



Commissioning Skills Training

Outcome-based
Commissioning

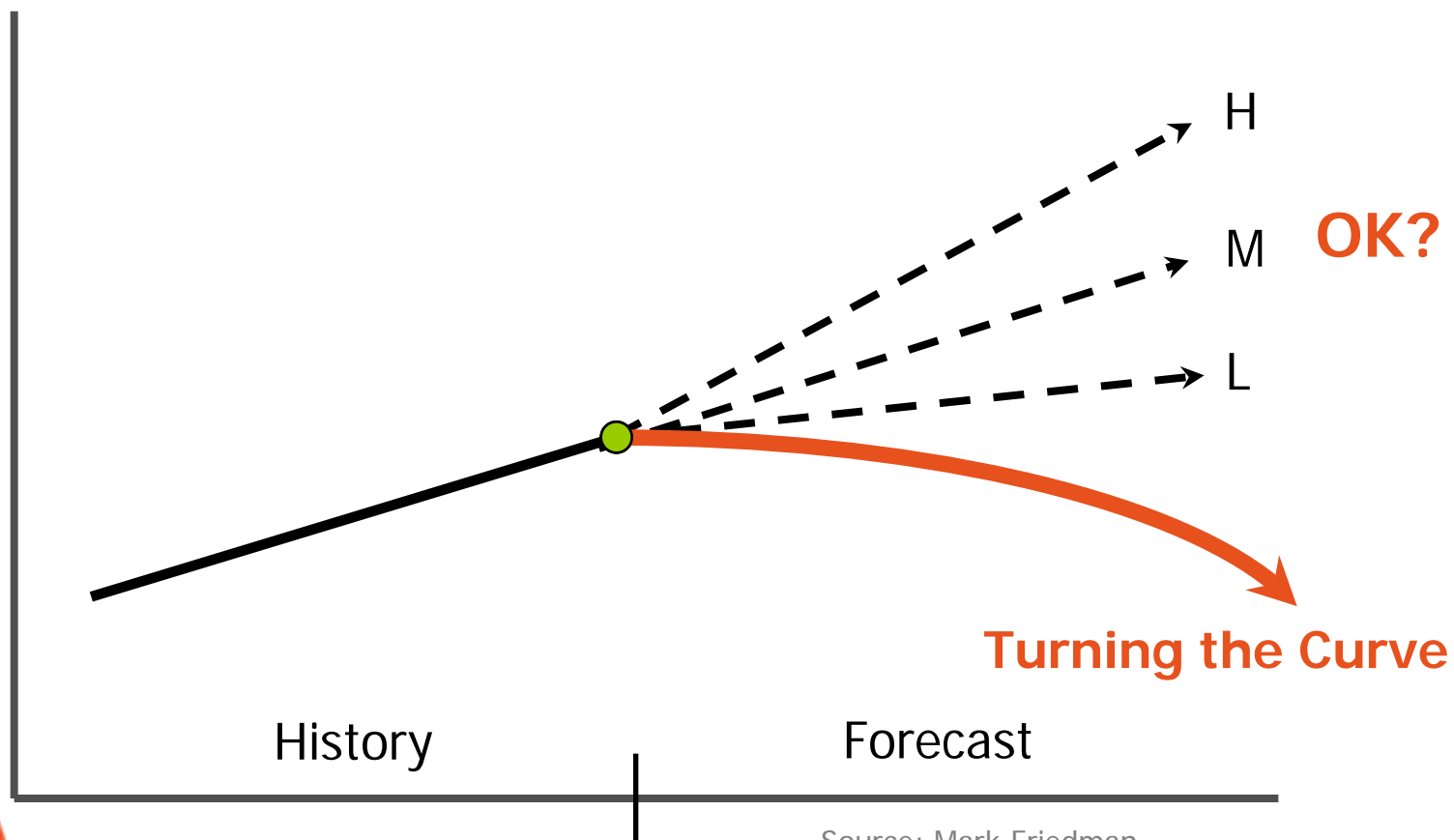
Context

- Basing all decisions on outcomes is a key principle for commissioners and all those working in the Children's Trust.
- There are many techniques to support outcome based decision making, including Outcomes Based Accountability. "Better Outcomes for Children and Young People: From Talk to Action" can be download from www.commissioningsupport.org.uk/about-commissioning/improved-outcomes/understanding-outcomes.aspx

