

# Joint working for public service delivery

## A model of collaborative working

### How this model can help

This is one of a series of models covering the different ways that voluntary or community organisations can work together. It is aimed at chief executives, managers and trustees of organisations considering or undertaking public service delivery jointly with other voluntary organisations.

This model explores how organisations collaborate with their voluntary sector partners, as well as with public sector agencies, for public service delivery. The model concentrates on the relationship between voluntary organisations rather than partnership between voluntary organisations and public bodies. Case studies illustrate voluntary sector experience of jointly delivering public services.

### This guidance is no substitute for legal advice.

It is useful for voluntary and community organisations asking:

- Why collaborate to deliver public services?
- How is joint public service delivery different to delivering alone?
- What do we need to think about when jointly contracting with public bodies?
- What should agreements for joint projects include?

NCVO's checklist, *Should you collaborate? Key questions* offers more general guidance to help organisations make informed decisions about whether to collaborate.

For more guidance about collaborating on frontline activities, including more detail on the case studies, please visit [www.ncvo-vol.org.uk/jointprojects](http://www.ncvo-vol.org.uk/jointprojects)

Bridge House Trust



The Baring Foundation



The Collaborative Working Unit is supported by the Baring Foundation, the Bridge House Trust and the Lloyds TSB Foundation.

## What is collaborative working?

NCVO's Collaborative Working Unit defines collaborative working as partnership between voluntary or community organisations. An organisation may work with one or two others or may belong to a wider consortium. Organisations can work together in a spectrum of ways, from informal networks to joint delivery of projects, and for a range of purposes. Collaborative working can last for a fixed time or be permanent.

### C A S E S T U D Y

#### The Cardigan Centre – working with a PCT

The Cardigan Centre is the lead of three organisations collaborating on Active 4 Life, a 'virtual' healthy living centre which runs activities across North West Leeds. The initiative is designed around the strengths of the three partners, each of whom hosts a specialist staff member:

- The Cardigan Centre – Information and Networking for health
- Burley Lodge Centre – Healthy Minds and Bodies
- West Leeds Family Service Unit – Healthy Families and Healthy Children

The main funder of Active 4 Life is the Big Lottery Fund, but Leeds North West Primary Care Trust (PCT) provides an annual core grant. The Cardigan Centre is not contracted to the PCT nor does it have specified outputs to achieve as a condition of the grant, apart from submission of an annual report.

Active 4 Life cuts across disciplines and its staff use the PCT as a resource. For instance, the PCT has an obesity worker who can advise on healthy eating or referrals to dieticians.

***For more information, please contact [penny.bainbridge@cardigancentre.org.uk](mailto:penny.bainbridge@cardigancentre.org.uk) or telephone 0113 275 9282***

## How do organisations work with public services?

Many voluntary and community organisations work closely with the public sector and always have, although many others have no wish to do so. Voluntary organisations may contract with public bodies to provide services or they may receive grants from them to contribute to their core costs or to fund particular projects. Or they may work with them more informally, referring clients to public services, taking referrals from public bodies or sharing information with them.

Public service delivery increasingly involves voluntary, community or private sector organisations delivering services that the state usually provides. Views differ on the point at which an organisation can be said to be taking on such a role, but public service delivery can take place in a wide range of fields such as social care, health, education, leisure and environmental management.

Voluntary and community organisations should only choose to deliver public services when it provides an opportunity for them to achieve their aims. Organisations can win contracts to provide a service on behalf of a local authority, primary care trust or another public body. The role of the voluntary sector in public service delivery should complement its campaigning and advocacy role. As part of civil society, it is important that the sector can influence public services and offer advice on them, whether or not organisations are also directly involved in service delivery.

Please visit [www.ncvo-vol.org.uk/publicservices](http://www.ncvo-vol.org.uk/publicservices) for NCVO policy on the sector's role in public services.

### ***Will a joint project meet your aims?***

*"I'd be surprised if users knew this was a partnership. The real question is are they getting the best service possible?"*

**John Reading, Chief Executive, Action for Change, on working with Addaction**

The role of the voluntary and community sector in public services has generated much discussion, but the most important question remains whether involvement with the public sector helps organisations meet their objectives. It is trustees' responsibility to ask this question.

