School of Government

GOVT 535

CONTRACTING, PROCUREMENT AND COLLABORATION

(15 Points)

Trimester 2 / 2016

(CRN 27141)

COURSE OUTLINE

Prescription

This course examines approaches used when government organisations work with 'external providers', i.e. public, community and private sector organisations, particularly in service delivery. It focuses on contracting out (from classical to relational contracting), procurement (purchasing) and more recent shifts towards partnership and collaboration (especially in social services).

Course Learning Objectives

Students completing this course will be able to:

1. Demonstrate knowledge of the history, theory, development and evidence regarding contracting, procurement and collaboration, especially in service delivery;
2. Critically analyse the theory and practice of contracting, procurement and collaboration in the public sector;
3. Apply their knowledge to cases of simple, single-organisation as well as complex, multi-organisation service delivery.

Names and Contact Details

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Trimester Dates

Monday 11 July – Tuesday 25 October 2016

Withdrawal from Course

Formal notice of withdrawal must be in writing on a Course Add/Drop form (available from either of the Faculty’s Student Customer Service Desks or from the course administrator). Not paying your fees, ceasing to attend lectures or verbally advising a member of staff will NOT be accepted as a formal notice of withdrawal.

1. Your fees will be refunded if you withdraw from this course on or before Friday 22 July 2016.
2. The standard last date for withdrawal from this course is Friday 30 September 2016. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an ‘Application for Associate Dean’s Permission to Withdraw Late’ including supporting documentation. The application form is available from either of the Faculty’s Student Customer Service Desks or at www.victoria.ac.nz/vbs/studenthelp/publications/Application-for-late-withdrawal-2010.doc.

Class Times and Room Numbers

This course is delivered in a modular format.

Module One: Friday 15 July 2016 9.00am – 5.00pm
Module Two: Friday 02 September 2016 9.00am – 5.00pm
Module Three: Friday 21 October 2016 9.00am – 5.00pm

Locations: Classes will be held on the Pipitea Campus of Victoria University in Wellington and you will be advised of your classroom one week prior to each module by email. The timetable is also available to view on the Victoria University website at www.victoria.ac.nz/students/study/timetables.

Attendance is required at all teaching days
Course Delivery

This course is delivered in a modular format over three days (three ‘modules’) of 6 hours contact time each (18 hours total) between 9.00am and 5.00pm on the days indicated above, supplemented by 6 hours of work away from the campus, during which you will work on a group project between module meetings, as detailed below. Attendance is required at all teaching days. Participation in additional work sessions is mandatory.

Mandatory Course Requirements

In addition to obtaining an overall course mark of 50 or better, students must submit or participate in all pieces of assessment required for this course.

Any student who is concerned that they have been (or might be) unable to meet any of the MCRs because of exceptional personal circumstances, should contact the course coordinator as soon as possible.

If you cannot complete an assignment or sit a test or examination, refer to www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat.

Course Content, Required and Further Readings

Text

The required text for this course is:


This book can be purchased from VicBooks (www.vicbooks.co.nz), the Victoria University bookshop.

Unless otherwise stated, all readings on the following reading list are available via the ‘Talis Aspire Reading List’ in the Course Contents folder on Blackboard.

MODULE 1
Contracting out and procurement

This module covers the advocacy, introduction and development of contracting of service delivery to third-party providers in the 1980s to the present, including critiques and evidence, providing coverage of many of the core ideas, models and concepts in the field. It includes discussion of the relationship between the terms ‘contracting out’ and ‘procurement’ (treated sometimes simply as ‘purchasing’) and ‘public-private partnerships’.

Topics to be covered are:

- Implementation in the bureaucratic era, implementation research, the economic critique
- ‘Purchasing’ inputs to the policy process (from stationary to submarines)
- ‘Contracting’ external providers to deliver services (outputs) to clients or customers
- Theory: Transaction cost theory, principal/agent theory (a.k.a. ‘agency’ theory) – ‘the contract state’
What were/are governments trying to achieve? What were/are providers seeking to gain?

