

OXFORD  
**BROOKES**  
UNIVERSITY



institute of  
public care

# Certificate in the Principles of Commissioning

**OBU Course Code: WFPC4001**

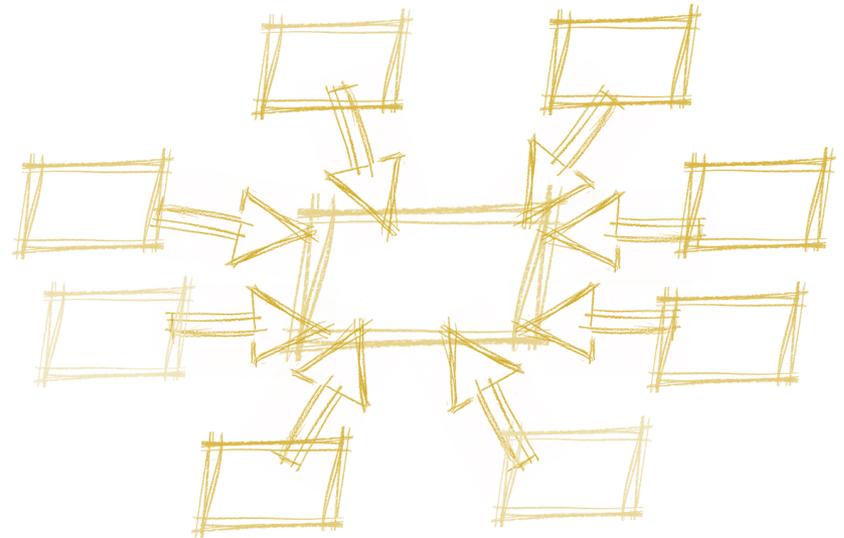
**West Sussex County Council Workforce  
Development Programme**

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Namaste مرحبا Bem Vindo Selamat Datang  
Willkommen  
Bienvenidos Bienvenue Croeso Welcome Bienvenidos أهلا وسهلا  
Benvenuti Welkom Bienvenue Bem Vindo  
Welcome  
Bienvenidos مرحبا Welcome Welkom  
Selamat Datang أهلا وسهلا مرحبا أهلا وسهلا Namaste  
Welcome Bienvenue Bem Vindo  
Willkommen Willkommen Selamat Datang Croeso  
добре дошъл Benvenuti Willkommen  
Καλώς ήλθατε Benvenuti

# About this course

The aim of this course is to provide an introductory overview of the principles of commissioning, contracting and procurement in West Sussex, supporting you to considering you role within the commissioning process, and how you can contribute to good commissioning practices



# Our approach

- Two whole day, in-person sessions to introduce good practice for commissioning in public care
- Content is based on the IPC Commissioning Cycle and our popular and well-established Commissioning Course
- Each session will include an introduction from areas of the commissioning cycle quadrants (analyse, plan, do, review), coupled with facilitated discussions / break out groups

# Sessions 1 and 2

## Session 1 – Analyse and Plan

- Recap of the definition of commissioning, and what it entails
- Consideration of the current national and local agenda influencing commissioning in West Sussex
- Needs assessment and gap analysis
- Introduction to Outcome Based Commissioning
- Optional accreditation

## Session 2 – Do, Review and cross cutting

- Market intelligence and shaping
- Introduction to procurement and purchasing
- Managing provider relationships
- Outcomes Based & Performance Monitoring
- Engagement and involvement of local people in commissioning
- Commissioning Skills

# The IPC Commissioning Cycle



# Market Intelligence and Shaping



# Discussion

- What do we mean by the term 'market'?
- Who is your 'market'?
- What types of providers do you work with?
- In one word, how would you describe your provider market?



