

Effective commissioning in children's services

Development demonstrators

Briefing 6



Sector-led improvement

A set of briefings is available to support the Munro Review demonstrator sites. Each addresses a topic central to the Munro Review recommendations. They introduce key activity in the area and signpost the way to further information, but do not systematically review or quality appraise the material. They are intentionally 'live' working documents, to which experiences of the demonstrator sites will be added to during the project.

What is the issue?

Commissioning is a key mechanism for achieving the whole-systems change required by the Munro Review (see Briefing 1), in particular providing a means by which the overall design of services can be shaped to support early help and intervention.

There is increasing recognition across that sector that commissioning is more than just procurement. Rather it is an 'end-to-end' process of forming an accurate picture of local need, and working in collaboration with partners and service users to commission services to meet that need, building and shaping the provider market where necessary. Monitoring of outcomes helps to ensure services are effective, as well as contributing to a wider understanding of 'what works'.

Yet achieving effective, integrated commissioning can be challenging, particularly against a backdrop of changing governance structures in the health sector, with the introduction of Clinical Commissioning Groups and Health and Wellbeing Boards, and significant financial pressures across all sectors. The move from service provision to a commissioning model also raises the question of how local areas can ensure excellent quality services, and support innovation and a culture of continuous learning amongst providers.

This briefing will explore current understandings of effective commissioning, as well as signposting a number of tools and resources available to commissioners. It will explore some of the recent initiatives aimed at supporting best practice and increased integration in commissioning.

Key policy drivers and developments

The emphasis on the importance of effective commissioning is not new. The 2006 Joint Planning and Commissioning Framework for Children, Young People and Maternity Services aimed to enable local agencies, through the vehicle of Children's Trusts, to design a holistic pattern of service to meet local need, with an emphasis on co-ordinated commissioning and pooling of budgets between agencies.[1] This built on the integrated governance structures established as part of the 2003 Every Child Matters agenda. [2]

There has also been an emphasis upon joint commissioning across agencies for some time. National guidance issued alongside the 2004 Children Act called for joint commissioning to be considered particularly “where resources are scarce and costs are high, or where there are shared responsibilities across agencies, such as providing placements for looked after children”. [3]

Governmental emphasis on commissioning in children’s services was strengthened by the launch of the Commissioning Support Programme in 2008. Its remit was to work with local children’s services, principally children’s trusts, to help them use their resources in ways that were the most “efficient, effective, equitable and sustainable” in order to improve outcomes for children and their families. The underlying premise of the programme was that better outcomes could be achieved through better commissioning. [4, p.14]

Following the May 2010 General Election the public sector environment underwent significant changes. In children’s services, the statutory requirement for children’s trusts was removed, and there developed a more localised approach to identifying needs and funding, and different model of engagement with health services following the reorganisation of PCTs. [4 ,pp.18-19] In the context of significant financial pressures, commissioning is increasingly seen as an important process for making efficiency savings [4, p.18].

With the creation of Health and Wellbeing boards envisioned by the Health and Social Care Bill in 2011 [5], joint commissioning between partner agencies remains a key policy objective, which brings unique benefits and challenges to the sector. The forthcoming Children and Families Bill will also set out new approaches to joint commissioning.

Activity and research in this area – theories and concepts of commissioning

Conceptualising the commissioning process

Commissioning involves taking a strategic approach to how local needs can best be met with the resources available. Fundamental to the process, and what differentiates commissioning from procurement, is beginning this end-to-end process with gathering accurate evidence and undertaking detailed analysis of the needs of those the services are designed to help. This then influences how services are shaped and provided, either in-house or externally/ through partnership, accompanied by regular evaluation to ensure the services are still fulfilling the original needs or adapting to changing ones (whereby the process begins again).

