

**Medway Children's Trust**

**Joint Commissioning Framework**

**2009-11**

**July 2009**

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## **SECTION ONE : INTRODUCTION**

### **Purpose**

- 1.1 The purpose of this commissioning framework is to set out a shared vision for the Medway Children's Trust (The Trust), common principles, and joint commissioning for the services to be provided for children and young people in Medway. It establishes a common language and approach to help all stakeholders to understand the commissioning process.
- 1.2 By joint commissioning we mean the process by which we collectively decide how best to use the total resource available to children, young people and parents in order to improve their outcomes most efficiently, effectively and sustainably. This will involve a variety of technical approaches including aligned spend, joint budgets, and pooled funds as well as one partner sometimes leading for another/others on procurement.
- 1.3 This framework sets out the 'ground rules' to provide support to those who work to improve services for children, young people, families and carers. It incorporates common principles and the steps required to decide how best to deploy resources in order to achieve objectives, making best use of the strengths of the public, private and third sectors.
- 1.4 Our Medway approach to commissioning as identified in this framework is shaped by national policy and guidance together with Medway capacity and skill sets.
- 1.5 National policy documents drawn on in developing this document include DCSF guidance on commissioning frameworks (2009), the DCSF 'Children's Trusts : Statutory guidance on inter-agency cooperation to improve well-being of children, young people and their families (2008), the HM Government 'Joint Planning and Commissioning Framework for Children, Young People and Maternity Services' (2006). These consistently identify a number of key themes, which include a focus on outcomes, prevention and early intervention, joint working and responsibility, citizen-centred services, and an important role for the third sector.
- 1.6 Medway strategies include: 'Framework arrangements for Medway Children's Trust Board and Associated Groups'; the Medway Children's and Young People's Plan (CYPP) 2009-11 and 'Growing Healthier' NHS Medway's 5 Year Strategic Commissioning Plan.

### **The Trust's vision and values**

- 1.7 Our vision for children and young people is:

*Every child deserves to be safe and loved and have a happy and healthy childhood, free from harm and every child should have the chance to make the*