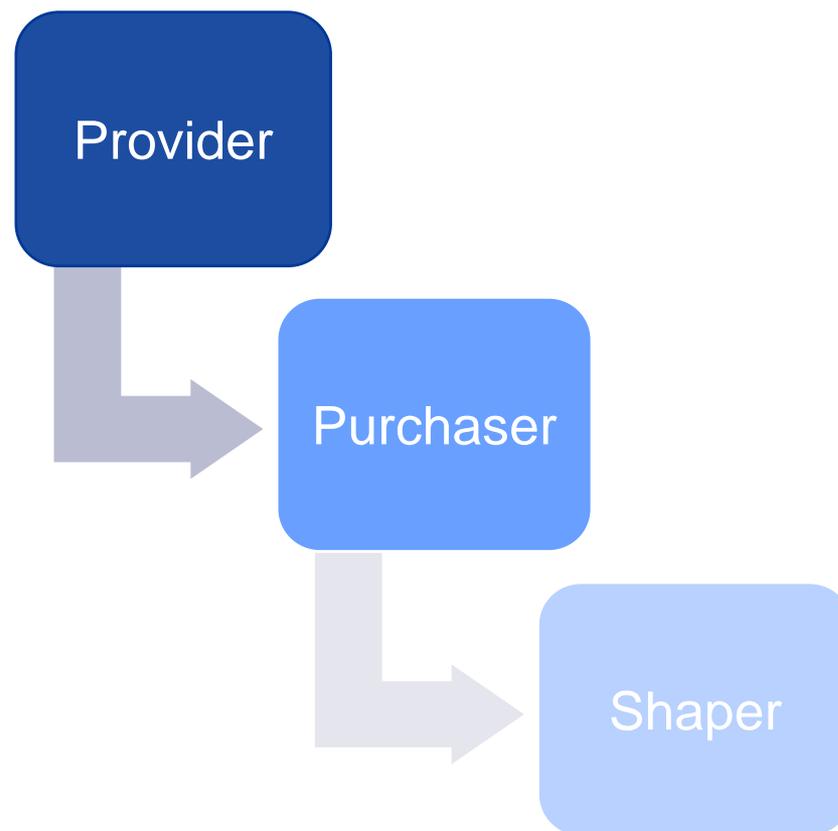
# A duty towards care markets

The Care Act (2014) places new duties on local authorities to promote the efficient and effective operation of the care market as a whole.

The market should be:

- Sustainable
- Diverse
- And focus on quality

**Sufficiency Duty** (Children's and Young Persons Act, 2008)



# The 'sufficiency duty' in children's services

- Statutory Guidance for Local Authorities on Services and Activities to Improve Young People's Wellbeing (2012)
- Statutory Guidance on Securing Sufficient Accommodation for Looked After Children (2010)
- Statutory Guidance for Local Authorities in carrying out their Childcare Sufficiency Duties (2010)
- Children and Families Act 2014 – including the local 'information and advice offer'

# What is market shaping?

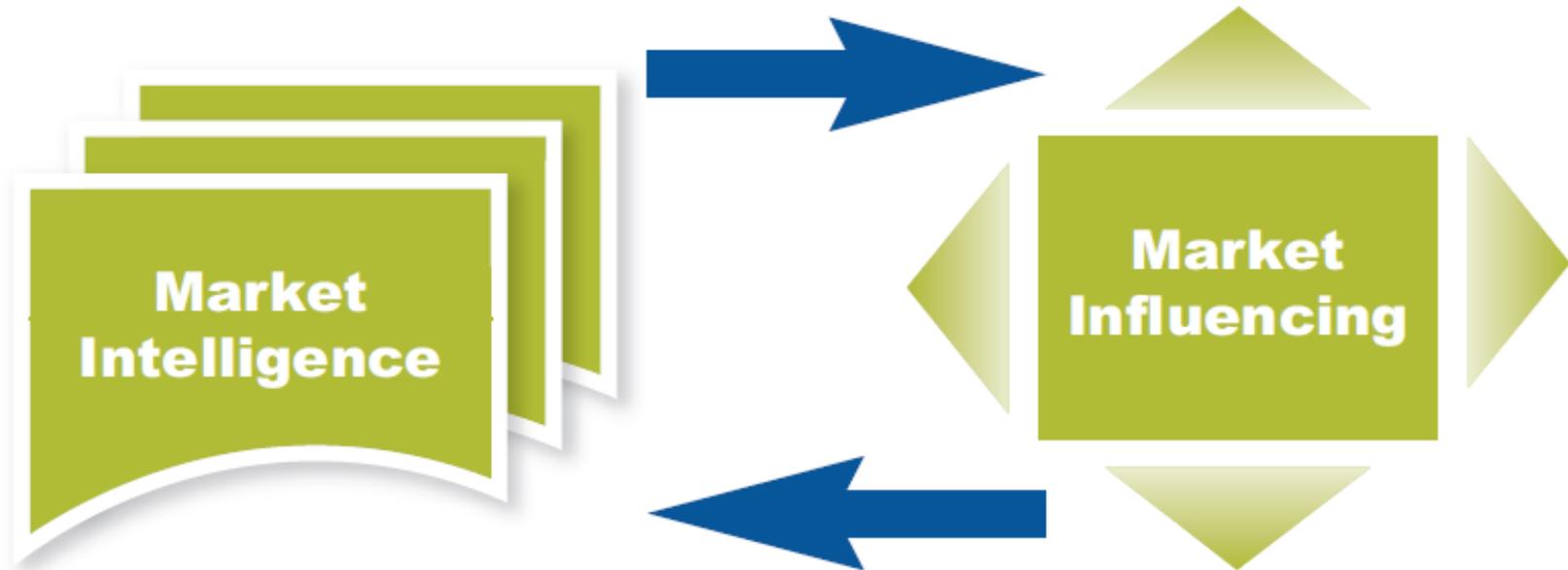
“Market shaping means the local authority collaborating closely with other relevant partners...to encourage and facilitate the whole market in its area for care, support and related services.”

