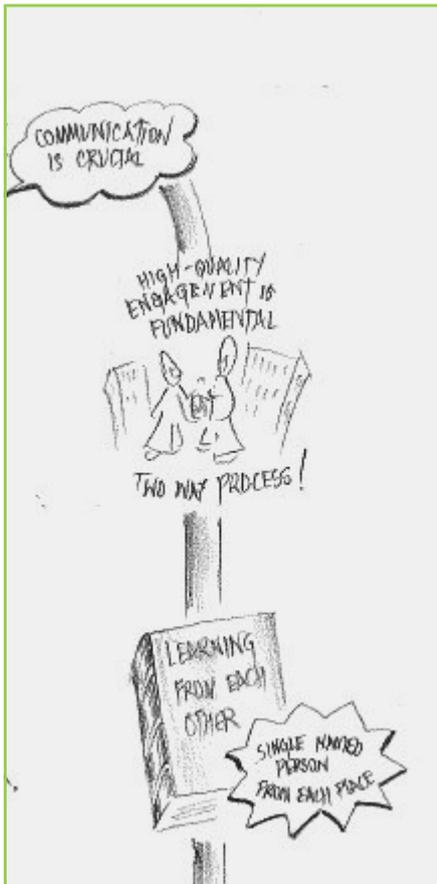
### Background to the Getting Ready for Better Services Learning Programme



SUNE members are all affected by the commissioning cycle. A Commissioning Strategy for the Edinburgh Alcohol and Drug Partnership had already been agreed in 2012. In the spring of 2012, a timescale for commissioning services was tabled which gave third sector partners three months to respond to proposals before services would be put out to tender. This was revised to explore a Public Social Partnership—type approach which has been used in other areas to pilot prior to procurement, where a single service model is required. However, across the Edinburgh drug and alcohol sector, a range of services are required which meet different needs. Third sector concerns about the approach were:

- Some organisations provide services across several different workstreams, so participation would stretch capacity, and the separation of workstreams did not fit with the holistic approach to meeting service user needs many wanted
- Communication about the overall process over 8 workstreams was going to be extremely challenging
- The governance process was unclear, with no information on finance, and questions about interpretation of procurement legislation
- Concerns about protection of diversity in the sector, and acknowledgement of added value / external resources being brought into the City by the third sector

There was agreement that all organisations across the third and public sectors want the best possible services to prevent, treat and provide support to people at every stage in their substance use and recovery journey. What was needed was a way of financing the way we sustain, improve and develop services and innovate to address gaps in services. Public sector and third sector can find the way to do this together, or on opposite sides of the 'commissioning fence'. The Getting Ready for Better Services learning programme provided an opportunity to explore ways of building the future drug and alcohol services together, as an alternative to sitting on opposite sides of the fence.



## The Getting Ready for Better Services Programme

### What we did

SUNE secured funds from the Investing in Ideas programme to engage third sector drug and alcohol agencies and public sector partners in:

- research into different approaches to working together to plan, develop and invest in services
- discussions with organisations who have experienced different models and successfully re-designed services on a large scale, collaborative basis
- exploring the feasibility of options for collaborative design and delivery for substance use services in Edinburgh.

We engaged Ossian Communications (Lorraine Spalding and Lucy Stewart) as consultants supporting the investigation.

### Research

A range of models for relationships between commissioners and service providers were explored. Early on, we recognised that restricting our focus to Public Social Partnerships was unhelpful, as there were other approaches being used internationally which

brought commissioners and providers together to find solutions to the challenges of rising demand and static or reducing budgets. However, we also discovered that few models have been tested over significant time.

In addition, we researched investment in local drug and alcohol services that is additional to local public sector / Alcohol and Drug Partnership spend ([appx.1](#))

### Connections made

Approaches by six different organisations were examined in detail:

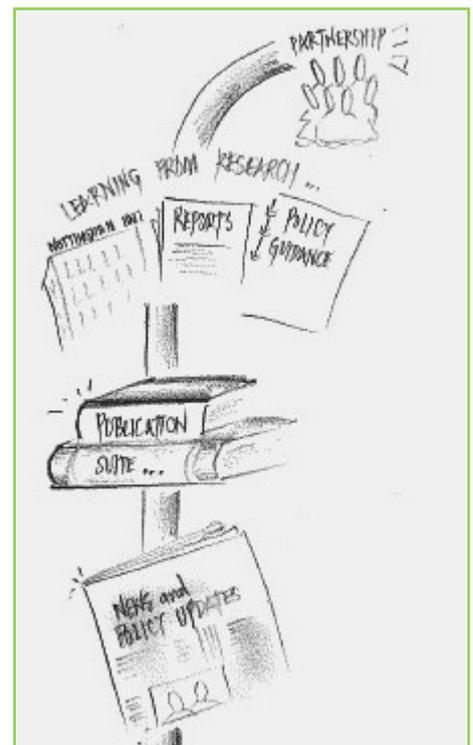
- Lambeth Addictions Consortium
- Living Well Collaborative
- RSA Recovery Capital
- NACRO Offender Health Collaborative
- Revolving Doors
- Wigan Life Project

