

# Tower Hamlets Commissioning Principles

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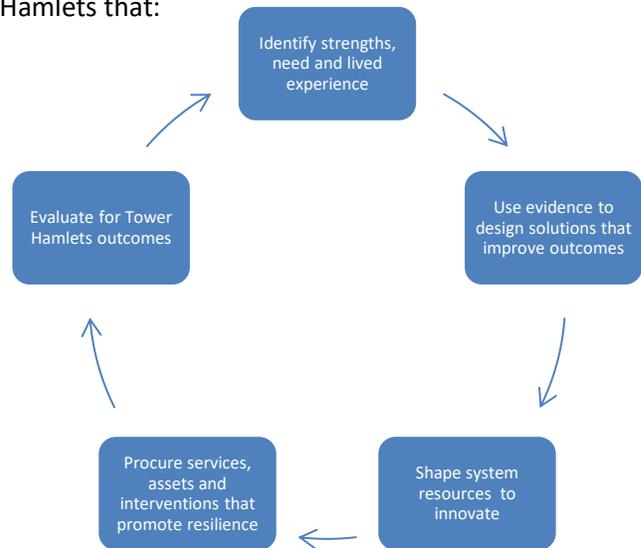
This document describes the overall approach to commissioning in Tower Hamlets, setting out the key principles that underpin the way we commission.

Commissioning is sometimes considered as an activity that only happens in particular service areas, and indeed the principles were first developed in social care. However, commissioning is not confined to particular service areas and should be understood in its broadest sense across all Directorates.

## What is commissioning?

Commissioning is a way of working and thinking in Tower Hamlets that:

- 1) Appreciates and identifies the **lived experiences, strengths and needs** of residents and communities, in ways that engage local people
- 2) Uses **evidence and insight** to design solutions that improve outcomes, achieving maximum impact and securing value for money
- 3) **Shapes system resources** to deliver diversity, choice and innovation
- 4) Procure and delivers services, assets and interventions with providers that support resilient communities and a sustainable place.
- 5) Evaluates performance in the context of Tower Hamlets' **outcomes**, ensuring relentless focus on improving our place



## 1. Identify strengths, needs and lived experience

Commissioning in Tower Hamlets starts with four interdependent activities:

- ✓ **Assess needs.**  
Through research, identify the needs you are aiming to address through commissioning. Gather quantitative and qualitative evidence to understand local, regional and national issues.
- ✓ **Map assets.**  
Identify the assets and strengths that exist locally that you are seeking to enhance or utilise through commissioning. Assets are not only financial, and can include can include skills and knowledge, physical infrastructure and technology.
- ✓ **Understand local priorities.**  
Identify the local strategic priorities that are relevant to your work. These priorities are articulated in the Council's Strategic Plan and in the strategies sitting beneath these.
- ✓ **Co-produce.**  
At the very beginning, identify the people who the service or solution is aimed at, and proactively work with them to understand their 'lived experience' and what needs to happen next. Our Co-Production Framework has more details on this.

### Case study: Joint Strategic Needs Assessments in public health

Public health lead on the production of Joint Strategic Needs Assessments (JSNAs), which describe the health and care needs of the local population. In Tower Hamlets, JSNAs are also produced on specific issues, ranging from learning disabilities to homelessness. Each JSNA looks at the local picture, effective interventions and what is being done to address the issue, and the views of people with lived experience. JSNA's are routinely used to inform commissioning activity across the local authority.

## 2. Use evidence to design solutions that improve outcomes

The next stage involves building on the analysis in step (1) to design the commissioned service or solution. The results of this activity are typically articulated in a Service Specification, setting the service or intervention, the outcomes you are seeking to achieve and indicators to measure them.

### ✓ Use best practice and national guidance

Benchmark with other local authorities and research best practice to gather evidence on what works well. Many service areas use national guidance and toolkits that break commissioning into core stages (analyse, plan, do, review) and articulate the outcomes to be achieved and the indicators to measure them.

### ✓ Focus on outcomes

The main focus of the commissioning activity needs to be on the outcomes you are seeking to achieve, flowing from local priorities and wider Council strategic aims – including those to promote independence, tackle inequality and empower people to meet their own aspirations. Outcomes Based Accountability (OBA) is the methodology the Council uses to identify these outcomes, both in the short-term (e.g. the life of the contract or intervention) and in the long-term. Services and solutions need to be designed with a view to achieving these outcomes, not just doing what we have always done.

### ✓ Secure Best Value

Best Value must be a key consideration, setting out the most cost-effective way of meeting the agreed outcomes. Include local commitments, such as those on paying London Living Wage. The resources available are finite and have to be put to the best possible use, so it may not be possible for the service or intervention to cover everything.

### ✓ Consider social value

Social value provides benefits for the whole community not just the individual, the commissioner or the provider. It secures wider social, economic and/or environmental impacts through commissioning activity.

