

# Case study

## HLG – Collaborative working and consortium delivery in Nottingham

### KEY THEMES

- BALANCING DUAL SERVICE DELIVERY AND SECTOR SUPPORT ROLES
- PROMOTING COLLABORATION
- STRATEGIC LEADERSHIP
- DEVELOPING AND BIDDING AS A CONSORTIUM
- ORGANISATIONAL DEVELOPMENT AND CONSTITUTIONAL CHANGE

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## SUMMARY

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HLG is an umbrella organisation for the homelessness and supported housing voluntary sector in Nottinghamshire; with an expanding role in the wider East Midlands. HLG has a dual role as an infrastructure organisation and as a direct service provider. The organisation has recently gone through the process of changing its memorandum and articles to fit its developing role and to maximise its earning potential. HLG has played a pivotal role in helping the sector to respond to changes in Supporting People commissioning. As a result, third sector organisations have come together in effective collaboration to bid for and win a number for housing related support contracts in Nottingham City. This includes a large floating support contract in which HLG is one of eight consortium partners.



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# BACKGROUND

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HLG, originally the Hostel Liaison Group, was set up in the 1980's as a membership organisation providing support for those working in the growing homelessness sector. HLG registered as a charity in 1986 and continued to grow. The organisation became a direct service provider when the hostels in the city wanted to develop a mental health service.

HLG was seen as a neutral place to locate this shared service as, unlike the other agencies, it did not provide accommodation. HLG now has two integrated halves to its work: as an infrastructure provider of support to other organisations; and as a direct service provider with expertise in particular areas.

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### THE TWO ROLES OF HLG

#### The Resource arm of HLG offers:

- information through websites, newsletters and e-bulletins
- a wide range of training for those working with homeless and vulnerable people
- seminars and briefings on key issues relevant to the homelessness/housing sector
- one-to-one support for organisations
- strategic support for the sector to engage in the wider local policy agenda.

The primary funders of this work are the City and County Councils. HLG has a contract with the City Council to build capacity in the sector and provide one-to-one support for organisations. It also has a recently renewed three year grant with the County Council and infrastructure funding from the Big Lottery to offer one-to-one support (at a similar level to that provided in the City) across the County.

HLG's direct services have tended to expand where the local sector wanted additional services provided on 'neutral territory'. In addition to the Mental Health Support Team, HLG now has a Housing Support Team and a Drug Support Team. Funding on the service side comes from local authority Adult's and Children's Services, the Supporting People budget and the PCT. All HLG's service provision is contract based or linked to Service Level Agreements.

Having joint support and service delivery roles means that HLG has to maintain clear boundaries and be transparent in its dealings. HLG's board includes representatives from some of the member organisations HLG exists to support, so transparency is at the core of the organisation's governance. As the environment for service provision has become more contract based and competitive, HLG has had to clarify its dual role and become more explicit about the criteria used to inform its own development.

*'As the environment for service provision has become more contract based and competitive, HLG has had to clarify its dual role and become more explicit about the criteria used to inform its own development.'*

### COLLABORATIVE WORKING – RESPONDING TO CHANGES IN SUPPORTING PEOPLE

In April 2005, the City Council produced its 5 year Supporting People Strategy which proposed significant changes to how Floating Support services would be delivered in the future. The proposed model was to have a single contract for each of 19 specified client groups. Having had early warning of likely changes (from the point Supporting People was first introduced in 2003) HLG, its members and the Council all had concerns about the impact that fewer, larger contracts might have, particularly on smaller local providers.

In the lead up to the new commissioning process HLG supported a network of providers and ran an event to discuss the changes and options for the sector. Speakers at this event included: a representative from Space East, an equivalent organisations to HLG based in Norfolk, which was already working on models of collaboration in preparation for a major tendering exercise; and a representative from Sitra who talked about different models for bidding. The event sparked a real interest and commitment to collaboration amongst providers and enabled organisations to talk about the possibilities of collaboration and new ways of working.

HLG was clear at this stage that, in order to maintain the integrity of its infrastructure role, it would not bid against other organisations for delivery as a sole provider. This enabled it to play an important convening role and to act as an 'honest broker' for relationships within the sector. HLG wrote some basic guidance on collaboration and contracting, which still felt very new at the time, and encouraged organisations to use non-disclosure agreements as a way to help them share information without fear that it would be used to compete against them. Several of the partnerships that came together as a result of these discussions went on to win contracts when the tendering process went ahead.

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### CONSORTIUM BIDDING

One of these partnerships was the Key Support Consortium, made up of organisations offering 'generic' floating support (ie. support not covered by other client-specific service specifications). HLG convened a meeting for the 10 providers with prior Supporting People contracts for this, including HLG's own Housing Support Team. Eight of these agencies, including four larger providers (mostly local housing associations) and four smaller ones went on to form the Key Support Consortium.