Care and Support Statutory  
Guidance, Section 4.6



# Key components of market shaping

Market  
ShaRe 



Activities which seek to understand the market

Activity taken to influence current and future range of supports/services

# Market intelligence

**Market intelligence can (or should) be used in several ways. For example:**

- Informing commissioning and procurement practice by establishing the nature, gaps in and quality of supply in different market segments and the aspirations of those providers
- Enabling providers to better understand their competitors, gaps in supply and opportunities
- Underpinning market oversight and contingency planning arrangements



# What types of Market Intelligence do think is important?

- Gaps or oversupply in the market
- Quality of service provision
- Inputs and outputs (*Value for money?*)
- Outcomes (What is the impact?)
- Cost
- Sustainability or viability of your market

# Market influencing – core activities

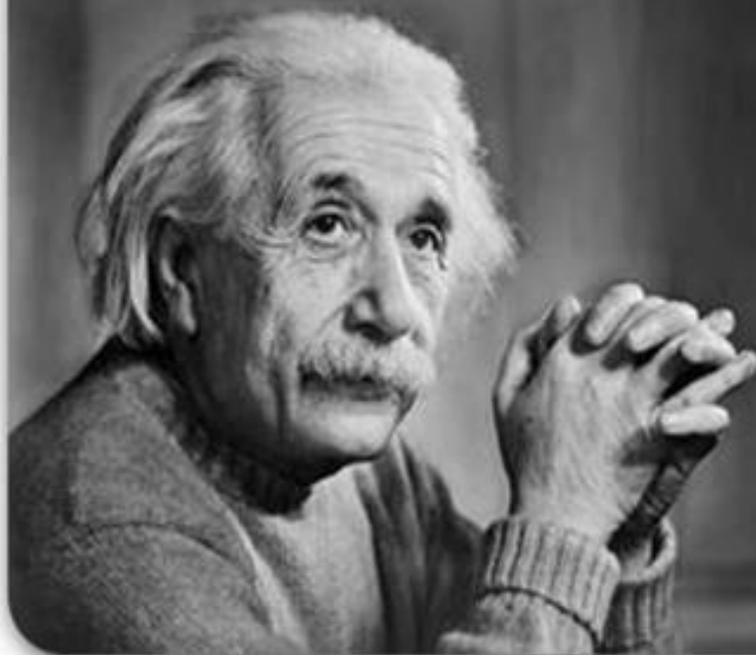
- Signal to the market types of services needed now and in the future
- Encourage creativity and innovation
- Encourage re-investment and investment
- Promote continuous service improvements



# Market Position Statements or Sufficiency statements

If you can't explain it **simply**, you don't understand it well enough.

– Albert Einstein



# Some examples of market influencing activities



**Shared market and consumer research**

**Workforce Development  
e.g. training**

**Seed funding /  
Small Grants for  
innovation /  
pilots**

**Co-designed  
services /  
strategies**

**Performance  
Management /  
Quality  
Assurance  
activity**

**Jobs portal for  
approved  
providers,  
hosted by the  
authority**

**Capital funding  
opportunities**

**Lead providers  
for geographical  
areas**

**Meet the buyer  
events**

**Provider forums**

**Joint  
commissioning  
of residential  
spaces**

**YOUR  
ACTIVITIES &  
EXPERIENCES**

All these activities influence the market, yet the role of the commissioner and other stakeholders can differ

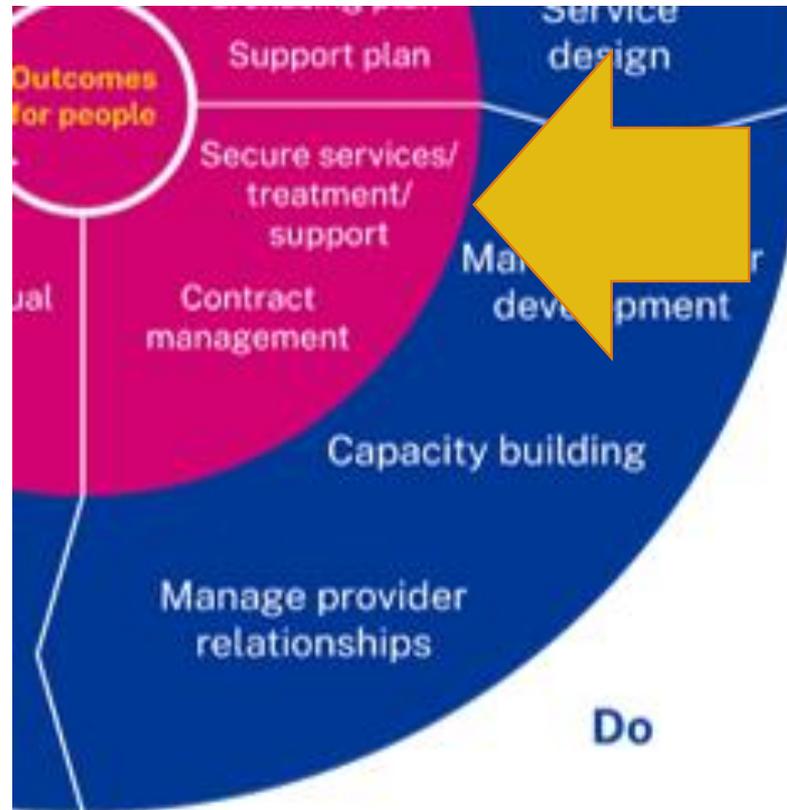


# Group Discussion

What might determine the market  
influencing / shaping activities?



# Introduction to Procurement



# Procurement and contracting are...

**Procurement** is the entire process of sourcing goods, works or services from (usually) external providers/suppliers, risk management, and overall supplier management (including performance tracking) and managing these through to the end of contract.

