

Herefordshire Partnership

## **Strategic Commissioning Framework**

### **Area Based Grants and other Local Strategic Partnership funding sources**

Herefordshire Partnership is seeking to establish a structure and methodology to engage its partners in strategic commissioning as a way of ensuring that improvement targets, essential priorities and targets in the Local Area Agreement and in other agreed Plans and Strategies are agreed. Area Based Grants are now the funding regime which Government has given to Local Strategic Partnerships, through Local Councils as lead partners. The Area Based Grants are designed to give Partnerships freedom as to where funding, which was previously allocated to specific services, can be spent. The Local Area Agreement is the main strategic Plan against which such spending is designed to be used eventually. Currently many services in Herefordshire are funded through existing arrangements and the Partnership will make a decision as to when and how much is allocated from Area Based Grants to be used for new work. It is expected that the Partnership will also have access to other sources of funding as time progresses and that this will also be subject to this strategic commissioning process. The Herefordshire Council's Strategic Commissioning and Procurement Strategy is already in place, alongside similar strategies within partner agencies. The structure and methodology being developed for the Partnership is a Framework for Strategic Commissioning which is outlined in this document and for which there are a number of accompanying guidance notes. It is designed in phases and is anticipated being modified and agreed through a workshop process, so that it can reflect the views of partners and develop understanding of key principles and practices.

### **Phase 1 - Identifying Essential Criteria for commissioning service delivery**

This is the end stage of the analysis process that would equate with the Council's Commissioning cycle. It would be taken from work already undertaken for the Sustainable Community Strategy and for the linked Local Area Agreement, from the Local Improvement Plan and other linked plans and strategies which Partners in Herefordshire already have in place.

The essential criteria for commissioning service delivery would be given weighting for each element and each criteria could be broken down into separate weighted elements e.g. within Priority or Indicator so that clarity and focus could be given within Policy and Delivery Groups. Decisions would also be taken within each Priority or Indicator or agreed Strategy, if using ABG for other agreed priorities as to how long funding should be given for and who should be the lead partner. These decisions would be taken at various levels, through the Herefordshire Partnership Board, agreeing the principles, the Herefordshire Partnership Management Group agreeing the cost, value, timescale etc and through the

Policy and Delivery Groups in designing and agreeing priorities and weighting within them and later in designing proposals for work to be commissioned.

**The essential criteria would be as follows;**

- Work designed to meet the Vision and priorities agreed in the Sustainable Community Strategy, the LAA or in other agreed partner plans and statutory duties
- Work designed to meet indicator targets or to achieve success in achieving Improvement targets
- Work designed to involve two or more partners working in Partnership
- Work designed to involve the Voluntary and Community sector in delivery
- Work designed to achieve success in achieving cross cutting priorities
- Work designed to assist in reaching regional targets or those agreed in Multi Area Agreements
- Work designed as innovation or required to make a step change in service delivery to meet the particular and special needs of the area
- Work designed to use and build on models of good practice, locally , regionally and nationally and that can be shown to be viable
- Work designed to achieve the long term sustainability of a service being designed and delivered
- Work designed to increase the possibility of achieving Reward Targets and/ or work designed to specifically target indicators known to be at risk
- Work designed to increase the viability of partnership working towards a successful LAA
- Work that can be shown to represent good value for money, giving the best impact possible

See phase 1 guidance note

**Phase 2 -Choosing and agreeing commissioning Partners**

This would need to comply with existing policy and practice (perhaps as in Children's and Young People's Partnership). It fits with the planning part of the Council's Strategy for Commissioning, as does Phase 3 and 4. If possible it should be based on those partners working as active members of the Herefordshire Partnership, those with whom there is a duty to achieve Partnership with and those with whom existing partners have a track record of successful partnership working or of positive commissioned or procured work. Young People, Older people and local community groups need to be considered when making these decisions. The Herefordshire Partnership Management Group has already agreed in principle who those partners are and this will be confirmed with each Planning and Delivery Group.