If the answer is yes, organisations can examine whether collaboration will be the most effective way to work. This decision should rest on whether collaboration on public services will benefit service users, rather than be driven by the promise of funding or any other factor. Where voluntary organisations have the same or complementary objectives, it may make sense for them to achieve their aims by working together rather than competing.

Each organisation must stick to the objects in its own governing document and a joint project should reflect the objects of all the participants. A mission statement derived from your objects has no legal standing. However, if joint service delivery means developing activities outside your mission, this may indicate that you would be diverting resources away from your core activities. This risk needs to be carefully managed. The annual report of a registered charity should explain how public service delivery furthers that charity's aims.

A voluntary or community organisation's independence is vitally important, however closely it works with another organisation or with public services. Trustees have ultimate responsibility for their organisation and must manage conflicts of interest.

### ***Why collaborate to deliver public services?***

The advantages of working with other voluntary and community organisations can include:

- greater overall capacity to improve outcomes for beneficiaries – with more effective management, delivery and monitoring of the service
- lower overheads mean more money for frontline work
- increased capacity for voluntary organisations to replicate on a larger scale a successful service that a small organisation would be unable to scale up alone
- an increased knowledge pool to contribute to a more effective service
- the different specialisms of organisations may enable the service to be run smoothly across subsectoral boundaries eg. education & health
- organisations can share the risk involved in taking on public service delivery
- greater negotiating strength where organisations wish to respond to poor funding practice from a particular public body
- higher levels of trust where organisations have a common culture which is focused on need and quality of service, rather than being money-led

Commissioning bodies sometimes require bids to be made in partnership. At other times, organisations may need to persuade commissioning bodies of the benefits that joint voluntary sector delivery can bring to a service.

### ***What difference does collaborating make?***

Public service contracts are often big contracts so delivering on them jointly can be the only way for small organisations to get involved. However, voluntary sector organisations collaborating on public service delivery not only have a contract with a public body, they also have to forge and maintain agreements with their voluntary sector partners. This adds complexity to bidding for public service contracts as a consortium.

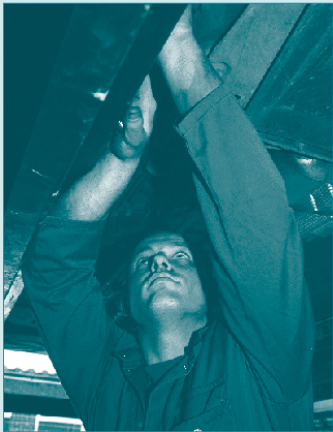
### ***What to think about***

Voluntary and community organisations need to be sure that they can fulfil the terms of a contract before committing themselves to it. Contracts are legally binding so an organisation may face legal action if its terms are not met.

## C A S E S T U D Y

### Work-in-Progress

Advance Housing & Support and Carr-Gomm together set up Work-in-Progress, a new charitable company to help people with mental health problems find supported employment. Advance's Chief Executive approached Carr-Gomm as a potential partner:



*"We were pushing at an open door. Our organisations had similar aims and our regional focus was compatible. Carr-Gomm was strong in northern England; Advance was strong in the Midlands and the Home Counties."*

**Stuart Rigg, Chief Executive, Advance**

Work-in-Progress won its first contract in 2001 – to supply job brokering in Leicestershire as part of the New Deal for Disabled People run by the Department for Work and Pensions. For its first two years, Work-in-Progress made a loss. Since then, the company has remained economically viable with income exceeding expenditure.

Work-in-Progress holds Memorandums of Understanding and service level agreements with Advance and Carr-Gomm. Its clients are not affected by its status as a free-standing company owned by two other organisations, but they do benefit from the advantages of two organisations' involvement.

[www.work-in-progress.org.uk](http://www.work-in-progress.org.uk)

As with all new joint projects, your organisation should:

- make sure the activity fits your aims by providing more or better services to your beneficiaries
- check it is compatible with its partner
- discuss how you are going to work together
- agree respective roles and responsibilities
- consider the effect of the collaboration on the activities of the whole organisation and other staff

Trustees should assess risks regularly and consider the following points before they go ahead with a joint delivery arrangement.

