



Partnership Investment Agreement

Discussion Document

[insert date]



1.0 Introduction

Partnership Investment Agreement (PIA)

This is a discussion document designed to stimulate discussion as part of the commissioning landscape approach. It is a tool to support changes in the approach to invest and spend.

The Partnership Investment Agreement (PIA) is a contract. It is an additional tool alongside the Framework Agreement.

It has two purposes. Firstly, to provide the means for **[insert organisation]** to invest in **Preventative Support** within the procurement model of the *Commissioning Landscape*. This is where there is evidence it prevents the person's need from growing.

Secondly, to provide the means to invest in an organisation where there will be a return of greater value. Unlike traditional grant aid that supports an organisation to meet its own aims, the PIA identifies *organisational outcomes* that provide additional social benefit or capital. Social capital is a broad notion; therefore it is important this return is focused specifically on benefits for health and/or social care. This could include building capacity through volunteers, informal support networks or accessing other investment.

Unlike commissioning a block of service, it establishes **[insert organisation]** as a stakeholder along side other partners.

By 2015 we can expect PIAs, both small and large, assisting with a range of initiatives for vulnerable groups, volunteering opportunities, improving access to specialist advice, greater partnership working across groups and organisations. The investment will be with a range of organisations from social enterprises and user-led organisations to traditional businesses and will be building up the evidence base for preventative work.

Acknowledgements:

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2.0 Key Elements

- It will be a commissioned investment based upon clear objectives and outcomes. The primary focus is on **Preventative Support**. It will build up social capital that has a direct impact on the need for longer term, funded “care and support”.
- It will be based upon evidenced outcomes in two areas that will provide the basis for monitoring the effectiveness of the investment:
 - **Outcomes that demonstrate prevention.** (Effectiveness) These will be specific to each agreement and the actions and outputs to achieve them identified by the provider. They will provide the basis for monitoring the impact.
 - **Organisational outcomes that provide return/added value on the investment.** (Cost-effectiveness). This will differ between agreements but could include:
 - Building up a volunteer base
 - Developing self-help/mentoring
 - Developing informal community support networks including communities of interest
 - Assisting access to other resources and fundraising
 - Establishing alliances and partnerships with other organisations, activities etc. to increase the available resources
- To ensure transparency, a preferred model for measuring social return needs to be identified. Various models are available e.g. New Economics Foundation Social Return on Investment. This is not straightforward. Many approaches established are qualitative rather than quantitative. In addition there is a risk of over complicating as evidence to date shows it is not feasible or desirable to attach an economic value to every possible benefit. A straight forward but consistent approach needs to be identified.
- To support providers with evidencing the preventative impact, a range of prevention tools are being developed as part of the Prevention Strategy. Some activities may already have an evidence base confirming the preventative impact and the monitoring will reflect this. Others will require the evidence to be established and include impact measured over time e.g. the Outcome Star <http://www.outcomesstar.org.uk/>
- In order to address equalities, it will promote variety and choice in provision, including a means to support local, small scale initiatives and innovations.
- As part of the preventative action it can include activities that improve access to mainstream services for black and minority ethnic communities and other disadvantaged groups.
- It will be an asset based approach, building on the resources organisations bring. It will support coproduction and the mixed economy of provision including social enterprises.

- It can provide support to people with health related needs where the preventative activities reduce the need for more intensive care and support and/or lead to greater independence and recovery. However, it will not provide subsidy to the provision of services purchased through personal health budgets as this would give competitive advantage and/or mean the support is paid for twice.
- The PIA will be time limited to [insert timeframe] and could be tapered within that period to reflect the intended returns. It is expected there will be situations where the investment provides significant returns and re-specification will be required at the end of a contracted period.
- As this is an investment it needs to be proportionate to the outcome and return required. A maximum investment for the PIA [insert fig] is recommended, but there may be situations where exception is required.





3.0 Nature of the Agreement

- This is a contract for outcomes. The outcomes will address two areas:

Organisational Outcomes:

What is the return on the investment?

Prevention Outcomes:

What is evidence of prevention?

- It will reflect the nature of the funding and have the flexibility to support small organisations.
- At all times the PIA will go through a procurement process. For any existing contracts, there is not the option to 'change' onto a PIA. Current contracts that provide **Preventative Support** will require a contract end date that may or may not include a tapering arrangement, there will then need to be either:
 - A competitive tender process (if the total contract value is in excess of **[insert fig]**)
 - A minimum of 3 quotes (if the total contract value is less than **[insert fig]**)
 - A waiver of standing orders granted to allow a single provider to be engaged for the contract. This should only be used in cases where there is substantial evidence to show that there is a single provider in the market able to provide the services required. All waivers have to be granted by Legal and Commercial Services



4.0 Establishing the Partnership Investment Agreement

Current investment into **Preventative Support** is primarily historic. It is unlikely to be evidencing its actual preventative impact other than anecdotally. It is vulnerable in the current financial climate and yet there needs to be a means to identify, maintain and develop this investment where it has a real impact on the need for more expensive interventions.

The *Costed Commissioning Plans* will be aligned to the procurement model in the *Commissioning Landscape* and provide the means to outline the intended shift of investment to **Preventative Support**.

In practical terms the implementation of the *Commissioning Landscape* provides the opportunity to identify the current investment in **Preventative Support**. It will be a function in many of the current contracts and services, and for some it will be the main purpose. The investment can therefore be identified during this transition period within each service area. Once this is achieved this investment in prevention can be accounted for and monitored separately.

The new Partnership Investment approach can then be established through procurement processes.

We can expect it to fall into specific areas of preventative activity including:

- Promoting carer support
- Promoting social networks, mutual support
- Promoting access to training and employment
- Promoting access to specialist advice and guidance including self-help and advocacy

Although we know the opportunities of Personal Health Budgets are encouraging providers to offer care and support across areas of need and disability, we can expect there to continue to be a place for preventative activities that focus on particular needs and disabilities.



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