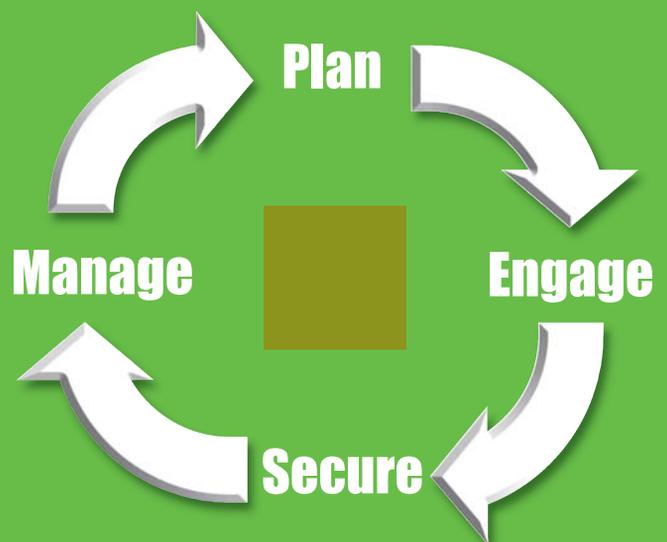
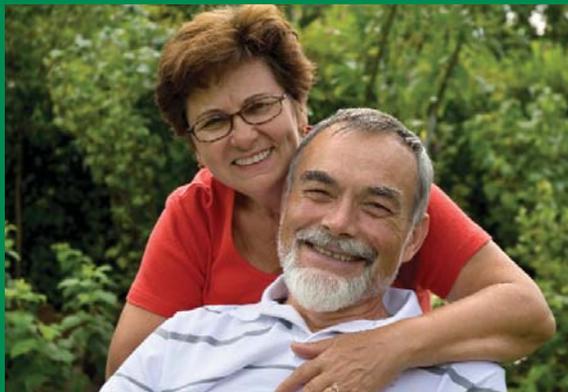


Common Commissioning Framework for Solihull



Common Commissioning Framework for Solihull

This is the Common Commissioning Framework for the partner organisations which make up the Solihull Partnership, across public, private, and third sectors.

The Solihull Sustainable Community Strategy focuses on results for local people, and success depends on co-operation between partner organisations. The Common Commissioning Framework sets out a structure for this co-operation, a consistent approach to planning, providing and reviewing services to achieve the results in the Sustainable Community Strategy.

