

Certificate of Credit in Commissioning & Purchasing for Public Care

Session 6:

Welcome back.....



Commissioning for an outcomes summer 'staycation'

- **If commissioning a summer 2021 'staycation', what outcomes do you want to achieve and how will you monitor this!!!!?**

Working online – hints/tips



Everyone enters on mute. Mostly stay on mute so we are not all talking at once



Use the chat to ask questions and make comments. This will be a dynamic learning experience



Turn on your video camera, please!
Unless you have a shaky connection! In that case, switch off your video



You will be going into breakout rooms, be prepared to be in rooms with 6 - 8 people

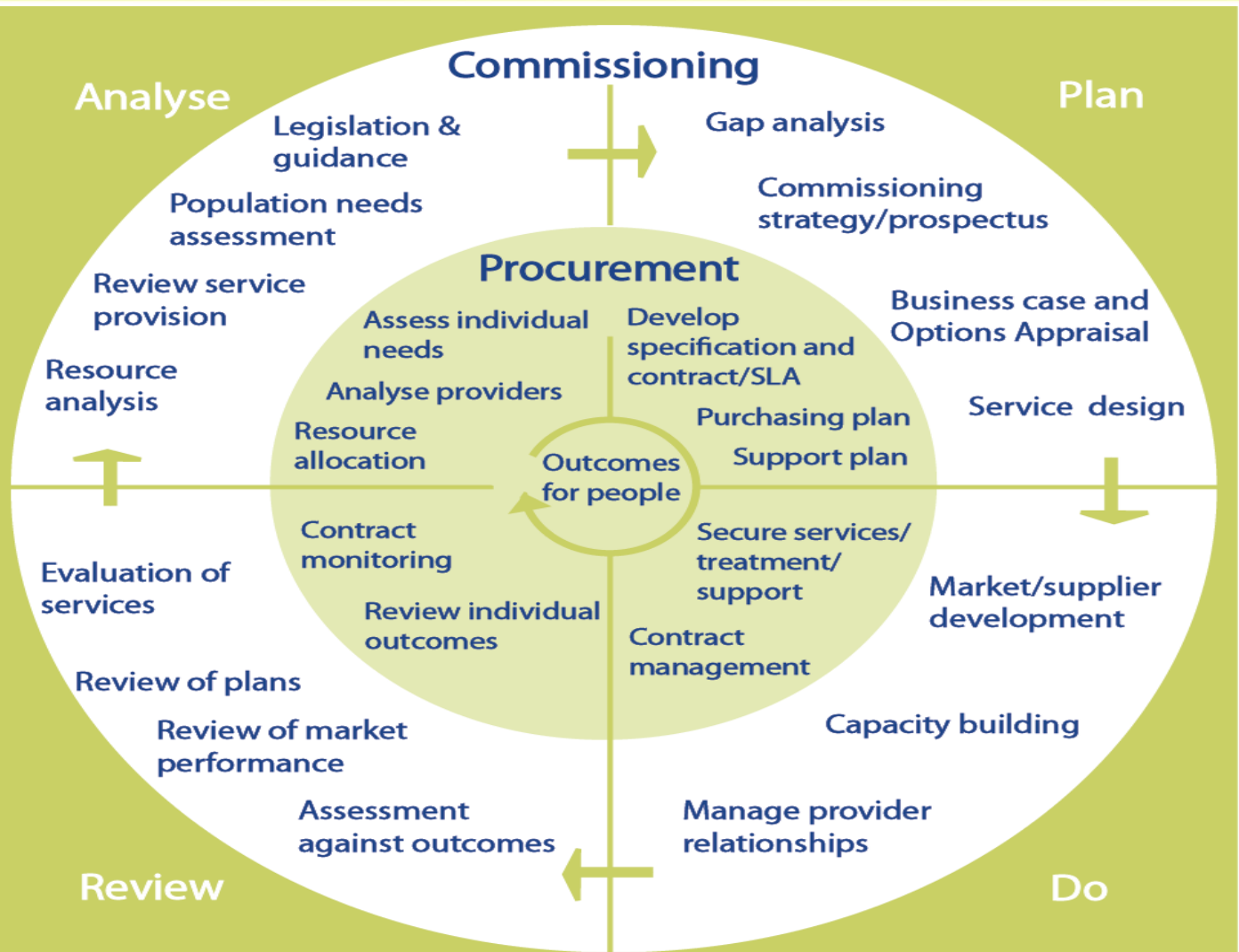


Raise your hand or click the hands up symbol if you want to speak in discussions



Be on time for breaks

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Sessions 1 – 8 will cover

- The national and local agenda
- What is commissioning and how well are we doing it?
- Needs and resource analysis
- Planning and options appraisal
- Market shaping
- Commissioning for outcomes
- Service Specifications
- Monitoring and review - ✓
- Accreditation – overview - ✓
- Procurement and Contract Management - *part 1*✓
- Person centred approach to commissioning
- Delivering change
- Commissioning skills

Monitoring and Review

Why is monitoring and review important?

A large, solid green arrow pointing to the right, containing the text 'Why is monitoring important?'.

Why is monitoring important?

A large, solid red arrow pointing to the left, containing the text 'How can monitoring not be beneficial?'.

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**

Effective monitoring and review



How to choose performance measures

- What national measures do you have to collect or are set out?



Measures that you use

- Where are there gaps in national information?
- What local measures do you already use to fill these gaps, and what else might you want to collect?
 - Does the performance indicator communicate the message clearly?
 - Does the indicator say something important about the objective?
 - Do you have quality data on a timely basis?
- Do you have an overview of what is collected from providers by the CQC, Ofsted, CCGs and the local authority?
- In the interests of efficiency, are you seeking to minimise duplication?

