

# COMMISSIONING PROTOCOL

## - Cheltenham Borough Council's approach to commissioning

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### DOCUMENT HISTORY

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<b>Version Number</b>	<b>Version Date</b>	<b>Summary of Changes</b>
0.1	February 2012	First draft to support discussions on the Code of Corporate Governance
0.2	15 <sup>th</sup> February 2012	Second draft for Strategic Commissioning Programme Board
0.3	6 <sup>th</sup> March 2012	Third draft following Strategic Commissioning Programme Board discussion
1.0	19 <sup>th</sup> March 2012	Formally agreed by Strategic Commissioning Programme Board without further amendment
1.1	29 <sup>th</sup> May 2012	Improvements to the document's clarity following feedback from the Communications Team

### This document requires the following approvals

Strategic Commissioning Programme Board Cheltenham Borough Council
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**This document is available on the council's intranet**

## Introduction

Cheltenham Borough Council aspires to leadership of our community by taking a commissioning approach. We are driven by the needs of people and place, in order to improve wellbeing, the economy and the environment, and use resources efficiently and effectively.

The principles and practices of commissioning are embedded in the council's structure, the way it develops its people and in everything which it does.

**This protocol describes the principles that govern the approach to commissioning at Cheltenham Borough Council and the context in which commissioning is undertaken.**

The protocol also illustrates how corporate governance principles are applied within commissioning activity and is referenced from the council's Code of Corporate Governance.

## Principles

Commissioning is defined as 'the cycle of assessing the needs of people in an area, then designing and securing appropriate services'

The principles we follow reflect our organisation's 9 agreed values – particularly

- meeting our customers' needs
- in touch with the community
- innovative, and
- working together.

They are also closely linked to the main drivers which have led us to adopt commissioning:

- Work with our partners to identify customer needs
- Deliver community outcomes
- Support our financial strategy

The council's approach to commissioning is based on these 5 principles:

1. Developing an understanding of the community's **needs**.

We base our assessment of today's and tomorrow's needs on the evidence we find. We place the customer at the centre of our thinking, ensuring we understand needs before we design services.

2. A focus on **community outcomes** rather than outputs.

We develop and prioritise outcomes. We then encourage providers to innovate in order to deliver outcomes.

3. Being open-minded about who provides services and how they are provided.

Decisions about service provision will be based on a **business case**. The capability to deliver outcomes will be a key criterion. Where appropriate we will look to develop solutions which don't already exist in the market-place. In particular, this will mean developing the capabilities of the voluntary and

community sector and ensuring that the way we commission does not discriminate against it.

4. Leadership from **members**.

Members provide political leadership. They agree outcomes and prioritise the use of resources to deliver outcomes. Members are engaged in all commissioning processes.

5. Working with **partners** as commissioners or providers.

We co-operate with partners to agree commissioning priorities and methods, and to pool resources whenever appropriate. We support the development of service delivery capabilities in our partners, particularly those in the Voluntary and Community Sector.

### Context

Whilst we adhere to the framework of the commissioning cycle (see 'How we commission' below), we will interpret it flexibly. For example:

- we may commission alone or we may pool resources and commission with our partners
- we may commission a broad set of outcomes or we may commission more narrowly
- we may act as providers and be commissioned by others
- we may commission 'corporate' services which have less of a direct community impact.

At the outset of each commissioning review and as the review progresses, we will ensure it reflects its specific circumstances.

### How are commissioning reviews initiated?

During our preparation of the corporate business plan, working with our partners, we identify any major commissioning reviews which may potentially enter the 'analysis' stage in the coming year. In order to decide which will be part of the business plan they are assessed against a range of criteria:

- **Effectiveness** – can better community outcomes be delivered in an acceptable timeframe, do viable alternative approaches exist?
- **Financial benefits** – is there potential for financial benefits for the council and / or the community, can better value for money be delivered, is sufficient resource (people / money) available to support a commissioning review?
- **Resilience** – can services be made more resilient and sustainable?
- **Timeliness** – is there a time-limited opportunity, is there a legal imperative, might there be a better opportunity in future?

- **Risk / opportunity** – for example; does political support for change exist, will existing services be distracted?

The plan is agreed by cabinet and council.

At all times we are aware that opportunities for successful commissioning may arise as circumstances develop and that our plans may be modified as a consequence.

#### Major roles and responsibilities - how commissioning decisions are made

The roles, responsibilities, and decision making processes within commissioning are laid out in full within the council's constitution, specific terms of reference and other material. The following paragraphs summarise key principles:

- **Lead cabinet member** – makes formal recommendations to Cabinet; updates scrutiny; champions member engagement and may chair a member working group
- **Cabinet** – agrees the scope of major commissioning reviews; agrees and prioritises corporate outcomes; approves any major changes to service delivery including their governance arrangements
- **Council** – approves funding to support corporate outcomes and commissioning reviews
- **Scrutiny** – may form task and finish groups to support commissioning reviews and / or monitor the performance of commissioned services
- **Lead commissioner** – provides officer leadership for commissioning reviews
- **Commissioning division** – provides expertise and capacity to support commissioning reviews; often provides client management for commissioned services

Commissioning reviews are led and managed according to the council's project management methodology adapted to the circumstances of the review.

#### How the performance of commissioned services is assessed

The basis for assessing the performance of commissioned services is a specification, based upon target outcomes and relevant measures.

The approach to managing performance is agreed at the time a service is commissioned.

#### How is the community engaged?

We will work with the community to understand needs and prioritise outcomes. When major changes in services are planned we will consult before they are introduced.

Where there are opportunities to do so we will engage with community groups to design new services and devise new ways in which they can be delivered.

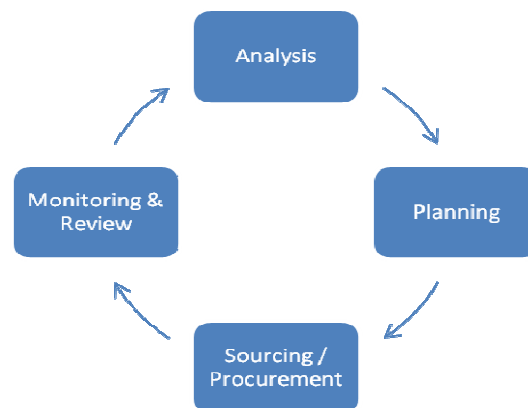
## How are the council's employees involved?

Council employees who are actual or potential providers of services may be directly impacted by commissioning reviews and decisions. Involving them from the outset benefits commissioning by ensuring they are aware of reviews and by enabling their knowledge and experience to be utilised.

A protocol 'Commissioning Services and Workforce Change' has been agreed between the Council and its Trade Unions and sets out in detail how unions and employees are engaged.

## How we commission

Our approach is based on a commissioning cycle



We are developing resources and toolkits to help us navigate the cycle. We make best use of our existing internal standards (e.g. for governance, programme / project management / procurement) and of advice from outside organisations. Where necessary we adapt internal processes (e.g. overview and scrutiny / constitution) to align with commissioning.

## Glossary

### **Commissioning**

The cycle of assessing the needs of people in an area, then designing and securing appropriate services

### **Needs**

A shared view of what the community needs from its public services, both now and in the future, based on an understanding of current services and future demands. For example – activity rates decline as people get older, a greater proportion of the population will be older in the future, therefore there is a need to encourage leisure activities which attract older people.

### **Outcomes**

The improvement in quality of life that the community experiences. For example – 'people are physically, socially and mentally active and enjoy life to the full'

### **Outputs**

The 'amount' of service that is provided to the community. For example – '10 public swimming sessions and 30 gym classes each week'.