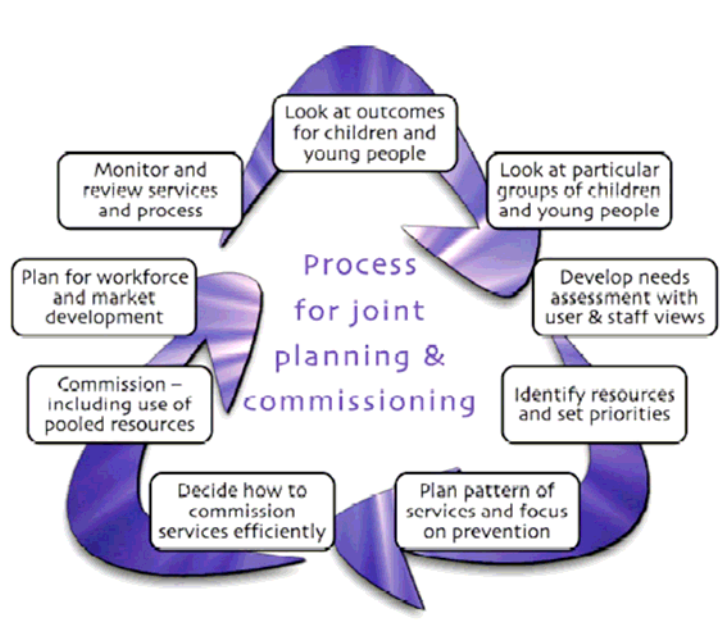
*most of their promise and potential.*

- 1.8 The Trust wants children and young people in Medway who:
- **are safe and cared for**
  - **succeed in learning**
  - **thrive**
- 1.9 It is these three outcomes that the members of the Trust will collectively seek to achieve.
- 1.10 Our values, by which we will achieve the vision, are:
- centred on the needs of the child or young person
  - family orientated
  - outcome-focused, high quality and evidence-based
  - equitable, non discriminatory and inclusive
  - empowering
  - community enhancing
  - focused on prevention and early intervention
  - working in partnership
- 1.11 As stated in the CYPP, effective strategic commissioning is at the heart of developing preventative strategies and improving outcomes for children and young people. It is an activity that will involve all Trust partners and will operate by drawing on pooled and aligned resources including staff, finance and buildings, and will be informed by the direct involvement of children and young people. Opportunities for the continued development of integrated teams of practitioners and professionals, and the joint or shared use of premises, will be explored where there are clear benefits for improving outcomes for children and young people.
- 1.12 NHS Medway will channel its investment and act through the Children's Strategic Change Programme Board which will form part of the Trust structure.
- 1.13 NHS Medway and Medway Council have jointly funded a Commissioning and Strategy Division that will work on behalf of both agencies and the Trust Board to develop and commission programmes set out in the CYPP.
- 1.14 It is important that all partners are clear when using the terminology in respect of commissioning. These are the agreed definitions:
- Commissioning** is not just about purchasing services, it is the strategic process of identifying need, current provision, available resources and priorities, tendering procuring and contracting provision, monitoring and evaluation.
- Procurement** is the purchasing of services specified and drawing up the contract for what needs to be done
- Tendering** is the process of informing people that these contracts are on offer
- Contracting** is the process of agreeing and choosing the service provider

## SECTION TWO : COMMISSIONING MODEL

- 2.1 The transition to joint planning and commissioning is a step change that requires clear leadership. Effective joint planning and commissioning necessitates new partnerships, redistribution of power towards the user, strategic understanding of how all outcomes in the local area are met, and a more commercially-minded approach to procurement – all focused on the child and young person.
- 2.2 The Trust has adopted the commissioning model set out in 'HM Government: Joint planning and commissioning framework for children, young people and maternity services' (2006). The process described in the framework will not be achieved overnight. A number of challenges will have to be solved, including needs assessment, valuing and encouraging user participation, joining up the different levels of commissioning (eg individual, practice, local and regional levels); market management and the shift to preventative services. Commissioning through this model will also need to integrate with the Council's and PCT's procurement processes. The Department of Health has introduced similar commissioning processes, called 'World Class Commissioning' which are aimed at delivering a more strategic and long-term approach to commissioning services, with a clear focus on delivering improved health outcomes.
- 2.3 The commissioning model is summarised in figure 1.

Figure 1



- 2.4 The stages in the commissioning cycle are set out below. The 2008 statutory guidance on inter-agency cooperation indicates that the commissioning cycle should apply whether the services are delivered by in-house teams, other public sector organisations, the third or private sectors, or a combination of these. Commissioning can embrace partnership working, joint ventures, grant-giving, co-production with communities, or individualised budgets. However the statutory guidance stresses that the Children's Trust must be clear about its role as both a

commissioner of services in the interest of the community, and through the work of its partners, as a provider of some of those services. There must be in all cases clear mechanisms for commissioners to hold in-house provider functions to account for delivery.

### **Look at outcomes**

- 2.5 The first step of any joint planning and commissioning process is to understand local needs. This requires pulling together the key data on children and young people's health, development and wellbeing across the five outcome areas. This process has begun in Medway, but more needs to be done to collect information across the full age range which is capable of being broken down by ethnicity, gender, sexual orientation, religion, learning difficulty disability, looked after status, risk of criminality, geographical location, etc.
- 2.6 Once the data are collected and analysed, they provide a baseline of children and young people's wellbeing in Medway which can be used to assess current and future needs and plan for improved outcomes. The baseline can be used to make comparison with statistical neighbours, and also within Medway to indicate community based priorities.

### **Look at Particular Groups of Children and Young People**

- 2.7 It is important to look within the overall picture at outcomes for particular groups of children, young people and "parents to be" (eg disabled, special educational needs, looked after children) which then may require a differentiated approach to service provision or additional support.
- 2.8 Data on local needs will be analysed to draw conclusions, and help set Medway priorities. The data will inform LAA negotiations, strategic documents such as the CYP, macro commissioning decisions, service design and individual packages of care (micro commissioning).
- 2.9 Assessment of data should look at groups of children, young people and parents-to-be to better understand local needs, covering universal as well as specialist needs.

### **Develop Needs Assessment with User and Staff Views**

- 2.10 Quantitative data should be combined with qualitative information from children, young people, families, carers, the community, and professionals from all partner organisations. It is important to get the real picture on the ground, and the views of children, young people and their families will help to focus on outcomes. The views of professionals will help planners and commissioners to understand trends and causal relationships.
- 2.11 The active participation of all local stakeholders will help to ensure that locally developed services are locally owned, as programmes such as SureStart and the Children's Fund have shown, and thus help increase service take-up by vulnerable families.