**Phase 3 – The design of the commissioning process and documentation**

This would include agreeing overall costs, including weighted elements, timescales etc. It would also involve agreeing the design and production of forms and other documentation, agreeing the process for decision making, the processes for reporting and

performance management. The Partnership Management Group would probably assume responsibility for this and for getting the process to start. The appraisal of proposals for funding will be undertaken by a panel made up of the Partnership Management Group, plus any additional members to be agreed. There could be an element of support here for partners with models of good practice, Best value assessments and risk assessment principles being provided. It is recommended that Planning and delivery groups undertake a process of action planning which will help them determine what proposals they are going to make for funding, based on the model from DCLG on Floor Target Action Planning.

See phase 3 guidance note on Best Practice, also, Floor Target Action Planning Tool Kit and report from review of risk to delivery of the Local Area Agreement completed March 2009.

#### **Phase 4 – Performance reporting and performance management and support**

This would include the setting up of review and support group, say 2 from each Policy and Delivery group plus the Partnership support Team. Reviews could be undertaken twice yearly and performance reporting through the Policy and Delivery groups to the Partnership Management Group on an agreed design to fit with existing policy and practice. Within this area of work there needs to be an element of satisfaction survey, evaluation and communication with the public work assessed, and success reported through agreed communication methods. The Management Group should have enough information to ask for work that is commissioned to be improved, changed etc.

#### **Phase 5 – Overall review of practice, policy and delivery**

This should be a process to collate all reviews, performance monitoring, evaluations etc and involve an analysis of success of the whole process of strategic commissioning to see whether it can be judged to have had a beneficial effect on achieving priorities, targets and indicators. The process should be capable of change and development in the same way that commissioned work should be.

**Herefordshire Partnership  
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**Phase 1 Guidance Note  
Essential Criteria**

The Herefordshire Partnership is developing a strategic Framework for Commissioning Area Based Grants and possibly other sources of finances throughout the Partnership .Currently Area Based Grants are used for funding a wide range of services in Herefordshire allied to the range of plans and strategies which services use to plan their delivery. Along with greater freedoms from Government in relation to Inspection regimes, has come greater freedom to use money previously specifically targeted to specific services across a range of services. The Local Area Agreement is seen by Government as the key vehicle which will drive performance improvement and therefore it is sensible to see the ABG as the driver to fund those improvements in whole or in part. Commissioning services is seen as the most effective way to ensure that money is spent to deliver what is needed.

A key aspect of the Framework will be the process of commissioning against a range of essential criteria which are thought to add value to the Priorities and Improvement Targets and Indicators already agreed in the Local Area Agreement and in the linked Sustainable Community Strategy. The Partnership has already determined 4 main criteria it used in identifying the priorities for the Local Area Agreement;

- Is this going to make a significant difference to Herefordshire?
- In particular, will it help to reduce inequalities by improving the life chances of disadvantaged groups?
- Is this a priority for the local community?
- Is this something that can be achieved through partnership or multi agency working?

The Essential Criteria are designed to develop further those 4 criteria for developing priorities into weighted elements that are considered to be vital, in full or in part, in ensuring that priorities are met and the Vision is achieved.

In order to commission specific pieces of work which are designed to use the Area Based Grant and any other targeted funding streams to achieve the priorities in Herefordshire, to reach targets and to provide evidence that a significant difference is being made, the Partnership will use these further Essential Criteria. These will be weighted for their value and used as part of the appraisal process as decisions are made on what to fund. If you are designing a proposal for funding a particular piece of work through your Policy and Delivery Group, you will need to ensure that you have taken the essential criteria and their

weighting into account and understood the way in which they are to be used in the appraisal process.

### Weighting and values

A weighting process of points within a 100% scoring range will be used. The weighting has been determined according to the value of the weighted issue in relation to achieving the vision.

