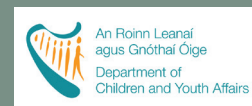


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# Commissioning in Ireland: Exploring the Landscape for Child and Family Services

## A Literature Review

BY  
Dr. Aileen Shaw and Dr. John Canavan

UNESCO Child and Family Research Centre

DECEMBER 2016

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# The Development and Mainstreaming Programme for Prevention Partnership and Family Support

The research and evaluation team at the UNESCO Child and Family Research Centre, NUI Galway provides research, evaluation and technical support to the Tusla Development and Mainstreaming Programme for Prevention, Partnership and Family Support (PPFS). This is a new programme of action being undertaken by Tusla, the Child and Family Agency as part of its National Service Delivery Framework. The programme seeks to transform child and family services in Ireland by embedding prevention and early intervention into the culture and operation of Tusla. The UNESCO Child and Family Research Centres' work focuses on research and evaluation on the implementation and the outcomes of the Tusla Development and Mainstreaming Programme and is underpinned by the overarching research question:

... whether the organisational culture and practice at Tusla and its services are integrated, preventative, evidence informed and inclusive of children and parents and if so, is this contributing to improved outcomes for children and their families.

The research and evaluation study is underpinned by the Work Package approach. This has been adopted to deliver a comprehensive suite of research and evaluation activities involving sub-studies of the main areas within the Tusla Development and Mainstreaming Programme. The work packages are: Meitheal and Child and Family Support Networks, Children's Participation, Parenting Support and Parental Participation, Public Awareness and Commissioning

**This publication is part of the Commissioning Work Package**

## About the UNESCO Child and Family Research Centre

The UNESCO Child and Family Research Centre (UCFRC) is part of the Institute for Lifecourse and Society at the National University of Ireland. Founded in 2007, through support from The Atlantic Philanthropies and the Health Services Executive, with a base in the School of Political Science and Sociology, the mission of the Centre is to help create the conditions for excellent policies, services and practices that improve the lives of children, youth and families through research, education and service development.

The UCFRC has an extensive network of relationships and research collaborations internationally and is widely recognised for its core expertise in the areas of Family Support and Youth Development.

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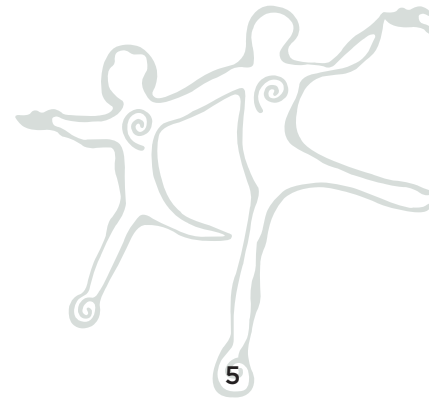
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# Table of Contents

<b>1 Introduction</b>	<b>5</b>
<b>2 Background and Impetus to Commissioning</b>	<b>6</b>
2.1 Overview	6
2.2 The UK Experience	6
2.3 The Irish Context	7
<b>3 Definitions and Key Elements of Commissioning</b>	<b>8</b>
3.1 Terminology and Contexts	8
3.2 The Commissioning Process	9
<b>4 Procurement and Commissioning</b>	<b>14</b>
4.1 Differentiating Factors	14
4.2 Commissioning Competencies	15
<b>5 Outcome-Based Commissioning</b>	<b>16</b>
<b>6 Implications for the Voluntary and Community Sector</b>	<b>19</b>
<b>7 Summary and Conclusion</b>	<b>25</b>
<b>References</b>	<b>27</b>
<b>List of Figures</b>	
Figure 1: Commissioning Stages	10
Figure 2: Tusla's Commissioning Process	10
Figure 3: Intelligent Commissioning	12

# 1. Introduction

In 2014, Tusla, the Child and Family Agency, published the first nationally developed commissioning strategy for child and family services in the Republic of Ireland. The strategy defines commissioning as ‘the process of deciding how to use the total resources available for children and families in order to improve outcomes in the most efficient, equitable, proportionate and sustainable way’ (Gillen et al., 2013: 1). This purpose of this review of the literature on commissioning is to provide an overview of practices in other jurisdictions and to draw on lessons from international experience that highlight both the opportunities and challenges encountered. The learning is intended to inform the direction and implementation of the current strategy within Tusla.

