Outcome-Based Commissioning

Institute of Public Care Commissioning Cycle

Focussing on outcomes

"Public service commissioners are under increasing pressure to demonstrate the impact of their services on the beneficiary in terms of the outcomes achieved. To do this, they will need to focus on the impact on the service user and what has been achieved, rather than just how time and money have been spent. "

Social Finance (2015:2*) Commissioning for outcomes across children's services and health and social care .*

Definitions

- **Outcome** – result or upshot
- **Output** – production; the amount of services produced in a given time
- **Process** – procedure, method or means
- **Input** – contribution or effort

Oxford English Dictionary

From Inputs to Outcomes

Inputs

Processes

Outputs

Outcomes

Outcome, output, or process/input?

Objective	Type	Measure
1. Fewer service users will experience tenancy failure		
2. Develop a register of those receiving advocacy by June		
3. Fewer children in care will offend		
4. All staff will be paid at least minimum wage plus £1.50		
5. Reduce the vacancy rate by 5%		
6. Reduce the average waiting time to access the tier 3 CAMH service to 6 weeks		
7. There is a written equal opportunities policy		

Service-led or outcome focussed?

	Service led		Outcomes focuses
Endpoint	delivery of service	S H I F T	impact of the plan
Format	pre-determined question and answer formats		semi structured conversation = open questions
Approach	obtaining information required for form filling = „filtering" information		skilled interaction including active listening and reflecting back
Person	client, service user or patient who receives services		person in their own right with skills, ability and a role to play in achieving their outcomes
Practitioner	expert		enabler & partner
Focus	identify problems and deficits and match to a limited list of services		build on capacities and strengths towards creative solution
Recording	tick box		building a picture towards a clear plan for achieving outcomes

An outcomes focus approach requires a shift in thinking

.. from outputs to outcomes
.. from activities to results
.. from deficits to strengths
.. from problems to solutions
.. from needs to what matters
.. from expert to facilitator

Things people like about an outcome-based approach

- Based on the person's desires, not service led.
- Holistic approach.
- Fits with person centred approaches; puts the individual at the centre.
- Empowers service users and promotes self advocacy.
- Emphasises evidence based practice.
- Focuses on needs and seeks positive interventions to provide better outcomes.
- It facilitates a co-productive approach using person's assets as well as services or support.

Potential issues with outcome-based approach

- Distance from commissioners to service users and carers
- Legal restraints
- Attribution
- Measurement

Scenario-based exercise

Outcome-based commissioning

The Leader of the Council wants commissioners to identify a set of outcomes to be achieved in relation to people who are homeless in the area

Stage 1

- Consider people who are homeless in the area, who they are, and what you plan to commission.

- Agree your desired outcomes – no more than 3 or 4.

Stage 2

- Identify measures or indicators (outputs) you might use to help you understand whether the outcomes identified are being met.

- Consider how you would realistically monitor a contract to get this information.

- Note the measures.

IPC Model for Whole System Outcomes Based Commissioning

"Establishing the environment" creating the right *culture, vision, attitudes, behaviours and relationships* to enable outcomes to become integrated into every aspect of the social care system.

"Putting the processes in place" systems and processes which will support and enable the delivery of outcome focused services. This includes *assessment, care and support planning, review, performance monitoring* as well as ensuring that staff have the *relevant skills.*

"Making the arrangements" To ensure an outcome focused approach across the whole system the final element of the model describes the arrangements that need to be in place to enable care and support to be *contracted, delivered and paid for on the basis of outcomes.*

3 elements of an outcomes based approach

Service design

- Agree tangible outcomes, identify who benefits from these and what is the value of such outcomes.
- Identify specific actionable insights into the underlying needs of children and how the system currently responds to them
- Acquire robust understanding of the available interventions, and their business case for different sets of issues
- Engage all those agencies that are likely to have a material impact on the selected outcomes.
- Commissioner sets direction but some risks transferred to the delivery body.

Social Finance (2015) Commissioning for outcomes across children's services and health and social care

Outcomes-based service design – sequence of events

Children's Improvement Board (2012)
Monitoring outcomes and quality assuring provision for children and young people with special educational needs

Example logic model

Inputs

Local authority funded therapist

1 f/t member of staff

3 volunteers

Church hall 2 evenings a week

Outputs

Provide refuge/safe place

Provide supported activities

Training provided to 3 schools

Interim Outcomes

Reduce incidents of bullying

Increase school attendance

Reduce incidence of risky behaviour

Improved social and emotional behaviour

Final Outcomes

Enable young people to fulfil their potential in their formal learning environment

Successful transition into adult life

Purchasing

- May require a fundamental re-think of business model and operation for providers.

- Can we:
  - Stop paying for outputs?
  - Continue to ensure user choice and personalisation?
  - Attribute the outcomes obtained by a patient/service user to the input of a single provider?
  - Give organisations who provide services incentives for doing better than the agreed outcomes, and disincentives if they don't?

IPC's approach to outcome based purchasing

Establish the environment

- Identify the vision
- Align organisational and individual aspirations
- Redefine the purchasing relationships
- Change culture & attitudes

Put the processes in place

- Care planning & assessment
- Service design
- Staff skills and readiness
- Measuring & monitoring
- Developing the purchasing mechanisms for individuals and agencies

Make the Arrangements

- Contracts
- Costs
- Charging

Social Impact Bonds

- A commissioning tool that can enable organisations to deliver outcomes contracts and make funding for services conditional on achieving results.
- Social Investors pay for the project at the start, and then receive payments based on the results achieved by the project.
- There are over 30 SIBs across the UK, supporting tens of thousands of beneficiaries in areas like youth unemployment, mental health and homelessness.
- More information available at https://www.gov.uk/guidance/social-impact-bonds

Monitoring

- Put in place a monitoring framework that is capable of capturing performance against the outcomes.
- Develop one or more indicators to measure the change in relation to each outcome.
- Ensure a balance between subjective (or self-reported) and objective indicators.
- Measure intermediate outcomes or the distance travelled towards an outcome.
- Evaluate longer-term outcomes.

Nef (2009) A guide to commissioning children's services for better outcomes

What works in implementing an outcome-based approach

- Developing trust and enabling providers to have the skills and knowledge to deliver the right outcomes in the most appropriate way

- Make payment and performance management processes clear and simple

- Develop common understanding and engagement across assessment staff, providers, carers and their families of the importance of taking an outcomes approach

IPC (2015) Emerging practice in outcome-based commissioning for social care

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