**Contracting** is an essential part of procurement – it is the process of negotiating and agreeing the terms of a contract for services, and on-going management of the contract including payment, performance monitoring, and relationship maintenance.

# The legal procurement framework



# What can your procurement colleagues help you with?

- Feedback on service specifications
- Advice on appropriate procurement and tendering routes
- Support on the content of contracts and overall contract management
- Legal and finance colleagues also to be involved

**TOP TIP: Contact with these colleagues as early as possible when you know a change or procurement activity may be required**

# Potential Procurement Routes



## **Competitive Procedures (most common)**

- Open tendering
- Restricted tendering

## **Frameworks**

- Dynamic Framework Systems
- Restricted Frameworks

## **Other options (to be used with caution)**

- Spot purchasing
- Direct award

# How to select the best provider?



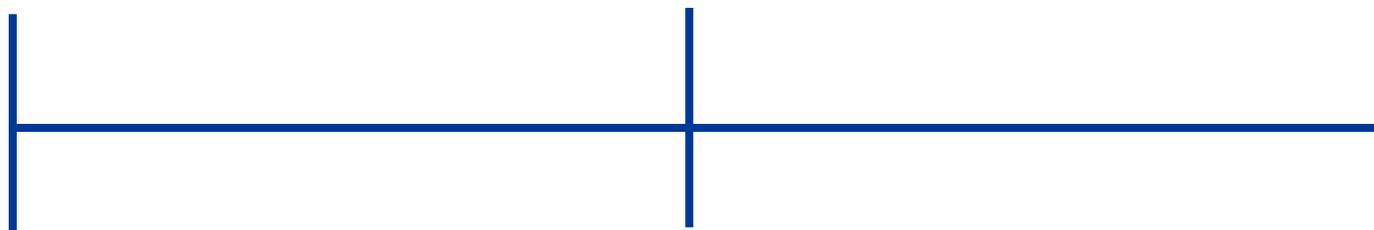
**The following to be considered when evaluating a procurement activity:**

- Pre-Selection Questionnaire – is this needed / wanted?
- Method Statement Questions
- Transparent evaluation process (including option for pass / fail) – what methods will you use?
- Evaluation panel – will you use people with lived experience?
- Weighting between cost and quality
- Consideration of Social Value?
- Standstill period – steps to mitigate any risk of legal challenge

# Managing Provider Relationships



# What are your relationships like with providers you work with?



## Adversarial:

- Low trust
- Transactional / legalistic
- Closed / one sided communication
- No collaboration
- Blame culture
- Customer / supplier culture

## Constructive:

- Mutual trust
- Partnership working
- Consultation and consensus building
- Open communication
- Joint problem solving and risk sharing
- Expectations of the roles and responsibilities of each party are clear and understood

## Passive:

- Too familiar or cosy
- Little challenge
- Roles and expectations of each party is unclear or not fulfilled
- Fear of upsetting each other

# Table Discussions

## On your tables, suggest:

- Ideas for what helps to promote effective relationships (and why)
- Any actions or improvements could be made in your teams / areas





# Reviewing / monitoring services



# Why is monitoring and review important?



Why is  
monitoring  
important?



How can  
monitoring not  
be beneficial?

# Why is monitoring and review important?

Having good quality information and analysis to:

- Judge efficiency and effectiveness
- To provide challenge and look for continuous improvement

Making decisions about inefficient, ineffective and unsustainable services:

- Supporting and challenging
- Decommissioning and finding other provision



**6**

*Carry on or change it!*

Agree what's needed – your 'objective'

**1**



**2**

What model of care works!