By mutual agreement of the partners, Framework Housing Association took the lead role in the consortium. Framework, itself the result of a merger of two organisations back in 2001, demonstrated a commitment to working in a way that would enable large and small providers to work collaboratively within the consortium. HLG did not seek this lead role despite having convened the initial meetings. To lead the consortium would have compromised HLG's work supporting other providers and the contract size, which would have trebled HLG's turnover, would have been considered too big a liability. While Framework took the lead on writing the bid, HLG continued to identify external agencies that the consortium could learn from. This included a London consortium that had made an unsuccessful bid for a similar contract and a consortium in Wiltshire that had been successful.

*'We learnt an important lesson from London. They thought they'd sort out how to work together if they won the contract. We knew, with the benefit of their hindsight, that we had to present this convincingly to commissioners at the bidding stage.'*

The Key Support Consortium developed working groups to address some of the day to day practicalities of delivering a seamless service. Questions about how the consortium would deal with referrals or quality issues formed a significant part of the tender interview. The Key Support Consortium went on to win the contract and HLG now plays the same role as any other partner. The Housing Support Team attends operational group meetings and receives referrals from the common access point provided by Framework. Being part of the Key Support Consortium has required some change to working practice for the partners involved. It is early days but so far the new working arrangements are going well.

### BENEFITS OF WORKING IN THIS WAY

Despite some of the risks, HLG saw the Supporting People changes as an opportunity for the sector to work better together. Although there had always been competition between local organisations there had also been a strong history of collaboration, evidenced by HLG's own development. Collaboration enabled the diversity of provision to be preserved with specialist services, such as BME mental health services, being able to continue as part of a larger contractual arrangement.

Collaboration between local agencies has meant that services continue to be provided by organisations that have a commitment to the local community. This has not always been the case where larger contracts have been let elsewhere. Collaboration has resulted in better publicised, better co-ordinated services that are easier for clients to access. Consortia have also increased the opportunities for large and small providers to learn from one another.

One of the main priorities for the Council was to have fewer contracts to manage. But, having encouraged collaboration, the Council also gains from the links that are maintained between the contracted service and additional provision offered by the range of organisations involved. In the case of the Key Support Consortium, this includes things like welfare rights advice and a local furniture project which contribute to resettlement work.

*'Getting the tender in was a huge effort. Even before we knew the outcome, people were saying they were glad we had tried. Relationships between providers in the city have improved as a result.'*

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### CHALLENGES

The tender process presents real challenges for consortia. Trust and sound preparatory work greatly enhances the chances of success. In Nottingham, HLG was able to play an ‘honest broker’ role, providing support and resources (such as sample documents and agreements) that enabled local groups to build trust and good working relationships. The Council has also faced challenges related to the new contracts. Although supportive of collaborative working, there were some delays in the process while the Council addressed the legal liabilities of consortium contracts.

Collaboration and consortium building can be time consuming and costly. There are also particular challenges, including cost, for smaller organisations. Hact’s (Housing Associations Charitable Trust) Collaborate project, recognises this and provides a useful resource pack to help small providers compete for Supporting People contracts.

### TIPS FOR SUCCESS

**Start early** – act on intelligence from key funders about changes ahead, work out the risks and opportunities for the sector and respond pro-actively.

**Find out as much as you can as soon as you can** – especially regarding timescales and attitudes to collaborative working and consortium bids.

**Learn from other areas** – the successes and failures of other groups can be really informative as can the documents and agreements they have used.

**Seek professional advice where needed** – especially as a lead agency, it is important that you understand and deal with things like TUPE where new contracts mean transferring staff in from outside the consortium partners.

**Develop a clear vision of what you are collectively offering** – so that the advantages are evident to the commissioner at the bidding stage.

**Be prepared to change** – both staff and management need to be prepared for the change that collaborative working inevitably brings.

**Think of yourself as a single service early on** – developing a shared vision helps to kick start the cultural change that consortium working requires.

*‘There is no doubt that bidding and setting up delivery as a consortium in the first place is more costly than doing it as a single organisation. You have to believe it’s worth it for the sector and the service users’*



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## WHAT NEXT

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In 2008, HLG changed its charitable articles to allow it to operate across the East Midlands. This was considered a necessary move as the organisation's well respected training provision already attracted participants from across the region. The change also enables HLG to develop consultancy work as another source of income. Having run Homeless Watch (an annual snapshot survey of homelessness) in Nottinghamshire for several years, HLG is now able to offer this service elsewhere in the region and delivered Homeless Watch in Derbyshire for the first time in 2008. As far as direct service delivery is concerned, HLG is looking to sustain rather than grow its role. This in itself requires on-going adaptation to changing circumstances and to more outcomes focused contract environment. HLG's experience of this continues to inform its infrastructure role.