- Contracts, tendering and letting the contract, approaches and methods
- Contract management, evaluation and accountability
- The critiques and the evidence
- Organisational capability, funders and providers
- From legal to relational contracting, from outputs to outcomes
- Contracting out and procurement
- Public-private partnerships, proponents, critiques and the evidence

**Required reading**


**Further reading**


Websites maintained by various advocacy and government organisations containing useful material are also listed in the Talis Aspire reading list. They are:
MODULE 2

Contracting in New Zealand

This module uses New Zealand as a case study of current practice and ongoing developments in contracting out. We will draw on international practice such as that from the UK and Australia. Ongoing debates between funders and contractors about appropriate and effective approaches are leading to significant changes in practice of which an outcome orientation and streamlining approaches are two important aspects.

Module 2 will be conducted with the assistance of the MBIE group heading the development of procurement (see www.business.govt.nz/procurement). It will include discussions with selected funder agencies and non-government providers.

Module 2 will also include a detailed examination of relevant sections in the NZ Productivity Commission report on More effective social services (2015) (see www.productivity.govt.nz/inquiry-content/2032?stage=3)

Topics to be covered are:

- Contracting and procurement: the NZ context
- Guidance from the centre: Treasury and the OAG
- International comparisons
- Issues arising: funder and provider concerns (ie. capability)
- MBIE and 'streamlined contracting'
- The funder perspective: a discussion
- The provider perspective: a discussion

Ensure you have completed and reviewed the required reading from Module 1.

Required reading (and pre-module preparation)

**General material on procurement**

Government Rules of Sourcing

Mastering Procurement

Read the ‘Toolkit’ page
www.business.govt.nz/procurement/for-agencies/guides-and-tools

Read ‘Developing Procurement Capability’
www.business.govt.nz/procurement/for-agencies/nz-procurement-academy/developingcapability

Read ‘Government Model Contracts’
www.business.govt.nz/procurement/for-agencies/government-model-contracts

**Streamlined contracting**

The key page for MBIE’s functional leadership of procurement can be found at
www.business.govt.nz/procurement/procurement-reform
Read ‘Streamlined Contracting with NGOs’

Read especially:
The contracting framework:
Contracting framework documents and tools:
Results Based Accountability™ (RBA):

Read also
www.health.govt.nz/about-ministry/what-we-do/streamlined-contracting

RBA Homepage - Implementation guide http://raguide.org/

MODULE 3

Review o/f Group Projects

From contracting to collaboration: The reconstruction of 'service delivery' under conditions of complexity
Recognising the new conditions of public policy implementation in the 21st century (e.g. complexity, uncertainty, inexplicability) has forced increasing acknowledgement of the inappropriateness of simple-minded approaches to contracting out, replaced by a focus in some policy areas on partnership and collaboration as potentially efficacious in service delivery. But these trends depend on new types of relationships between government agencies and third-party organisations, now and in the future.

Topics to be covered are:
- 21st century conditions of implementation: Beyond ‘contracting’
- Complexity and uncertainty
- Holistic solutions to uncertain and complicated/complex problems; emergent solutions to uncertain and complicated/complex problems (‘learning by doing’)
- Partnering and collaboration in service delivery: from principal/agent to partners
- Partnership, networks and co-production
- Implications for funders
- Central and local government, the non-government and private sectors; New roles? New relationships?
- Collaboration? Or is it really only communication, coordination, cooperation?
- ‘Boundary spanning’ and other competencies
- Organisational/system capacity?
- Outcomes as the end; collaboration only as the means?
- The future of ‘third party provision’ in the public sphere

Required reading


Ryan, B. (2011). The signs are everywhere: ‘Community’ approaches to public management. In B. Ryan, & D. Gill (Eds.), *The Future State: Directions for public management in New Zealand* (pp. 85–122). Wellington: Victoria University Press. (This document will be separately available on Blackboard)

**Further reading**


**Readings**

Required, application and further readings indicated with an asterisk are available from the Victoria University of Wellington library databases or e-book collections. As a VUW student, you have complete and free access to these materials. University copyright licenses allow you to download and print these materials, so long as you use them for educational purposes only. Please ask your course convenor or a VUW librarian if you require help to access material, or if you run into any other problems.