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1. Introduction

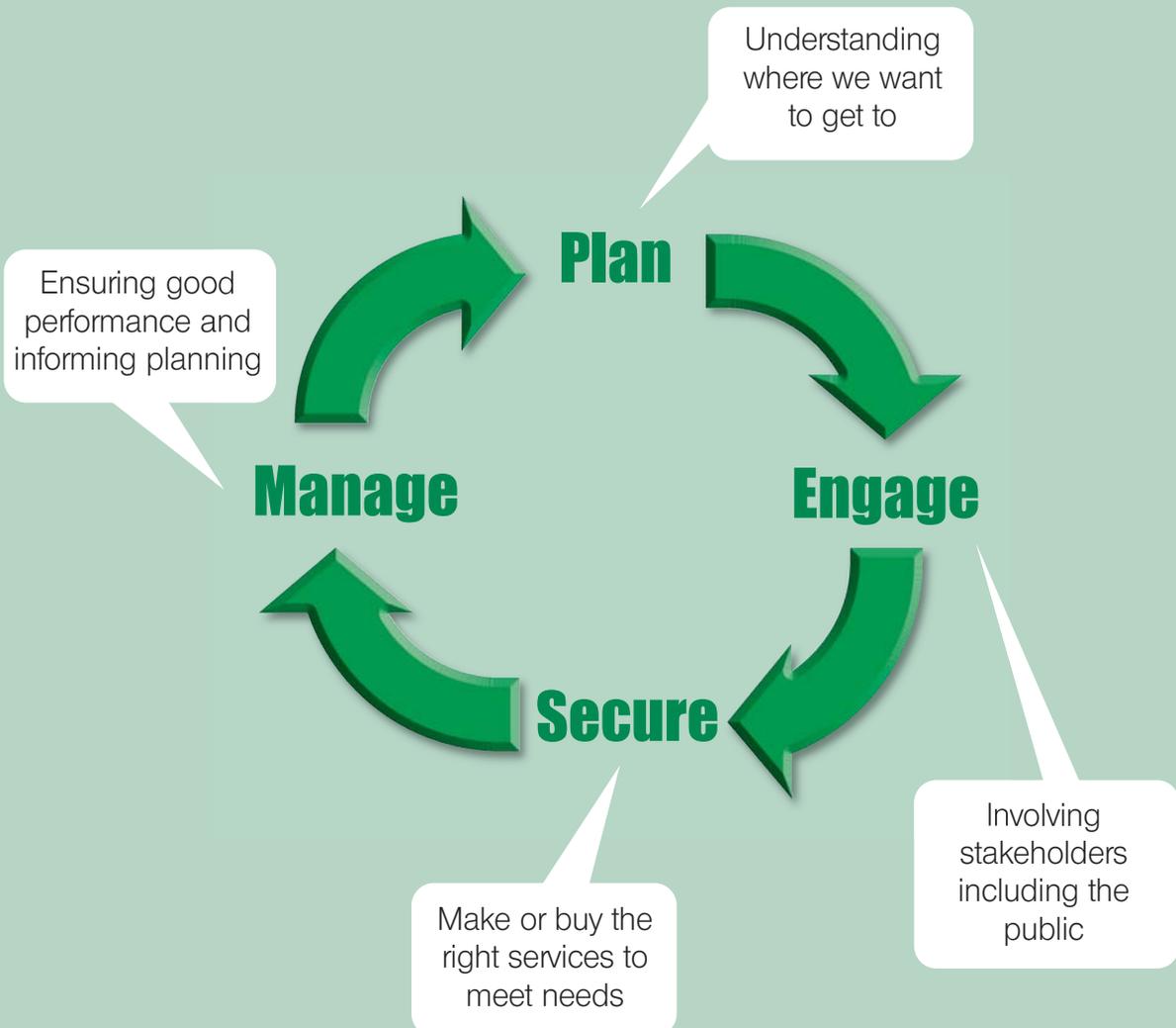
Defining commissioning

Commissioning is about getting the right services to meet the needs of local people. The definition in this Framework is:

"Commissioning is the process of assessing needs and planning, delivering and reviewing services to use the available resources to get the best outcomes for the people of Solihull.

This process applies to all services, whether they are provided by the local authority, NHS, other public agencies, or by the Private and Third Sectors."

Commissioning in Solihull follows a four step cycle:

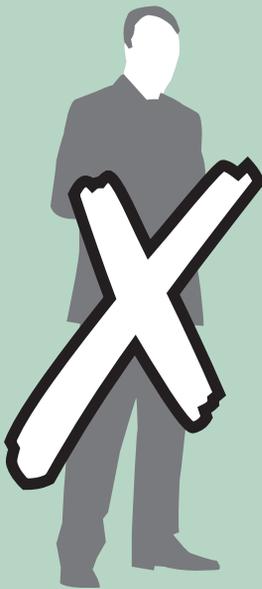


The commissioning process can be applied to whole populations, to specific groups of people with shared needs, or to individuals. Although the scale may be different, the process remains the same, following the four step cycle.

Anyone can apply the commissioning process, but success depends on a team effort because of the range of skills involved: planning, co-ordination, stakeholder engagement, service design, procurement, contract and performance management, evaluation and, above all, communication.

Who does commissioning?

**Single expert:
'the commissioner'**



**Team effort: combination of skills,
shared process**



The commissioning process can only work if the right people are involved, including service users, the people who work directly with them, and the range of other people who have an interest or influence. These people are called stakeholders.

1. Introduction *continued*

Drivers for commissioning

Commissioning has become everyone's business.

Local partnerships and public sector organisations are increasingly judged on the extent to which they apply a commissioning approach to deliver better outcomes for local people. Commissioning must be based on a robust understanding of needs and the active involvement of all stakeholders, including local people who are service users.

National programmes such as World Class Commissioning and the Commissioning Support Programme have been created by the government to embed commissioning as the key mechanism for reshaping services to improve quality of life. The Audit Commission audits how Local Authorities act as commissioners and the Improvement and Development Agency (IDeA) is taking forward the National Programme for Third Sector Commissioning, which is based on eight Commissioning Principles.