### Essential criteria

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|----|--|-------|
| 1  | Work designed to meet the priorities of the Local Area Agreement including statutory targets and indicators<br>Work designed to meet and achieve success on reaching or exceeding the targets in the LAA | 50%   |
| 2  | Work designed to specifically target indicators and targets thought to be at risk and to increase the possibility of reaching the Reward Targets   | 12.5% |
| 3  | Work that can be shown to represent good value for money and greatest impact   | 10%   |
| 4  | Work designed to use models of good practice and viability in delivery, locally, regionally, or nationally   | 7.5%  |
| 5  | Work designed to achieve success in reaching cross cutting priorities  | 5%    |
| 6  | Work designed to increase the viability of partnership working towards a successful LAA  | 2.5%  |
| 7  | Work designed to involve two or more partners working together in planning and delivery  | 2.5%  |
| 8  | Work designed to specifically involve the voluntary, community or 3 <sup>rd</sup> Sector in a leadership and delivery role   | 2.5%  |
| 9  | Work designed to assist in reaching regional or sub regional targets or those agreed in Multi Area Agreements  | 2.5%  |
| 10 | Work designed as innovation or to provide a step change in service delivery, as a means to tackle a problem  | 2.5%  |
| 11 | Work to increase the long term sustainability of a service being delivered   | 2.5%  |

The six Partnership Policy and Delivery Groups will have spent time with others in the Partnership determining the priorities for their group and the ways in which they will contribute to the cross cutting priorities. There will be a clear understanding of those priorities within those groups and a lead and focus as to what is planned and delivered. The Partnership Policy and Delivery groups will be expected to support work from individual services in designing programmes and interventions for funding. They will need to be able to demonstrate to the Appraisal Panel that they understand the essential criteria and have evidence to show that what they are designing will deliver improvements.

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**Phase 3 Guidance Note**  
**Achieving Best Practice**  
(design of Programmes or projects to be commissioned)

Herefordshire Council's Procurement and Commissioning Strategy describes commissioning as follows; "Commissioning is about understanding and anticipating future needs and opportunities, setting ambitions, making best use of resources, working in partnership, building capacity in the market and monitoring experience and changing circumstances to inform continuous service development. It is a process where the expertise, skills, knowledge and professionalism of volunteers and paid employees can be knitted together. It falls into four stages: **analyse, plan, do, and review.**"

To date much of the energy and detailed analytical work of the Partnership has gone into the first 2 stages of commissioning in order to ensure that the Local Area Agreement was robust and gave a clear picture and plan of what was needed to be achieved to meet the Vision of "Herefordshire will be a place where people, organisations and businesses, working together within an outstanding natural environment, will bring about sustainable prosperity and well-being for all" Now is the time to ensure that what is delivered is right for the right people in the right places to ensure that the right outcomes are achieved and that the priorities of the Local Area Agreement and its agreed linked performance indicators and targets can be met. Delivery needs to be high quality and to draw on the evidence of best practice from within Herefordshire, within the West Midlands and nationally.

**Stage 1 - Analyse**

Preparatory work for the LAA and for linked delivery plans has used good analytical work on the range of data which Herefordshire Partnership, using the sum of all of those its partners possess. This work has produced clear priorities for each Policy and Delivery Group agreed by the Partnership Management Group and in line with the agreed Vision and strategy set by the Herefordshire Partnership Board. Good work has resulted in clarity as to what priorities are. The Policy and Delivery Groups have since then determined who lead partners are and whilst using existing mechanisms for procurement of services currently, are starting to move towards a more formal process of decision making and strategic commissioning. For instance, the Safer Communities Partnership have used their evidence gathered from a variety of sources, they have tested it against local people, through a series of consultation exercises, have instigated an Annual Strategic Assessment and have allocated a lead from within the SCP to take forward the planning and delivery of the 5 strategic priorities which they believe based on that evidence will help them achieve their Local Area Agreement Priorities. This can be seen to be using best practice in gathering and analysing data, consulting and involving communities, ensuring annual review and ensuring clarity in leadership.