This is clearly explained by the Commissioning Support Programme approach to commissioning, which follows a four-step circular process of understand-plan-do-review with an emphasis upon involving all stakeholders, from service users to providers, in the process.[6]

Other useful descriptions and frameworks of the commissioning process are available including within the Joint Planning and Commissioning Framework for Children, Young People and Maternity services, and World Class Commissioning, a Vision, published by the NHS in 2007. [1][7]

For more information see:

CSP – Good commissioning: principles and practice¹ p. 8

Joint Planning and Commissioning Framework for Children, Young People and Maternity Services²

NHS World Class Commissioning³

Levels of commissioning

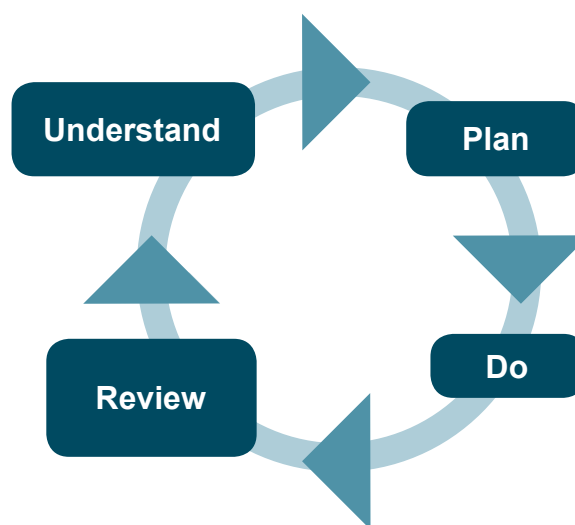
The commissioning process can be pursued at different levels: these can be characterised as national, sub-regional, local/strategic area, regional, service or practice or individual. Different services will be commissioned at different levels, depending on what is the most appropriate. Research by Smith et al. [8] evaluated different levels and found that commissioning at an individual level ensured that there was a high level of choice and a service could be more responsive to needs but also could lead to high financial risks, while the opposite is true of regional commissioning. The most appropriate level of commissioning will need to be judged on clear rationale. [9]

Commissioners may be involved in commissioning at multiple levels, depending on the population being served and the service being provided. The Munro emphasis upon whole-system thinking has been found by the CSP to be very useful for effective commissioning: commissioners with an understanding of the whole system are better able to identify opportunities for redesigning the system at different levels to ensure better outcomes for children and their families. [7]

For more information see:

Literature review – Multi-level Commissioning⁴ p.18

CSP – Good commissioning: principles and practice⁵ p. 10



1 <http://tinyurl.com/goodcommissioning>

2 <http://tinyurl.com/jointframework>

3 <http://tinyurl.com/nhsworldclass>

4 <http://tinyurl.com/multilevelcomm>

5 <http://tinyurl.com/goodcommissioning>

Joint commissioning

Joint commissioning is an important means by which local agencies can ensure an integrated approach to service design, and effective use of the total resource available across different funding streams. Some local areas have achieved effective joint commissioning through pooling budgets, increasingly used in the new localised funding environment, and creating joint strategies. The newest development in pooling budgets is the Community Budgets pilot scheme that is discussed further below.

This is an area of commissioning that faces a number of challenges, including the difficulty of incorporating different structures, priorities and performance management systems.[6, p.12] The economic situation is also creating challenges, with the CSP finding evidence that some local areas were returning to procurement style purchasing of services and away from joint commissioning. [4, p.9] A strong foundation for joint working between partners is vital. [4, p.10]

Accountability and responsibility within joint working agreements are crucial. Recommendations from the Institute for Government include establishing agreed indicators that form the basis of an 'early warning system' that can be used to flag up any issues.[10] Though they focus on the steps that government should take, its advice can be applicable at local and partnership level. In particular, they recommend that plans for tackling performance issues should take context into consideration, agreeing what 'acceptable failure' looks like, the service standards that need to be upheld, and the degree to which service continuity needs to be ensured. [10]

