Commissioning in children’s services – what works?
New report from Demos

An exploratory report from leading cross-party think tank Demos, commissioned by the Children’s Services Development Group (CSDG), has identified the critical success factors for outsourcing in children’s services.

The Government has sent a clear message to local authority children’s services departments – there is zero tolerance for failure. However with budgets under significant pressure and a growing number of children entering the care system, authorities are often reaching breaking point before exploring new ways of delivering services. This fails to achieve value for money and can significantly impact on the stability and outcomes of vulnerable young people.

Through international and domestic case studies, as well as wide ranging interviews with commissioners, providers and thought-leaders in the UK, Demos has concluded that:

- Local authorities and central government should adopt a pro-active approach to outsourcing, so it is seen not as a way of responding to failure or cutting costs, but of improving outcomes.
- A strong and transparent relationship between the commissioner and provider is critical to achieving best practice.
- Consensually agreed outcomes must be used when commissioning a service. Performance can then be measured and monitored against these outcomes.
- Local authorities must effectively collect and use data covering their population, the true costs of delivering their services, and on the outcomes of young people.

CSDG Chair Andrew Isaac said:
“"The findings of this report confirm the pressing need for a proactive and constructive partnership between local authorities and providers of children’s services at a time of stretched budgets and growing demand. Decision makers within government and at a local level must urgently assess the learning and recommendations Demos has put forward. The opaque and often ideologically driven approach taken by many local authority departments is counter-productive to achieving positive outcomes for the young people in our communities. There is significant expertise and resource, as well as high quality, specialist provision that can be harnessed to deliver value for money and meet the needs of vulnerable children.”

Author of the report, Demos researcher Simone Vibert, said:
"When supporting some of the most vulnerable children in society, it's vital local authorities deliver the best services possible. Commissioning services from a varied range of providers can achieve this - but only when done strategically and under the right circumstances. Commissioning is an art, not a science, and local authorities need guidance and support to do it well. Looking to domestic and international good practice is an important way to learn from 'what works' in children’s services and avoid common missteps".

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Notes to Editors:

1. To speak with the report’s author and discuss its findings, please contact Demos’ press officer Alex Porter on alex.porter@demos.co.uk or 07969 326069.
2. For more information, please contact Nicholas Charalambides on 0203 102 3628 or nicholascharalambides@westminsteradvisers.co.uk.

3. **CSDG** is an alliance of independent providers of care and specialist education services for children and young people with complex needs. Members include Acorn Care & Education, Foster Care Associates, National Fostering Agency, Options Group, SENAD Group and Witherslack Group.

4. **Demos** is Britain’s leading cross-party think tank: an independent, educational charity, which produces original and innovative research.