### Visits

- A group of 12 third sector and public sector staff and service users visited three of these organisations
- Two further organisations visited a group of 23 third and public sector staff

### Discussions

- SUNE held a third sector sessions on PSP
- A third/public sector learning day was held on 24th October
- A Service User training event is being held (date tbc)



## The Journey of the Shadow Governance Group



The Shadow Governance Group brings together representatives from the Edinburgh Alcohol and Drug Partnership officers, sub-group chairs (both third sector), the NHS and local authority, and the chair of SUNE. The group was first established to oversee the progress of a Public Social Partnership model.

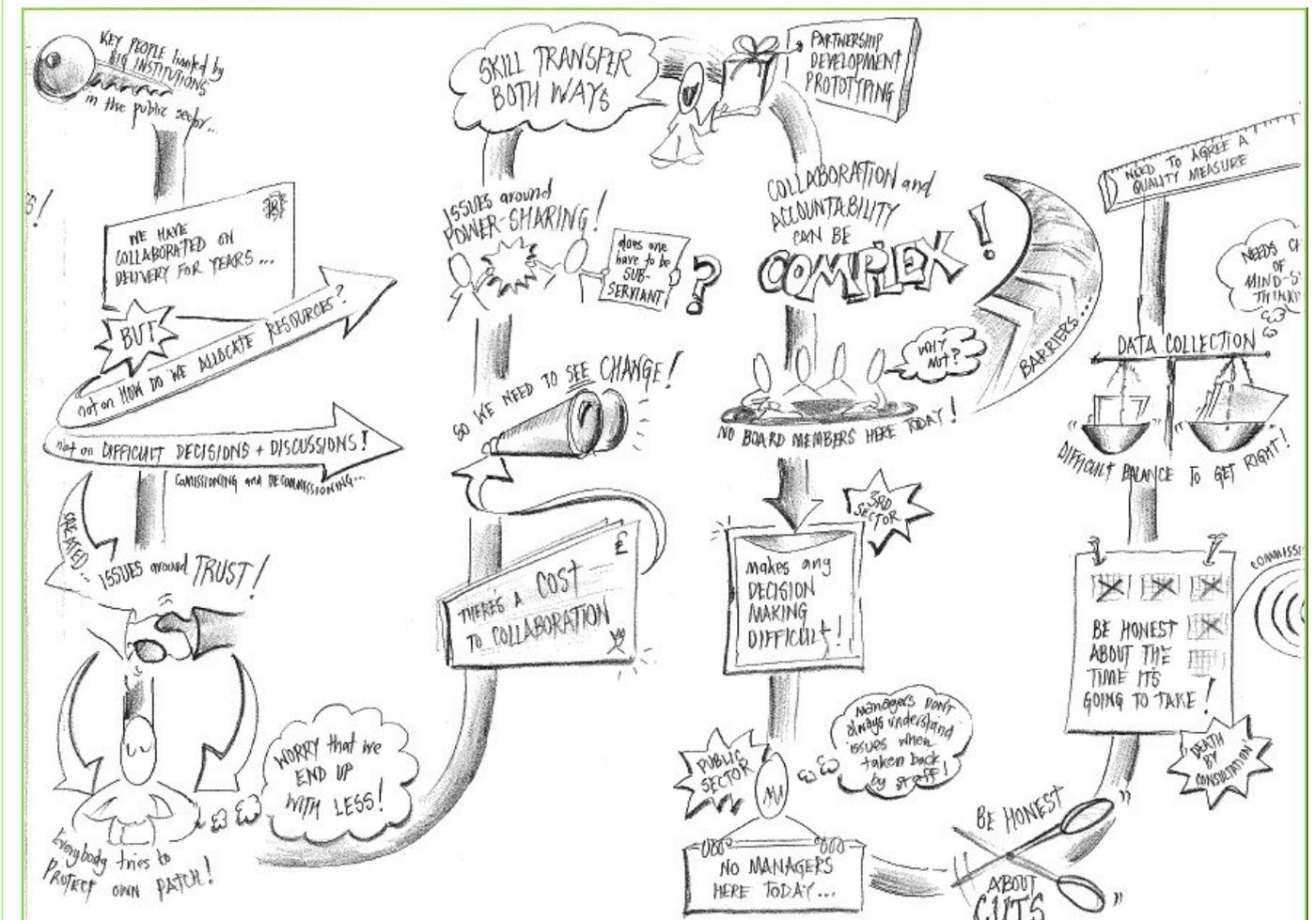
During the life of the Getting Ready for Better Services programme, the Shadow Governance Group made significant progress in terms of strengthened relationships, shared vision for substance use services in Edinburgh, and clarity of underpinning values with which we approach the task of planning services with a known deficit from 2014-15.