# Take 'Six Steps'!

**5**

Make some sense of what the evidence is showing



**4**

*Measure it!*

Agree what will it tell you if it's working

**3**



# A reminder...



Inputs



+ Processes



+ Outputs =

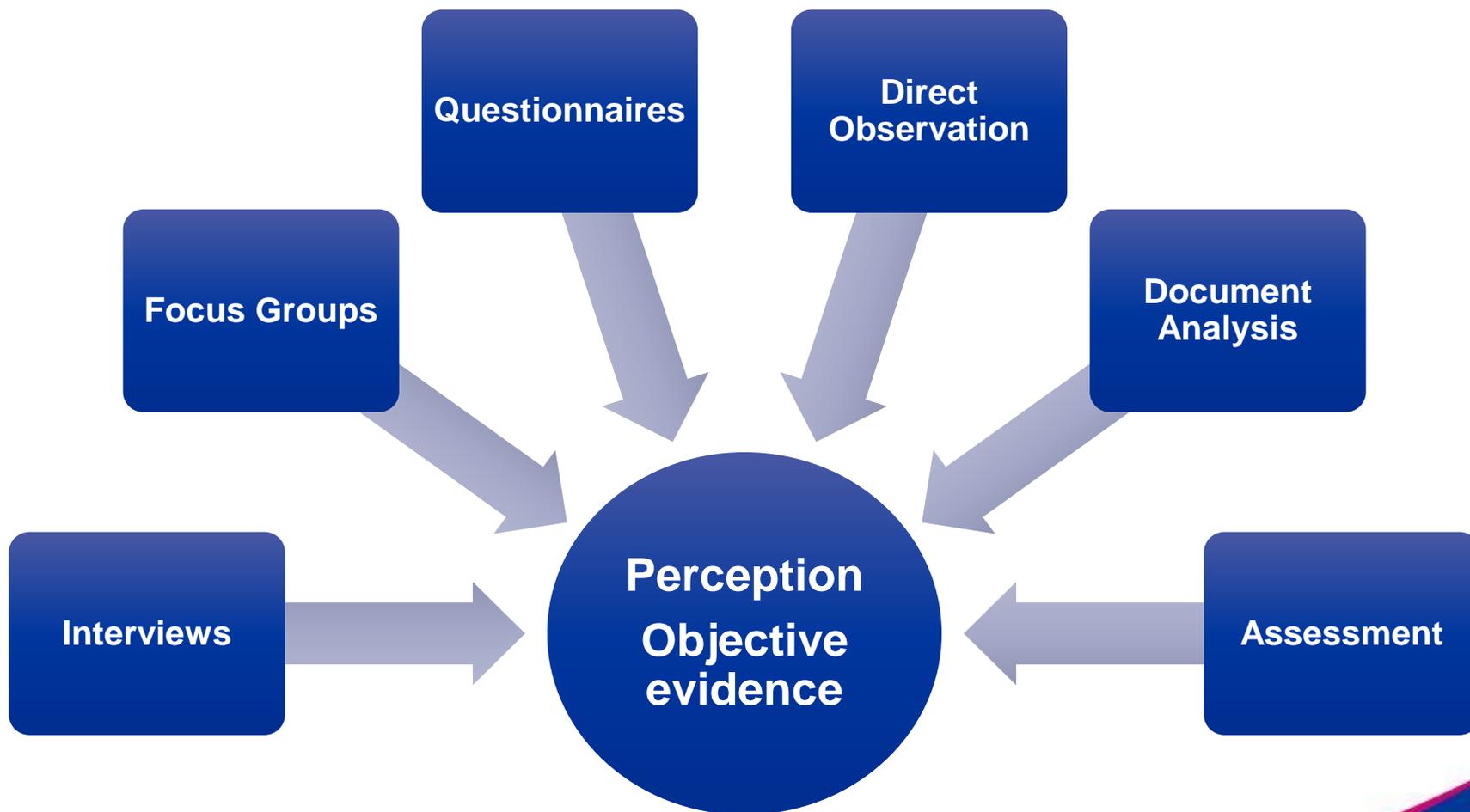


Outcomes!

# Measuring / monitoring for outcomes

<u>How much did we do?</u>	<u>How well did we do it?</u>
# Customers served (by customer characteristic)	% Common measures Workload ratio, staff turnover rate, staff morale, percent of staff fully trained, worker safety, unit cost, customer satisfaction: <i>Did we treat you well?</i>
# Activities (by type of activity)	% Activity-specific measures Percent of actions timely and correct, percent clients completing activity, percent of actions meeting standards
<u>Is Anyone Better Off?</u>	
# Skills / Knowledge	% Skills / Knowledge
# Attitude / Opinion	% Attitude / Opinion including customer satisfaction: <i>Did we help you with your problems?</i>
# Behavior	% Behavior
# Circumstance	% Circumstance

# Measuring outcomes



# Individual outcomes

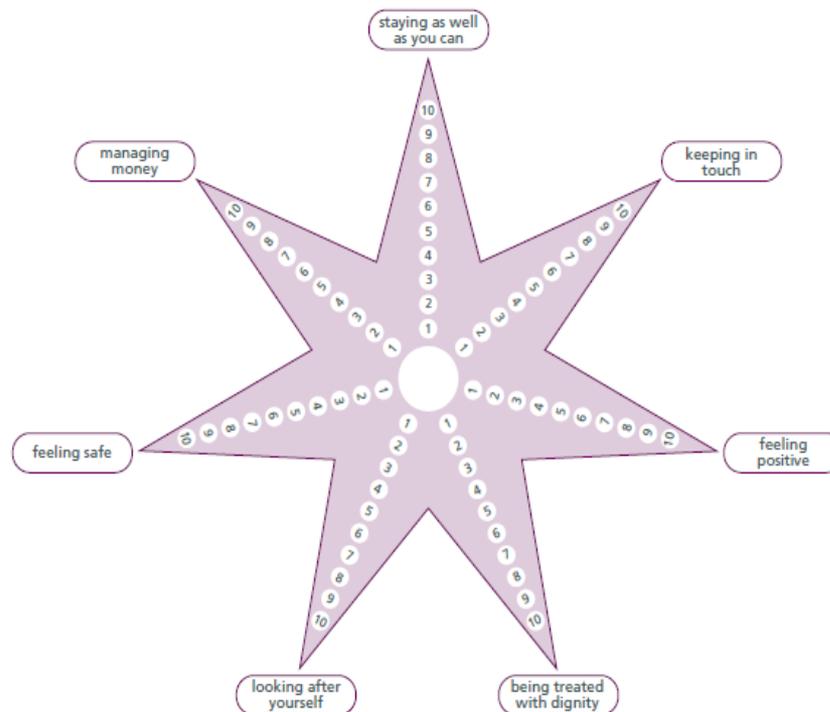
- Anecdotes/quotes
- Case studies
- Self-reported change
- Surveys (Before/After)
- Comparison Groups
- Random Control trials
- Any others?



