



Cultural commissioning models

Single provider model



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What is it

A single provider model involves commissioners entering into a contract with an arts and cultural organisation to meet their strategic objectives. The length of the contract may vary but due to the investment needed and the impact they have, contracts tend to be longer than services funded through grant funding

How does it work?

Commissioners can take a number of routes to enter into an agreement with a single provider. A common approach has been to set out a detailed specification of requirements and outcomes and go to the market (potential providers). An alternative route is to use a '**competitive dialogue approach**'. This approach can take longer but has the attraction of bringing innovation and 'future proofing' into the solution.

The competitive dialogue approach involves going to a broad market with the outcomes that the commissioners are looking to achieve and asking for responses on how they would meet these challenges. The market is encouraged to come back to the commissioner with innovative responses and to highlight gaps in the outcome requirements. This means that the commissioners benefit from the whole market and can challenge their own thinking about the design of services.

Responses are then whittled down to a small number of credible providers through an assessment process. Then, using intelligence provided by the market, the commissioner is able to refine their requirements into a more detailed tender process which is sent to the small number of providers. Finally, the process is used to identify one or two providers to enter into detailed discussions and eventually detailed negotiation to appoint a single provider for the delivery of a service that meets their requirements.

Another approach may involve two or more commissioners (e.g. neighbouring CCGs) working together on a contract with a single provider as part of a **collaborative commissioning model**.

Who are the commissioners?

There are a range of public service commissioners that may seek to enter into a contract with a single provider to use arts and culture to meet local needs. Examples can include:

- Local authority public health teams;
- Clinical Commissioning Groups;
- Mental Health NHS Foundation Trusts;
- Individual GP or cluster of GP practices;
- Health and Wellbeing partnerships; and
- Local authority adult social care teams

How is the service contract organised?

Contracts are essentially a legally binding promise between two parties, usually for the supply of goods or services in return for agreed payment. The relationship between the two parties is defined by contractual law as opposed to the particular terms and conditions of the commissioner.

Practically, a contract is delivered when the specifications of delivery are met. This means that the contract contains a description of the completed service, known as a specification. All parties need to fulfil their side of the promise to fulfil the contract. As contracts are legally binding the commissioner is equally responsible to treat the provider correctly and do what they say they will. Some contracts are negotiable, which means provider organisations should feel confident about challenging unfavourable terms and conditions.

How is the service evaluated?

The service specification will outline the outputs and outcomes to be delivered by the provider and how performance will be monitored and measured. In some cases the provider will have had the opportunity to discuss and negotiate the monitoring and evaluation arrangements as part of the commissioning process. It is important to note that in some cases the provider may undertake additional evaluation work and impact assessment over and above what is specified in the service contract in particular where this helps to generate evidence that may help them secure future contracts.

Building sustaining working relations

Regular performance review meetings between the commissioner and the provider are important in discussing the delivery of the contract and identifying areas where remedial action is required. This may include, for example, areas where the commissioner can provide support such as increasing the flow of referrals or promoting the service amongst clinicians and patient groups.

Maintaining visibility and profile with commissioners is essential to demonstrate the contribution that the contracted service is making to achieving local priorities. Inviting commissioners to attend the sessions with participants can prove powerful in demonstrating first-hand the impact of the scheme. Ensuring that the scheme is clearly referenced within the commissioner's strategic and operational plan can help to build a sustainable working relationship.

Scalability

The ability of single providers to scale up schemes / activities may be influenced by a number of factors, including:

- The size/capacity of the organisation and their ability to expand their delivery (both geographical and by volume);
- The number of suitable and affordable venues from which to deliver sessions; and
- The availability of funding to expand the number of sessions and/or participants supported

In some cases where provider is a registered charity their charitable objectives / governing document may restrict their ability to deliver services outside of their target geographical area or client base. One approach may be for providers to establish a consortia model to enable a number of organisations to work together to meet the needs of the commissioner.

Potential challenges

Providers may find the process of negotiating with commissioners about the service costs and deliverables as challenging. Whilst providers may be keen to secure the contract and establish a relationship with a commissioner it is important that the costs associated with the delivery of the service are sufficient to ensure quality and are financially viable. Providers will need to determine the extent to which the terms of the contract cover all of the costs associated with delivering the service (i.e. **full cost recovery**).

The contract will clearly specify the duration of the service to be provided. Providers will need to factor in capacity to discuss arrangements for contract renewal or extension with commissioners. Whilst some commissioners may choose to recommission the same provider without going out to competitive tender it is likely that other providers may be approached to tender for the delivery of the service as part of an open procurement process. As such there is no guarantee that providers will secure a further contract to continue the delivery of a service.

Providers may also experience challenges in maintaining good working relationship with commissioners due to staff turnover within the commissioning organisation. A change of commissioner may have implications for the nature of the service to be commissioned and will as a minimum require the provider to spend time engaging new staff to ensure that they understand the service that they are contracted to deliver.

Top tips

- Ensure that your contract covers all your costs of delivery to ensure that it is financially viable and doesn't present any risks to your organisation;
- Where possible try and negotiate a contract that covers a period longer than 12 months as this enables you to plan ahead and ensure better continuity of service;
- Enter into discussion with your commissioner about plans for extending and/or recommissioning your contract well in advance of the scheduled completion date; and
- Be realistic about the amount of time required to engage in contract negotiation and a competitive dialogue process. Also ensure that regular contract meetings with your commissioner are factored in to your service contract and delivery costs

Examples

- **Core Arts** – directly commissioned by Hackney and the City CCG to work with East London Foundation Trust (ELFT) to offer recovery pathways for patients in crisis;
- **English National Ballet** – commissioned by NHS West London CCG to deliver the Dance for Parkinson's programme; and
- **Royal Liverpool Philharmonic** – commissioned by Mersey Care NHS Trust to provide resident musicians across the trust

The Cultural Commissioning Programme, funded by Arts Council England, works with arts and cultural organisations to help them better engage in public sector commissioning, with public service commissioners to help them understand the potential of arts and culture to deliver their outcomes, and also with policy makers and stakeholders nationally. The first phase of the programme (July 13 – June 16) was delivered by the National Council for Voluntary Organisations (NCVO), in partnership with New Philanthropy Capital and New Economics Foundation. A second phase (July 16 – Dec 17) is delivered by NCVO.