### Since June 2013:

- Agreement of a Memorandum of Understanding for partners leading to the design process ([appx.2](#))
- Sharing of information on public sector and third sector finances, to make 'the bigger picture' fully available
- Shared understanding of the policy context in which collaboration will take place:
  - ◇ **City of Edinburgh Council's Market Shaping Strategy**  
This strategy states the expectation that third sector providers contracted by the Council will be expected to play their part in attracting additional investment to services through fundraising.
  - ◇ **City of Edinburgh Council's development of the Co-operative Council ethos**  
The Co-operative Council ethos is based on a commitment to meaningful partnership and co-operation, in which public services work better together and communities have more influence over the services which affect their lives.
  - ◇ **City of Edinburgh Council's review of third sector funding**  
The way the Council relates to third sector providers is being scrutinised.
  - ◇ **The targets and expectations by the Scottish Government for local performance in relation to substance use services**  
There is shared agreement by partners that our aspirations must be higher and wider than simply meeting blunt national targets, in order to have greatest impact on the lives of people affected by substance use.

## Research findings in brief

- Public Social Partnership has changed the way the public sector commissions services, by introducing a more formal process of collaboration to decide what should be commissioned. However, after the piloting stage of the process, it reverts to standard commissioning in which a range of providers compete for a contract.
- In PSP approaches, piloting takes time, during which other services need to be maintained; otherwise there would be full commitment to the pilot approach before it is proven successful. If piloting is given time, then savings will not be realised quickly unless these are applied to other services early on. If piloting is rushed, then there is higher risk to both quality and, in the long term, expenditure.
- In collaborative approaches, commissioners form a partnership from design through to delivery with a range of providers—either in a closed consortium (Lambeth Addictions Consortium model) or an open and dynamic approach (Living Well Collaborative).
- Alliance Contracting ([appx.3](#)) is a method of ensuring collaborators share the tasks of changing and improving to meet agreed objectives; avoiding reverting to the commissioner/provider performance management role; and holding the promise that alliance members also share the challenge of making savings and attracting investment together.
- Piloting can feature in other models. Some collaborative models use small scale, dynamic piloting to test new ideas and methods as their programme of work progresses—it is a feature of the overall approach rather than a short term phase in a fixed process.
- Service user involvement features strongly in some collaborative approaches but this requires additional investment to ensure it is supported independently from partners commissioning or delivering services.



## What we learned

Over time, public and third sector colleagues agreed a number of principles based on what we learned from other models:

### Ethos

- Maintaining a diverse third sector of small and large providers gives advantages for substance users in terms of choice, added value of non-public funding and a positive mix of skills and approaches (Living Well Collaborative)
- Meaningful service user involvement builds up over decades not weeks. When services users are genuinely involved and express views with confidence, design processes are more likely to be based on their experience than starting with operational / bureaucratic convenience (Aurora—part of Lambeth Addictions Consortium; Revolving Doors)