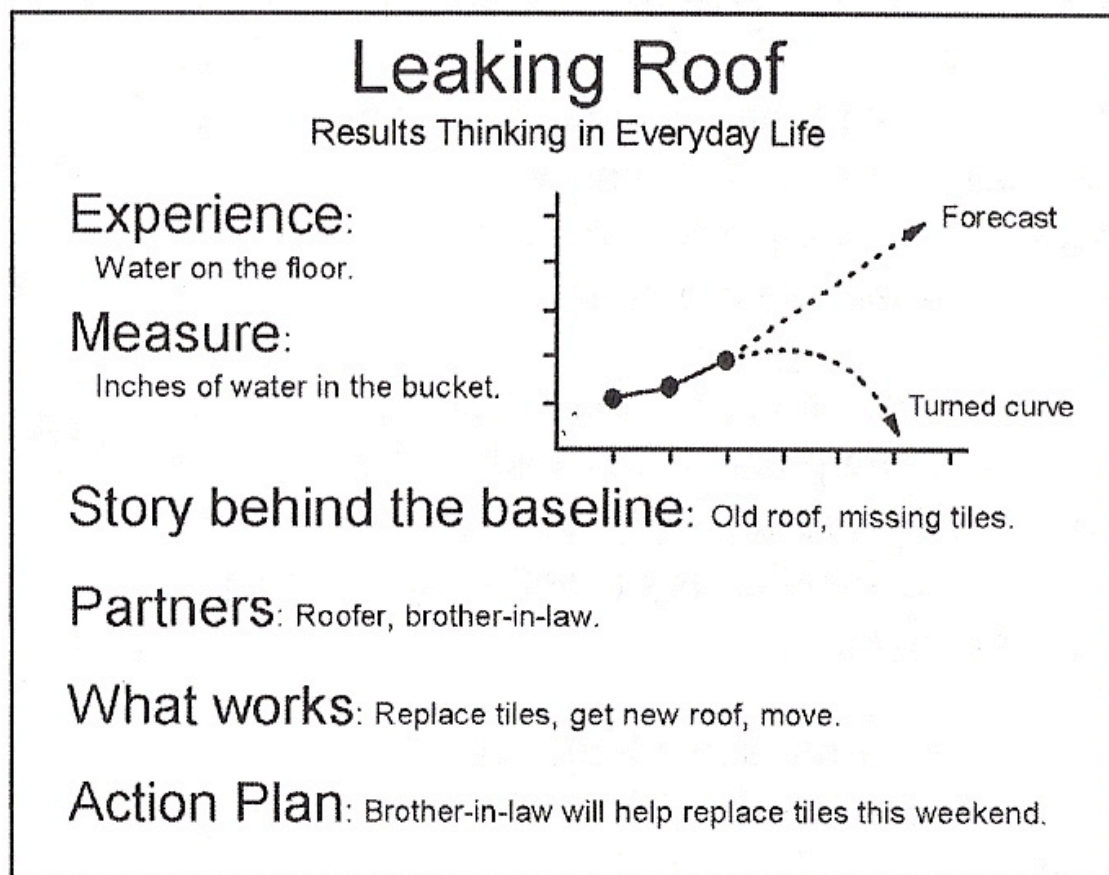
Population and performance accountability

- **Population accountability**
 - where the aim is to achieve better outcomes for particular groups (such as all children and young people) in a defined geographical area
- **Performance accountability**
 - intended to improve outcomes for the users of individual services, agencies and departments as a contribution towards achieving better outcomes at population level.

Turning the curve



Turning the curve process



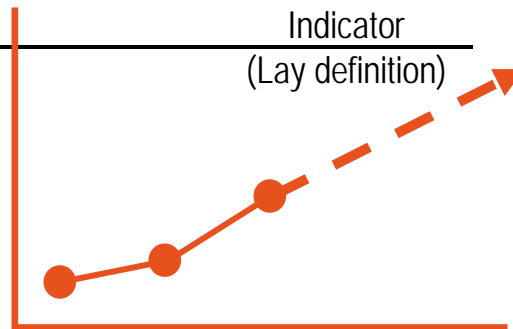
Friedman 2005

ONE PAGE Turn the Curve Report: Population

Result:

Indicator

Baseline



Story behind the baseline

----- (List as many as needed)

Partners

----- (List as many as needed)

Three Best Ideas – What Works

1. -----
2. -----
3. ----No-cost / low-cost
4. -----Off the Wall

Sharp
Edges

An outcome based approach

The aim of an outcome based approach is to:

"...shift the focus from activities to results, from how a programme operates to the good it accomplishes."