## Timescales

If you are tendering for a contract, you are subject to the timescale of the commissioning body. Organisations working as a consortium may need longer to prepare bids, negotiate contracts and monitor results.

## C A S E S T U D Y

### SensAbility

The SensAbility project trains sensory impaired people to become advocates, mentors and advisers, helping other sensory impaired people access educational opportunities. It is run by two organisations: Learning Links, an educational charity working across Hampshire and the Isle of Wight with people from disadvantaged groups, including visually impaired people, and Hampshire Deaf Association (HDA).

In 2004, the two organisations successfully bid for Learning and Skills Council (LSC) / European Social Fund co-financing for SensAbility. The LSC contract was open only to organisations tendering in partnership. As lead partner and accountable body, Learning Links liaises with Hampshire and Isle of Wight LSC.

HDA have a service level agreement with Learning Links which sets out what HDA will deliver. Funding for HDA is attached to agreed outcomes and is paid via Learning Links. The agreement is an LSC requirement of organisations commissioned to deliver work collaboratively.

The two organisations bring complementary areas of expertise to SensAbility. Regular email and phone contact between the project staff and fortnightly meetings ensure that neither organisation makes assumptions about the other's level of knowledge that could cause problems.

**Julie Duffy, Project Coordinator, Vision Impairment**  
email [jd@learninglinks.co.uk](mailto:jd@learninglinks.co.uk) or telephone 02380 296460  
[www.learninglinks.co.uk](http://www.learninglinks.co.uk)

**Sue Tizard, Project Coordinator, Deaf and Hard of Hearing**  
email [s.tizard@deafhampshire.org](mailto:s.tizard@deafhampshire.org) or telephone 02380 516516  
[www.deafhampshire.org](http://www.deafhampshire.org)

Guidance from the Compact states:

*'Organisations should have enough time to respond, particularly to larger pieces of work or those involving joint working (for example, consortium bids).'*

**Funding and Procurement: Compact Code of Good Practice**  
[www.thecompact.org.uk](http://www.thecompact.org.uk) - see Codes of Good Practice

### **Full cost recovery**

Collaborating takes time and resources. Organisations should understand the full costs of delivering a service, including the cost of collaborating, in order to set a price for the service. Consider the time spent on management, liaison, meetings and monitoring and the cost of travel.

ACEVO have published guidance on calculating costs & full cost recovery. *Full cost recovery: A guide and toolkit on cost allocation* is for small organisations whilst *Funding our future II: understand and allocate costs* is for larger organisations.

[www.acevo.org.uk](http://www.acevo.org.uk) – see Publications

### **Accountability**

*'Voluntary and community organisations undertake to have clear lines of accountability, especially with joint bids'*

**Funding and Procurement: Compact Code of Good Practice**

Organisations can jointly bid for funding, but there is usually one accountable body. Collaborating organisations tend to have a joint working agreement setting out their respective areas of responsibility and financial arrangements. These may include distribution of funding and how management accounts can be used to give each party the information it needs for its own reporting. Each organisation would then account for their part in the project in their own accounts.

When they sign a contract, all partners, including the commissioning body, need to be clear about their specific liability, including liability for the defaults of other partners. For example, if Organisation A cannot deliver their part of the service agreed, but partner Organisation B does, can Organisation B still receive full payment?

Using public money means you will be accountable to the commissioning body and there may be regulatory requirements to be met. You will also remain accountable to your beneficiaries, partner organisations, members and others. Collaborating may put a greater burden on your monitoring and reporting systems.

### **Financial questions**

- What are the VAT implications of charging for a service?
- Will payment for the service be in advance or in arrears?
- How can you prepare for a loss of income once the project ends?

## **Managing relationships**

Negotiating and relationship management skills are essential when bidding for contracts and become more important the more parties are involved in a project. Where organisations are collaborating to work with public bodies, it is useful to assign someone to co-ordinate different strands of work. This is likely to be somebody from the organisation which is acting as the accountable body. Partnership working takes time, but the skills are transferable and useful for organisations' other activities.