At a more local level, schools and GPs are asked to act as commissioners of local services.

Public agencies are also encouraged to delegate budgets to individuals so that they can secure the services they want for themselves.

Partner organisations are working in an increasingly difficult financial context which often requires more for less. Applying a commissioning approach focuses on needs and making the best use of the resources available. This can mean collaborating across a region like the West Midlands, or at a sub-regional level, to secure the right service quality and best value for customers.

Consistency and scale

Commissioning depends on securing the right service providers to meet local needs. Without service providers there is no commissioning. But participating in a commissioning process can take a lot of time and effort for service providers without any guarantee of success.

Common standards and processes across commissioning are more likely to encourage service providers to come forward – they know what to expect, and consistency saves time and money.

The commissioning process must also be proportionate to the value of the service required and the size of available service providers. If we want to give small, community based and local services the opportunity to participate then we must tailor the process accordingly.

Third Sector commissioning

To secure the optimal involvement of the third sector in public service design, improvement, and delivery this Common Commissioning Framework is built around the following 'eight principles of good commissioning' which are at the heart of the National Programme for Third Sector Commissioning:

1. Understanding the needs of users and other communities by ensuring that, alongside other consultees, you engage with the third sector organisations, as advocates, to access their specialist knowledge;
2. Consulting potential provider organisations, including those from the third sector and local experts, well in advance of commissioning new services, working with them to set priority outcomes for that service;
3. Putting outcomes for users at the heart of the strategic planning process;
4. Mapping the fullest practical range of providers with a view to understanding the contribution they could make to delivering those outcomes;
5. Considering investing in the capacity of the provider base, particularly those working with hard-to-reach groups;
6. Ensuring contracting processes are transparent and fair, facilitating the involvement of the broadest range of suppliers, including considering sub-contracting and consortia building, where appropriate;
7. Ensuring long-term contracts and risk sharing, wherever appropriate, as ways of achieving efficiency and effectiveness; and
8. Seeking feedback from service users, communities and providers in order to review the effectiveness of the commissioning process in meeting local needs.



2. Benefits of Commissioning

How a common approach to commissioning will benefit Solihull

Solihull is a thriving, diverse and prosperous place that continues to change and grow. Its competitive economy, good schools and a high quality environment make it the place of choice for many to live, work and visit. However, the traditional image of the borough masks significant deprivation and inequality. Solihull has one of the widest gaps in the country between the wealthiest and poorest communities. A significant number of local people face poorer health, education, housing and employment opportunities.

Finding solutions to these challenges will depend on good partnership working. Changes in one service will have knock on effects on other services, for example, success at school impacts on poverty, worklessness, crime and emotional health.

Benefits of commissioning for local people

- More sustainable services which have been designed around current and future needs of local people, and based on evidence of what works
- Better targeting of resources to those who need it based on accurate and current strategic community needs assessment
- An increase in preventative services which support people to tackle issues before they become problems, and joined up services that are accessible to customers
- Services provided by the organisations which are able to secure the best outcomes for local people – right sourcing
- More ownership and involvement of local people in the design, delivery and evaluation of services
- Performance judged by whether it made a difference for local people.

Benefits of commissioning for partner organisations

- Agreed priorities across Partners, using strategic assessments
- Better understanding of current and future needs of local communities
- A shared picture of how resources are used, and co-operation on redirecting resources where this will improve outcomes for local people
- More transparency in planning and decision-making, supported by common processes and reduced bureaucracy for service providers
- Improved management of 'service markets' to ensure service providers are able to respond to local needs, supporting innovation, diversity, choice, stability and quality
- Whole life-cycle focus, balancing economic, social and environmental goals
- Increased integration of services where that makes sense from the service user's perspective
- Longer-term contracts support sustainability
- Reduction in unnecessary spend and duplication which leads to more efficient use of resources and service delivery
- Managed competition raising standards of service delivery
- Recycling of resources by decommissioning services which are no longer a priority.

3. Infrastructure for Effective Commissioning

The Sustainable Community Strategy sets out the vision that Solihull in 2018 will be a place where everyone has an equal chance to be healthier, happier, safer and more prosperous. Commissioning will transform services to meet this vision and success depends on partner organisations operating according to this Framework.