## **Identify Resources and Set Priorities**

- 2.12 All partners have been involved in developing Medway's CYPP for 2009-11, reflecting the needs assessment and Medway and national priorities, including those in the LAA.
- 2.13 All services and resources for children and young people need to be identified against the outcomes that they contribute to. It is important that, before any services can be jointly commissioned, thorough analysis of what is currently commissioned by each partner is undertaken. It may also be difficult to disaggregate spending on children, young people and maternity services from adult services, but this will be a necessary step.
- 2.14 Deployment of services and resources for the future should demonstrate a move away from targeted and specialist services, with high costs, towards prevention and early intervention activity.
- 2.15 The process of shared priority setting includes the alignment of information and targets identified within:
- Joint Strategic Needs Assessment
  - Local Area Agreement
  - Sustainable Communities Strategy 2010-26
  - CYPP 2009-11
  - All other statutory and Medway policies and targets for partner organisations.

## **Plan Pattern of Services and Focus on Prevention**

- 2.16 This stage involves planning the pattern of services most likely to secure priority outcomes, considering carefully the ways of which resources can be increasingly focused on prevention and early intervention.

## **Decide How to Commission Services Efficiently**

- 2.17 This stage involves deciding together how best to deliver outcomes, including drawing in alternative providers to widen options and increase efficiency.
- 2.18 The focus for commissioning within the Trust to deliver CYPP priorities will be the LA/PCT funded joint commissioning unit, working to the Trust's Joint Commissioning Group and the Trust Board. Commissioning will also take place elsewhere in the LA and PCT at different levels, but working coherently within the priorities and arrangements set by the Trust Board.
- 2.19 The joint commissioning unit will work closely with the corporate procurement team, finance, legal and other support functions, and meet the requirements of EU and UK law, regulations and guidance.

## **Commission, Including Use of Pooled Resources**

- 2.20 The 2008 statutory guidance on inter-agency working states that shared performance indicators for child health make locally determined aligned or pooled budgets increasingly relevant and often essential. It emphasises that all Children's Trust partners should pursue commissioning activities jointly, and pool

budgets, wherever appropriate, to shape services to meet the needs of service users.

2.21 Examples of current aligned and pooled budgets in Medway include:

- LAA Innovation Fund
- Preventative Fund
- Speech and language service
- Aiming High Short Breaks
- Parenting funds
- CAMHS tier 2
- Some individual children and young people with high level needs
- Joint Commissioning Unit

2.22 The Trust's Joint Commissioning Group will monitor the extent and effectiveness of aligning and pooling of budgets at executive and operational levels.

### **Plan for Workforce and Market Development**

2.23 The Trust will help shape both the workforce and the Children's Services market, so as to ensure the efficiency, effectiveness and long term sustainability of services. It is essential that both short and long term plans are created to inform the whole joint planning and commissioning process.

### **Monitor and Review Services and Process**

2.24 Internal and external processes such as self monitoring, annual performance assessments and the CAA review process will build a picture of how the Trust is delivering outcomes. Self monitoring processes will be designed into each service in such a way that results will stand up to external audit.

2.25 If services are either less efficient or less effective than alternative provision, the Trust will work with the provider to improve performance before considering the commissioning options.

## **SECTION THREE : LEVELS OF COMMISSIONING**

3.1 Commissioning can take place at different levels, and the commissioning cycle can apply to a major strategic commissioning project or commissioning a service for a small number of individuals. However it is helpful to think of commissioning taking place at different levels because the assistance required to support commissioning activity of these levels will be different.

3.2 There are a number of levels commonly identified:

- National
- Regional and Sub-Regional

- Medway-Wide
- Neighbourhood/Locality
- Individual

### **National**

- 3.3 National commissioning sets a context for most of Medway's children and young people's provision.

### **Regional/Sub Regional**

- 3.4 Sub-regional commissioning takes place for some specialist low incidence Tier 4 services, (for example CAMHS Tier 4 commissioning).