The material focuses on three classifications of literature, namely: public sector commissioning, encompassing health and social services generally; commissioning in children’s services; and experiences of the voluntary sector in transitioning to a commissioning approach. In general, the term ‘commissioning’ is not widely used in North American and European contexts; rather, it is assumed under a broader agenda of contracting and externalisation (Rees, 2013; Martikke and Moxham, 2010). While the principles upon which commissioning is based – primarily performance-based measurement and the need for evidence – have generated broad bodies of literature, the scope of this review is primarily confined to literature specific to commissioning. To some extent, however, debates arising in the context of commissioning resonate with wider themes, including areas such as non-profit accountability, and are incorporated where appropriate.<sup>1</sup>

The majority of the literature is from the United Kingdom (UK), where a distinct discourse is associated with commissioning, in particular in relation to its impact on the community sector.<sup>2</sup> Accordingly, there is an extensive volume of grey literature, including guidance and how-to materials from local bodies and central government, independent bodies and the third sector. Overall, the scarcity of academic research and commentary in the area of commissioning is noteworthy, as is the dearth of research on its impact (Bovaird, Dickinson and Allen, 2012; Glasby, 2012; Bovaird and Davies, 2011). Nevertheless, there is a limited amount of empirical data and a general degree of recognition that, in theory and practice, commissioning is an underdeveloped concept (Rees, 2013). Much of the literature is focused on the processes and experiences of organisations in implementing commissioning rather than on the outcome of commissioning, with both a lack of acknowledgement of the need for and little attention directed to whether commissioning is leading to service improvement (Macmillan, 2010).

The review is organised into five sections based around the following key questions:

1. What is the policy context for the emergence of commissioning frameworks? This section examines the rationale and the impetus for commissioning, specifically in the UK and Ireland.
2. How is commissioning defined and what are the core elements? The principles and process associated with commissioning are explored in order to highlight the opportunities and challenges posed.
3. What differentiates commissioning as an approach to funding? This section examines the characteristics that make commissioning a distinctive approach as well as the capacities required to undertake a commissioning process.

<sup>1</sup> Using key social science databases, the search strategy focused on ‘commissioning’ in association with terms including ‘impact’, ‘evidence’, ‘children’ and ‘voluntary sector’ from academic journals and books. In addition, a number of Google searches produced relevant internet-based materials contained within the grey literature.

<sup>2</sup> The terms used to refer to the community and voluntary sector vary within the literature and across jurisdictions. In the UK, ‘Third Sector Organisations’ is commonly invoked, whereas in Ireland and the US, ‘non-profit’, ‘independent’ or ‘civil society sector’ appear and can be used interchangeably.



4. What forms of assessment are adopted in undertaking outcomes-based commissioning? The extent to which evidence and outcomes factor in the structuring of processes and models is explored.
5. What are the implications of commissioning for the voluntary and community sector? Finally, this section looks at the impact on voluntary organisations of shifting to a commissioning model.

## 2. Background and Impetus to Commissioning

### 2.1 Overview

Commissioning is broadly undertaken as part of a more strategic approach to the delivery of public services (Centre for Effective Services, 2015; Kimantas and Dawson, 2008). In focusing attention on the arrangements for the use of public funds, in particular, through emphasising planning and performance management, commissioning forms a major part of the public service reform agenda to ensure better value for services and to create a more competitive and accountable environment (Dickinson, 2014). As such, it is valued as part of a wider operationalising context geared towards more efficient services and a culture of 'outcomes over outputs' (Cairns et al., 2005). Glasby (2012: 8) suggests that commissioning be viewed not so much as a stand-alone policy but rather as a response to a broader set of changes in the way public services are conceived, managed and delivered, representing a shift from 'traditional' public administration to the adoption of more commercial concepts and approaches. These changes include setting and measuring clear objectives and outcomes and using market mechanisms to drive down costs and improve quality.

### 2.2 The UK Experience

In the UK, what has been called a 'new service delivery landscape' associated with commissioning has been widely examined. This has been accompanied by a widespread shift from grant aid to contracting funding across the voluntary sector (Bagwell, 2015). Despite what observers characterise as an ambiguous evidence base and an overall 'mixed and varied' experience with commissioning (Glasby, 2012; Macmillan 2010), a general retrenchment in public finances makes for an environment in which it appears inevitable that commissioning is part of the reality for organisations engaged in the delivery of health and social care services.