Partnership infrastructure

The Solihull Partnership was redesigned in 2008 to equip it to operate in a commissioning environment. The Partnership Governance Framework includes:

- A shared approach to strategic needs assessment and the creation of a Solihull Observatory to support this work;
- A shared approach to strategic planning and priority setting applied across five Partnership Strategic Groups to ensure they integrate well together, supported by a Partnership Commissioning Team;
- A common approach for involving stakeholders in identifying sustainable solutions;
- A single partnership performance management process, and a single partnership performance scorecard with the Local Area Agreement indicators at the heart of this.

Governance

This Common Commissioning Framework is owned by the organisations which make up the Solihull Partnership and are signatories to the Sustainable Community Strategy. Each Partner strives to operate according to this Framework and ensure that its own organisational processes are consistent with the Framework.

The Framework applies equally to commissioning carried out through the Solihull Partnership as it does to commissioning which is seen as largely 'owned' by a single organisation. The requirement for a Common Commissioning Framework acknowledges that there is a partnership dimension to all commissioning. Even single agency contract management could be conducted on behalf of a number of partners to simplify the relationship with a service provider.

The Solihull Partnership is responsible for reviewing the Common Commissioning Framework and the effectiveness of its use by partner organisations. This review will form part of the annual report to partner organisations on the effectiveness and value for money of the Solihull Partnership.

The Solihull Partnership is responsible for ensuring wide stakeholder involvement in the commissioning process. Responsibility for overseeing this rests with the Stronger Communities Strategic Group which has the partnership lead for community engagement, and with the Partnership Commissioning Team which is required to ensure wider stakeholder involvement in the work of the Solihull Partnership.

Partnership dimension to all commissioning

| In Partnership | Single agency |
|---|--|
| Develops vision | Agrees vision, and ensures coherence with own agency vision |
| Develops and validates needs assessment | Contributes to and uses needs assessment |
| Develops priorities | Informs and agrees priorities, and ensures coherence with own agency priorities |
| Develops overarching strategies and plans | Informs and agrees overarching strategies and plans, and develops own agency plans ensuring coherence with overarching strategies and plans |
| Develops recommendations for action to address priorities | <p>Informs and formally agrees recommendations</p> <p>Purchases services and decommissions services no longer required</p> <p>Develops own services to contribute to overarching strategies and plans.</p> |
| Outcomes performance review and challenge | Contract management |
| Formal scrutiny | Formal scrutiny |

Use of resources

Effective commissioning requires an assessment of whether better use can be made of existing resources, building an overview of resources (money, people, buildings etc) across different organisations and funding streams. It also means pooling or aligning these resources where this will help to deliver improved outcomes.

The Partnership Governing Board is responsible for the management of Area Based Grant in the delivery of the Sustainable Community Strategy.

The Partnership will publish an annual review of partnership effectiveness and value for money. Each partner organisation has arrangements for assuring the quality of the Partnership. The Council has a formal scrutiny role and will collaborate with partner organisations to ensure a joined up review of partnership effectiveness.

The performance of public services delivered by councils and their partners including the private and Third Sectors is subject to a Comprehensive Area Assessment (CAA). CAA assesses how well-run local public services are and how effectively they use taxpayers' money.

4. Implementing the Framework

The success of the Common Commissioning Framework will be in its practical implementation and use by the partner organisations to the Solihull Partnership. To ensure the Framework is implemented the following steps are being taken:

Solihull Observatory

The Solihull Observatory has been created to enable effective knowledge management across the Partnership. Its priority is to create a strategic needs analysis for Solihull which is used by all the partner organisations to drive planning and commissioning.

The Solihull Observatory will act as a library for data, information and knowledge. Its sources will be:

- Performance measured against measures of success such as the National Indicators and the Local Area Agreement;
- Local intelligence about community needs and the effectiveness of different service interventions and community-led initiatives in meeting these needs;
- Local people's views about their experience of life in Solihull, what works best for them, and what their priorities are;
- Local, regional, national and international research and evaluation of the effectiveness of different kinds of service interventions and community-led initiatives.