## **Employment law**

If new work involves staff moving from one employer to another, organisations may be affected by TUPE, the Transfer of Undertakings (Protection of Employment) Regulations. Legal advice should be taken on how this applies to you.

## **Communications**

Trustees should make sure that they safeguard their organisation's reputation and that its brand is not damaged.

- Do you need to outline to stakeholders how working on public services contributes to your objectives? For instance, receiving funding from a public body may represent a significant change to your funding mix – explain to current funders any implications for existing services and how jointly delivering public services will benefit the client group.
- How might partnership with this voluntary sector partner and with a public body affect organisational reputation?
- Have you included communication protocols in your joint working agreement?
- Are your plans for sharing information about individuals compliant with data protection legislation?
- Who will hold copyright for any guidance material that results? – think about intellectual property, design and trademark.

## **Project cycle**

- Have you agreed management and review mechanisms?
- Have you put in place contingency plans? Regular risk analysis is important.
- What are the criteria and arrangements for ending the project? Contracts should include a termination clause.
- What arrangements do you need to make for the end of the project?

## **Agreements with public bodies**

In addition to joint working agreements between collaborating voluntary and community organisations, their agreements with public bodies vary in formality and legal standing. Voluntary organisations can work with the public sector according to:

## Young People's Training Consortium

*"There are so many barriers to prevent small organisations delivering public services. The number of hoops we had to jump through would have proved an almost impossible barrier for the individual organisations."*

**Nicky Gelder, Strategic Development Manager, DOC Developing our Communities**

In 2003, a group of Hull organisations formed a Young People's Training Consortium to submit a tender for a Learning and Skills Council contract. Their bid was accepted in 2004. Following that contract, Connexions Humber now provides funding to build the capacity of the consortium.

The Young People's Training Consortium comprises eight small community organisations as well as Connexions Humber. DOC (Developing our Communities), a citywide voluntary organisation, is the accountable body.

The organisations did not have the capacity to tender individually, but had a common approach to their similar activities. Each project partner does neighbourhood youth development work, but they use different methods to engage young people, including IT, arts and outdoor activities.

*"It is important to recognise that while smaller groups deliver some excellent services, they do not always have the capacity to develop the comprehensive and seemingly complicated accreditation or health and safety systems required by public agencies. Larger organisations have a part to play in taking risks on behalf of smaller organisations to enable them to meet these requirements."*

**Linda Tock, Training and Consultancy Manager, DOC Developing our Communities**

***For more information please contact [nicky@ourcomms.org](mailto:nicky@ourcomms.org) or telephone 01482 854550***

- informal arrangements which may outline protocols only at operational level
- grant agreements
- memorandums of understanding
- legally binding contracts, including service level agreements

## C A S E S T U D Y

### Federation of Voluntary Sector Care Providers

The Federation of Voluntary Sector Care Providers was established to promote home based care in Southwark by supporting and developing local voluntary organisations to participate in the mixed provision of social care.

In 1995, the Federation negotiated a contract with the London Borough (LB) of Southwark. Following a Best Value review by LB Southwark, the contract was renewed for another three years. Further competitive tendering means that the Federation now provides 280,000 hours of care annually under both 'block' and 'cost and volume' contracts.

The Federation has six member organisations providing home care, community support and home based respite care. It does not directly provide all the contracted care services, but sub-contracts service delivery to members. The roles and responsibilities involved in membership are incorporated in the sub-contracts held with members.

Since 2000, the Federation has responded to changing needs in Southwark by increasing its service to Muslim clients from African, Turkish, Asian and Kurdish communities. Membership enabled two small black-led organisations to get contracts, while the Federation's diverse membership means it can offer Southwark a choice of specialist service providers within large generic home care contracts.

***For more information, please contact Carol Gibbons at the Federation 020 7639 5388***

These options and terms are not mutually exclusive. For instance, a memorandum of understanding about the service to be expected by the public body might be used alongside a grant. This memorandum may be known as a service level agreement and may not be intended as legally binding. Whether any agreement is legally binding depends on the intention of the parties involved. If a public body wants to procure a service, a contract is best practice.