In the UK, the commissioning agenda has taken place in the context of increased outsourcing of public services to private and voluntary sector organisations (Bagwell, 2015; Dickinson, 2014). This began in the context of the New Public Management reforms of the 1980s that prompted the emphasis on contracting out of services through Compulsory Competitive Tendering processes (Rees, 2013), and continued in the 1990s, when the drive towards a partnership discourse for third-sector involvement in the delivery of public services formed the basis of the development of the state-voluntary sector contract (Bovaird and Davies, 2011). Subsequently, the Labour government sought to reduce the role of the state in the direct provision and management of public services and instead 'promote the idea of public authorities' primary role being that of an enabler, place-shaper or commissioner' (Allen



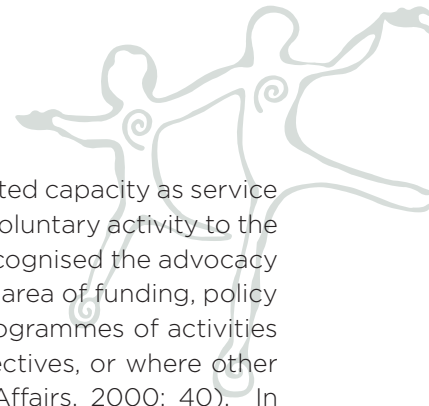
and Wade, 2011: 311). This development focused the attention on commissioning at the local level. The decentralised nature of commissioning has inevitably resulted in huge local variation, making it difficult to establish generalised process and rules (Bagwell, 2015). Especially after the election of the 2010 coalition government, a move to 'strategic' commissioning at the heart of public service strategy placed a core emphasis on provider diversification, greater use of Payment by Results mechanisms and outcomes-based systems (Rees, 2013). The period from 2010 on marked a shift towards restructuring state services to reflect a view whereby, according to Parton, government 'should increasingly become funders, regulators and commissioners' (2014: 118) rather than trying to provide and run public services, a trend that resulted in greater commercialisation and marketisation of core state services.

## 2.3 The Irish Context

In Ireland, the drive to commissioning in children and family services emanates from a recognition of the need for effective resource allocation. The Department of Children and Youth Affairs' Statement of Strategy 2011–2014, acknowledging severe financial constraints, contains a commitment to adopting an increasing focus on prevention and early intervention in children and families services within a context of the need for research evidence on effectiveness to inform the review, redesign or curtailment of such programmes and services (DCYA, 2014). The first overarching national policy framework for children and young people in Ireland, Better Outcomes, Brighter Futures (DCYA, 2014: 69), stipulates that Tusla must introduce the commissioning of services 'by moving away from a grants system to outcome-based contracts, and offer support to build capacity within the children and youth sector to respond to the new approach.'. Outside of the children and youth sector, a key theme of the Department of Public Expenditure and the Reform Plan 2014–2016 is the need for a stronger emphasis on better outcomes for service users, and a commitment to change how services are designed and delivered.

In Ireland, the nature of the relationship between the voluntary sector and the state is different from in the UK. Historically, the Irish State has relied on a high degree of involvement from voluntary and community bodies in the development and delivery of services. Until the late 1990s, the non-profit sector's relationship with the state could be described as informal, ill-defined and contradictory (Keenan, 2008). However, the end of that decade saw significant change taking place in relationships between state agencies and community and voluntary sector organisations to involve more formalised structures and processes. Included were greater compliance requirements such as setting of standards for service delivery, the increased practice of tendering, the use of contracts and service-level agreements, and a focus on quantifying effectiveness of outcomes. The trend towards greater formalisation continued with the Charities Act 2009 that provided a regulatory framework for charities, completing a period in which 'in the space of a decade, the Irish non-profit sector had assumed a formal and regulated space in Irish society' (Donnelly-Cox and Cannon, 2010: 338). Greater constraints have been noted in the context of service-level agreements which preclude funds being used 'to obtain changes in the law or related government policies, or campaigns whose primary purpose is to persuade people to adopt a particular view' (Harvey, 2009: 31).

In policy terms, the framework for statutory–voluntary relations is set out in a white paper that established the basis of a formal interaction between the sectors and is widely regarded as important in several respects (Department of Social, Community and Family Affairs, 2000). It marked a significant development in recognising the role of the voluntary sector in civil society, stating that 'an active Community and Voluntary sector contributes to a democratic, pluralist society, provides opportunities for the development of decentralised and participative structures and fosters a climate in which the quality of life can be enhanced for all' (2000: 10). Keenan attributes its importance to the recognition of the 'societal role' of the sector, a key shift and counterbalance to what he characterises as a preference