Measuring/monitoring for outcomes

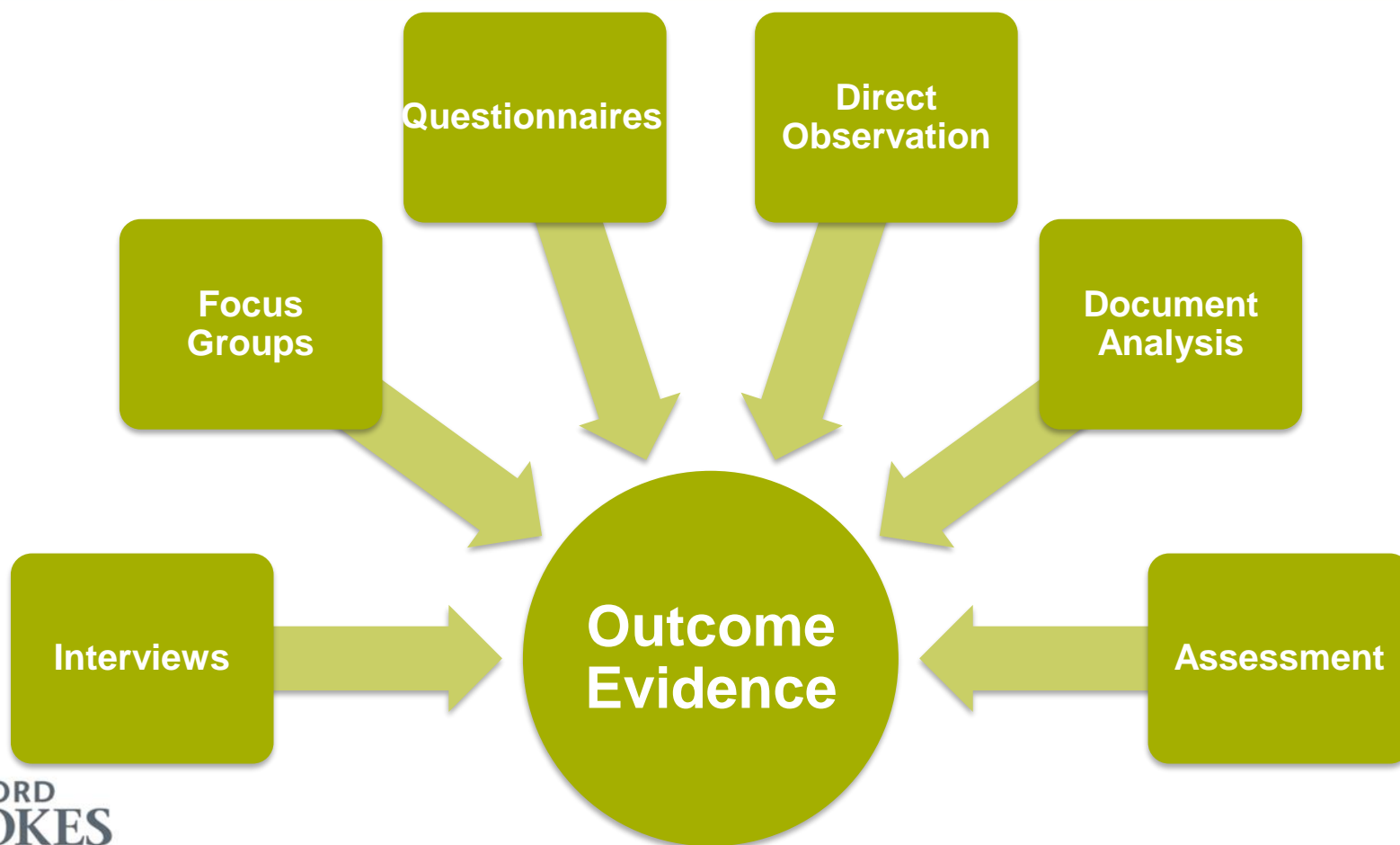
| <u>How much did we do?</u> | <u>How well did we do it?</u> |
|--|---|
| # Customers served (by customer characteristic) | % Common measures Workload ratio, staff turnover rate, staff morale, percent of staff fully trained, worker safety, unit cost, customer satisfaction: <i>Did we treat you well?</i> |
| # 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 |

Applying the Friedman grid.....

In your target population groups apply the Friedman grid:

