

## 4 Good Practice for SME Engagement

### For Providers

This section explores engagement between SME providers and local authorities. You may find it helpful to use it as the basis of a discussion with local authorities, either individually or within a provider forum. Section 4.1 suggests top tips for providers about engagement.

### For Local Authorities

This section explores engagement between SME providers and local authorities. How effective are your current engagement methods? Use the case studies as inspiration. Section 4.1 suggests top tips for local authorities about engagement. You will also find it helpful to complete the engagement self-assessment in section 4.2. You may wish to use the table in section 4.3 to structure conversations with providers that you do not fund.

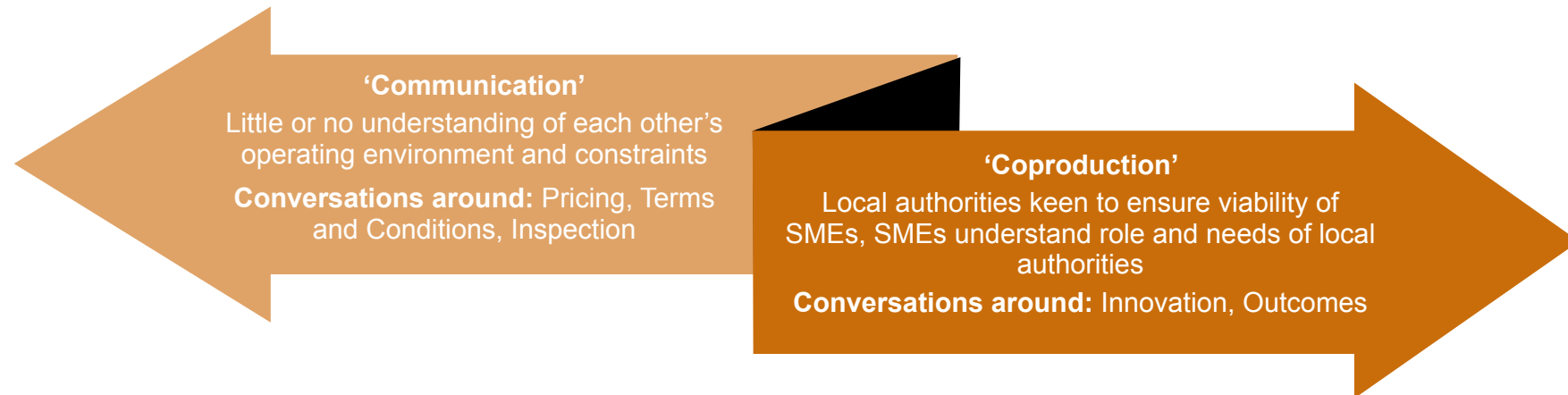
Standard 5 “*Good commissioning promotes positive engagement with all local providers of care and support. This means market shaping and commissioning should be shared endeavours.*”

University of Birmingham/ADASS (2014) [Commissioning for Better Outcomes – A Route Map](#)<sup>26</sup>

Engagement gives an opportunity for the local authority to alert potential providers to future trading opportunities and to secure their input and expertise on a range of issues from unmet service user needs to improving quality. It is also an opportunity to share information and experience on new guidance or regulations and to develop a common understanding around how these work. In practice, engagement can be considered as a spectrum ranging from communication between providers and local authorities, to working co-productively to improve services and provision for local people.

26 <http://www.adass.org.uk/policy-documents-commissioning-for-better-outcomes/>

## Good Practice for SME Engagement



If trust between providers and local authorities in a particular area is problematic, it will take a concerted effort to start building it. Better communications and conversations are key, with both sides needing to be proactive in moving towards a co-productive approach, even when circumstances aren't straightforward, as the following two case studies illustrate<sup>27</sup>.