Other evidence warns against micromanaging providers or asking for a level of monitoring information which becomes a burden for the provider and diverts resources away from service delivery. [11]

For more information see:

CSP – Good commissioning: principles and practice⁶ p.12

Commissioning for Success: how to avoid the pitfalls of open public services⁷ pp.25-30

Practical Challenges in Commissioning: A Children's Provider Perspective⁸ pp.7-8

Principles of good commissioning

The Commissioning Support Programme's guidance on the essential characteristics of good commissioning in children's services [6] identifies a number of capabilities and competencies required to support good commissioning. These include:

- **Decisions based on improving outcomes** – ensuring a focus on outcomes through the use of robust analysis and evidence, user participation in commissioning and outcomes-based contracts and monitoring.
- **Leadership** – leaders and senior managers visibly driving a shared approach to commissioning, with robust governance arrangements
- **Innovation** – supporting innovation by working with a range of partners, and specifying outcomes whilst leaving partners free to innovate in how services are delivered.

6 <http://tinyurl.com/goodcommissioning>

7 <http://tinyurl.com/comm4success>

8 <http://tinyurl.com/commchallenges>

- **Managing change** – commissioning can be a key driver of systems change. As such, good commissioning also requires management of the change it creates.
- **Culture of organisational learning and partnership working** – commissioners should encourage continuous learning and improvement by developing systems for sharing learning from other sectors, agencies and teams.
- **Senior-level commitment and support** – commissioners must create commitment to joint plans through good negotiation, communication and persuasion.

For more information see:

CSP – Good commissioning: principles and practice⁹ pp.17-20

Resources to support commissioning

The Commissioning Support Programme has been a key support to commissioners of children's services. The Programme has produced a range of reports, tools and case studies for commissioners, many of which have been developed in collaboration with the sector. It has also produced a Commissioner's Kitbag with tools and guidance to be used by commissioners to meet these recommendations. These include training programmes on the key areas of commissioning such as whole system design, the importance of collecting accurate data and performance management.

The final report of the Commissioning Support Programme provides evidence that there has been a country-wide improvement of 25-30 per cent in the standards of commissioning being conducted since 2008 and estimates that CSP has supported local areas to save over £200m, while improving outcomes for children and their families. It emphasises the need to recognise commissioning as a specific skill, with resources devoted to professionalising the role of commissioner and training extended across all levels within local services. [4, pp.7-9]

For more information see:

From the Commissioning Support Programme website

Commissioner's Kitbag¹⁰

Resource bank¹¹

Case studies¹²

Changing relationships with the health sector – Health and Wellbeing Boards

The introduction of Health and Wellbeing Boards represents a change to the landscape of local joint commissioning. But what difference might Health and Wellbeing Boards make to commissioning services for vulnerable children, and how can local authorities best work with and influence them?

⁹ <http://tinyurl.com/goodcommissioning>

¹⁰ <http://tinyurl.com/commkitbag>

¹¹ <http://tinyurl.com/resoubank>

¹² <http://tinyurl.com/commcasestudy>

The relationship between Health and Wellbeing Boards and commissioning for children's services is not prescribed, and appears likely to vary across areas. Firstly, not all Health and Wellbeing Boards intend to directly commission services, although some will have "more direct oversight of commissioning of council services and joint commissioning" [12] However, regardless of their level of control of commissioning the new Boards will have a key strategic role in developing and implementing the health and wellbeing strategy for a local area. Secondly, local areas will need to determine how existing governance structures in children's services relate to the Board.

Research undertaken by the King's Fund [13] explored how a range of local authorities and their health partners have approached the establishment of their shadow Health and Wellbeing Boards. This research suggests a range of potential relationships between existing children's services commissioning arrangements, such as children's trusts, and the new Boards.

"In designing the new arrangements, local authorities were thinking through how existing partnership bodies such as adult and children's safeguarding boards, children's trusts and wider groups like community safety partnerships would be positioned in relation to the shadow board. Respondents reported wide variations, with some using health and wellbeing boards as the overarching body to which other partnerships reported." (p. 24).