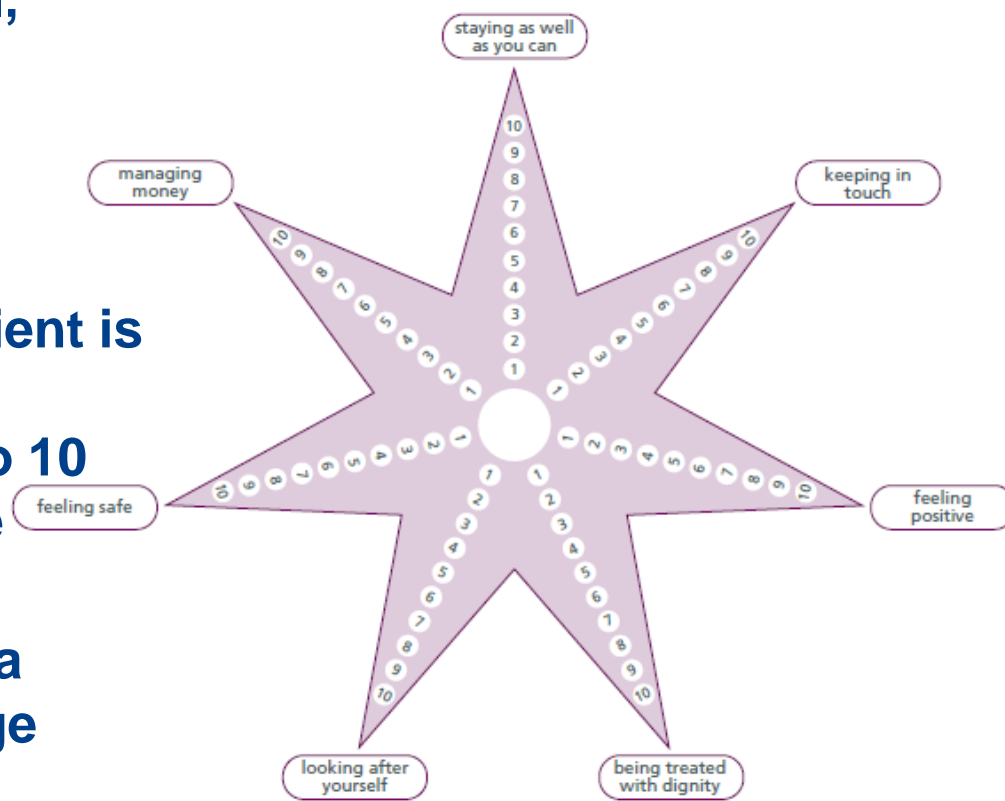
- ☐ **How much did you do?**
- ☐ **How well did you do it?**
- ☐ **Is anyone better off?**

Measuring for outcomes



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

Selecting the right measures

- **Seek input and buy-in from a wide range of stakeholders**
- **Acknowledge individual/local/national priorities**
- **Set realistic targets**
- **Select a mix of outcomes, outputs and process measures**
- **Prioritise the most important measures**
- **Be creative and flexible**
- **Consider how the data can be collected and analysed**
- **Keep it simple**



Effective monitoring and review

Performance Measures



Monitoring and Reporting



Evaluation



Take Action

Improving performance through effective contract monitoring

- Proportional investment in monitoring with levels of action based on risk.
- Rely on providers' quality assurance systems i.e. use self assessment and providers' information plus random samples/unannounced visits to ensure honesty and accuracy.
- Agree protocols on intervention with underperforming providers.
- Set-up systems to ensure action is taken.
- Publicise the results.

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. |

Managing poor performance

In 4 breakout groups discuss:

- **What arrangements do you need to put in place to be able to respond robustly to poor contractual performance?**
- **Share examples of an occasion when you've taken either a developmental or more punitive approach – what's determined your approach?**

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

Effective monitoring and review

Performance Measures



Monitoring and Reporting



Evaluation



Take Action

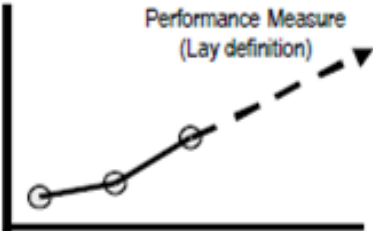
Taking action

- Remember – monitoring performance alerts you to the fact that a problem exists, not why it exists.
- Explain rather than describe problems, including how they will be addressed.
- In order to address poor performance you need to analyse reasons behind it and take action.

ONE PAGE Turn the Curve Report: Performance

Program: _____

Performance Measure
Baseline



Story behind the baseline

_____ (List as many as needed)

Partners

_____ (List as many as needed)

Three Best Ideas – What Works

1. _____
2. _____
3. _____ No-cost / low-cost
4. _____ Off the Wall

Sharp
Edges

Getting it right

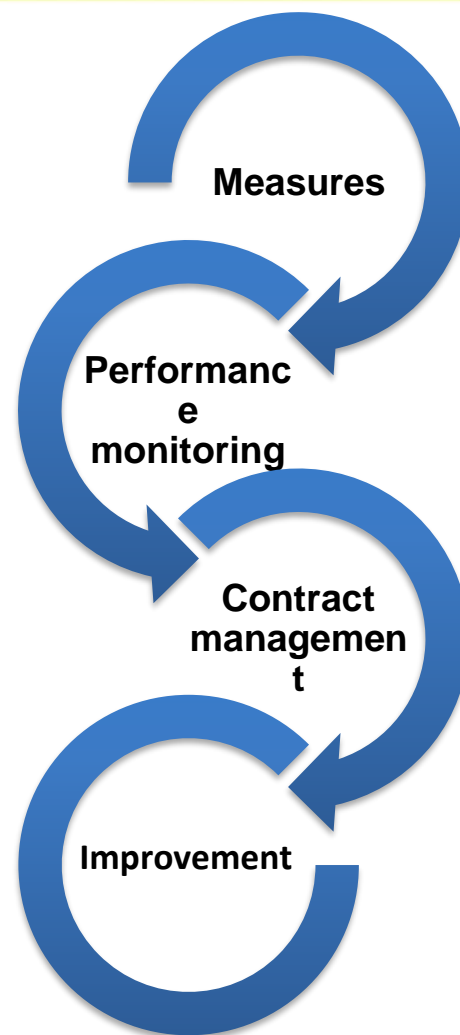
- Be seen to be consistent, equitable and objective
- Work with providers to set up and manage the process
- Meet with providers or review monitoring information from providers regularly
- Review what matters and demonstrate that data is used



Your current approach

- Consider your current approach to monitoring and review...
- What measures do you use?
- What are your monitoring arrangements?
- How do they relate to your contract management processes?
- What action takes place?