### Leadership

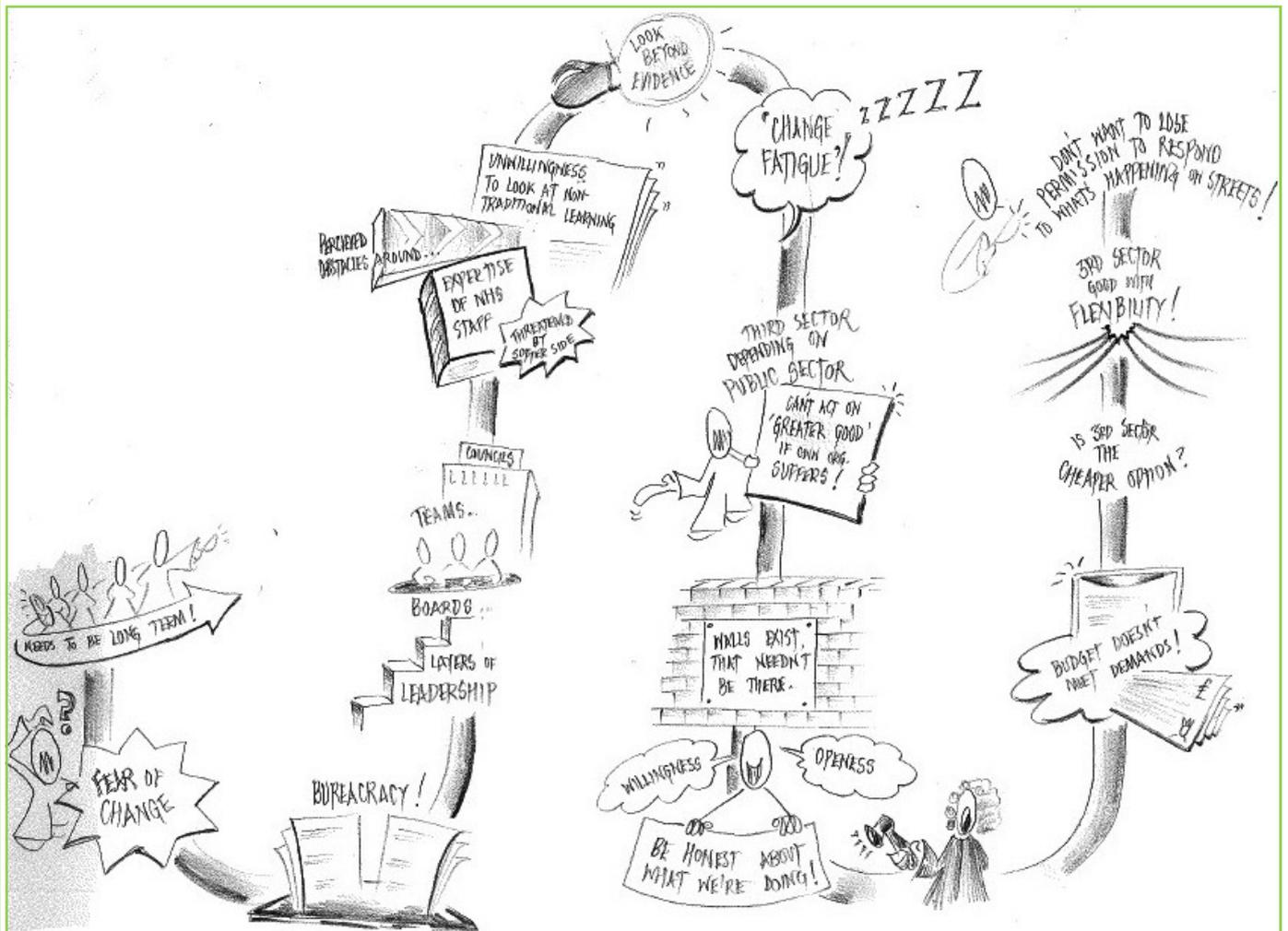
- The best examples of leadership and change we saw came from the public sector—but these examples were good because of a willingness by key individuals to be radical, break down professional and hierarchical barriers and challenge their own sector's thinking, bringing genuine commitment to equality between sectors to the collaboration (Lambeth Addictions Consortium)
- Whilst individual passion and style cannot be copied, individuals flourished where their sector created 'new space' for this leadership. Often this new space was 'in between' the local authority and NHS and from this, a different style of relationship was achieved with the third sector (Lambeth Addictions Consortium; Living Well Collaborative)

### Managing Change

- Development of collaboration, design and subsequent change management benefits enormously from a formalised project management approach, outside of the commissioner-provider dimension (Lambeth Addictions Consortium; Living Well Collaborative; NACRO)
- Effective participation in change, and subsequent improved delivery, requires shared commitment to a quality framework which encompasses both outcomes and organisational effectiveness (NACRO)

### Funding

- A mature approach and shared responsibility for tough decisions is essential, in which we search for solutions to the challenges of future funding shortages together (Lambeth Addictions Consortium)
- Shifting service provision from the public to the third sector can enhance services; and in some areas most savings were made through public service change, not third sector cuts (Lambeth Addictions Consortium / RSA)
- Procurement is not inevitable, and legitimate methods of contracting without competition, may be more constructive in securing stable services and giving them time to develop and improve (Lambeth Addictions Consortium / Living Well Collaborative)



### Prepare for collaboration

At the even for third and public sector partners on 24th October 2014, participants identified these requirements during preparation for collaboration:

#### Relationships

- Honesty about the financial challenges
- Share responsibility for decommissioning
- Change of mindset and thinking
- Willingness to look beyond traditional evidence and respect front line experience of services
- Create space and time for ongoing dialogue

#### Getting ready for change

- Clear understanding of roles and mechanisms for collaborative working
- Reduce sole dependency on public sector income to ensure decisions can be based on collaborative need rather than survival mentality
- Address bureaucracy and become more solution focused
- Understand demand and gaps in provision, create space for innovation

#### Issues to be resolved

- Data sharing
- Governance and contracting in new arrangements—how financial management and forecasting in the third sector works
- Quality management framework

### Service User Involvement

*We propose to hold a series of meetings and possibly a residential for service users nominated from all services, using the remainder of the Investing in Ideas grant. This section will be added after this is complete.*

## Next steps

By the end of the programme, the **Edinburgh Alcohol and Drug Partnership** had agreed to the following recommendations by the Shadow Governance Group:

### Procurement Waiver

- Pave the way for the formation of a collaborative for drug and alcohol services, by applying to the Council for a waiver of normal procurement at least until 2016. By this time it is anticipated that a collaborative will have been formed and public sector finance will be distributed through 'alliances' (operational clusters for different areas of service provision)

### Project Manager

- Apply to the Council for assistance with a Project Manager role to enable commissioners and providers build the collaborative effectively and conclude the process in good time, whilst agreeing a strategy for savings as required by the financial forecast

### Quality Framework

- Develop a quality management framework, by commissioning external consultation with both public and third sectors

### Explore Non-Public Finance

- Explore additional financing options from non-public sources which the collaborative may be able to access

### Investment Strategy

- Develop an investment strategy which looks at the vision for services, the resources available, recommendations on distribution of resources and plans to secure additional resources.