for statutory funding agencies to view community and voluntary agencies in a limited capacity as service providers ‘without the benefit of a wider and visionary expression of the value of voluntary activity to the wellbeing of society as a whole’ (2008: 32). For the first time, the government recognised the advocacy role undertaken by the voluntary sector (Donoghue and Laragy, 2010: 117). In the area of funding, policy established that resources will be available to the sector ‘for mutually agreed programmes of activities and where these programmes are consistent with Government policies and objectives, or where other public interest criteria apply’ (Department of Social, Community and Family Affairs, 2000: 40). In practice, this took the form of Section 65 grants under which services are provided on the basis of being similar or ancillary to state services. Non-profit organisations on average receive 60% of their funding from the state (Power, Kelleher & O’Connor, 2014; Forum on Philanthropy and Fundraising, 2012).

As outlined above, the nature of the relationship between the state and the community and voluntary sector has undergone significant changes in the past twenty years. These include greater formalisation and regulation as well as recognition in policy of the significance of the sector in civil society. Nonetheless, the transition from a grants system to an outcome-based, contractual mode of delivery required by commissioning marks a significant shift in the expectations and in the governance associated with state-non-profit-sector relations. It will require changes in the nature of the relationship between actors as well as practical adjustments to accommodate the skills in effective contract management and capacity. At the same time, it remains to be seen whether the move to a commissioning focus represents a constraint on the freedom of voluntary organisations or a limitation of their role solely to service provision at the expense of their more expansive ‘added value’ functions. Certainly, trepidation is prevalent in Ireland that the introduction of commissioning will fail to take into account the full range of ‘societal value’ functions exercised by the community and voluntary sector (O’Connor, 2016).

## 3. Definitions and Key Elements of Commissioning

### 3.1 Terminology and Contexts

It is broadly acknowledged that definitions of ‘commissioning’ vary considerably. The term is often used interchangeably with ‘procurement’ or ‘contracting’, with which it is associated, leading to confusion in both theory and practice (Macmillan, 2010; Murray, 2009; Bichard and de Groot, 2007). At the same time, as in the UK for example, there is widespread variation in the interpretation of commissioning across government departments and between national and local levels (Dickinson, 2014; Bovaird, Dickinson and Allen, 2012). Literature highlights the need for a shared understanding of commissioning as well as clarity in differentiating between the constituent elements (Rees, 2013). The definition of commissioning adopted by Tusla (cited on page 1 above), with a focus on improved outcomes, was developed by the Commissioning Support Programme (CSP) which operated in the UK from 2008–2012 to facilitate the introduction of commissioning by Children’s Trusts through working with local authorities to achieve better outcomes for children (CSP, 2009).

Bagwell describes commissioning succinctly as the ‘whole process through which a public body identifies and delivers services’ (2015: 2). A common element in all understandings of commissioning is that it represents a conscious approach to decision-making and resourcing. Kimantas and Dawson (2008) provide a general definition of commissioning as ‘the whole process of deciding what public

services are needed, what priorities they are accorded, and choosing what, why, how and where to allocate resources to provide services' (2008: 1). Dickinson (2014) acknowledges that while such all-encompassing definitions are helpful in bringing stakeholders to the table, they can leave partners with different expectations and understandings, ultimately presenting a barrier to effective relationships.

Within commissioning frameworks, a diversity of approaches place emphasis on different elements and priorities, resulting in an array of often confusing vocabulary and concepts. Among these, an orientation to inter-agency and cross-sector partnership is common. 'Joint' commissioning, for instance, emanated in the UK as a statutory function where health and social services met to decide on joint funding and refers to commissioning between departments (Smyth, 2007). More recently, 'integrated' commissioning represents an extension of the health and social care approach to include a wider range of partners required to address multiple and complex needs (Bovaird, Dickinson and Allen, 2012). In the health sector, the empowerment of service users by offering greater choice in the public services offered to them is part of the 'personalisation' agenda associated with commissioning (Needham, 2010; Digings, 2007).

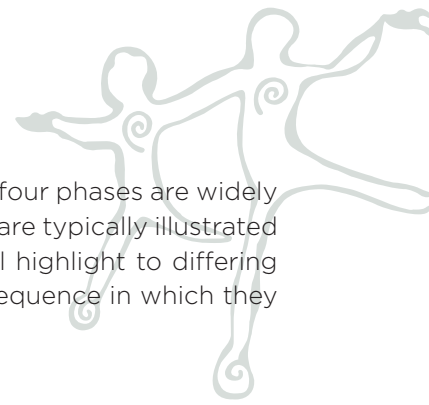
Particularly relevant to the children's sector, and used in association with the Every Child Matters framework in England, is the term 'whole system' commissioning. It refers to an approach whereby commissioners seek to facilitate change across the whole system in order to ensure the delivery of effective, efficient and sustainable services, and it emphasises the importance of understanding the needs of the whole population and the collection of performance management evidence that services are working effectively and efficiently. The UK experience found that commissioners working with a good understanding of the whole system are well placed to identify opportunities for integration and for reducing gaps and overlaps in the system, intervene early and redesign services (CSP, 2009).