Dan Corry, Chief Executive of New Philanthropy Capital (NPC)

# Example – outcomes star

- A tested and effective motivational tool, which services integrate into assessment and review
- Record where client is and how they progress in up to 10 areas of their life
- Scales are underpinned by a journey of change



Triangle Consulting Social Enterprise

# Service/Support intervention-based outcomes



<https://www.wlga.wales/introduction-to-the-home-care-toolkit>

KPI (e.g.)	Target (e.g.)	Alignment with National Outcome Framework Indicators (e.g.)
<p>People will be supported to become as independent as possible in their own homes, and reliance on formal service delivery will be reduced</p>	<p>60% of homecare packages remain stable at review            &gt;20% of homecare packages have a decreased need at review            &lt;20% of homecare packages have an increased need at review</p>	<p>I get the right care and support, as early as possible            I am treated with dignity and respect            My individual circumstances are considered</p>
<p>People are supported to meet their identified wellbeing outcomes</p>	<p>100% of care packages identified outcomes are being met            100% of audited service delivery plans clearly identify outcomes and how they will be met</p>	<p>My voice is heard and I am listened to            I do the things that matter to me            I speak for myself and contribute to the decisions that affect my life, or someone who can do it for me</p>

# Population based outcomes

## Quality-Adjusted Life Year (QALY)

“A measure of the state of health of a person or group in which the benefits, in terms of length of life, are adjusted to reflect the quality of life. One quality-adjusted life year (QALY) is equal to 1 year of life in perfect health.

QALYs are calculated by estimating the years of life remaining for a patient following a particular treatment or intervention and weighting each year with a quality-of-life score (on a 0 to 1 scale). It is often measured in terms of the person’s ability to carry out the activities of daily life, and freedom from pain and mental disturbance.”

This is how NICE decide what medical treatments to approve

Also - Use of Fingertips / PHOF e.g., child health outcomes, employment outcomes

# Group discussion

- As well as outcomes, why is it important that we monitor and analyse outputs and inputs from a commissioned service?
- How can we get this balance right?



# Scenario Exercise

**You have been asked to design the monitoring arrangement for a jointly commissioned service who have been asked to reduce homelessness in a particular area of West Sussex**

- Agree up to four desired outcomes (a mixture of individual, service and population level)
- What outputs would you suggest are also measured?
- How might you monitor that these are being achieved?





# Effective monitoring and review

Performance Measures



Monitoring and Reporting



Evaluation and Review



**Take Action**

# Managing poor performance



Aspect	Developmental Approach
Basic principles	Mistakes happen. Everyone should have the chance to learn from them and change. Support may be needed to prevent recurrence.
In practice	Purchaser and provider agree on what has gone wrong and why. Develop a corrective action plan (CAP), which may include additional monitoring and support.
Benefits	Reflects mutual dependence and partnership. Can enable 'business as usual' whilst some matters are resolved.
Risks	No immediate consequences for provider – long term deterrent? CAP may not resolve the problem; termination may only be delayed

# Managing poor performance



Aspect	Punitive Approach
Basic principles	Performance can never be below required standards. Financial or other punishments will prevent recurrence of problems. The provider must resolve their problems alone.
In practice	The threat or implementation of fine or restriction of new business. Suspension from accredited list. The contract must contain explicit powers.
Benefits	Clear relationship between performance and payments. Shows purchaser's serious intent from the outset.
Risks	Judgements open to legal challenge. Purchaser may be drawn into terminating contract sooner than they would want.

# What determines your approach?

- The seriousness of the matter
- The risk(s) involved
- Has the contract been breached?
- The relationship with the provider
- The providers response to poor performance

**What might need to be in place to help you manage performance of providers?**

# Scenario Exercise

- a) A service you have commissioned is **not achieving the outcomes** that were agreed in the contract. This is a **high-cost** service, and a **Council Member** is significantly passionate about the service. The provider **is engaging with you** and promising improvements, **but these have not materialised.**
- b) List **3 potential performance management options** for this service, listing the pros and cons for each
- c) Agree, as a group, which option you would **recommend and why.**
- d) What 3 key things need to be in place to make this option **effective?**