At the time of publication of this Framework the Observatory is small but growing. During 2010 arrangements will be established to ensure that data, information and knowledge is drawn from across partner organisations, including the Third Sector.

Tools

A range of new and existing tools will support the implementation of the Common Commissioning Framework, drawing on good practice from across all sectors. Examples include:

- Outcomes Based Accountability or OBA, which distinguishes between outcomes for whole communities (population accountability) and the contribution of individual services towards achieving better outcomes (performance accountability). OBA provides a structure for stakeholders, including local people, to choose outcomes they want to improve and to decide how best to do this. OBA is already being used by the Solihull Partnership.
- Lean Process Management which reviews organisational processes to reduce waste and increase value for the customer. Solihull Council is already using Lean.

There are other tools such as those used by Solihull NHS Care Trust as part of World Class Commissioning. Partners are encouraged to develop tools together and separately, and share access to these across the Partnership.

Learning and Development

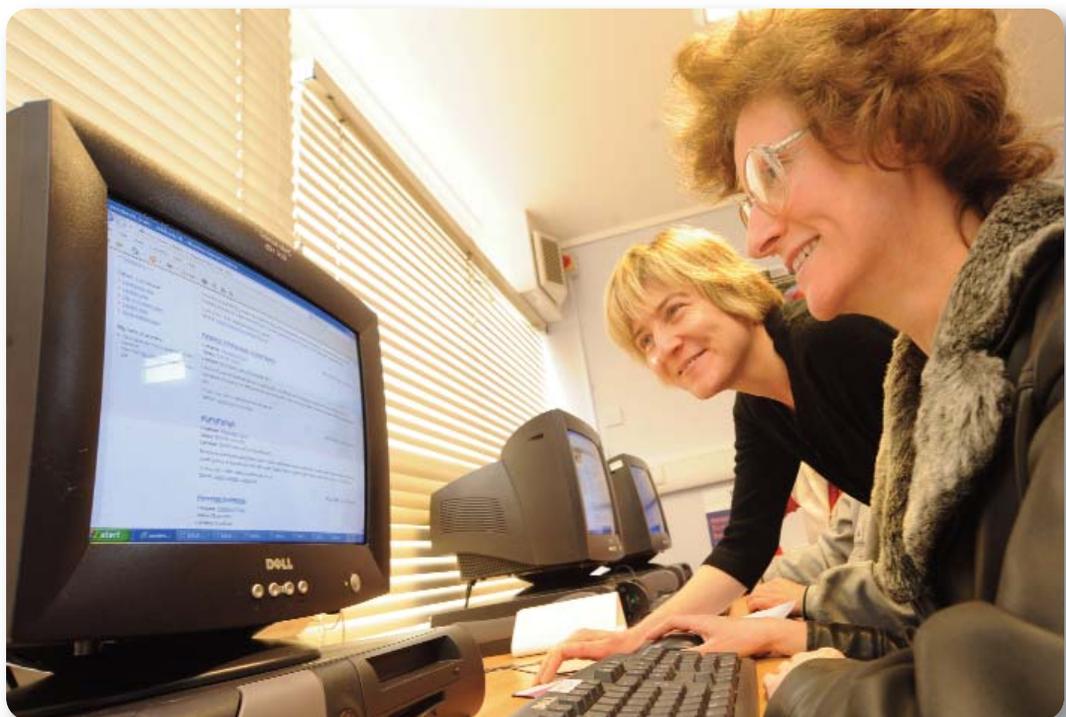
If commissioning is to transform services then partner organisations will need to excel at commissioning. This means developing the organisational processes to apply commissioning, and developing the knowledge, skills, behaviours and characteristics of staff involved in commissioning processes.

Some of the members of the Solihull Partnership are more accustomed to operating in a commissioning environment than others. However, all the organisations which are members of the Solihull Partnership will need to adapt to meet the requirements of the Common Commissioning Framework.

Work is underway nationally and locally to map the skills and competencies required through the Commissioning, Procurement and Contracting National Occupational Standards, and the NHS World Class Commissioning Competencies. These will enable the Partnership to identify areas of strength and areas for further development.

Learning and development will also be required for providers and potential providers of services, including those currently considered as 'in house' to Solihull Council and Solihull NHS Care Trust.