Commissioning takes place at a variety of different levels, including national, regional, local area, individual, and service or practice (CSP, 2009). Bovaird, Dickinson and Allen (2012) note the terms 'strategic', 'operational' and 'individual' commissioning as relevant in differentiating between levels. Strategic commissioning looks at a broader understanding of the whole system; operational commissioning is focused on procuring and developing local services to contribute to strategic outcomes that might be narrower; while service-based and individual commissioning focuses on the delivery of an individual service package. The Commissioning Support Programme states that the role of strategic commissioners is 'to establish the agreed relationships, support, information flow, governance and structures and accountability between the different levels of commissioning (2009: 7).

## 3.2 The Commissioning Process

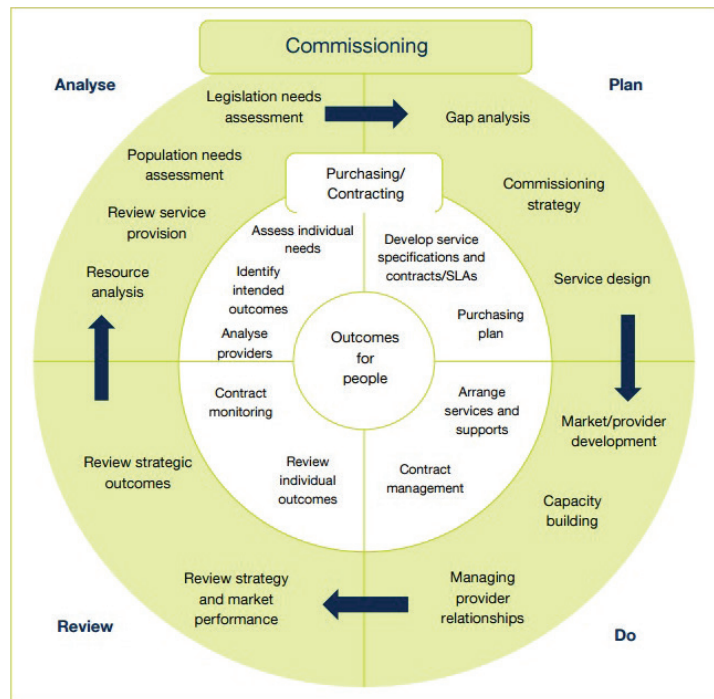
Often represented as a cyclical process, commissioning is a broad exercise that typically includes 'the cycle of assessing the needs of people in an area, designing and then securing an appropriate service' (Cabinet Office, 2006: 4). For the CSP (2009: 5), the stages of commissioning can be summarised as:

- Understand – needs, resources and priorities and agree outcomes
- Plan – map and plan sustainable and diverse ways to improve outcomes
- Do – make investment decisions based on the appropriate action identified in the 'plan' stage to secure delivery of the desired services.
- Review – monitor service delivery against expected outcomes and report how well it is doing against the plan.



Indeed, despite the abundance of commissioning models and frameworks, these four phases are widely acknowledged as representing the process and, as represented in Figure 1 below, are typically illustrated in a cyclical graph. The manifold variations of this pragmatic four-stage model highlight to differing degrees the level of detail or emphasis accorded to particular activities or the sequence in which they occur.

**Figure 1: Commissioning Stages**



Source: Thomas, 2013: 6

Tusla's Commissioning guidance (Gillen et al., 2013: 14) sets out the four distinct stages as shown in Figure 2 below.

**Figure 2: Tusla's Commissioning Process**



In its implementation, the commissioning cycle involves a continuum of activities focused on planning, purchasing and monitoring the quality of services. It encompasses a full set of actions from needs assessment, scoping the market of providers, designing a service, deciding how to resource that service, and choosing a supplier, through to delivering services and evaluating outcomes (Dickinson, 2014; Kimantas and Dawson, 2008). Cozens (2007), adapting Bradshaw's taxonomy of social need, outlines a Taxonomy of Commissioning whereby activities occur in the following order:

- Strategic needs assessment
- Area profiling
- Market mapping
- Commissioning strategy
- Commissioning framework
- Provider identification and development
- Tactical procurement and call-off arrangements
- Workforce planning
- Quality monitoring and review
- Managing decommissioning and market failure
- Collecting evidence of better outcomes and unmet needs

Notably, a commissioning strategy emerges from these processes (rather than defining or informing them) to improve outcomes and should 'conform with what service interventions are needed, what is the current fit, what are the priorities for development or change, over what timetable and with what resource requirements' (Cozens, 2007: 12).

