

# Commissioning Q & A

## Part 3

### The Community Sector's role

This information sheet is the third in a series of three:

- Part 1 – What is commissioning and what's driving it
- Part 2 – How commissioning works, where co-design fits and the commissioner's role
- Part 3 – The Community Sector's role

The literature on commissioning has generally found the evidence-base is limited. (See Dickinson, 2014; Dickinson, March 2015; Harris et al, 2015) Not only are the number of studies few, they are often evaluation of trials or pilots with limited application and evidence that commissioning can deliver efficiencies more broadly. It is also difficult to claim that improvements in population outcomes are the result of commissioning as opposed to factors that may be unrelated to the reforms.

Evaluation can be complicated by the commissioning process itself as it is designed to continually monitor and evaluate its progress and adapt its processes.

What the research has shown (See Dickinson, 2014; Dickinson, March 2015; Harris et al, 2015) is that benefits are mixed and gains are not necessarily widespread but there are pockets of improvements and examples of best practice. It has found that investing in staff and organisation processes, and thinking about local needs and markets does support reform processes.

However other evidence suggests that market reform can create new costs and its own inefficiencies including *"an ethos of commercialism replacing ethos of service."* (Light cited by Dickinson, March 2015 p13)

The reality is that commissioning is attempting to address complex and/or entrenched issues. Assessing population outcomes takes time and longitudinal studies are essential to understand its impact.

#### What is the sector's role and what could it bring our clients?

The sector has several roles in the commissioning process, a major part being to hold the commissioners accountable for a role that is clearly outlined in the [NSW Government Commissioning and Contestability Practice Guide](#).

This includes holding the commissioners accountable in terms of what is being commissioned, who the target population is and what is to be achieved. The sector also need to encourage and support community engagement that is genuine, reflects the diversity of the targeted community, and that the information gained is used to support decision making processes.

We also need to hold the commissioners accountable for their role in outcomes setting and measurement, as well as contract design and management, and understanding and managing market capacity. This includes adequate resourcing that ensure appropriate timeframes as well as staff with the necessary skills, knowledge and mindset to support the process.

As part of the community engagement, service providers, along with clients and experts, could be

involved in most of the commissioning stages. If co-design is used, as outlined in the [NSW Government Commissioning and Contestability Practice Guide](#), this goes beyond consultation to active involvement in the design. Service providers need to prepare for this role so they can participate constructively and knowledgeably.

Many services are already actively involved in engaging and consulting with their community and are in a position to model their processes to government and other stakeholders that enable people to share personal experiences and opinions.

Where community organisations have been contracted to deliver services, they will be required to work with clients and stakeholders to design service delivery and monitoring and evaluation processes including driving continuous improvement.

One of the stated aims of commissioning is to place the client at the centre of the process. If commissioning does work well and this level of involvement is achieved it is anticipated that it should lead to programs that are able to identify critical needs and services that result in *“an improved end-user experience”* (NSW Treasury, 2016 p4).

### What does this mean for my organisation – how can we engage in it?

Small and medium sized services potentially have greater capacity to identify and adapt to changing environments and the needs of their community. They are more likely to hear the observations and concerns of frontline staff and clients, and their decision-making processes are generally more streamlined. Consequently they are able to be more immediate in their response. These are all valuable assets in the commissioning environment.

Commissioning is an opportunity to make significant changes to the way the sector operates. For some services it may mean cultural changes in the way they work internally, with other services and with their clients. For other services it may require skill and technical development. However if commissioning is to be effective the sector needs to be involved as partners in the process along with other stakeholders, notably clients and their community.

Services need to be prepared before participating in the commissioning processes. This would include identifying stakeholders, having an understanding of the needs and the preferred outcomes of the community being targeted and having the capacity to adapt and design services and products that can contribute to the achievement of those outcomes.

The sector needs to see the complexity of the issue through the eyes of the clients, where they are the centre of the process. This means working with clients to identify their priorities and redesign or reimagine services to ensure they are responsive to their needs, working together to understand what the outcomes could be and the possible solutions.

Services with a thorough understanding of their community generally but also in terms of its critical needs, and how their services and clients interact with those needs, will add value to the process.

Engagement and consultation activities that give voice to the whole community including minority and marginalised groups, need to be embedded in operational plans as routine rather than one-off activities.

There also needs to be a clear link between the information gathered and, decision-making and service design and delivery.

Many services will need to build their skills in relation to outcome setting, monitoring, measuring and evaluating their services, and understanding their impact. Most services will already have continuous improvement processes in place. However they will also need to be able to develop a performance framework with performance indicators or understand how their service fits into an existing framework. They will require the capacity to monitor and report against the indicators and adjust programs or services in response to this information.

Services cannot afford to see themselves in isolation. They need to understand the role they can play as part of a holistic approach where opportunities for partnerships and joint projects are assessed on the basis of addressing the required outcomes.

Commissioning “*is about making informed decisions based on good evidence and the right processes. (It embodies)... a customer centric approach that positively challenges current ways of working and seeks to introduce competition as a lever for improving quality, productivity and access.*” (NSW Treasury, November 2016, p1). At its best it will work with services and communities to ensure the best outcomes for the sector’s clients.

## References and resources

### NCOSS resources

Commissioning Q & A: [Part 1 – What is commissioning and what’s driving it?](#)

Commissioning Q & A: [Part 2 – How commissioning works, where co-design fits and the commissioner’s role](#)

### Other resources and references

Dickinson, Helen (2014) Public Service Commissioning: What can be learned from the UK experience? *Australian Journal of Public Administration* Vol 73 no 1 pp14-18

Dickinson, Helen (January 2015) [Commissioning public services: the definition and aims matter](#) *The Mandarin*

Dickinson, Helen (March 2015) [Commissioning Public Services Evidence Review: Lessons for Australian Public Services](#)

Dickinson, Helen (13 March 2015) [Four things you need to know about commissioning](#) *The Mandarin*

Dickinson, Helen (Sept 2016) [Myths about commissioning](#)

Harris, Mark; Gardner, Karen & Powell Davies, Gawaine (August 2015) [An Evidence Check rapid review brokered by the Sax Institute for the NSW Ministry of Health](#)

National Steering Group for Joint Strategic (June 2012) [Commissioning Joint Strategic commissioning – A definition](#) (Scotland)

NSW Treasury (November 2016) [NSW Government Commissioning and Contestability Policy: Policy & Guidelines Paper](#)

NSW Treasury & Dept. of Financial Services and Innovation (2016) [NSW Government Commissioning and Contestability Practice Guide](#)