Via chat: identify 1 key area for improvement



More information

- Government Outcomes Lab (2017) [Setting and Measuring Outcomes](#)
- Social Finance (2015) [Technical Guide: Designing Outcome Metrics](#)
- CORC [Using Clinical Outcomes for Service Improvement: A Guide for Commissioners](#)
- Health Catalyst [The Top 7 Outcome Measures and 3 Measurement Essentials](#)
- Results-based Accountability <https://resultsaccountability.com/>
- National Audit Office (2016) [Good practice contract management framework](#)
- SCIE (2019) [How to understand and measure the impact of integrated care](#)



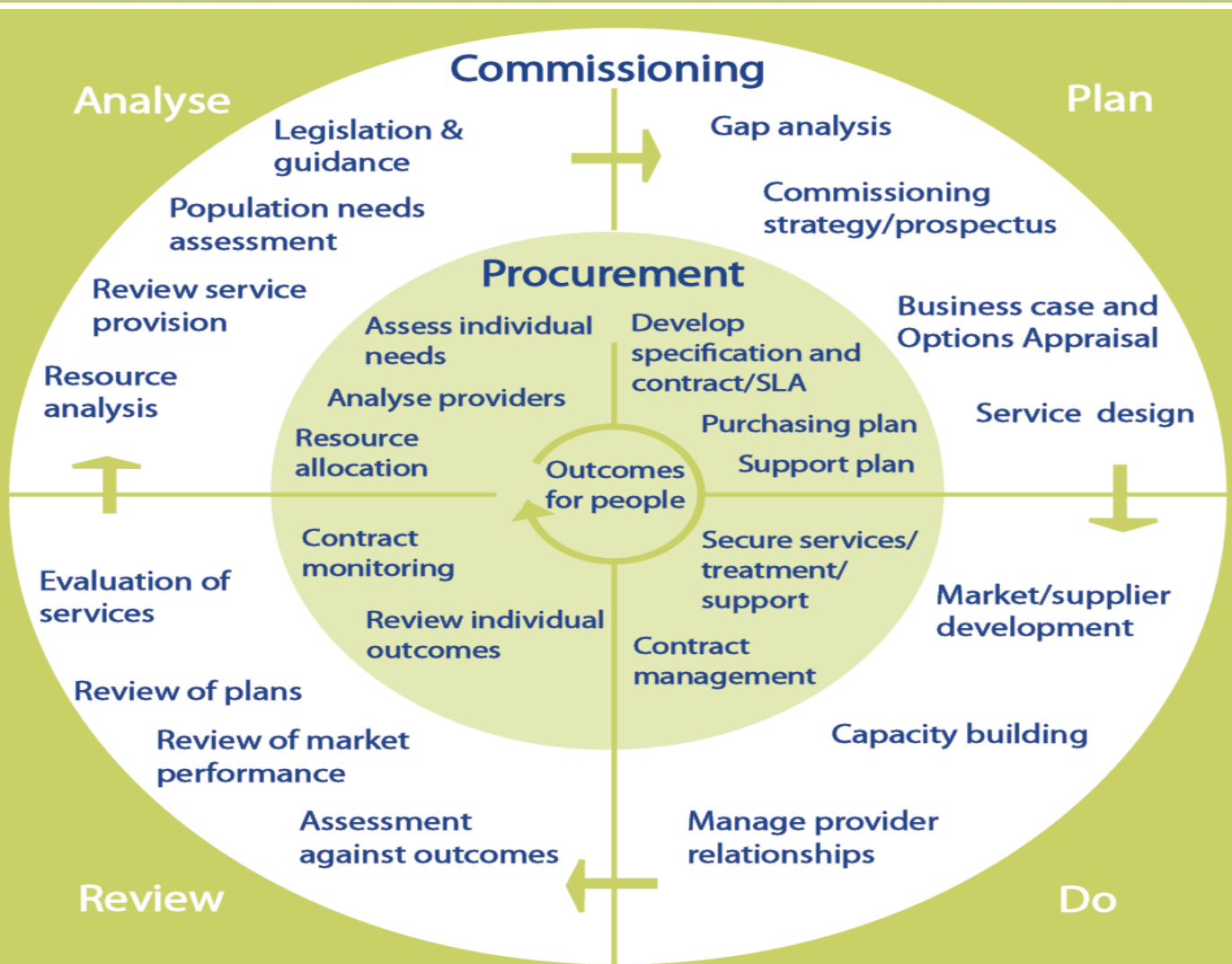
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Time to think about your project/s....