## Stage 2 – Plan

The next stages for work in commissioning involve making decisions on what is needed to be done with whom, when and where to ensure that the right piece of work will deliver the right outcomes. This is the plan stage and should involve using a series of tests or questions evolved through analysis of best practice nationally. This should lead to a process of planning for delivery using Target Action Planning or Business planning models. All Policy and Delivery Groups are required to provide an Action Plan for the Management Group designed to achieve the Sustainable Community Strategy Plan outcomes and targets for which they are accountable and to commission such work that will deliver. The following is a checklist of questions which need to be asked in that planning stage by those groups in order to deliver programmes and projects which can be described as best practice in that they deliver the best work to the right people in the best way and for good value for money.

### Questions to ask when planning delivery

1. Baselines- Do you have sufficient information and evidence that tells you what exactly the problem is you are trying to address, so that any plans for delivery can be assessed as to how much of that problem a particular piece of work or programme will deliver, e.g. in the Safer Communities Partnership if you are dealing with prolific offenders and want to show what good value for money a piece of work you want to deliver is in terms of how many offenders it might stop re-offending,
  - Do you know how much that prolific offender is costing you currently?
  - Do you know if some offenders might be more affected positively by other kinds of programmes?
  - Do you know what other parts of the partnership are doing that might affect negatively or positively on the problem, such as in Housing, Health etc?

Remember that there are experts who have been involved in this kind of analysis at Governmental level and with the support of research institutes can help you with this.

2. What evidence do you have that a particular piece of work which you want to fund is going to tackle your problem or priority issue better than anything else you might try?
  - Have you looked at what guidance there is from the Government Department or research indicators?
  - Have you checked whether the particular programme you are planning is best suited to the nature of Herefordshire?
  - Are you targeting a particular group or neighbourhood sufficiently well and checked that against what your data is telling you?
  - Have you compared its progress against other programmes?
3. Have you planned your proposal on the basis of working in partnership with others not only in the Delivery Partnership but with others across other areas of the partnership e.g. if you in Safer Communities are planning to work on alcohol issues,
  - Do you know what work colleagues in Health, Children and Young People, Environment etc are already doing or are planning to do?
  - How much of what you might want to do could be delivered with several of those partners to better result?

- Are you designing a programme that enhances or adds value to others already being used?
  - Does everyone involved have the right skills to do the job you are asking them to do or will you need to build capacity?
4. Are you involving the voluntary and community sector in your plans?
    - Are you aware of what they are currently delivering in this area or what the same sector is doing which could be enhanced by additional resources?
    - Would this piece of work be better led from the voluntary and community sector if so why or why not.
  5. Have you evidence that the piece of work or programme you are designing can be monitored and evaluated effectively so that you can be responsive to that information,
    - Can you change the way you then deliver it according to that monitoring and evaluation?
    - Are you tracking the way it is working frequently enough so that you know when to refocus, change, adjust etc?
    - Is your evaluation enough at arms length to be robust?
    - Is your programme designed to comply with the reporting arrangements of the Partnership and the Local Area Agreement timescales?
  6. Can you justify with good evidence the need to be innovative in your planning in order to meet the needs of a particular neighbourhood or group,
    - Can you demonstrate that other ideas considered to be best practice are not working?
    - Are you able to demonstrate that you have a very well planned and evaluated proposal that is sufficiently targeted?
    - Have you evaluated cause and effect sufficiently robustly?
  7. Have you planned a programme or piece of work which will contribute to regional or area planning and development and if so are you able to demonstrate with clear evidence what benefit it will be to the region?
  8. What local, regional or governmental policies are you seeking to implement in your programme or piece of work?
  9. Have you evaluated your proposals against a clear approved risk strategy?
  10. How have you evaluated value for money in your planning?
    - Are you able to demonstrate that you have made every effort to minimise the cost whilst maximising the outcome?
    - Will there be a step change that will justify the money or only a very modest change?
    - How can you demonstrate that you have achieved value for money when you have reached your targets, could they have been reached for less?
    - How have you shown that you have achieved matched funding?

When you have answered these questions you will be ready to **do** and **review**.