Across a range of commissioning frameworks, common principles or standards include adherence to the following:

- Basing all decisions on outcomes
- Using commissioning process to decommission services that are not effective
- Taking account of value for money
- Providing information to enable performance management
- Requiring participation of people inside the commissioning organisation as well as partner agencies, current and future providers.

Perceived benefits of a systematic approach to commissioning include the provision of a common framework for improvement; a basis for shared understanding and service user buy-in of community needs and priorities; and transparency in decision-making.

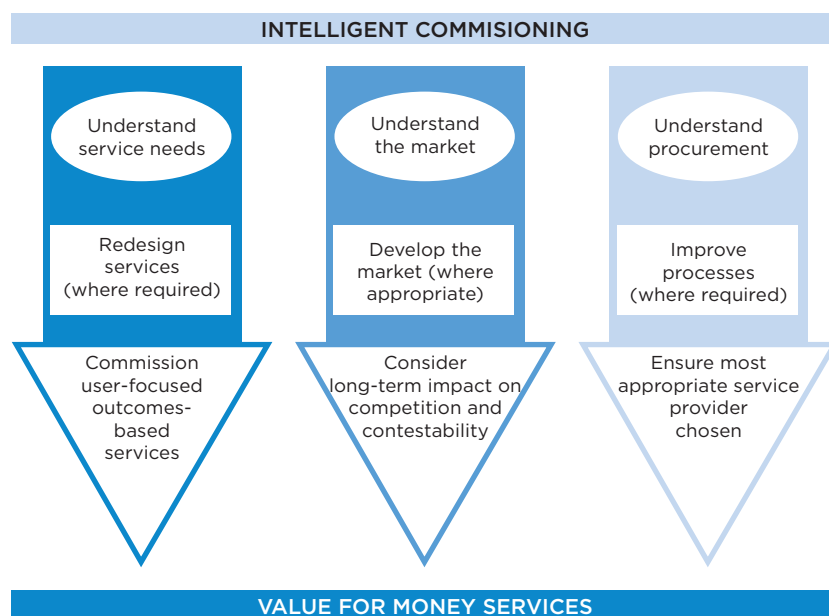
In the UK the Audit Commission developed an Intelligent Commissioning framework for use with the voluntary sector based on a collaborative way of working and with a shared vision for better service user outcomes (Audit Commission, 2007). The model acknowledged the voluntary and community sector's



particular understanding of user needs or distinctive delivery capacity, as well as its contribution beyond service delivery in public participation, social inclusion and community engagement. It suggested that the principal elements of intelligent commissioning are:

- A detailed understanding of what services their users need, and involve voluntary organisations in identifying and designing services to meet these needs
- A good understanding of the market, knowing who can supply these particular services at an affordable price
- An effective procurement process, balancing the need for short-term efficiency gains with longer-term market development objectives.

**Figure 3: Intelligent Commissioning**



Source: Audit Commission (2007)

The stages outlined in the model encompass the core elements that relate to gathering information upon which to base commissioning decisions. In relation to the stage designated in the Audit Commission framework to developing an understanding of needs, also referred to as 'market mapping', the process centres on identifying needs and ascertaining how providers are best placed to meet them. It enables commissioners to know what services exist, where and of what quality, what gaps exist, and what are service users' and staff's views of them (Cozens, 2007). The first step in a meaningful understanding of needs requires the gathering of relevant, accurate and timely information on composition, needs and aspirations of the target population (Audit Commission, 2007). The provision of accurate information is also required for defending the basis on which resources are allocated, including the decommissioning of ineffective services.