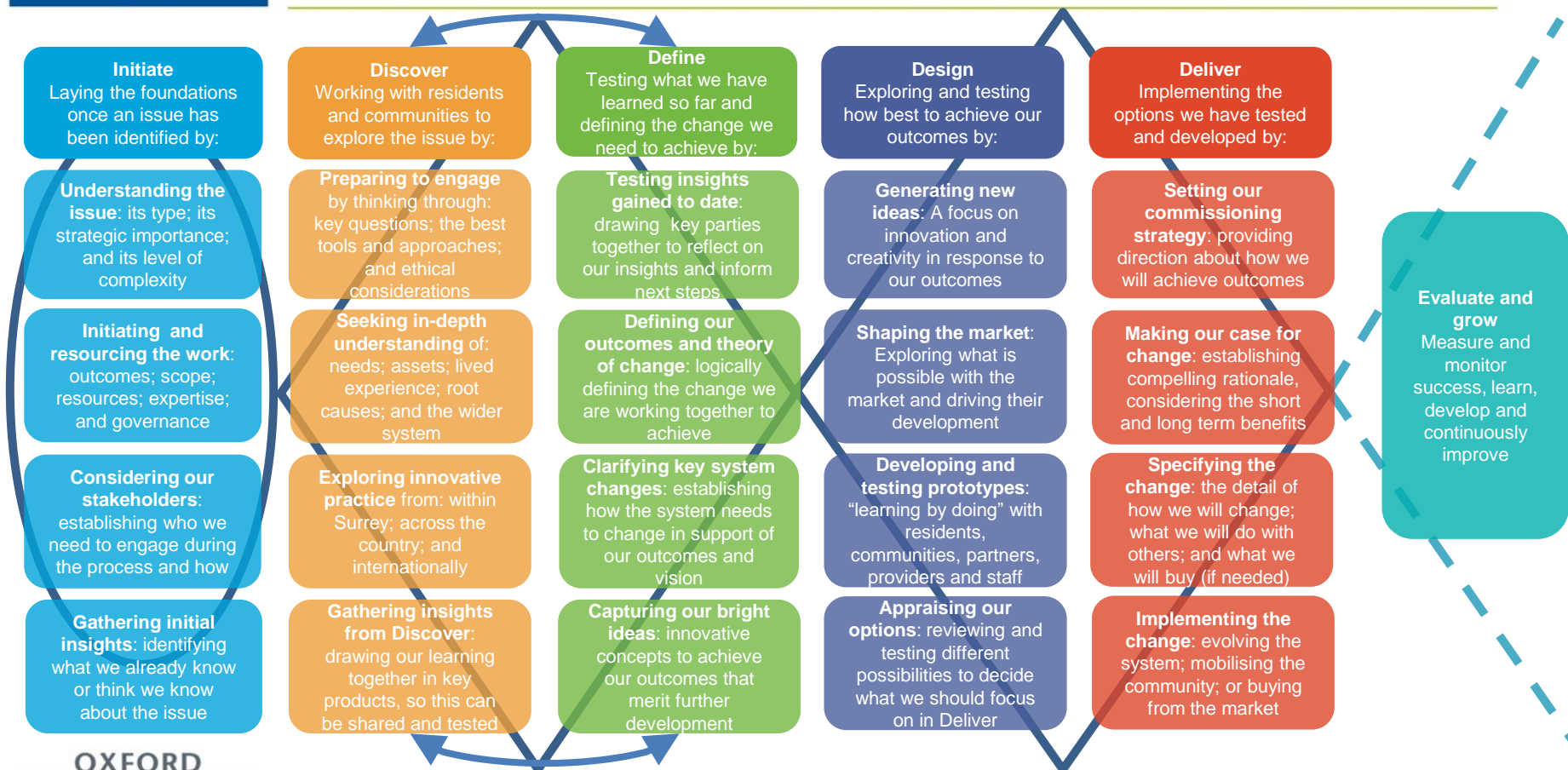
Example projects

- Development of a commissioning strategy
- A review of contract monitoring and development of a reviewing framework
- A risk assessment and option appraisal for a poorly performing service
- Development of a service specification
- An investigation into swifter tendering options and development of an approved provider list
- Remodelling a service to achieve better outcomes
- Joint commissioning of a community service

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Surrey's Commissioning Stages



Assignment task

Submit a written assignment which explains and reflects upon a commissioning or purchasing project that you have undertaken. The rationale for the work must be clearly set out in the context of national policy and best practice, and draws on a critical analysis of the current commissioning and purchasing arrangements in your local organisation or service.

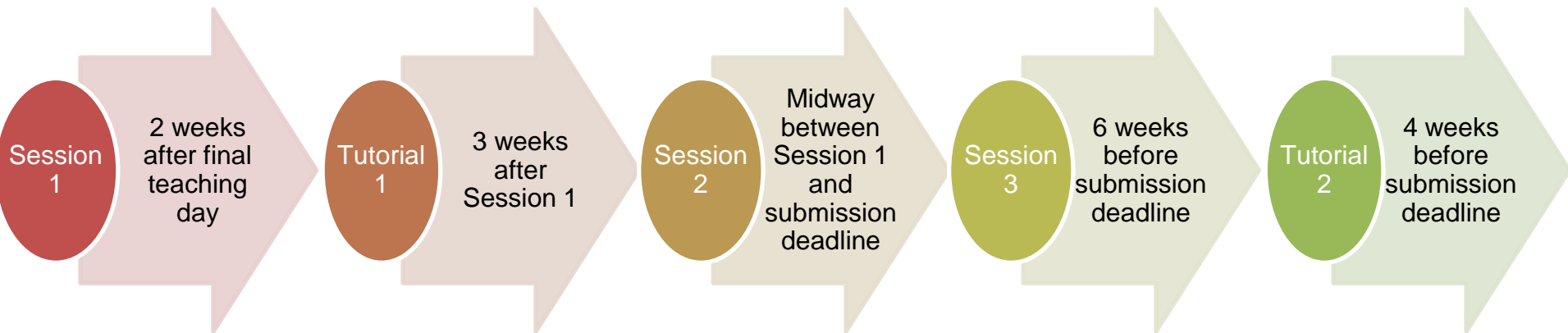
Supporting information will be expected that gives evidence of the project activities and implementation of good commissioning or purchasing practice. The project must have been accepted by your line manager as appropriate to the needs of your organisation, and have been undertaken during the course.

Minimum of 4,000 words and a maximum of 5,000 words.