# When can we involve people in commissioning?

Identify and assess what people want and need

Decide priorities and develop plans

Feedback on services, involvement in governance

Design services and contracting processes



# What is co-production?

# The ladder of Involvement

**Leading**

**Co-  
Production**

**Doing with  
being equal – in  
partnership**

**Co-  
Designing**

**Having a  
Voice /  
Influencing**

**Engagement**

**Doing for  
engaging and  
involving people**

**Consultation**

**Informing**

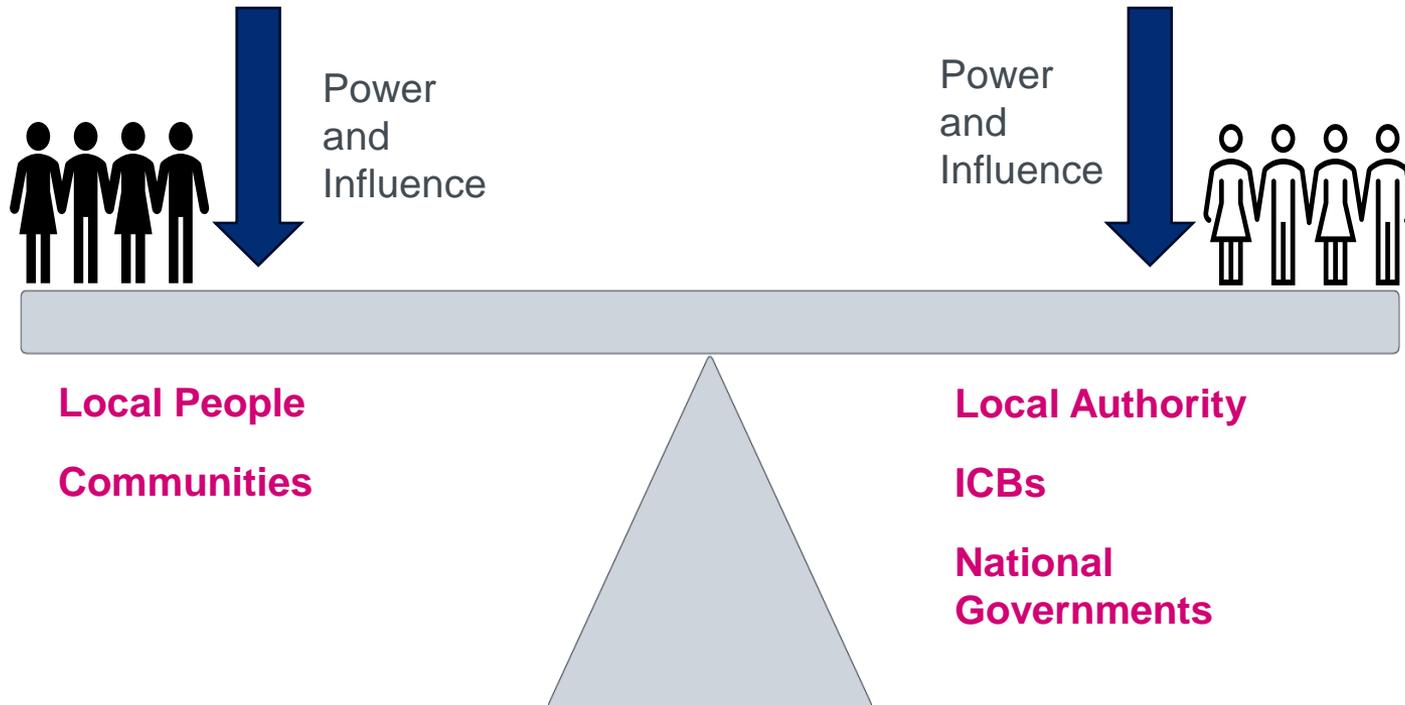
**Informing**

**Educating**

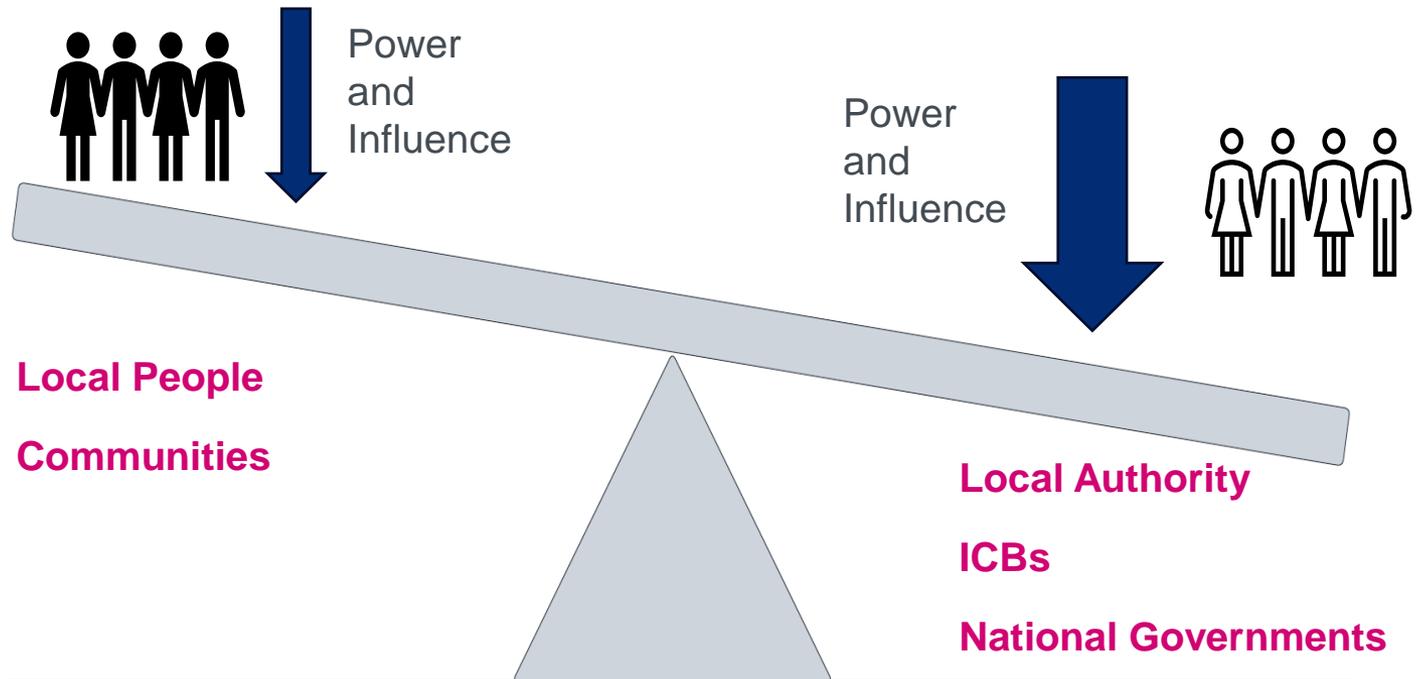
**Doing to  
trying to fix people  
with little or no  
involvement**