The Partnership is to produce a Learning and Development Plan and this will include the support required for volunteers, staff and elected representatives to understand and apply the Solihull commissioning approach. This plan will be informed by a skills audit that will establish the demand for different learning; for example, in writing bid and making tender presentations, or in preparing resource assessments.



4. Implementing the Framework *continued*

Measuring effectiveness

The Solihull Partnership will use the Audit Commission's Key Line of Enquiry (KLOE) to measure the effectiveness of this Framework. KLOE 2.1 asks the question "Does the organisation commission and procure quality services and supplies, tailored to local needs, to deliver sustainable outcomes and value for money?"

We measure whether the Solihull Partnership and its partner organisations:

- have a clear vision of intended outcomes for local people which shapes its commissioning and procurement, and is based on an ongoing analysis and understanding of needs;
- involve local people, partners, staff and suppliers in commissioning services;
- seek to improve the customer experience, quality and value for money of services through service redesign, making effective use of IT;
- understand the supply market and seek to influence and develop that market;
- evaluate different options (internal, external and jointly with partners) for procuring services and supplies;
- review the competitiveness of services and achieve value for money, while meeting wider social, economic and environmental objectives.

Monitoring compliance

Each partner organisation to the Solihull Partnership is a signatory to this Common Commissioning Framework and so is expected to comply with the Framework and operate within its spirit.

Each partner will be asked to report annually on how they have implemented the Framework within their own organisation. The Partnership Commissioning Team is responsible for supporting individual partners to implement the Framework. The Partnership Governing Board is responsible for challenging and holding to account partners who hinder the implementation of the Framework.

Mitigating for unintended consequences

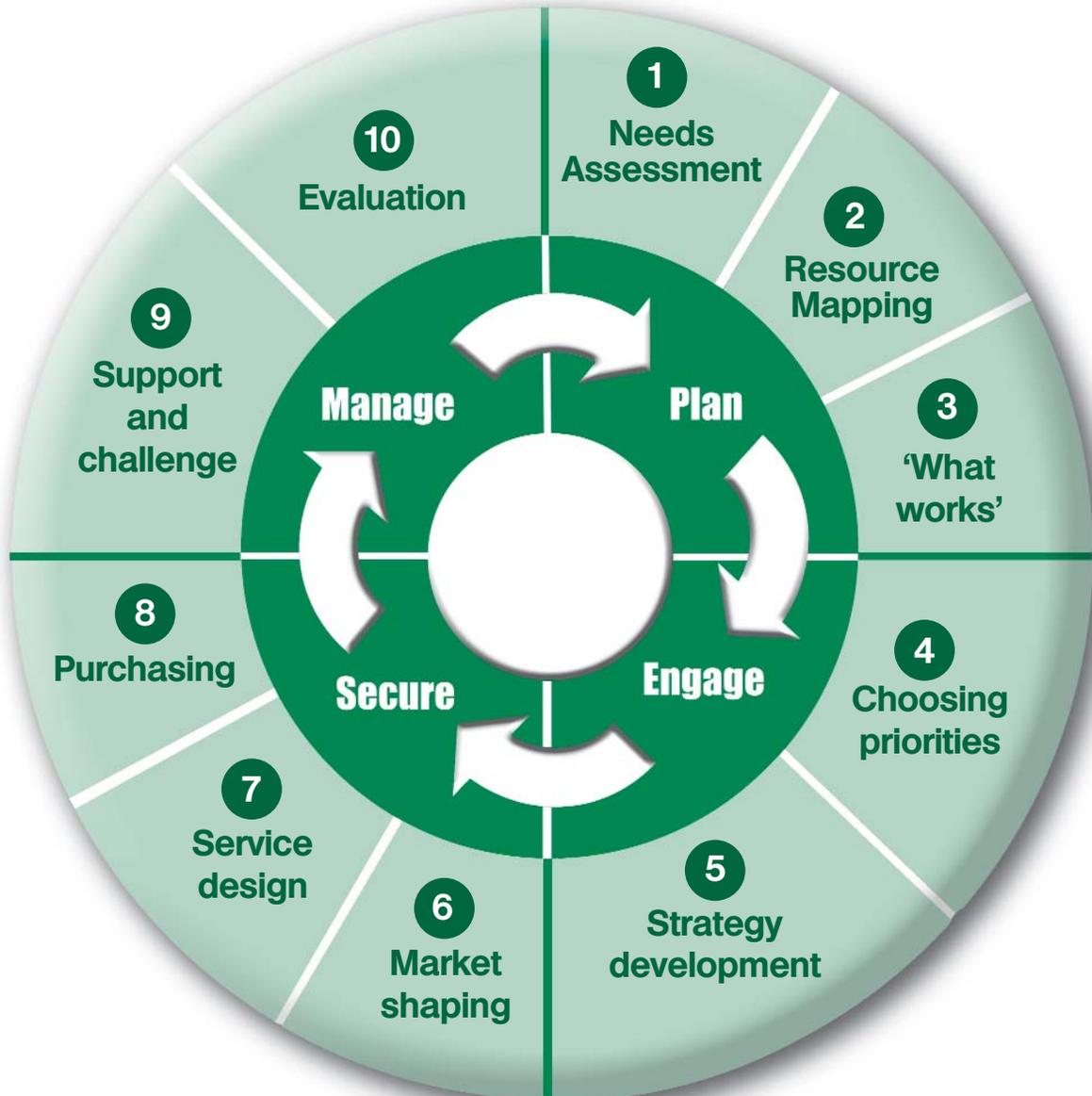
Applying the Common Commissioning Framework may have some undesired, unintended consequences, for example partners have questioned