Assessment criteria

| | |
|---|------------|
| a) Provide a rationale for the development of the project, drawing on a critical understanding of commissioning and purchasing good practice and national guidance | 20% |
| b) Demonstrate appropriate commissioning or purchasing practice | 20% |
| c) Critically evaluate the effectiveness of the activities undertaken and their impact on commissioning or purchasing practice within your service and/or organisation | 20% |
| d) Provide a reflective commentary that demonstrates personal development and learning | 20% |
| e) Demonstrate good academic practice applicable to the work-based project | 15% |
| f) Correctly and appropriately cite references and include them on a reference list | 5% |

From theory to practice – the support process

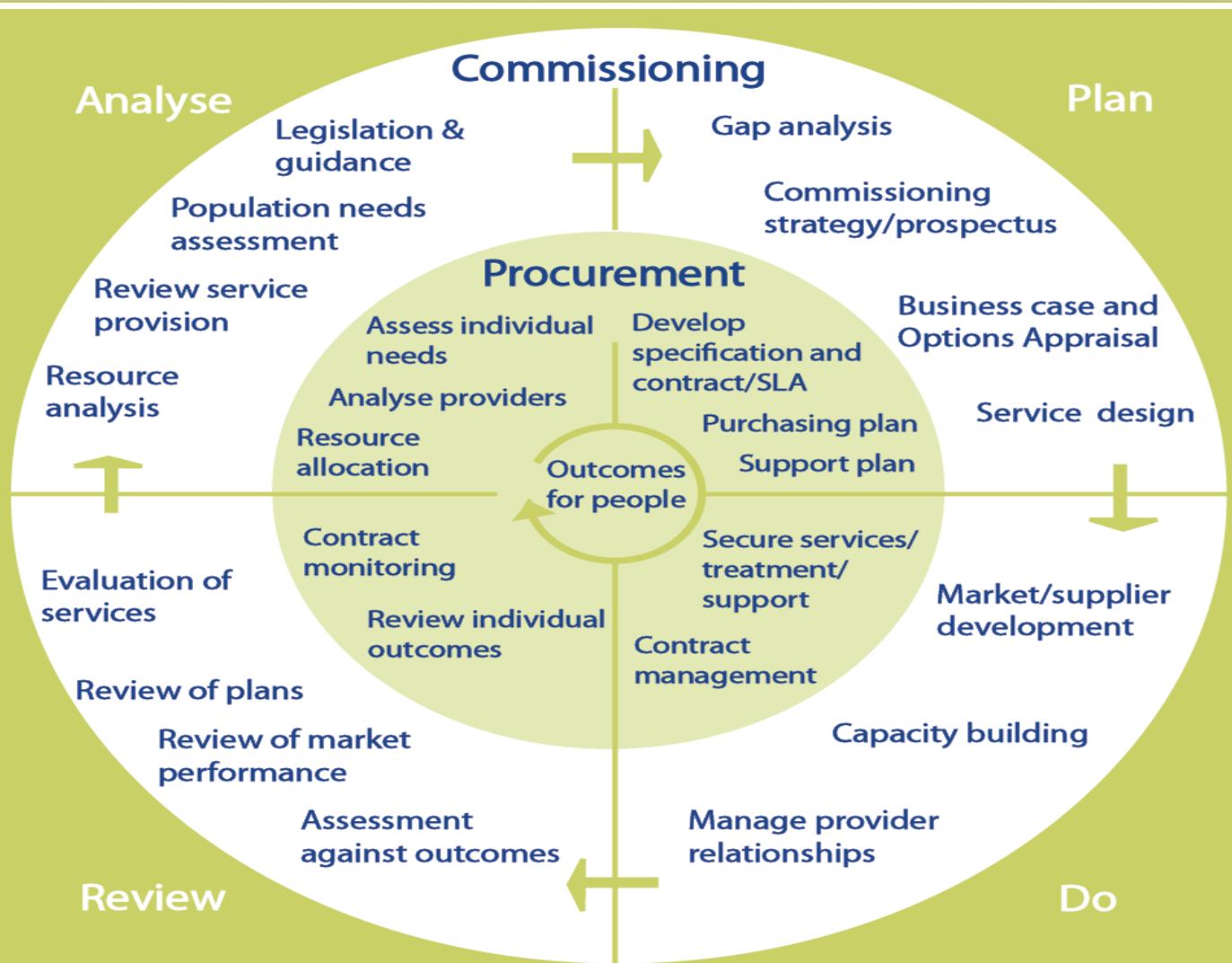


Accreditation: dates in diaries....