### Service User Involvement

- Begin to develop service user involvement in the process

### External Facilitation Towards Collaboration

- Engage all stakeholders (delivery partners, service users and commissioners) in an externally facilitated design process to agree the priorities for the collaborative and the shape of the alliances within it

**SUNE** will now consult with third sector members to decide what the third sector needs to do next to play its part in this process, which will include:

### Support organisational development

- Support for organisational development to enable members to develop quality management approaches

### Communication

- Ongoing communication so that all members understand the process and can plan for their role in it

### Support fundraising

- Bring the third sector experience of fundraising and project development to the table, to support an investment plan which recognises the added value of the third sector

### Service User Involvement

- Generation of creative solutions to do our best to achieve service user involvement in the best way for service users, in the time available.

### Findings from the 3rd Sector Drug and Alcohol Services Finance and Resources Survey 2013

#### Background

This survey complements work being carried out by the Edinburgh Alcohol and Drug Partnership to map public sector spend on a range of drug and alcohol services from prevention to post-treatment community support.

This survey is the first survey of its kind. We hope to continue to take an annual snapshot of the annual resources which third sector organisations bring to Edinburgh in addition to the resources given to the third sector by our local public sector.

#### Summary

10 organisations took part. There are several large voluntary organisations which did not provide data within the timescale, giving us only a partial snapshot this year.

We mapped the data across the service categories which are also being used for public sector mapping. Broadly speaking:

- Preventive activities, total £210,013 – 6.8% of total spend in the drug and alcohol sector is on prevention. £172,000 of this (82%) comes from additional non EADP funding.
- Post-treatment community support, total £472,000 – 15% of total spend in the drug and alcohol sector is on post treatment support. £308,000 of this (65%) comes from additional non EADP funding.
- Treatment services receive 89% of local public funding and 77% of total drug and alcohol sector funding of £2,388,666. Treatment services attract £677,510 (28%) in additional non EADP funding

We think that overall, the organisations which completed the survey do represent the total work in both prevention and post-treatment support. The picture therefore illustrates that both areas continue to gain a tiny fraction of financial support in Edinburgh.

#### Key points

- The third sector organisations responding to this survey contribute an additional £1,158,010 annually to the local drug and alcohol sector, 96% of this is cash resource, helping to pay for 39.5 staff (full and part-time) whose salaries are not paid for by the public sector.
- The additional financial resource brought to the drug and alcohol sector by these third sector organisations is just over one third of the total spend on these organisations.
- Volunteering in these third sector organisations is conservatively valued at almost a quarter of a million pounds to the drug and alcohol sector.
- These organisations identify 6 sources of funding to the sector as red/insecure, and 7 sources of funding as 'amber'. This is usually due to the term of funding.

## Appendix 2

### Memorandum of Understanding for the Shadow Governance Group

#### Vision, Purpose and Scope

1.1 This Memorandum of Understanding is designed to provide a short term framework for partners to work together to achieve the foundations and develop a redesign process for our shared vision for substance use services in Edinburgh:

- leadership of the vision for better, sustainable, quality services;
- improved quality and outcomes for people affected by substance use;
- better client access to services they need, when they need them;
- improved referral and tracking to ensure people's needs are met;
- integrated and co-ordinated service response;
- joint working with all stakeholders to approach service redesign with the best possible evidence and the involvement of people affected by substance use.

To this end, there is a shared aspiration to influence the total resource available within the public and third sectors to achieve better services for people who need them.

1.2 The MoU is not a contractual document and does not impose any legal obligation on any party. The overall relationship described by the MoU is a voluntary arrangement. The MoU is independent of any other agreements signed by or between the organisations concerned.

#### 2. The 'Partnership' comprises:

- All third sector providers in Edinburgh which meet the needs of people affected by substance use, whether directly funded by EADP or funded from other sources, represented on the Governance Group by Substance Use Network Edinburgh
- Third and public sector providers working to deliver current EADP action plans, represented on the Shadow Governance Group by the Child & Families Sub Group and the Treatment & Recovery Sub Group and the Joint Commissioning Group
- All public sector providers in Edinburgh which meet the needs of people affected by substance use, represented on the Governance Group by NHS Lothian, City of Edinburgh Council.
- Service users and carers, through relevant groups and specific events/consultations
- The EADP Support Team