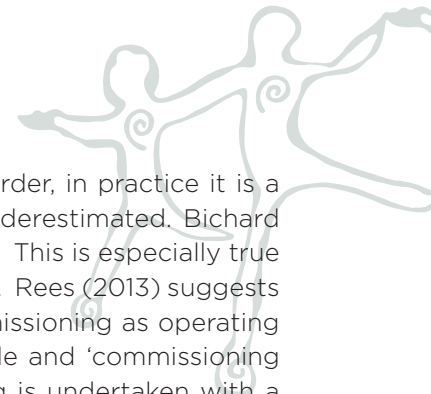
Understanding the market, the second pillar on which the Audit Committee model is founded, is about ensuring a diverse and sustainable provider base to meet the needs of the community and

enable a diversity of outcomes to be achieved (Bovaird, Dickinson and Allen, 2012). Digings (2007: 17) identified critical elements of 'market shaping' as it is called, as the stimulation of new markets to secure alternative provision and user choice, as well as increasing the capacity and competitiveness in existing supply markets, including streamlining procurement processes. A key task in a market-shaping approach to commissioning is to support the potential pool of suppliers. Specific concerns for commissioners include ascertaining that there are types of suppliers to provide the particular services the commissioner identified as needed. During this phase, commissioners need to address questions about how potential suppliers are identified and involved in service design processes, and to examine how competitive are markets for these services. If there is no market for an area of service delivery, good practice requires taking steps to create one (Audit Commission, 2007).

For both stages, commissioning involves identifying, at a macro level, population needs and priorities as well as the resources available. Ultimately, as Digings points out, it is about matching supply to demand, with commissioning encompassing the sourcing of solutions that meet population needs within the 'affordability envelope' (2007: 6). As part of this strategic or intelligent approach, Cozens (2007) and others recommend constructive engagement with service providers to best determine current and future providers' interest in developing services in the area. Williams (2007) cautions that while it is often a paper task undertaken in isolation, the challenge is to extend the reach and engage with organisations at the earliest possible stage. The exercise, according to Packwood (2007: 6), is 'not a once-off activity of buying a service, but a continual process of monitoring, evaluation and improvement'.

Alongside understanding the market, the Audit Commission model highlights effective procurement as an equally important element of commissioning. This calls for due consideration to be given to the best way to procure services in light of service needs and the market, as well as the construction of a fair process that ensures that a variety of organisations can deliver services through appropriate funding channels. According to Kimantas and Dawson (2008), 'intelligent' commissioning processes will consider a range of funding options, including in-house provision, grant funding, use of contracts to external agencies, or direct payment to service users. In this phase also, the Audit Commission recommends that commissioners consider post-award, effective management of the working relationship and arrangements for managing the service provider in a way that ensures accountability. Murray (2009: 200) notes that a key difference between commissioning and procurement relates to the monitoring function, in that while monitoring and review refer to a 'closed relationship' between two parties within two parties of a contract, within commissioning 'it is not confined to a closed contractual relationship discussion, on the contrary, it relates to an open debate with stakeholders to determine whether the commissioning process was effective in meeting local needs'. The review element relates to a more 'strategic contribution' made through commissioning by asking questions such as whether the needs assessment was effective, whether priorities were correct, and whether the commissioning approach led to increased efficiencies and so forth (Murray, 2009).

In practice, while the commissioning cycle is represented as a sequential process founded on a series of deliberate steps and engagement mechanisms, it is widely acknowledged that the cycle rarely occurs in full. Bichard and de Groot (2007: 4), for example, note the gap between the rhetoric and the reality of commissioning, whereby 'the conversion of intent into reality is a hard nut for managers and politicians to crack'. Shortcomings include lack of market development, deficiencies in skills to identify change needs, limited opportunities to influence service design, and inadequate performance management after award of contract (Bagwell, 2015). Nor should the difficulties be limited to technical skills. Dickinson (2014: 17) cautions that while the cyclical approach suggests that commissioning is a fundamentally



rational process, with the various stages worked through in clear and logical order, in practice it is a highly relational exercise in which the 'softer skills' of commissioning cannot be underestimated. Bichard and de Groot (2007) refer to the 'art' rather than the 'science' of commissioning. This is especially true when needs require a multi-agency approach, as in the case of children's services. Rees (2013) suggests that in considering the span of commissioning agendas, it is useful to view commissioning as operating on a continuum – between 'intelligent/collaborative' commissioning on one side and 'commissioning on price/procurement' on the other. He points out that even if commissioning is undertaken with a desire to implement the full cycle of needs assessment and user involvement, the realities of resource-constrained environments often result in 'payment by results' type contracting arrangements on which perceived value for money is the prime consideration.