### Case Study: Local authorities

*"It can be very hard for both councils and community groups to move beyond past experience and previous mutual history. Yet if we cannot do this, and recognise that both sides are trying to (in most cases) really change, then it is difficult to see us ever getting to a better place.*

*"One council embarked on a programme over a six month period where they publicly acknowledged previous failings in a specific area. The cabinet member and the senior officer had some uncomfortable meetings, but once the tour was*

### Case Study: Providers

*"As a local resident and chair of the community forum for our neighbourhood, I and 11 other chairs of other local community forums across the borough, turned out on a Saturday recently for an Away Day at which we were due to negotiate and agree with the council (as our co-commissioners) overarching outcomes for the next two years for our community engagement work. The meeting was the first step in an agreed process as per our cabinet approved commissioning framework. We had asked the council to choose the date for the Away Day to accommodate their availability and had given over two months' notice. We had invited the three relevant cabinet members, all four of the new Commissioning Directors, and the relevant senior staff from the delivery side (again as per the commissioning framework). On the day, NOT ONE turned up!*

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*done, it did indeed open a new preparedness of community groups to re-engage with the council and embark on important and ambitious new plans.”*

*“In the end we did not all simply get up and leave the meeting. We decided instead that we would press ahead with the day’s work, draft the outcomes anyway, and then write to the council, expressing our annoyance at how they had treated us but nonetheless sending them the outcomes and asking for a second meeting at which they could be agreed.”*

***“We have a Market Development Manager who forges relationships with Providers”***

**(East Midlands local authority)**

## 4.1 How to engage?

Some providers, particularly whose customers/clients are mainly funded by local authorities or CCGs, have seen freezes or cuts to rates paid for care in recent years. Reductions in public sector spending have not only had an impact on providers but also resulted in reductions in local authority staff. In many areas, neither commissioners nor providers have the capacity to engage that they had a few years ago.

Developing a strong market facilitation function, often as part of the commissioning role, can be a challenging cultural and operational shift for local authorities, even for those fully committed to making this happen. Achieving change is not just about 'pushing' the authority to act differently. It is also about SME providers being prepared to 'pull' power from their council and to help the council learn new norms of behaviour. If councils or SME providers settle for a poor relationship, that is the relationship they will get. The table below gives some 'top tips' on how to engage

Top tips for SME providers engaging with local authorities	Top tips for local authorities engaging with SME providers
<p><b>Get involved with the local authority(ies) with which you would like to work with at the earliest opportunity</b></p> <ul style="list-style-type: none"> <li>■ Help them to decide what they want to commission and demonstrate what the market can or could provide</li> <li>■ Attend events the public body hosts with the intention of getting to know the marketplace or helping stakeholders meet each other</li> <li>■ Shape the authority's approach to commissioning and procurement</li> </ul> <p><b>Develop relationships with local authority(ies)</b></p> <ul style="list-style-type: none"> <li>■ Discuss how you can get recognition for the social value work that you can offer, helping the local authority to meet its duties under the Public Service (Social Value) Act (2012)</li> <li>■ Find opportunities for working in partnership and testing out new ideas</li> <li>■ Suggest how you can evidence that your service delivers value for money and discuss your methodology with the commissioner</li> </ul>	<p><b>Make the engagement matter</b></p> <ul style="list-style-type: none"> <li>■ Be clear about the scope</li> <li>■ Who should attend?</li> <li>■ What role should wider social care infrastructure organisations (e.g. local VCS) play?</li> <li>■ How do you judge the effectiveness of the engagement?</li> </ul> <p><b>Create a safe space for engagement</b></p> <ul style="list-style-type: none"> <li>■ Acknowledge and seek to 'draw a line' under any poor relationships</li> <li>■ Address how the cost of provider engagement will be met: as part of a contract price or by attendance, or some other way?</li> <li>■ How will this work for providers not in local authority contracts?</li> <li>■ Consider the use of an external facilitator</li> <li>■ Ensure clarity about how each party will treat information discussed, especially around issues like future business plans and profitability</li> </ul>

## How to engage?



### MYTH busting!

**Myth:** As local authorities, we can't speak to providers when we are retendering for a service.

**Reality:** New EU procurement rules place an increased emphasis on consultation before and during the tender process to assess user need, help gain a better understanding of the feasibility of delivery, and understand the capacity of providers to deliver, as well as develop the market where necessary.

