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Certificate of Credit in Care Purchasing and Brokerage

Module 3



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welcome



Modules 1-4 will cover

- Context – demand and supply
- Commissioning – what is it and your role
- Managing referrals
- Purchasing and Procurement
- Negotiation skills ✓
- Contract management ✓
- Contract monitoring – using data
- Transitioning arrangements
- Reflections on good practice and sharing examples

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Negotiation skills



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Negotiation

When have you negotiated?

Please outline an example and include the following:

- What was it for?
- Were you selling for a high price or asking for a lower price?
- What happened?
- What skills did you use?
- What was the outcome?



Why negotiate

- Best value – Outcomes
- Recognition
- Providers vs LA's
- Reporting
- Comparisons
- Public money - Budgets
- Job satisfaction
- Professional – Supervisions

CareCubed is a secure online tool to support open and transparent negotiation of costs for care placements.

[CareCubed - The National Care Costing Tool](#)

This an example of a tool to help with negotiation of the cost of care. This can be used when making placements or at the point of fee negotiations. More widely used in adults social care, Local Authorities and providers can enter information into the tool to help decide what the fair cost of care is.



“If the seller is willing to replace the roof, add a deck, put in a fireplace and an indoor pool, extend the livingroom by 15 feet and move the whole place to the other side of town, then we’re *definitely* interested!”



Top Tips

- Give it a go – you don't ask you don't get
- Middle ground – I'll do it, if you do this for me – win win
- Prepare – walk away point – makes you stronger next time – their weaknesses
- Don't open first – it might be good news
- Open beyond your best hope – more than you can get
- Bargaining – if you then I, gets them to concede first – small steps – tradeables
- Closing – avoid the last ask
- You can always crumble/accept



Strengths and Weaknesses

The brain works
30% better when
in a positive frame
of mind.

- You are the better negotiator / they have not had training
- Is the placement ready to go soon?
- Is the placement long term?
- Is it in the LA boundary?
- What support can we offer around the placement – Respite – Travel?
- Do you have other offers?



Strengths and Weaknesses

Concentrate on the provider weaknesses not your own:

- The carer doesn't have a placement
- The carer hasn't had a placement for some time
- The agency really needs to get the person into the placement with this carer
- Do you currently have any placements with this provider?
- Good start to a working relationship



Limits

- You have a ceiling cost limit already in place
- Don't go above it – easier to time limit extras
- Once you have got a discount once it opens the door to get it again
- Never reveal what your limits were



The Dark Arts

- The power of Why – get them to tell you why they want this placement then sell it back to them for the reasons given.
- Listen more talk less.
- Stick to your strategy.
- Never make a quick deal – slow it down – say maybe – go back to management.
- Mirroring.
- Neuro linguistic programming (NLP).



Via email

- Less is more
- Make one good point
- Set it up, land it then finish positively
- If you have bad news warn them
- Soften bad news – I'm sorry/I'm afraid
- Tone - how you write is different to how you read
- You have no control over the mood of the reader
- Finish by telling the truth in a positive way – you want to come to an agreement



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What can we use as Tradeables?

Come up with a list of reasons we might be able to ask for discounts from the markets that apply to you.

- Domiciliary
- Residential
- Short Breaks
- Activities



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Don't give up

- Ensure you ask for a discount
- Give it one more try
- You never know what they are willing to give you unless you try
- Its hard to get this past your senior if you have a cheaper offer
- Blame it on your self/organisation/manager



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it's

o'clock

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Contract management



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Procurement and contracting are...

Procurement is the process of acquiring goods, works or services from (usually) external providers/suppliers and managing these through to the end of contract.

Contracting is the process of negotiating and agreeing the terms of a contract for services, and on-going management of the contract including payment and monitoring.

What is contract management and monitoring?



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Why should brokers know about contract management?