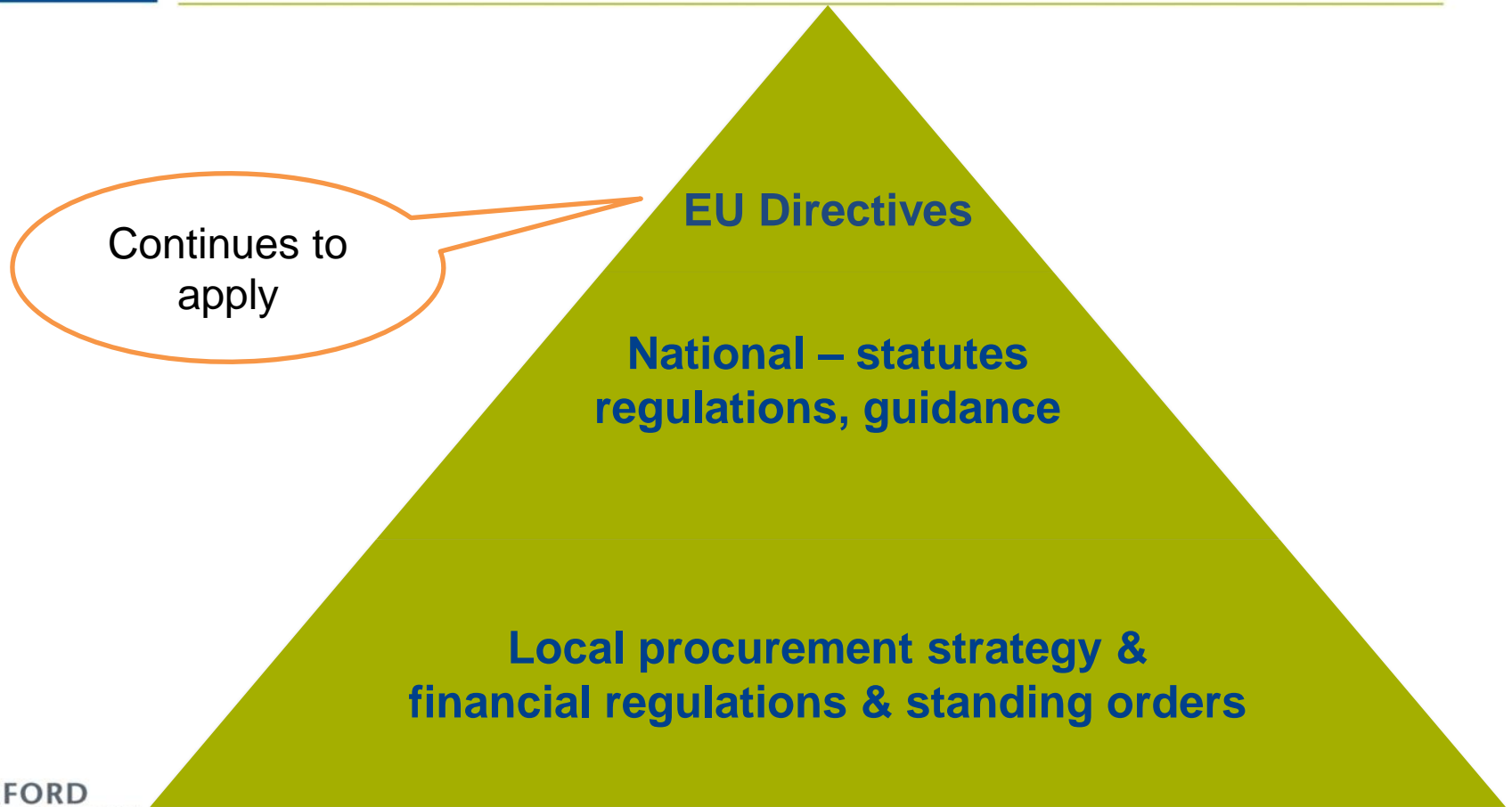
- **Enrolment by:** Friday 7th May '21
- **Support Session 1:** Wednesday 12th May '21, 9.30 - 11.30
- **Tutorial 1:** w/c Monday 24th May '21
- **Support Session 2:** Tuesday 13th July '21 9.30 - 11.00 '21
- **Support Session 3:** Tuesday 12th October '21 9.30 - 11.00 '21
- **Tutorial 2:** w/c 25th October '21
- **Assignment Submission:** Monday 22nd November '21

Procurement

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The legal procurement framework



EU principles

- **EU principles still apply:**
 - **Equality of treatment**
 - **Non discrimination**
 - **Transparency**
 - **Proportionality**

Procurement – what next?

‘After a decade and more of austerity, the basic efficiencies available through tendered competition have already been secured. That particular well is empty.

If essential public services are to be maintained or improved, we’re going to have to look at doing things another way’

(‘The Art of the Possible in Public Procurement’ - Frank Villeneuve-Smith & Julian Blake)

Relationship between commissioning and procurement

- Most of the opportunities to ensure innovation and change are only available at the commissioning stage – the stage where you make strategic choices around what you are trying to achieve and the outcomes you’re trying to secure.
- It is vital that the commissioning process has begun a long time before any advertisement and that commissioning has directly informed the procurement process itself.

Getting the balance right.....

‘Commissioners tell us that procurement has, through excessive caution and lack of imagination, too often become the tail wagging the commissioning dog – in an unholy alliance with equally cautious legal advice.

Process has taken over purpose. We believe that the primary focus on purpose needs to be restored to commissioning’

(‘The Art of the Possible in Public Procurement’ - Frank Villeneuve-Smith & Julian Blake)

What can help?

The Public Contracts Regulations 2015 can help with this restoration. They enable commissioners to shape a procurement process that can actually deliver on strategy – reconnecting the procurement task with commissioning e.g.:

- **Explicitly allow for market consultation with suppliers, service users and other stakeholders prior to tender – not just on the specification but on the process as well**
- **Provide a much wider choice of process so procurement can deliver on strategy i.e. the development of entirely bespoke processes (subject to principles) so that Commissioners can be confident of procuring something which really meets communities' needs**

What commissioners need to do.....

(10 attributes/pitfalls – ‘handouts’)

- Focus first on the purpose and then implement a process to deliver that purpose, documenting your reasoning at each stage
- Articulate clearly what you are trying to achieve, establishing the objectives of the commissioning exercise
- Select a process to deliver specifically on that objective
- Check that there is consistency between the specification, the tender requirements, the evaluation criteria and the contract
- Check that your whole process complies in spirit and in fact with the Principles – have I ensured transparency? Have I ensured equal treatment? and so on
- Ensure any social value elements are objectively relevant to the subject matter of the contract.

Public Services (Social Value) Act 2012

“The contracting authority must consider how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and; how, in conducting the process of procurement, it might act with a view to securing that improvement”.

Revised Best Value Statutory Guidance 2015:

“recommends that authorities consider social value for other contracts ... where it is relevant to the subject matter of the contract and deemed to be beneficial to do so”.

Social and environmental aspects

The new Regulations contain improved rules on social and environmental aspects, making it clear that:

- **Social aspects can now also be taken into account in certain circumstances (in addition to environmental aspects which have previously been allowed);**
- **Contracting authorities can require certification/labels or other equivalent evidence of social/environmental characteristics;**

The full life-cycle costing can be taken into account when awarding contracts.