If the library does not have database or e-book access to required readings (those with no asterisk in this course outline), the readings will be available on Blackboard, or you will be advised to buy the readings. In some cases, you may need to go to the library to consult books, or to check them out.

You will need to draw on additional materials to complete assessment items.

**Blackboard** is Victoria University’s online environment that supports teaching and learning by making course information, materials and other learning activities available via the internet through the myVictoria student web portal. Ensure that you can access Blackboard before the course begins.

To access the Blackboard site for this course:

1. Open a web browser and go to [www.myvictoria.ac.nz](http://www.myvictoria.ac.nz).
2. Log into myVictoria using your ITS Username (on your Confirmation of Study) and password (if you’ve never used the Victoria University computer facilities before, your initial password is your student ID number, on your Confirmation of Study, Fees Assessment or student ID card – you may be asked to change it when you log in for the first time).
3. Once you’ve logged into myVictoria, select Blackboard (from the options along the top of the page) to go to your Blackboard homepage.

4. The “My Courses” section displays the courses you have access to – select the appropriate link to access the course-specific Blackboard site. Please note that only courses that are actually using Blackboard and have been made available to students by their respective course coordinator will be displayed.

5. If you have any problems gaining access to Victoria University’s computer facilities, such as myVictoria and Blackboard, you should contact the ITS Service Desk on (04) 463 5050 or its-service@vuw.ac.nz. See www.victoria.ac.nz/its/student-services/ for more information.

Power-point slides and other lecture materials that are posted on Blackboard may differ from the presentations used in class, as the copyright rules for archived presentations differ somewhat from those for live presentation.

**Expected Workload**

The learning objectives set for each course are demanding and to achieve them, candidates must make a significant commitment in time and effort to reading, studying, thinking, and completion of assessment items outside of contact time. Courses vary in design but all require preparation and learning before the first day of the course and regular learning is also necessary (students who leave everything to the last moment rarely achieve at a high level).

Expressed in input terms, on average, the time commitment required usually translates to approximately 150 hours for a 15-point course. Some of that is set contact time. The rest is your study time and we recommend you study weekly for approximately 8-10 hours.

**Assessment**


**You should keep a copy of all submitted work.**

There are two items of assessment for this course (but note that assignment 1 has two parts):
ASSIGNMENT 1: Report/Paper plus Briefing

For this assignment you are to form a pair with one other person presently doing the course. If any individual wishes to work alone, they must first seek the approval of the course convenor. Both people in a pair will receive the same mark for the two parts of the assignment.

Choose either Option 1 or 2.

OPTION 1: Critique of the New Zealand Productivity Commission's report into 'More effective social services'

According to the NZPC, "Effective commissioning is fundamental to well-functioning social services, but government agencies do not undertake commissioning in a structured and consistent way" and argued for the importance of 'improving commissioning and contracting'.

In its 'Cut to the Chase' document (p. 3), it goes on to say:

Commissioning tasks also include the detailed design of services, such as determining client eligibility and service standards, the design of evaluation, and pricing. Commissioning organisations should guide service implementation and provide stewardship so that services are operating well, learning and innovating, and achieving their purpose. The Government should appoint a lead agency to promote better commissioning of social services. Commissioning organisations should actively build the required skills, capability and knowledge to lift the quality of commissioning.

Providers reported that contract terms and funding levels were not sufficient to allow them to make investments in staff training, information systems or innovation. Full funding is appropriate when governments are paying non-government organisations to deliver the Government’s goals or commitments. Full funding should be set at a level where an efficient provider can make a sustainable return on the resources they use in providing the service.

Imagine that you are presenting a paper to a conference involving academics, senior government officials (central and local government) and representatives of the non-government sector on the topic of "Commissioning and contracting in the 21st century" (like any conference paper, yours should be properly referenced). Your task is to conduct a critique of this report for presentation to the conference, using the knowledge you have acquired on this course. Part A of your assignment is the 'Paper'. Part B is a short, 'take home' version.

See the table above for length, due date, marks and relevant CLOs.