- whether an increase in competition and targets would reduce Third Sector collaboration and community spirit;
- whether formal tendering would favour larger national organisations leading to a loss of local knowledge and a poorer quality of customer relationship;
- whether in practice only Private Sector and Third Sector providers will be required to comply with the Framework, and not Public Sector providers;
- whether service providers will need to divert resources from service delivery in order to comply with the commissioning process.

The Partnership Commissioning Team will maintain a commissioning risk register, and to monitor and mitigate for undesired consequences.

5. Commissioning Cycle

The Solihull Common Commissioning Framework is based around a 10-step commissioning cycle:



The 10 Steps

PLAN

1 Needs Assessment

- Assessment of local people's needs and current outcomes, drawing together performance data, local intelligence and the views and knowledge from local people and service providers.

2 Resource mapping

- Assessment of how all relevant resources are currently used to meet local needs, identifying gaps and overlaps.

3 'What works'

- Review and evaluation of local, national and international evidence of what works.

ENGAGE

4 Choosing priorities

- Agreement about shared goals and outcomes by individual organisations and the Partnership.

5 Strategy development

- Production of annual commissioning plan, focused on outcomes for service users.
- Wide stakeholder involvement, including local people and their elected representatives, in identifying solutions to address priorities and being clear about what is no longer required to redirect capacity for new solutions.
- Consideration of low cost and no cost options which have the potential to be more sustainable.
- Production of strategy drawing together evidence, priorities and solutions, taking account of differential impact using equality and sustainability impact assessments.

5. Commissioning Cycle *continued*

SECURE

6 Market Shaping

- Working with current and potential service providers to enable them to develop to meet local requirements.
- Investing in longer term relationships with providers including the Third Sector to build local capacity and choice.

7 Service Design

- Decision on how need is best met (“make or buy”) informed by best practice research.
- Developing outcome focused specifications for new services involving service users, practitioners and providers.
- Redesign existing service processes to better meet local needs, designing out waste.

8 Purchasing

- Negotiate and agree contracts and formal agreements for new services with service providers.
- ‘Right sourcing’ services, selecting services providers on their ability to deliver outcomes and value for money.

MANAGE

9 Support and challenge

- Monitor and performance manage contracts and formal agreements.
- Provide learning and development opportunities to help service providers develop their skills and knowledge.

10 Evaluation

- Collect learning and customer feedback.
- Evaluate success in improving outcomes and informing planning.

6. Standards for commissioning

The Solihull Partnership operates according to four values. This Framework identifies ten standards for commissioning which ensure that the Partnership values drive the behaviour of service providers and commissioners in Solihull.