For more information see:

Operating principles for health and wellbeing boards¹³

Health and wellbeing boards: System leaders or talking shops? (research by the King's Fund regarding progress in establishing shadow Health and Wellbeing Boards)¹⁴

Social Care TV film about Health and Wellbeing Boards¹⁵

Community budget pilots

This initiative, launched in 2011, was designed to give local areas greater control over their finances. It was intended that local services in these areas would look at how pooling their funding would improve outcomes for people in their areas [14].

It has involved the areas of Greater Manchester, Cheshire West and Chester, West London and Essex, as well as 10 smaller "neighbourhood level" areas across England. The four 'whole-place' pilot areas have recently submitted their final reports after a year of tracking their expenditure. Each area has presented business cases for how they would like to redesign their services[15]. In this way, these areas have begun the process of commissioning discussed above by gathering data about the needs of their local populations and designing plans based on this data. They are now seeking support from government to move onto the implementation phase.

13 <http://tinyurl.com/opprinciples>

14 <http://tinyurl.com/kingsfundhwb>

15 <http://tinyurl.com/hwbfilm>

The Tri-borough Community Budget of Hammersmith & Fulham, Kensington and Chelsea, and Westminster, for example, will seek to use pooled funding to tackle youth violence, overcoming the artificial borough based resourcing to deal with issues that resonate across the area[16].

Echoing the recommendations of the Munro report [17], the pilot areas have recommended and sought support for a redeployment of resources into early intervention programmes. Greater Manchester, by improving their early years provisions through joining up currently fragmented services, hope to save £215 million over 25 years through an investment of £38 million, while positively contributing to child development in their area [18]. A report for the Local Government Association claims that these pilot areas have presented a “strong evidence-based case” for aligning the budgets and delivery of council services such as education, health and fire services. [19]

For more information on the Community Budget pilots see:

Community Budgets Prospectus¹⁶

and the reports from the four ‘whole-place’ pilots:

Tri-borough report¹⁷

Greater Manchester¹⁸

Essex¹⁹

Cheshire West and Chester²⁰

16 <http://tinyurl.com/commsbudget>

17 <http://tinyurl.com/triboroughcomm>

18 <http://tinyurl.com/greaterman>

19 <http://tinyurl.com/essexcomm>

20 <http://tinyurl.com/westcheshire>

Key messages for practice

Commissioning is not a straightforward procurement method of service delivery. It involves analysing the needs of local children and families and designing services in order to best meet these needs. The process is well described by the CSP ‘virtuous circle’ of Understand-Plan-Do-Review. This should aim to be actively co-produced, if possible, with children, young people and their families to ensure that services continue to meet the needs of those they are designed to support.

Commissioning is a key lever for achieving the whole system redesign envisioned and recommended by the Munro review.

Commissioning should take place at the most appropriate level for the service and needs although many commissioners may need to engage in multi-level commissioning.

While the outcomes for children may take time to emerge, local areas are already being able to make positive steps and substantial savings through commissioning. Joint working and the pooling of funding may be the best way to do this, as evidenced by the Community Budget pilots, but this model of working presents a number of challenges. Common values and priorities need to be identified combined with a willingness to work outside of traditional organisational structures and focus instead on the commitment to achieving good outcomes for service users.

Performance management of providers should be outcome focused and monitoring information should not be so burdensome so as to divert resources from service delivery. Commissioners should consider putting in place early warning sign systems to indicate if a service is at risk of failure.

Authors

Hannah Roscoe

Research Analyst, Social Care Institute for Excellence

Jane Greenstock

Research Assistant, Social Care Institute for Excellence

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Local Government Association

Local Government House
Smith Square
London SW1P 3HZ

Telephone 020 7664 3000

Fax 020 7664 3030

Email info@local.gov.uk

www.local.gov.uk

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