Abnormally low tenders

“Contracting authorities shall require tenderers to explain the price or costs proposed in the tender where tenders appear to be abnormally low in relation to the works, supplies or services.”

Public Contract Regulations 2015 (69:1)

- **The tender may only be rejected where the evidence supplied does not satisfactorily account for the low level of price or costs proposed.**
- **The tender shall be rejected if it is established that the tender is abnormally low because it does not comply with applicable obligations (eg minimum wage).**

Exercise

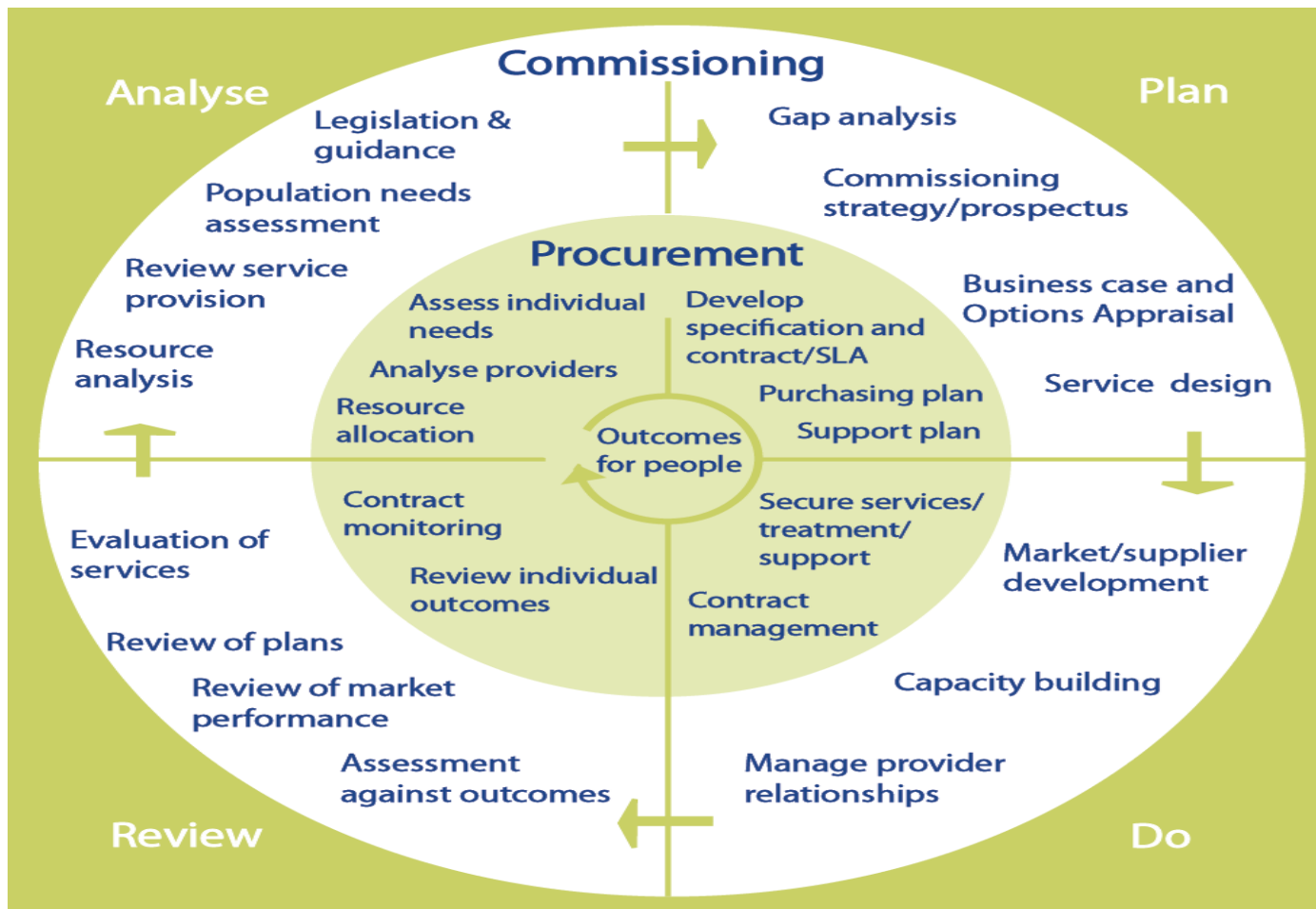
- You are about to tender for a service for your target population :
 - What are the key criteria that you would use to judge the technical competence of potential providers?
 - How would you rank the criteria in order of importance?
 - How would you make that judgement i.e. what information would you ask for or what would you want to see?



More information

- The Art of the Possible in Public Procurement
- Government Outcomes Lab <https://golab.bsg.ox.ac.uk/>
- Crown Commercial Service: [Guidance on the light touch regime](#)
- Crown Commercial Service: [Reform of the EU procurement rules](#) – public sector
- Cabinet Office: [Public procurement policy notes](#)
- Social Value Hub
<http://www.socialvaluehub.org.uk/>
- LGA: [Encouraging innovation in local government procurement](#)
- [Procurement Guide for Commissioners of NHS-funded Services](#)
- [The National Procurement Strategy for Local Government in England](#)





Dates in your diaries/calendars

- **Module 4: Sessions 7 & 8: 22/23rd April, 9.30 – 1.00**

‘Homework’ – for next time



‘Homework’

If you can.....find a few minutes to ‘flick through’:

- ☐ **‘Involving Citizens in Commissioning’ document.**

Your reflections on today





Contact us

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