An equal chance for all

1. Positive about diversity

Solihull is a diverse place and we will celebrate and recognise this diversity by:

- Ensuring that our strategic needs assessments reflect our different communities and consider local variations;

2. Focus on outcomes and needs

Our Sustainable Community Strategy is about improving outcomes for all local people and closing the gap in outcomes for those who do the least well. We will do this by:

- Investing in robust needs assessment;
- Designing performance management around outcomes

3. Safeguarding vulnerable people

We believe strongly that everyone should have the chance to be the best that they can be. We will strive to close gaps in outcomes and provide routes out of poverty. We will do this by:

- Applying the commissioning process to meet the needs of the most vulnerable people in Solihull;
- Focusing our Partnership strategic plans on prevention and early intervention, and working with service providers to ensure opportunities are not missed.
- Ensuring that commissioning and procurement reinforces safe practice and local procedures.

6. Standards for commissioning *continued*

Nothing without the Community

4. Public involvement

Our Partnership can only succeed if the ideas and aspirations of our communities drive our partnership and are actively involved in every aspect of the Partnership, including decision-making. We will achieve this by:

- Establishing and supporting existing community forums, and involving service users in commissioning workshops;
- Involving community groups as we carry out Equality and Sustainability Impact Assessments on commissioning proposals.
- Providing information so that members of the community can contribute to decision-making in an informed way.

5. Local intelligence

Local people give local service providers feedback about their wants and needs all the time. Feeding this local intelligence into our commissioning process will make service design and delivery more responsive to local need. It will also avoid the frustrating duplication caused when we ask local people for information which they have already given to us. We will do this by:

- Establishing mechanisms for collecting local intelligence and feeding this into the commissioning process;
- Designing the Solihull Observatory to collate local intelligence.

Sustainable Change

6. Quality and choice

Delivering high quality services depends on sourcing the best service providers regardless of sector and being open to change and innovation. We believe a mixed economy of service providers is better for our customers because it enables choice and competition and reduces risk. To achieve this we will:

- Use a rigorous public benefit test for deciding whether to seek service providers through a competitive tender process;
- Encourage service providers to take account of their role in delivering social, economic and environmental outcomes, and invest in their capacity to do so;

- Operate within the principles and arrangements within the Compact Plus for Solihull to encourage the development of a thriving and sustainable third sector in Solihull, taking account of the added value that the Third Sector can bring;
- Share risks, and support each other to mitigate for these;
- Evaluate 'whole life' costs when using a competitive tendering process;
- Conserve biodiversity and minimise damage to the environment;
- Use evidence of what works to inform service design;
- Using the experience of service users to measure both service quality and the effectiveness of commissioning in securing the right services.

7. Value for money

Resources for public services must be deployed to get the best return for the investment, and the most sustainable solutions are often those with limited cost. To ensure good husbandry of our resources we will:

- Pool resources where this reduces duplication;
- Quantify full service costs including management costs;
- Work across sectors to maximise opportunities to secure external resources;
- Support providers to reduce waste in their processes.

8. Stability

Sustainable change depends on long term planning. We will support this by:

- Working towards three year funding arrangements where this represents best value;
- Publishing commissioning plans to allow service providers, including the third sector to develop to meet our requirements.

Partnership with respect

9. Fairness and transparency

Good partnership is founded on trust and dialogue. Our commissioning approach will be most effective if we are fair and transparent, and so build trust and confidence. To enable this we will:

- Secure wide stakeholder involvement in the commissioning process and partnership decision-making;

6. Standards for commissioning *continued*

- Design and apply contracting processes in a way which enables the broadest range of bidders;
- Record decisions and ensure transparent reporting;
- Provide feedback to unsuccessful bidders for funding;
- Be open about how we will decommission services that are no longer required, or considered a priority so that resources can be reused in other ways.

10. Supporting people to change

Introducing change can be hard for those who are directly affected, particularly where it means stopping delivering services which are no longer a priority. In addition, for many people commissioning is a new language that is hard to understand. We recognise that we will need to support people across the partnership to work within this Framework. To do this we will:

- Support statutory service providers to operate in an environment where they will need to demonstrate that they are the best placed provider to secure resources;
- Design commissioning processes to stimulate innovation and reduce bureaucracy, ensuring that the process is proportionate to the cost of the service required;
- Build mechanisms to enable smaller organisations, including those in the Third Sector to navigate and fully engage with the commissioning process.

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