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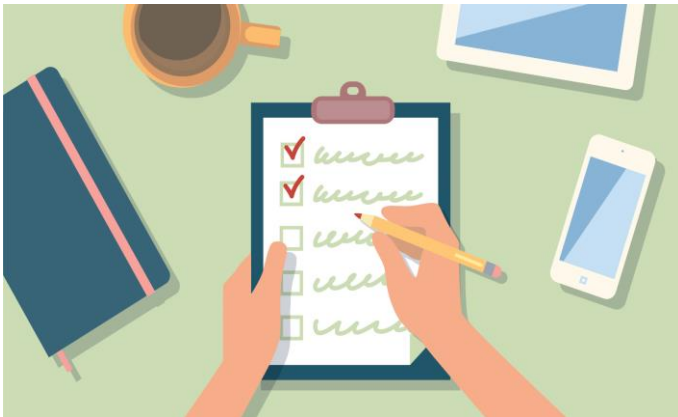
A contract is...

A legal agreement between a purchaser and provider which establishes the mutual expectations of both parties





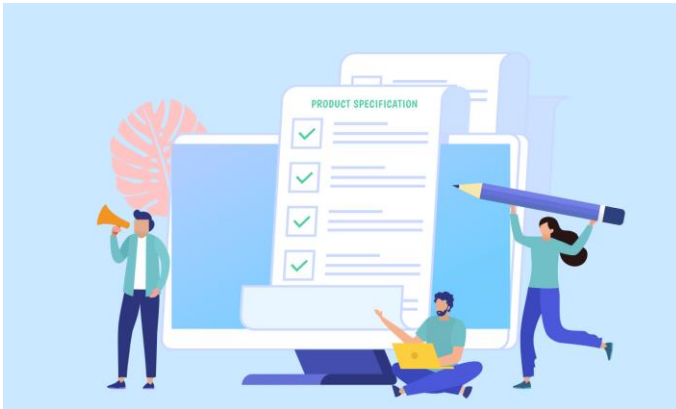
Key functions of a specification



- To describe the nature and scope of the service to be bought.
- To define the people for whom that service should be provided.
- To set the outcomes that are required.
- To set the value base within which the service should be provided.
- To describe the monitoring arrangements to determine whether or not all the requirements are being met.



Developing a specification



- Who should be involved in the team and who should take the lead in writing the specification?
- How are values to be agreed and defined?
- What outcomes be defined and written down?
- How else is quality to be specified?
- How are the outputs to be specified?



Developing a specification (continued)

- How much detail will be written about the processes?
- Where does the service fit in the care and support pathway?
- How will we ensure that changes can be made over time to reflect national and local policy priorities?
- How are inputs to be specified e.g. numbers and qualifications of staff?
- How will it be measured and monitored?



Good practice specifications



- Take a shared approach to risk and equity of benefits.
- Outline the channels of communication.
- Set clear targets and say how the success of the service will be measured.
- Specify the monitoring arrangements, which are proportionate.
- Build in flexibility and ability to change.
- Have sensible, do-able timescales.
- Use plain language.



How are placements specified?

How does a 'specification' compare with a support plan or purchasing plan for an individual? e.g. do you include:

- Outcomes / how these will be measured
- Data to be collected
- Monitoring / review arrangements
- Service user voice

What else?



Contract management is...

- Ensuring the right people are in place to carry out the contract management activities.
- Setting up administration systems.
- Managing performance to ensure that the service is provided in line with the contract, including improving supplier performance and capability.
- Ensuring payments are made to the supplier in line with the contract and that appropriate incentive mechanisms are in place.
- Understanding and managing contractual and supplier risk.
- Handling of changes to the contract.



Getting good results from your contracts



Good results depend on:

- Good contract administration
- Good provider relationship management
- Strong contracts / individual placement agreements
- Contract management is an integral part of the procurement cycle

Top 10 Attributes & Top
10 Pitfalls:



Small group activity

- What are the differences between contracts and IPAs
- Who carries out contract management in your organisation?
- What sort of relationships do you have with your providers?
- What helps/what hinders the relationship?



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‘Homework’

Have a look at:

- South East Together Common Outcomes Framework and Measurement Approach; used in commissioning LAC and SEND placements as part of a DPV arrangement

Bring examples of your own outcomes frameworks / monitoring schedules and KPIs to share

Your reflections on today



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