#### 3. The advantages of partnership working between the public sector and voluntary/community organisations include:

- greater overall capacity to improve outcomes for people - with more effective leadership, management, delivery and monitoring of the service
- lower overheads leading to more money for frontline work
- an increased knowledge pool to contribute to a more effective service
- the different specialisms of organisations when well integrated, enable services to be run smoothly across sub-sectoral boundaries eg. education & health
- organisations can share the risk involved in innovation in service delivery
- a partnership based on trust with a common goal focussed on need and quality of service, rather than being money-led

#### 4. An effective partnership between public and third sector partners will help achieve the following outcomes:

- Responsive and high-quality programmes and services which meet the needs of service users
- A strong, diverse and independent voluntary and community sector which supports service user voice
- Effective and transparent design and development of policies, programmes and services in the public and voluntary sectors
- Clear arrangements for managing changes to policies, programmes and services
- An equal and fair approach to decision making

## Appendix 2

### 5. Roles and Responsibilities

#### 5.1 The Shadow Governance Group will be responsible for:

- Designing a collaborative process which maximises the participation of all partners;
- Proposing approaches and recommendations to partners on the EADP Executive and Joint Commissioning Group for consultation;
- Ensuring fairness in the representation of partners' views, assessment of impact and risks;
- Reporting and making final recommendations to the EADP Executive on the design, and the future means by which priorities and processes for resource allocation are developed;
- The management of different or emerging drivers in the public sectors impacting on this process with equal regard to the needs of all partners;
- Transparency at all stages

#### 5.2 Third Sector representatives will be responsible for providing leadership to third sector partners, to promote:

- Working with the Public Sector to develop services;
- Consultation and communication within the sector to reach a representative view;
- Supporting approaches to gathering service users' views;
- Communicating any constraints clearly to the Public Sector;
- Supplying financial and relevant information, and impact assessment of proposals;
- Providing service delivery and performance information; and
- Providing constructive feedback on the partnership experience.

#### 5.3 The Public Sector, via the EADP Support Team, will be responsible for providing leadership to public sector partners, to include:

- Working with the Third Sector to develop services;
- Consultation and communication within the public sector to reach a representative view;
- Supporting approaches to gathering service users' views;
- Communicating proposals to Public Sector stakeholders and elected members; and
- Providing constructive feedback on the partnership experience.

#### 5.4 The EADP Support team will:

- Service the governance and administration of the partnership approach (EADP Support Team)
- Ensure transparent financial information and other relevant data on EADP expenditure;
- Ensure proposed EADP developments with other sector plans.

### 6. Partnership principles

#### 6.1 Information sharing and consultation

- Ensure transparency by making data and information accessible to providers and service users.
- Focus on evidence-based solutions and seek wide-ranging research and practice information from relevant sectors to inform design, development and funding mechanisms
- All partners should contribute positively to reviews of programmes and funding practice.
- Ensure those likely to have a view are involved from the start make proactive efforts to enable their contribution.
- Give early notice of consultations and decision processes allowing enough time for all partners to involve their service users, beneficiaries, members, volunteers and trustees in preparing responses. Where possible formal consultation periods should be a minimum of 8 weeks.
- Promote and respond to partner consultations with respect for reasonable deadlines.
- Provide feedback including consultation results and explanations on how respondents have influenced the design and development of policies, programmes and services.

## Appendix 2

| Undertaking                          | Actions   | Lead |
|--------------------------------------|---|------|
| Information sharing and consultation | <p>Information flow between Partnership Governance Group, Treatment and Recovery Providers and EADP Partners:</p> <ul style="list-style-type: none"> <li>• Minutes on EADP website and in EADP updates</li> <li>• Scheduling to allow for groups to feed in views, perspectives and ideas</li> <li>• Research, data and other information exchanged via EADP website</li> <li>• Planning and collaborating to hear the views of people affected by substance use by as authentic means as possible within the time constraints of the process</li> <li>• Minutes produced within 1 week of meetings</li> <li>• Agendas / papers produced minimum 1 week in advance</li> </ul> |      |

### 6.3 Funding and resources

Consider a range of ways to support partners, such as enabling collaboration regarding the use of premises and resources.

- Consider a wide range of ways to fund or resource partners, including grants, contracts, loan finance, use of premises and other resources.
- Ensure equal treatment across sectors, including reporting and monitoring arrangements, when tendering for contracts or accessing funding opportunities.
- Ensure transparency by providing a clear rationale for all funding decisions.
- Commit to multi-year funding where appropriate and where it adds value for money. The funding term should reflect the time it will take to deliver the outcome. If multi-year funding is not considered to be the best way of delivering the objective, explain the reasons for the decision.
- Ensure well managed and transparent application and tendering processes, which are proportionate to the desired objectives and outcomes of programmes.
- Recognise that when voluntary organisations apply for a grant they can include appropriate and relevant overheads, including the costs associated with training and volunteer involvement.
- Agree with all partners how outcomes, including the social, environmental or economic value, will be monitored before a contract or funding agreement is made. Ensure that monitoring and reporting is relevant and proportionate to the nature and size of the opportunity. Be clear about what information is being asked for, and why and how it will be used.
- Plan for the end of funding to reduce any potential negative impact on beneficiaries and the organisation, providing as much notice as possible, and not less than three months.

