

Creating an effective commissioning environment - fostering innovation and mainstreaming it

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Overview

This briefing is based on a larger piece of work commissioned by the Voluntary Sector North West (VSNW) on behalf of Regional Voices and funded by the Department of Health. It gives a set of top tips on how to create a local commissioning environment that will foster innovation and connection with communities.

The Challenge

Health and Social Care in the UK faces tremendous challenges. These include:

- Addressing 'wicked issues' such as the continued increase in obesity, the failure to reduce health inequalities and meeting the needs of an ageing population
- A very challenging financial environment with a government determined to drive through efficiencies and reduce public health expenditure
- The comprehensive re-organisation of the health and social care system

A commissioning environment that supports innovation

The review conducted by VSNW captured the commissioning story of 5 place based voluntary/social enterprise organisations who in partnership with commissioners have been successful in mainstreaming long term solutions to tricky health and social care problems.

All 5 organisations were focused on addressing long standing complex problems in the communities they served. These issues were recognised as being a priority on a local and national level although interventions and delivery systems did not exist or were in their infancy. These organisations were able to quickly design and implement solutions convincing funders that they were worth investing in.

Most commissioning models in the NHS are based on the procurement of large services - hospitals, primary care, nursing care and so forth. Ensuring the continued provision of effective mainstream services to meet the needs of the public is a clearly a top commissioning priority. However, commissioners also need to balance this with creating a commissioning environment that is open to innovation so that new more effective and efficient services are developed and longstanding problems are addressed.

The narratives that we have captured in the larger report - "Tell us what the problem is and we'll try to help"¹ provide more detail behind these top tips.

¹ Tell us what the problem is and we'll try to help - Towards more effective commissioning of voluntary and social enterprise organisations, VSNW - Mark Gamsu 2011

Top Tips to creating a local commissioning environment that fosters innovation

For local Commissioners

1. Leadership at the top of the organisation needs to provide an explicit commitment to fostering a local innovation culture that places an emphasis on strong relationships with local voluntary and social enterprise organisations. This ambition needs to be explicit with clear objectives and measurable impact.

For example

- there should be a clear framework that explains to commissioners and external stakeholders the rationale for building and supporting voluntary organisations/ social enterprises that are part of communities
 - it should be possible to identify which local voluntary organisations/social enterprises are key partners and there should be a development plan to support and nurture them.
2. Identify your most intractable problems - the ones you think you will never solve.
 3. Develop relationships outside the purchaser/provider dialogue to establish a regular shared conversation about challenges and solutions based on a shared understanding of the issues and each others roles. These can mean ensuring that these organisations have sufficient funding in order to spend time working with commissioners over and above the direct delivery of services.
 4. Challenge these local organisations to design solutions that are owned by stakeholder citizens rather than coming up with solutions and then consulting on them.
 5. Allocate an ongoing stream of funding which is available as grant aid to commission local organisations to develop pilots.
 6. Build into this pilot fund assumptions about risk - recognise that not all innovations will work - failure is not necessarily due to poor performance.
 7. Work together to design monitoring systems that measure impact and cost - wherever possible use or adapt nationally agreed performance monitoring systems that commissioners understand.
 8. Ask yourself the question is the solution that has been developed scalable and if so what plans have you in place to ensure that this happens?
 9. What strategy have you got in place to ensure that new grass roots voluntary and social enterprise organisations are able to develop and flourish? Which infrastructure organisations do you support and what do you expect them to provide? How do you measure success?

For Voluntary Organisations and Social Enterprises

1. A significant part of the role of the chief executive and management team is building relationships with relevant leaders in commissioning organisations and with other partners. Ensure that the person specification for these posts tests for ability to establish friendly strategic relationships with these key leaders
2. Policy expertise - you are the policy implementation experts. It will often be the case that you know more about your policy area both in terms service delivery and the wider policy context. What work are you doing to ensure that local commissioning leads are briefed and kept up to speed?
3. How do you bring your expertise to help commissioners develop more effective whole system strategies?
4. Performance Management Systems - commissioners need to be able to interrogate and understand service performance and impact. Services must be underpinned by credible IT based data collection systems that use methodology and languages that are credible with funders.
5. Scalable services - There appears to be no long term future for small scale services. Services must be able to demonstrate the specific contribution they make to addressing an issue at system level.

For the Department of Health and NHS Commissioning Board

The Department of Health has a range of useful web pages² which make the case for social enterprises and voluntary organisations. However it provides little in the way of guidance or frameworks to leaders in local commissioning organisations. If momentum is to be maintained practical advice which validates the behaviour of existing champions and motivates other leaders to engage is required.

This is particularly important at a time when DH is embarked on reinventing local NHS commissioning systems through the creation of Clinical Commissioning Groups. There is a real risk that some of the good practice that has been established will be lost.

Actions that DH could take include:

- A clear commitment to growing investment in key programmes such as the DH Strategic Partners programme
- Production of frameworks and good practice toolkits
- Incorporate into national learning programmes for managers run by the NHSI and others
- Developing more explicit development programmes with Local Government Group.

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² <http://www.dh.gov.uk/en/Managingyourorganisation/Socialenterprise/index.htm>