### ✓ Innovate

Have an open mind for innovation and consider working with others to develop ideas and solutions that don't exist yet.

### ✓ Carry out an equalities analysis

An equalities analysis should be carried out to consider the impact of the planned service or intervention on the groups protected from discrimination by the Equality Act. Consideration must be given on how to address any identified adverse impacts.

### ✓ Co-produce

The co-production that started in step (1) should continue into this one: The service or intervention should be developed in partnership with the people who will be impacted by it. Three co-production principles should be kept in mind: Recognise people as assets, build on people's capabilities and develop two-way reciprocal relationships

### 3. Shape system resources to innovate

Shaping the system is an ongoing commissioning function, but is particularly pertinent at this stage in the commissioning cycle. The term 'system' should be understood in its broadest sense: It includes not just the marketplace but health, housing, education, the criminal justice system, the private sector, community and voluntary sector as well as the community themselves.

#### ✓ Understand the system

Research the current market (e.g. the range of providers in the market) and the broader local system that the service or intervention will be part of (e.g. by understanding the assets or potential capacity of the system) to identify risks, issues and opportunities.

#### ✓ Engage with the system

Engage with providers and the wider system at an early stage to further understand current and future supply and demand. Gather insight into how the service or intervention could work to achieve the desired outcomes, including how to manage demand in future.

#### ✓ Secure the role of partners

Agree on the collective action the system needs to take to meet the outcomes you have identified, and the role of partners within this. Agree how to make the best use of our collective financial resources – for example, through joint or pooled funding – but also our collective assets.

#### ✓ Support the system and marketplace

Support a diverse and mixed marketplace that provides choice, giving thought to the barriers that might face smaller organisations or barriers that might impede innovation. Identify the action needed now to ensure we have the markets we need for the future.

#### Case study: Integrated health and care commissioning

In adult social care, Market Position Statements are routinely published to summarise our commissioning intentions in order to help support current and potential providers to develop the right services for residents. Partner organisations have an integral role in commissioning: We work with health partners in particular, shaping services together and align and pool our commissioning budgets on areas of shared interest.

#### Case study: Commissioning for children and young people

Following direct feedback from children and young people residing within the young people supported housing pathway it was noted that a significant proportion of them were unable to attend a Clinical Commission Group- commissioned counselling service due to the location of the service and present gang affiliations. As the provider was commissioned by the Integrated Commissioning Team the gap was identified quickly and through the integration agenda a pilot was proposed whereby the Health commissioned service would deliver their counselling service within a social care environment, which is also the home of the service users.

The take up of the service was high and there were a high number of 'hard to reach' young people accessing mental health and wellbeing services for the first time, who would not had this pilot not been implemented.

The success of the pilot has led to a proposed model to jointly commission this service, ensuring health and social care services are integrated and that commissioning is aligned to the NHS long term plan.

## 4. Procure and deliver services, assets and interventions that promote resilience

### ✓ Test and learn

Wherever possible, pilot or test out a new approach.

### ✓ Procure

Details of the procurement process, what action to take and when are set out in our [Procurement Policy and Procurement Procedures](#).

### ✓ Build ongoing relationships with providers and partners

Support organisations to be sustainable and maximize their own resources, and build capacity where necessary. Likewise, build ongoing relationships with partners in the system, identifying opportunities and challenges on an ongoing basis.

#### Case study: Waste service procurement

The development of a contract manual for the Veolia Recycling contract has included a more structured approach to supplier relationship management (SRM). Good SRM enables both parties to explore contractual issues that affect the relationship between councils and their suppliers or providers. For example, councils can engage with suppliers to renegotiate and review processes to reconfigure services to take out costs, or to respond more effectively and efficiently to emergencies. This approach to developing effective working relationships, ensuring suppliers are flexible and have the ability to adapt to changing requirements is a key area of contract development. The contract manual provides a toolkit to help implement these ways of working.

## 5. Evaluate performance and outcomes

### ✓ Contract management and monitoring

Contract management must be robust, enabling providers to be effectively held to account for outputs and outcomes. Details of contract management expectations are set out in our [Contract Management Framework](#). Incorporate sector-specific considerations (e.g. reporting issues to regulators such as the Care Quality Commission). This includes details of what action to take in the event of concerns or disputes.

### ✓ Evaluate, learn, improve

Have a clear focus on the outcomes you are seeking to achieve in order to evaluate, learn and improve the service or intervention. Gather both quantitative and qualitative insights from a range of stakeholders in order to do this.

### ✓ Co-produce

Co-production with the people using or impacted by the service should continue into service delivery and monitoring.

#### Case study: Homecare in adult social care

Monitoring and evaluation of home care in adult social care is multi-layered. Across England, providers are inspected and rated by the Care Quality Commission. Locally, we have quarterly monitoring returns that provide core monitoring information. These are supplemented with visits to agencies from monitoring staff, and with phone calls and visits to service users to understand their experience of services. This information is collated and acted on to ensure residents get a good quality service.