**No voice**

# Sharing decision making power



# Listening





# Top Tips for Achieving Co-Production



## Culture Shift

- Co-production is not part of the job - it is the job



## Involve people at the beginning of the process or decision

- The earlier you involve people, the more likely you can embed co-production



## Time and Resources

- Co-production takes significant time and dedicated resources - and this must be built into timescales and budget management



## Flexibility

- The more flexible you can be, the more co-productive your approach can be
- Things won't always go to plan and you need to be able to adapt to this



## Understand the Interest

- Generally the more people are impacted by an activity, the more likely they will want to be involved
- If they want to be involved, find out why. This can be just as telling.



## Clear Expectations

- Be clear about local people's roles and what is expected of them
- We may not agree on everything but we will be working as a collaborative



## Outline scope of decision making power at the beginning

- Be honest how much scope local people have to shape, design and influence and where they do not



## Start with relationships

- Ensure you take the time to interact with people on a human or personal level to help breakdown barriers and build relationships



## Develop agreements on behaviour

- Encourage openness, honesty and create a safe space for people to share their views



## Be Human

- We are people working with other people and we need to give people the space to share their experiences and views



## Start with a blank page

- Where possible, come without an agenda and work in partnership with others to build and agree a shared vision for the activity



## Support people involved in co-production

- Being involved in decision making may be an emotive experience for people it could affect - support must be available for those who need it

# Top Tips for Achieving Co-Production



## Think about location / venue

- Pick a location that is neutral, rather than a Council building or similar



## Be clear on consent, confidentiality and safeguarding

- Be clear what will be recorded and shared and when you would need to break confidentiality



## Make it fun and encourage creativity

- This will support people to want to keep involved but helps to open people's minds to think about new solutions or ideas



## Keep people updated as regularly as possible

- Ensure you say what you are going to do and feedback on the progress and outcome of their contributions



## Show people they have been valued and listened to

- People want to know their insights and experiences are acknowledged and have been acted upon



## Training and skill development for people involved

- Invest and develop in your co-production group - helps people to understand their role and prepare them for the task ahead



## Recruitment of local people

- Ensure your co-production group is representative of the target population and that everyone who wants to be involved is able to do so



## Skills of public service professionals

- Professionals facilitating co-production must have the right skills and approach to foster co-production



## Lessons Learnt

- Identify and share lessons learnt following a co-production exercise and share corporately



## Identify barriers and consider how to overcome these

- Investigate and identify what might be getting in the way of effective co-production, working to overcome these where possible

# Group Discussion

Share your experiences of involving people in commissioning care / services to shape services or decisions in West Sussex?

- What worked well?
- What didn't work so well?
- What improvements / changes do you think might be needed in the future to better involve local people and communities?



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# The Commissioning Family Tree – what skills are needed?



# Your reflections from the course



# We said:

By the end of the sessions, you will:

- Have evolved your knowledge and understanding of the different stages and activities of the commissioning cycle and awareness of your individual role, and roles of other colleagues and directorates, within the cycle.
- Be able to demonstrate understanding of the principles and theories of evidence-informed and outcome-based commissioning, and how this informs priorities and decision making across the commissioning cycle

# Your reflections

- What has been your key take aways from the 2 sessions?
- What might this mean for you, your teams and West Sussex?
- Name at least 1 commitment or action will you take away from these sessions

# Self Assessment Survey

Please [click here](#), on the agenda or using the QR code to access the **Smart Survey** which will ask you:

1. Your details
2. To assess your skills, knowledge and confidence in number of commissioning activities, across the quadrants of the cycle
3. Indicate if any other training opportunities across the Programme interest you
4. At the end of the survey, download and save a copy for your ongoing personal development / compare with your first survey



# Feedback and thank you!



# Contact us



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