| Undertaking  | Actions   | Lead |
|--|---|------|
| We are looking to develop our approach to collaborating to face budget constraints, public sector cuts and third sector fundraising challenges. These actions and other suggestions will be further discussed: |   |      |
| Funding and resources  | <ul style="list-style-type: none"> <li>• Funding recommendations made with full disclosure of risk and impact analysis</li> <li>• Transparent information on resources available, with valuation of third sector added value and contribution</li> <li>• Commitment to exit strategies developed with emphasis on phased realignment or withdrawal</li> </ul> |      |

## Appendix 2

### 6.4 Development in context

- Assess the implications for all partners of new policies, legislation and guidance.
- Collaborate to seek the views of service users, clients, beneficiaries, members, volunteers, and trustees when making representation to government.
- Voluntary sector partners commit to good governance, quality management and service improvement, including training and development of trustees and senior managers to understand and make effective decisions.
- Public sector partners commit to good governance, quality management and service improvement, including training and development of Board members and elected members.

| Undertaking            | Actions   | Lead |
|------------------------|---|------|
| Development in context | <ul style="list-style-type: none"> <li>• Partners collaborate to review the partnership using recognised self-assessment tools</li> </ul> |      |

• Once agreed, the MoU may only be amended by mutual agreement, signed by the authorised signatories of all parties to the partnership. Once approved, amendments should be attached as annexes to the original MoU.

The MoU will be reviewed once the process for redesigning services has been agreed in November 2013. The review will ensure that there are effective governance arrangements in place to oversee the redesign and resource allocation process. Thereafter the MoU will be reviewed annually or earlier if required. Any changes will be mutually agreed and signed by the Parties.

Any issues or disputes which cannot be immediately resolved to all parties' satisfaction should be escalated to the EADP Executive.

### 8. Reporting arrangements

The Shadow Governance Group will report on progress on a regular basis:

- Papers, minutes (approved by group) and reports available online via EADP and SUNE/EVOC
- All partners circulating information to their respective stakeholder groups
- Shared effort to provide service user and carer friendly summaries for staff to pass to service users

The Shadow Governance Group will report progress to the EADP Executive.

### 9. Key Organisation Contacts

| Name            | Representation                              | Contact                            |
|-----------------|---|------------------------------------|
| Ian Burns       | Interim Service Manager, NHS Lothian        | ian.burns@nhslothian.scot.nhs.uk   |
| John Arthur     | Chair, SUNE                                 | john@comas.org.uk                  |
| Colin Beck      | Service Manager City of Edinburgh Council   | colin.beck@edinburgh.gov.uk        |
| Glenn Liddall   | Chair, Children and Young people's Subgroup | glenn.liddall@crossreach.org.uk    |
| Ruth Campbell   | Chair, Treatment and Recovery Subgroup      | ruth@comas.org.uk                  |
| Jim Sherval     | Chair, Joint Commissioning Group            | jim.sherval@nhslothian.scot.nhs.uk |
| Kate Kasprowicz | EVOC  | kate.kasprowicz@evoc.org.uk        |

### 10. Acceptance

The MOU was agreed at the meeting on 27<sup>th</sup> August 2013.

## Alliance Contracting

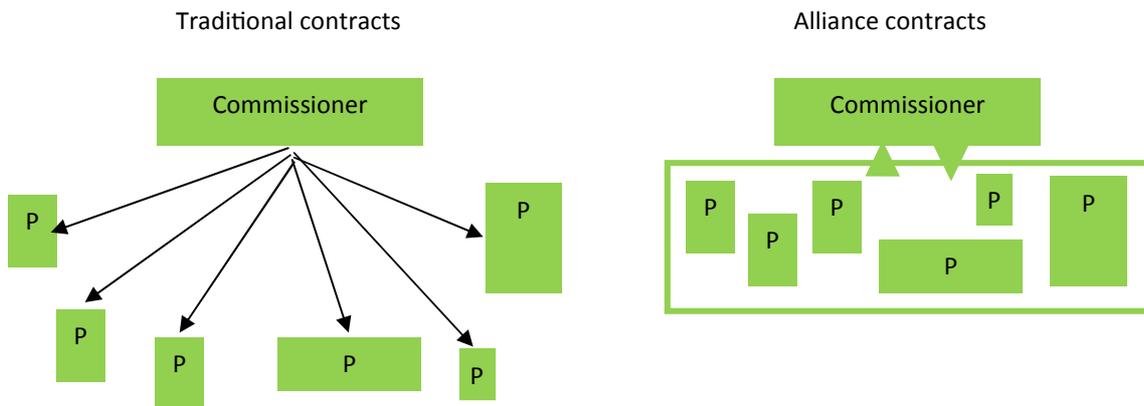
### What is an alliance contract?