### **Medway-Wide**

- 3.5 The majority of children and young people services are commissioned at a Medway-wide level. These processes of procuring and developing a range of services to meet children's needs will often be well-established (for example commissioning school places).
- 3.6 However the adoption of an explicit commissioning approach will bring additional challenge to these processes. For example this level of commissioning is especially relevant to in-house targeted or specialist services. Commissioning reviews of in-house services may require these services to be tested in the market place for effectiveness and best value, in some cases resulting in re-commissioning processes.

### **Neighbourhood/Locality Commissioning**

- 3.7 Although not particularly well developed in Medway as yet, locality commissioning provides a focus for commissioning for prevention services based on a detailed understanding of local need and what will achieve the greatest impact for the local population.
- 3.8 Local people, professionals and other members of the local community will have a better understanding of the types and ranges services which can be responsive to local needs and often bring additional resources to the commissioning process.
- 3.9 Locality commissioning provides the possibility of local clarity of partnerships and agencies and organisations commissioning services (and in some cases providing) to meet local needs. These could include Integrated Area Teams, Sure Start Centres, Voluntary Organisations, Schools/School Consortia, GPs involved in Practice-based commissioning and individual parents or families (where they are part purchasers or services).

### **Individual Commissioning**

- 3.10 This is the procurement of services for individual children, through locality services at a preventative level, but also through the commissioning of specialist services for children with very complex needs, for example out of area placements.

## **SECTION FOUR : COMMISSIONING PRINCIPLES**

4.1 Our commissioning principles are as follows:

- All commissioning decisions will be based on a clear rationale for improving outcomes for children and young people;
- There will be a presumption in favour of decision making at the most local level that is consistent with excellent performance (outcomes for children) and value for money (quality and infrastructure);
- Commissioners will ensure that outcomes are sustainable in the long term;
- Children, young people their families and communities will participate meaningfully in the commissioning process;
- The Commissioners will move resources to prevention and early intervention services;
- The commissioning function will demonstrate independence of decision making from internal and external providers;
- Commissioning decisions will ensure contestability between internally and externally delivered services;
- Commissioning decisions will be transparent and fair;
- Commissioners will ensure that approaches are compatible with EU and UK Law, regulations and guidance.