There are some really big challenges ahead for HLG and for the sector it works with. In Nottinghamshire, the County Council is now looking to review provision and planning to go through a competitive tendering process as others have already done. Again, HLG is working with the sector to promote and support collaboration.

From next year, Supporting People funding will be redistributed nationally and rolled into councils' general Area Based Grant (ABG). In Nottingham, the spending of Area Based Grant will be aligned to the priorities of the multi-agency Local Strategic Partnership (LSP). In its infrastructure role, HLG is concentrating on supporting the sector to establish relationships with LSPs and making sure that LSP partners have a good understanding of housing related support and the organisations delivering it.

HLG has also been invited to represent the sector on a group set up to look at how to respond to the reducing Supporting People budget. Although this presents a potential conflict of interest, HLG has taken the view that, as the reductions are inevitable, it is in the sector's interests to have an input into how this is handled. It is still early days for the Key Support Consortium and the other contract arrangements in Nottingham. The big question is whether changes to structures and budgets will result in more radical changes to delivery models in future.



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### WHAT NEXT FOR YOU

- Are there changes ahead for commissioning practice in the area you work in?
- Might greater collaboration enable you and other potential partners to win contracts in future? Are there others who have been through similar changes from which you could learn?
- Do forthcoming changes present risks for any part of your provision or income?
- Are there things you could be doing to maximise your potential to generate income (including reviewing your constitution or business model)?
- Do you know how your LSP works and who represents the third sector on key partnership bodies? Are there things you could be doing to raise awareness amongst local partners and influence future decisions and priorities?

### FIND OUT MORE

HLG

[www.hlg.org.uk](http://www.hlg.org.uk)

Framework Housing Association

[www.frameworkha.org](http://www.frameworkha.org)

Space East

[www.space-east.org](http://www.space-east.org)

Citra

[www.sitra.org.uk](http://www.sitra.org.uk)

HACT

[www.hact.org.uk](http://www.hact.org.uk)

Supporting People

[www.communities.gov.uk/housing/supportandadaptations/supportingpeople](http://www.communities.gov.uk/housing/supportandadaptations/supportingpeople)

NCVO Collaborative Working Team

[www.ncvo-vol.org.uk/collaborate](http://www.ncvo-vol.org.uk/collaborate)

PSDN article – Collaborative working and public service delivery

[www.ncvo-vol.org.uk/PSDNcollaborative](http://www.ncvo-vol.org.uk/PSDNcollaborative)

This case study is based on interviews with Claire Grainger, Chief Executive of HLG, and two shorter phone conversations with Dave Smith, Service Director at Framework Housing Association and Esther Paterson, Supporting People Contracts Officer at Nottingham City Council – May/June 2009.

**Supporting People** is a programme of housing related support to help vulnerable people live independently and maintain tenancies. It is funded by central government through a ring-fenced budget devolved to local authorities.

Floating support is a service linked to the individual rather than a particular residence.



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This case study forms part of NCVO's Public Service Delivery Network's work to develop tools and resources for the improvement of procurement and commissioning relationships between the voluntary and community sector and the statutory sector.

For further information about the work of the Public Service Delivery Network visit [www.ncvo-vol.org.uk/psdnetwork](http://www.ncvo-vol.org.uk/psdnetwork) or call the Sustainable Funding Project on 020 7520 2411

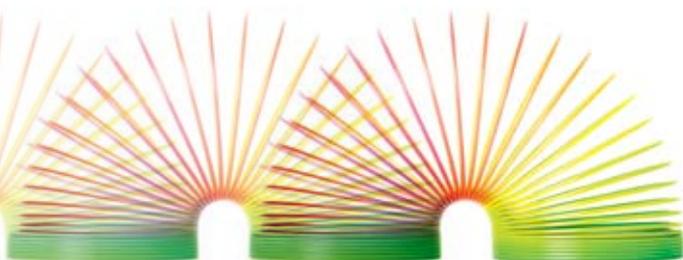
The Sustainable Funding Project is an NCVO initiative working in partnership with the Big Lottery Fund and Charity Bank.

The project is the sector's premier provider of tools and resources encouraging and enabling voluntary and community organisations to develop and implement a sustainable funding strategy.

The Sustainable Funding Project: [www.ncvo-vol.org.uk](http://www.ncvo-vol.org.uk)

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The Sustainable Funding Project is supported by:



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