OPTION 2: Preparation of a monitoring framework

One of the major issues confronting funders and providers in New Zealand - identified by providers and acknowledged by some government agencies (including the NZ Productivity Commission) - is that monitoring conducted by providers for funders as part of their contract obligations is too focused on compliance and efficiency and not enough on effectiveness. Moreover, providers argue there is 'compliance overload'; funders expect too heavy a load of monitoring by contractors and much of it relatively meaningless output and process information. Even, sometimes, different funders each require their own type of monitoring framework even when they're wanting somewhat similar information.

Select a government strategy or policy that relies heavily for delivery on third-party providers and for which you are able to access a strategic plan (this may be a standalone document or one contained within another document). Create an appropriate monitoring framework for the contract(s) that (a) is
Write your 'Report', Part A of this assignment, as if you are high-quality consultant commissioned by the funder agency (or agencies) to give them a hard-hitting evaluation of whether they are dealing with this aspect of contract management effectively and appropriately. Make Part B of your assignment, the 'Briefing' a short, 'take-home' version.

See the table above for length, due date, marks and relevant CLOs.

ASSIGNMENT 2: Blog – Learnings and reflections

Throughout the course you will read and heard many views, many points of discussion and will have many thoughts yourself. What are your most significant learnings? What have you been reflecting on that seems important? The most significant ways your thinking has or is changing? The ways in which you intend changing your practice?

Assignment and Instructions:
1. Identify one or two of your most significant reflections and learnings and write at least one blog of 1000 words on one of them. The purpose is not just to externalise your own increasingly informed views but also to share learning with your peers and hence learn from each other. (Feel free to post multiple blogs if you’d like; don’t forget that assessment is one thing; ongoing collective learning is another and the more blogging you do, the more, the more you and others will benefit.)
2. Comment constructively on the views expressed on others’ blogs – you are required to comment on at least one other person’s.

The criteria against which your blog will be assessed are: depth of understanding, insight, succinctness and communicability to a professional audience. Your mark will reflect the totality of your blogging. If you blog on multiple occasions and would like one blog in particular to be the focus of your assessment, advise the course convenor before the due date.

Note that extensive referencing like you would use for publication or in an academic setting is not required in the blog but your reflections should normally be placed in the context of other professional, practitioner or academic thinking and writings – so a small selection of references may well be appropriate.

See the table above for length, due date, marks and relevant CLOs.

Penalties

The ability to plan for and meet deadlines is a core competency of both advanced study and public management. Failure to meet deadlines disrupts course planning and is unfair on students who do submit their work on time. It is expected therefore that you will complete and hand in assignments by the due date. Marks will be deducted at the rate of five per cent for every day by which the assignment is late and no assignments will be accepted after five working days beyond the date they are due. For example, if you get 65% for an assignment, but you handed it in on Monday when it was due the previous Friday, you will get a mark of 50%.
If ill-health, family bereavement or other personal circumstances beyond your control prevent you from meeting the deadline for submitting a piece of written work or from attending class to make a presentation, you can apply for and may be granted an extension to the due date. You should let your course coordinator know as soon as possible in advance of the deadline (if circumstances permit) if you are seeking an extension. Where an extension is sought, evidence, by way of a medical certificate or similar, may be required by the course coordinator.

**Group Work**

The course requires 6 hours of group work between modules. This work is considered part of the class contact, but rather than being accommodated in a longer module day (i.e. 8.30am to 6.00pm), the equivalent of 2 hours per module can be flexibly scheduled by groups of students, with tasks undertaken and reported back as detailed below.

**Academic Integrity, Plagiarism, and the Use of Turnitin**

Plagiarism is presenting someone else’s work as if it were your own, whether you mean to or not. ‘Someone else’s work’ means anything that is not your own idea. Even if it is presented in your own style, you must still acknowledge your sources fully and appropriately. This includes:

- material from books, journals or any other printed source
- the work of other students or staff
- information from the Internet
- software programs and other electronic material
- designs and ideas
- the organisation or structuring of any such material.

Acknowledgement is required for *all* material in any work submitted for assessment unless it is a ‘fact’ that is well-known in the context (such as “Wellington is the capital of New Zealand”) or your own ideas in your own words. Everything else that derives from one of the sources above and ends up in your work – whether it is directly quoted, paraphrased, or put into a table or figure, needs to be acknowledged with a reference that is sufficient for your reader to locate the original source.