**Case Study: East Sussex County Council** started their work with micro-providers by engaging at a community level, both to find out what was needed in those communities and to identify small businesses that might be able to contribute to meeting those needs. The approach generated a lot of interest and many individuals, groups and businesses engaged with the council to gain advice and support.

## 4.2 Engagement self-assessment for local authorities

Local authorities engage with providers using a range of mechanisms; the examples listed in the table below should be familiar. However, how effectively these methods are used varies. How mature is the conversation between local authority and SME providers?

In this tool, local authorities are invited to assess themselves on the effectiveness of their engagement. Rank the effectiveness of the methods of engagement you use between 0 (poor practice) to 5 (positive practice); importantly think about how effective they are for your SME providers. Use examples of positive and less positive practice given to help you make your judgement. What needs to be done to improve the score? How do you think your providers would score your effectiveness? Should you ask them?

This tool could be used as an opener at an engagement event between commissioners and providers						
SME engagement method	How would you assess the effectiveness of your engagement activities?					What needs to be done to improve the score?
	Less Positive Practice ←			→ Very Positive Practice		
Provider forum	0	1	2	3	4	5
	<ul style="list-style-type: none"> <li>Providers who attend the Forum are 'spoken at rather than spoken with'</li> <li>Forums are cancelled without mutual agreement</li> </ul>			<ul style="list-style-type: none"> <li>Opportunity to network</li> <li>Two way exchange of views between provider and local authority</li> <li>An opportunity for providers to influence future policy</li> </ul>		

## Engagement self-assessment for local authorities

	0	1	2	3	4	5	
Market position statement	<ul style="list-style-type: none"> <li>Market position statement doesn't actively encourage provider engagement</li> <li>Market position statement is written without provider consultation</li> <li>Market Position Statement doesn't mention providers and their perspective</li> </ul>		<ul style="list-style-type: none"> <li>Market position statement has been developed taking into account what providers have told us what would be useful for them</li> <li>Providers have approached us to have conversations about services they can provide in the future to help meet the vision in the Market Position Statement</li> </ul>				
'Meet the commissioner' events	<ul style="list-style-type: none"> <li>Insufficient time for providers to be able to ask questions</li> <li>Only aimed at providers the local authority currently contracts with or already has a relationship with</li> </ul>		<ul style="list-style-type: none"> <li>Small round table discussions allow for meaningful engagement</li> <li>Notes and resources available after the event</li> <li>Balance of input, questions and discussion</li> </ul>				
Briefing sessions	<ul style="list-style-type: none"> <li>Sessions are not aimed at SMEs</li> <li>They expect participants to have experience of dealing with local authority or health authority contracts</li> </ul>		<ul style="list-style-type: none"> <li>Sessions enable the authority to introduce the latest thinking</li> <li>Sessions are delivered in smaller groups so there is space to ask questions and get answers</li> </ul>				

## Engagement self-assessment for local authorities

	0	1	2	3	4	5	
Dedicated business support	<ul style="list-style-type: none"> <li>Business support is not specialised for care providers</li> <li>Training support is poor quality</li> </ul>		<ul style="list-style-type: none"> <li>The local authority provides free training to local SMEs, including those entering the market</li> <li>The local authority provides additional support for micro-providers setting up and seeking to become sustainable including funded training for staff and volunteers</li> </ul>				
Working with local provider representative organisations	<ul style="list-style-type: none"> <li>The representative organisation fails to take the time to understand the perspective of all providers</li> <li>Local chambers of commerce and local enterprise partnerships are not interested in the care sector and do not provide representation to the local authority about the sector</li> </ul>		<ul style="list-style-type: none"> <li>The relationship between the local authority enables the authority to alert providers to changes in commissioning intentions</li> <li>Providers elect representatives to work with commissioners to negotiate issues concerning costs</li> </ul>				
Social media e.g. webinars, online Q&As	<ul style="list-style-type: none"> <li>Consultations do not appear to be taken seriously, often being 'tickbox' exercises involving pre-set question</li> <li>Real concerns are not addressed</li> </ul>		<ul style="list-style-type: none"> <li>Some ability for discussion and debate</li> <li>Accessible to interested parties to access at a suitable time for them</li> </ul>				