*'If both parties to an arrangement intend the arrangement to be legally binding it is a contract, even if it is called something else.'*

**Charities and Contracts, Charity Commission, September 2003**

Organisations should seek their own legal and financial advice, rather than using the advisors used by the commissioning body, and should ensure they understand the extent of undertakings made in binding agreements. For example, it is important to identify any liability the agreement poses to your organisation or the personal liability of trustees. The need for insurance cover also needs to be considered.

### *Joint undertakings with other charities*

Entering into contracts to provide services jointly with other charities spreads the financial risk... Before entering into any joint arrangement each charity needs to be clear about:

- who will participate
- what the exact duties and contributions of each party will be
- how management costs will be divided between the charities
- what happens in the event of disputes between the collaborators (for instance, whether the dispute will go to professional arbitration or mediation and how the cost of this will be divided)
- allocation of liability
- to what extent any one party will be allowed to make commitments which bind all the collaborators
- how the affairs of jointly-owned undertakings will be directed and managed

**Charities and Contracts, Charity Commission CC37, Crown copyright September 2003**  
[www.charitycommission.gov.uk/publications/cc37.asp](http://www.charitycommission.gov.uk/publications/cc37.asp)

## C A S E S T U D Y

### **Community Equipment Consortium**

RNID, Royal National Institute of the Blind (RNIB), and the British Red Cross formed the Community Equipment Consortium in April 2005 to improve the provision of equipment for people with disabilities.

The Consortium builds on the charities' expertise in running community equipment services. By working together, they aim to encourage a more holistic approach to meeting the needs of elderly and disabled people, providing them with a single point of contact and keeping assessments of people with multiple disabilities to a minimum.

The three charities each currently hold separate contracts with local authorities to deliver statutory services, but they are keen to develop closer working relationships in order to benefit end users.

The Consortium's website acts as a free hub for equipment managers and health professionals to buy and sell surplus equipment. By recycling high quality specialist equipment in the online store, waiting times come down, costs are cut and storage needs are reduced. More importantly, the end user receives urgently needed equipment in a more timely manner.

[www.communityequipment.com](http://www.communityequipment.com)



## Further advice and information

### *Collaborative Working Unit*

email [collaborate@ncvo-vol.org.uk](mailto:collaborate@ncvo-vol.org.uk)  
telephone 020 7520 2440  
[www.ncvo-vol.org.uk/collaborate](http://www.ncvo-vol.org.uk/collaborate)

### *Charity Commission contact centre*

telephone 0845 300 0218  
email [enquiries@charitycommission.gsi.gov.uk](mailto:enquiries@charitycommission.gsi.gov.uk)  
[www.charitycommission.gov.uk](http://www.charitycommission.gov.uk)

### *NCVO's HelpDesk*

telephone 0800 2 798 798  
textphone 0800 01 88 111  
email [helpdesk@askncvo.org.uk](mailto:helpdesk@askncvo.org.uk)

### *Local support*

Councils for Voluntary Service [www.nacvs.org.uk/cvsdir/](http://www.nacvs.org.uk/cvsdir/)  
Rural Community Councils [www.acre.org.uk/rcclinks.htm](http://www.acre.org.uk/rcclinks.htm)

### *Research, policy & guidance material*

NCVO [www.ncvo-vol.org.uk/publicservices](http://www.ncvo-vol.org.uk/publicservices)  
Partnership working between the voluntary and public sectors [www.ourpartnership.org.uk](http://www.ourpartnership.org.uk)

### *Funding advice*

The Compact [www.thecompact.org.uk](http://www.thecompact.org.uk) – see Codes of Good Practice  
Association of Chief Executives of Voluntary Organisations [www.acevo.org.uk](http://www.acevo.org.uk) – see Publications

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**Picture credits:** Volunteering England/Chalky Whyte and Advance Housing & Support

## NCVO's CWU

The Collaborative Working Unit offers information and advice to help voluntary and community organisations make decisions about whether and how to work collaboratively. It serves the managers and trustees of voluntary organisations and infrastructure bodies as well as engaging with funders and policy makers.

### Collaborative Working Unit

NCVO, Regent's Wharf, 8 All Saints Street, London N1 9RL