Plagiarism undermines academic integrity simply because it is a form of lying, stealing and mistreating others. Plagiarism involves stealing other people’s intellectual property and lying about whose work it is. This is why plagiarism is prohibited at Victoria.

If you are found guilty of plagiarism, you may be penalised under the Statute on Student Conduct. You should be aware of your obligations under the Statute, which can be downloaded from the policy website ([www.victoria.ac.nz/home/about/policy/students.aspx](http://www.victoria.ac.nz/home/about/policy/students.aspx)). You could fail your course or even be suspended from the University. Plagiarism is easy to detect. The University has systems in place to identify it.

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine [www.turnitin.com](http://www.turnitin.com). Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.
There is guidance available to students on how to avoid plagiarism by way of sound study skills and the proper and consistent use of a recognised referencing system. This guidance may be found at the following website www.victoria.ac.nz/home/study/plagiarism.aspx. If in doubt, seek the advice of your course coordinator.

**Plagiarism is simply not worth the risk.**

**Materials and Equipment**

Students need to have internet access for this course. You are also encouraged for your convenience to bring laptops or tablets to modules.

**Student Feedback**

Student feedback on University courses may be found at www.cad.vuw.ac.nz/feedback/feedback_display.php.

**Communication of Additional Information**

Information will be communicated via Blackboard. It is essential, therefore, that you activate your @myvuw.ac.nz email account (the free email account created for you when you enrol and accessed via the myVictoria student web portal) before the start of the course. Once you have activated your @myvuw.ac.nz email account, if you want to receive these emails at your preferred email address (e.g. your home or work email address), you must modify the settings so all emails sent to it are automatically forwarded to your preferred email address. For more information, please go to www.victoria.ac.nz/its/student-services/FAQs.aspx#Email_Forward.

**Link to General Information**

For general information about course-related matters, go to www.victoria.ac.nz/vbs/studenthelp/general-course-information.

**Note to Students**

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

**School of Government Service Standards**

Good learning and teaching outcomes for students in School of Government courses depend on many factors, including open, transparent and accountable relationships between teaching and support staff, and students in their various activities. The following service standards indicate some of the key expectations that teaching staff and students can have of each other. In all cases, they represent what the School believes should be ‘normal’ practice; exceptional circumstances can and will be negotiated as required.
Please note that there are University-wide policies relating to assessment – including rights of review and appeal. Details may be found in the Assessment Handbook (which is reviewed and updated from time to time – [www.victoria.ac.nz/about/governance/dvc-academic/publications](http://www.victoria.ac.nz/about/governance/dvc-academic/publications)).

In general terms, any concerns that a student or students may have should be raised with the course coordinator in the first instance. If that course of action is not appropriate, the School’s programme support staff will direct you to the relevant Programme Director/Coordinator.

**Standards relating to staff timeliness of responses to email and phone queries:**
- Email or phone queries from students will be responded to in 48 hours

**Standards relating to availability of course materials:**
- Students on modular or intensive courses will usually have course materials at least 4 weeks before the course starts
- Students on weekly courses will usually have course materials available on the first day of the course

**Standards relating to attendance:**
- It is expected that students will attend all contact teaching sessions for a course. If a student is aware that they will be unable to attend part of a course prior to it commencing, they are required to advise the course coordinator. In such a situation, the student may be declined entry into the course.
- Where a course coordinator approves some non-attendance before the class commences, the course coordinator may set additional item(s) of assessment of learning and teaching objectives for the course for students unable to attend. Advice relating to the submission and assessment of any such additional assessment will be provided by the course coordinator.

**Variations to the assessment details provided in the course outline:**
- Any variation to the assessment details in the course outline will be formally agreed between the course coordinator and students at the earliest possible time, preferably at the beginning of the course.

**Standards relating to assignments – turnaround and feedback:**
- Unless otherwise agreed between students and the course coordinator, items of assessment will be marked within 15 working days of submission.
- Comments on pieces of assessment will allow students to understand the reasons for the mark awarded, relative to the teaching and learning objectives specified in the course outline, and will usually include advice on how the student can improve their grades in future assignments.