An alliance contract is one contract between the owner/financier/commissioner and an alliance of parties who deliver the project or service.

There is a risk share across all parties and collective ownership of opportunities and responsibilities associated with delivery of the project or service. Any 'gain' or 'pain' is linked with good or poor performance overall and not to the performance of individual parties.

An alliance contract creates a collaborative environment without the need for new organisational forms. By having one alliance contract, all parties are working to the same outcomes and are signed up to the same success measures. There is a strong sense of *your problem is my problem, your success is my success*.

The distinctions between alliance contracts and traditional contracts are broken down in the diagram below.



Separate contracts with each party

Separate objectives for each party

Performance individually judged

Commissioner is the co-ordinator

Provision made for disputes

Contracts based on tight specification

Change not easily accommodated

One contract, one performance framework

Aligned objectives and shared risks

Success judged on performance overall

Shared co-ordination, collective accountability

Based on trust and transparency

Contract describes outcomes and relationships

Change and innovation in delivery are expected

### Is Alliance Contracting Right for this Sector?

The contract type must be right for the specific situation. If risks can be clearly separated and allocated to separate providers then a traditional, risk allocation contract may be fine. However, where there are:

- Numerous complex and/or unpredictable risks
- Complex interfaces
- Difficult stakeholder issues
- High likelihood of scope/constraint change
- Different added value from different providers, all of which are desirable
- Threats and/or opportunities that be managed collectively better than individually

Then an alliance approach would be more suitable as all participants, commissioners and providers, assume collective responsibility for delivering the outcomes. The Australia National Audit Office states that alliance relationships are best suited for providing services that are difficult to define; or are likely to change substantially over time; or need innovative solutions from the providers; and need creative management by the purchaser. Many of these criteria apply in the health and care sector.

## Appendix 3

### Building an alliance contract

An alliance contract is a way of working that focuses on relationships and creating an environment of trust, collaboration and innovation. Experts in the approach have identified four steps:

|                                 |   |
|---------------------------------|---|
| <b>Commissioner readiness</b>   | <p><b>Commissioner leadership and capability</b><br/>Leaders and key players should be ready for alliance leadership roles and have secured the skills and capacity to develop and implement an alliance contract.</p> <p><b>Clarity on service and outline contract</b><br/>There must be clarity about the service scope and purpose as well as an outline of contract elements including proposed commercial framework.</p> <p><b>Co-designed outcomes</b><br/>Outcomes for the service should be co-designed with patients, families, carers and frontline staff so that they represent value from all perspectives.<br/>At this stage it is important NOT to have a detailed service specification. That will come later (see end Step 3) once the right relationships have been set up.</p> |
| <b>Alignment</b>                | <p><b>Success requires</b></p> <ul style="list-style-type: none"> <li>• The right partners</li> <li>• Aligned business and personal drivers</li> <li>• Commitment to an alliance way of working: collaboration, openness, innovation</li> </ul> <p><b>Alignment</b><br/>This can be achieved through procurement, which is <b>not</b> based on price competition but on alignment of business drivers and demonstration of commitment to collaboration and innovation.<br/>There can also be alignment without procurement, where an alliance is formed with existing providers. However, considerable time and effort may be needed to actively address alignment, get misalignments <i>on the table</i> and help people let go of the past.</p>   |
| <b>Finalisation of contract</b> | <p>Once the alliance members are agreed and alignment confirmed, they will finalise details together.</p> <p><b>Contract</b></p> <ul style="list-style-type: none"> <li>• Principles that will determine behaviours between the alliance members</li> <li>• Governance and roles</li> <li>• Performance framework with key results areas that link to the outcomes</li> <li>• Commercial framework, including gainshare and painshare regime and any staging</li> </ul> <p><b>Service design</b></p> <ul style="list-style-type: none"> <li>• Implementation plan</li> <li>• Target costs</li> </ul> <p>All the above are openly negotiated and collectively agreed.</p>  |
| <b>Launch</b>                   | <p><b>Staff information sessions</b><br/>For staff in all alliance members organisations.</p> <p><b>Early meetings of Alliance Leadership Team/Board and Alliance Management Team</b><br/>Facilitation of meetings and external support for individuals should be considered to ensure the teams are working as high performance teams from the outset.</p> <p><b>Continued support</b><br/>Further leadership and management development support should be planned as appropriate.</p>   |

**In Edinburgh we need to consider this unknown territory. Going forward with individual contracts will mean individual organisations may have to face reduced funding or disinvestment. An Alliance may ensure more sustainability.**

## Further reading

<http://www.kingsfund.org.uk/audio-video/nicholas-timmins-canterbury-new-zealands-quest-integrated-care>

<http://www.dtf.vic.gov.au/Infrastructure-Delivery/Alliance-and-traditional-contracting>

<http://www.nuffieldtrust.org.uk/talks/videos/iain-mccormick-alliance-contracting-health-sector>