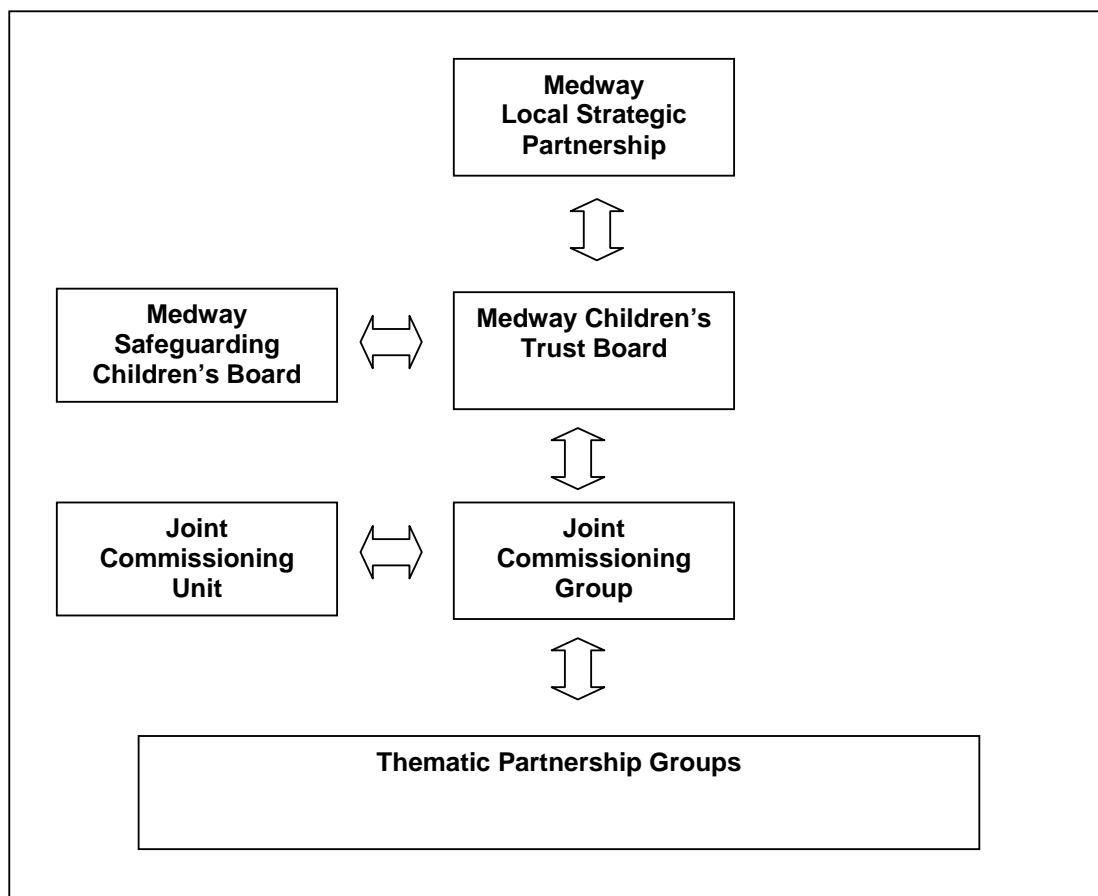
## **SECTION FIVE : GOVERNANCE IN A COMMISSIONING FRAMEWORK**

5.1 The Governance of the Trust is set out in “Framework Arrangements from Medway Children Trust Board and associated groups” (March 2009). The arrangements are set out in simplified form in figure 2. Paragraphs 5.2-5.4 below summarise the roles of the Trust Board and Groups. Full information on their roles and remits is set out in the Trust’s governance document<sup>1</sup>

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<sup>1</sup> Framework arrangements for Medway Children’s Trust Board and Associated Groups, March 2009.

**Figure 2**



- 5.2 The Trust Board provides strategic leadership and direction to each part of the governance structure, driving through policy and service development to improve outcomes for children and young people. It will agree an annual set of commissioning priorities based on the CYPP and the current LAA priorities.
- 5.3 The Joint Commissioning Group will co-ordinate the planning and commissioning of services across all agencies in Medway to improve outcomes for children and young people, providing advice and recommendations to the Trust Board. It will determine resource allocation (not just financial) in order to meet identified outcomes through joint commissioning reviews as appropriate.
- 5.4 The Partnership groups will ensure a joint strategic approach to the identification of relevant and appropriate outcomes for the service as well as making recommendations to the Joint Commissioning Group and Trust Board on the planning, delivery and commissioning of services for children and young people within their particular remit.
- 5.5 Medway Council and the PCT have established a jointly-funded single Joint Commissioning Unit, located within the Commissioning and Strategy Division of

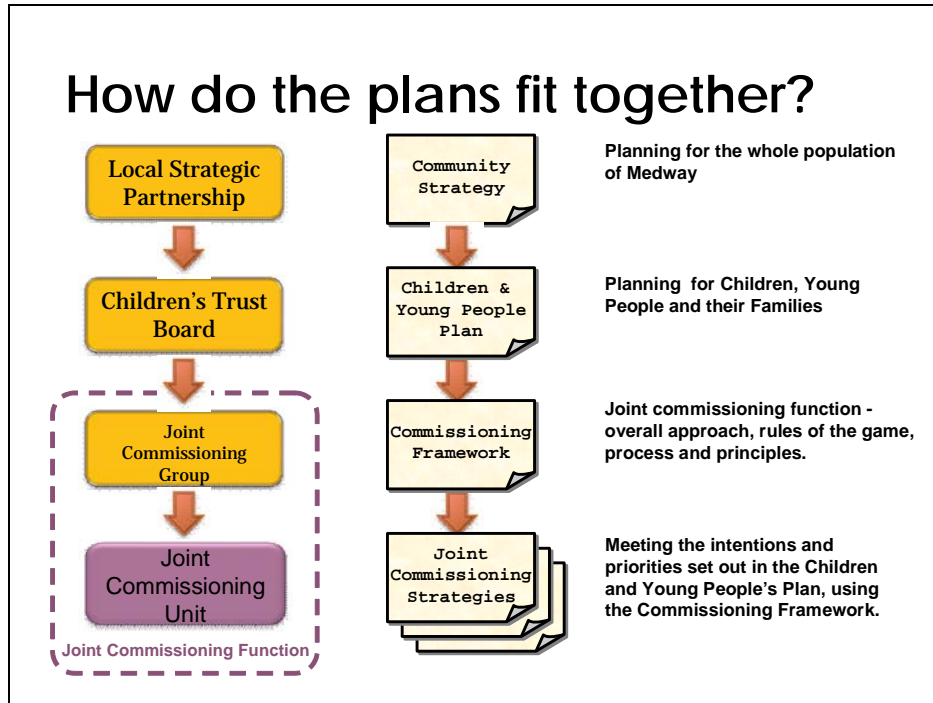
the LA Children and Adults Directorate. Potential functions for, and therefore roles within the Joint Commissioning Unit include:

- Supporting the development and performance management of the CYPP (needs analysis, consultation activities, developing an outcome-focused plan, developing and implementing effective arrangements for monitoring local performance against the Plan over time).
- Leading the development and implementation of commissioning strategies or plans based on priorities identified within the CYPP across the 5 ECM outcomes and as directed by the Trust Board. Key activities / roles within this include:
  - Scoping and planning the development of commissioning strategies or plans and bringing together key stakeholders.
  - Developing the commissioning strategies or plans (through detailed needs and service analysis, analysis of national drivers and local priorities, analysis of performance, service and market mapping, engagement of existing and potential providers, engagement and involvement of relevant stakeholders including children and families in building consensus for change, and agreeing directions for change).
  - Implementing commissioning strategies or plans, including: market shaping; pooling or aligning budgets; developing outcome-based specifications and/or contracts; applying disinvestment decisions; tendering; supporting the development of new processes or arrangements to support service re-design including in particular multi-disciplinary working or co-location of services; supporting the provider sector to respond to the commissioning agenda(s).
  - Reviewing overall strategies and individual contracts or care pathways against priority outcomes and feeding this information into overall CYPP / LAA performance management channels. Taking action to address poor performance; working with providers to respond to change and improve; and sustaining momentum for the delivery of change and engagement of key stakeholders; reviewing and adjusting strategic objectives as required.
- Supporting 'delegated' commissioning activity at a sub-LA / PCT basis for example supporting practice-based or locality based commissioning or commissioning by schools / school clusters.
- Supporting commissioning activity undertaken by 'other' groups mandated to re-design services, such as the 14-19 Strategic Partnership or Substance Misuse Group.
- Leading on, or participating in, regional commissioning activity.

## **Alignment of Governance, Planning and Commissioning**

5.6 Figure 3 below shows the alignment of strategic governance, planning and commissioning, in order to deliver effective commissioning across partners through the CYPP, the Joint Commissioning Framework and associated Joint Commissioning Strategies or plans.

**Figure 3**



**SECTION SIX : PROCUREMENT**

- 6.1 As indicated earlier, procurement is the purchasing of services specified, and drawing up the contract for what needs to be done. Where it has been agreed that the Trust will invite bids from the market place (including in-house and external providers) it is essential that procurement rules are followed.
- 6.2 In general, the aims of procurement should be to achieve the best value for money. It is important therefore to ensure that the Trust draws on procurement skills and expertise early in the commissioning process and ensures effective joint working between commissioners and procurement specialists such as the corporate procurement team. The corporate procurement team are represented on the Joint Commissioning Group, and the Joint Commissioning Unit has close links with the teams.
- 6.3 Efficient practice in this area can support contract and supply chain rationalisation/capitalisation and management across the Trust partners.

**SECTION SEVEN : ARRANGEMENTS FOR THE PARTICIPATION OF SERVICE USERS**

- 7.1 The genuine participation of children, young people, parents, carers and families is critical to this commissioning framework.

- 7.2 The involvement of service users in developing a Needs Assessment is a key stage of the commissioning cycle (see section two), and again in the writing of strategies and plans such as the CYPP; service design, tendering and importantly monitoring services.
- 7.3 For effective engagement, local people must have confidence in the information being gathered, and be assured that its use is appropriate and not in breach of confidentiality. It is important that there is good communication to explain how the process should support the development of better outcomes for children and young people. Participants should represent the diversity of the local community.
- 7.4 Examples of participation by children and young people in Medway include Medway Young Commissioners, Medway Young Inspectors and the Medway Youth Parliament.

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