## Engagement self-assessment for local authorities

	0	1	2	3	4	5	
Community based engagement	<ul style="list-style-type: none"> <li>Poorly advertised with only 'known' providers involved</li> <li>Little opportunity for attendees to share their experience and to network</li> </ul>		<ul style="list-style-type: none"> <li>Community contacts and organisations used to attract diverse mix of providers</li> <li>Collaborative style and content creates a demand for future events</li> </ul>				
Other – do you use any other methods of SME engagement?							

### 4.3 Working with SME providers across the whole care market

Local authorities now need to have an understanding of the whole care provider market, not just those providers they directly buy services from. Moreover, to meet their duties under the Care Act, local authorities need to build a better and more comprehensive understanding of the self-funder market in their areas and so should be stepping up engagement with their providers. This is also an opportunity for local authorities to understand more about successful providers that they don't fund and the provision that individuals choose to spend their own money on, including why they do so.

People taking direct payments have similar requirements to self-funders in terms of obtaining quality information, advice and guidance about wellbeing, service delivery and financial options. Accordingly, local authorities need to engage with providers that they do not directly contract with to ensure that there is a sustainable and diverse range of care and support providers for self-funders and direct payment holders to choose from.

In addition to developing better market intelligence and sharing local authority plans within the Market Position Statement, it is important to work with all providers to help them achieve efficiencies and to support them in delivering high quality services. The table below suggests a number of discussion areas about which you might wish to have conversations with providers. The engagement methods you use for the whole market need not differ from the methods of engagement identified above in section 4.2 above. An effective approach might be for local authorities to map what currently happens, even if only with providers they fund, and then consider what more could be done with the whole care market around these discussion areas.

## Working with SME providers across the whole care market

Discussion area	Key questions	What do we currently do to engage providers around this question?	How could we involve the whole care market to get a better answer?
<b>How service users find out what is available?</b>	How do we respond to need? What would people like to have bought if it were available?		
	What financial information, advice and guidance is used by service users? Are we happy with the quality of these services?		
<b>How can we work together to achieve efficiencies?</b>	How could the local authority take on oversight of the information providers submit to CQC, CCGs and other agencies and work to reduce duplication by providers?		
	Is there potential for providers to share HR arrangements?		
	How could providers, sharing training delivery, cut costs and improve standards?		

## Working with SME providers across the whole care market

Discussion area	Key questions	What do we currently do to engage providers around this question?	How could we involve the whole care market to get a better answer?
<b>How do we know we're delivering quality services?</b>	What sector specific business information would be useful for new/expanding providers?		
	Do staff have the skills they need for now and the future? What workforce planning is needed across the sector?		
	How can we best share practice innovation?		
	How do we assure quality?		

**Case Study: London Borough of Enfield** surveyed residential and nursing care home providers to better understand the self-funder market within the Borough. Additional follow up activity increased the response rates including sending introductory and reminder emails, contacting care managers by telephone and supporting providers to complete online surveys. Where data anomalies were found in the survey returns, accuracy was clarified with the individual provider. Survey respondents reported that it was helpful to have telephone contact in addition to emailed requests. Respondents were able to ask questions if unsure, some were busy so appreciated assistance with completing the survey during the telephone conversation and one provider felt the survey was intrusive but later willingly took part once the importance/relevance of the survey was explained.