Margaret Plantz, Martha Greenway & Michael Hendricks (1999). Outcome Measurement: Showing Results in the Non-profit Sector. United Way of America Online Resource Library

Outcome-based contracting

Outcome-based contracting means...

...putting in place a set of arrangements whereby a service is defined by, and paid for, on the basis of a set of agreed outcomes.

Outcome based contracting means shifting...

...the basis on which services are purchased and resources allocated from units of service provision (hours, days or weeks) to meet pre-defined needs,

to...what do we need to do to ensure that the outcomes service users' desire can be met.



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Considerations for establishing an outcomes based approach

- Whole system approach.
- May require a fundamental re-think of business model and operation for providers.
- Can we:
 - Stop paying for outputs?
 - Attribute the outcomes obtained by a service user to the input of a single provider?
 - Give organisations who provide services incentives for doing better than the agreed outcomes, and disincentives if they don't?

An approach to outcome-based purchasing

- Defining outcomes
 - Agree the desired outcomes.
 - Identify and describe why these outcomes are desirable.
 - Define other required parameters, eg timescales, limitations or boundaries of service, estimate of funding available etc.
- Response
 - What methods/approaches will be used and what evidence is there that the methods will achieve the desired outcomes?
 - Description of measures and monitoring.
- Testing and negotiation
 - Evidence of provider knowledge/experience?
 - Costed accurately and within funding limit?
 - Negotiation over match between desired and offered outcomes.

Exercise

- Four groups – 2 purchaser, 2 preferred provider
- Commissioners identify set of outcomes to be achieved.
- Providers respond with ideas about how they might meet these outcomes.
- Purchaser and provider meet to discuss and test outcomes and ideas, prior to formal tender.

Stage 1 – providers

- You are a charitable trust providing a range of services to meet the needs of young people with emotional and behavioural difficulties. You have a good record with this authority and good working relationships.
- Currently, you support 60 young people in schools and other settings, including work with families.
- Discuss and agree an identity for your organisation (Who are you? What is your ethos? Name? Mission statement?)

Stage 1 – purchasers

- You would like to commission a programme of support for young people identified as experiencing emotional and behavioural difficulties in schools. Identify the outcomes you want to achieve for:
 - 20 secondary-school aged young people who are experiencing difficulty in accessing the curriculum and social aspects of school life as a result of their emotional and behavioural difficulties, including young people with Autistic Spectrum Disorder (ASD).
- Write your desired outcomes on a piece of flipchart. (This will be given to the providers. Keep another copy for yourselves for the next stage.)

Stage 2 – providers

- Consider the population and set of outcomes presented by the purchaser.
 - 20 secondary-school aged young people who are experiencing difficulty in accessing the curriculum and social aspects of school life as a result of their emotional and behavioural difficulties, including young people with Autistic Spectrum Disorder (ASD)
- Assume you will have sufficient time for service development. What service or services could you develop to meet the outcomes for this group of people?
- Describe the characteristics of the service(s) on a flipchart.
- Consider the resource implications of the service.

Stage 2 - purchasers

- Identify measures (or indicators) you might use to help you understand whether the outcomes you identified are being met.
- Consider how you would realistically monitor a contract to get this information.
- What would be your measures and who would collect them - how and when? (Make notes on a flipchart to be given to the providers)

Stage 3 - providers

- Having received the documentation from the purchaser about proposed measures and monitoring arrangements, consider:
 - How realistic are they?
 - What improvements might you suggest?

Stage 3 – purchasers

Having received the outline presentation from the provider, consider:

- The match of services to outcomes.
- How realistic will it be for the provider to deliver them?
- What would you like the provider to look at in more detail?
- How would you progress the tendering process?

Responsibilities for commissioners and providers

- Commissioners:
 - Understand what is meant by an outcome
 - Undertake assessments that are child centred and focus on identifying individual outcomes
 - Ensure flexibility for providers in addressing outcomes
- Providers:
 - Understand what is meant by an outcome
 - Design services and support that will achieve the outcomes
 - Effectively monitor the achievement of outcomes
 - Be able to provide evidence to commissioners that service is meeting outcomes
 - Regularly reevaluate and reassess individuals outcomes



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