## 4. Procurement and Commissioning

### 4.1 Differentiating Factors

While the terms 'procurement' and 'commissioning' are commonly viewed as interchangeable, procurement is a singular part of the commissioning process. As outlined in the preceding section, commissioning is a broad set of service delivery processes which involve consultation, needs assessment, service planning and design. Procurement, defined as 'the specific aspects of the commissioning cycle that focus on the process of buying services, from initial advertising through to appropriate contract arrangements' (Cabinet Office, 2006: 4), has a much narrower remit. Adding to the complexity is the fact that, in turn, purchasing and contracting are distinct elements of procurement. Kimantas and Dawson (2008) refer to procurement as a specific method of purchasing services which results in a contract. Contracting, according to Bovaird, Dickinson and Allen (2012: 11) is the technical process of negotiating the terms of delivery for a product or service and setting the processes in place to oversee the payment, monitoring and potential variations to legal agreements. Procurement involves the range of actions associated with purchasing goods and services from provider organisations; it concerns the funding method selected and can be by grant aid, contract, direct payments to individual service users or through in-house provision (Murray, 2009).

Understanding the differences between commissioning and procurement, however, should not mask the reality that procurement is a critical element of commissioning and that due consideration needs to be given to procurement in the context of commissioning. Deciding which funding channels to use in commissioning is an important issue, as the method selected has practical implications and can include a legal dimension. In this regard, Kimantas and Dawson (2008) note that fundamental differences exist between grants and contracts. While a grant is 'a means of providing financial assistance to third sector organisations for a special purpose', a contract, on the other hand, represents 'an agreement between two or more parties which is intended to give rise to legal relations' (405.5). The distinction is important, the authors caution, if for instance a third-sector organisation fails to deliver on a contract, then legal action can be taken; while in the case of a grant, sanctions can only be brought in the case of fraud. It is essential, therefore, for both commissioners and beneficiary organisations to understand these differences and their implications.



## 4.2 Commissioning Competencies

As an approach, the distinctive nature of commissioning calls for a number of competencies and for investment in the capacities required to undertake a commissioning process. In essence, commissioning is a data-driven exercise. Commissioners need good-quality performance information and analysis to justify changes in internal and external services (CSP, 2009). As outlined in section 2, market-shaping activities prioritise the collecting and analysing of information and data. In this regard, the literature highlights a number of technical skills required to undertake the core components involved in commissioning roles. These include population needs assessment, demand forecasting, market mapping, market forecasting, option appraisal, and managing through networks (Digings, 2007: 17). At the same time, in order for commissioners to undertake the range of tasks effectively, these activities come with requirements for effective information systems, timely analysis and protocols for sharing data between partner agencies.

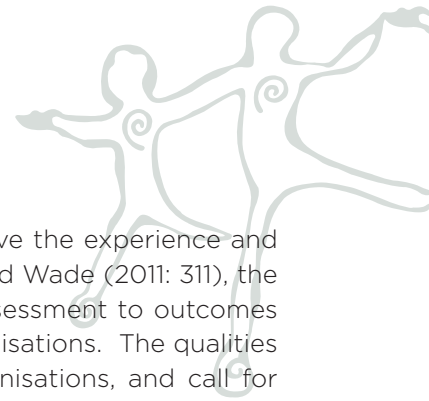
Good commissioning practice requires using evidence to understand need and to assess the effectiveness of existing services. However, there is a dearth of literature providing guidance for commissioners on how to work effectively with evidence. One of the few sources, a review undertaken for the UK Department of Education to identify what is known about the role of evidence in commissioning children's services, found that despite the range of advice and encouragement to use evidence, the lack of research on how commissioning is carried out means that there is little knowledge on how they do so (McNeish, Scott and Maynard, 2012). Additionally, the authors note, academic research is only one kind of knowledge and that much of the 'other' evidence that is relevant to commissioning (organisational, practitioner, user knowledge) is more likely to be generated by local authorities and providers of services. Using evidence to understand need, as set out in the review, involves the collection and analysis of data which further requires:

- Effective information systems for data management
- The ability to analyse data in a timely fashion to inform decision-making or 'turning data into intelligence'
- Flexible databases to allow for drilling down of data across populations and levels
- Protocols for sharing data and cross-departmental working among partner agencies.

The third sector in the UK has produced a plethora of resources, self-help tools and guidance materials on commissioning. However, questions have been raised as to their usability and usefulness. Severn's (2008: 41) extensive review of such resources suggests that the production of these documents is not demand-led, with the majority of them 'too technical and too rarefied' to find a third-sector audience. Rather than generic commissioning materials, organisations really need to understand:

- The relationship of commissioning to their organisation, its mission and services
- The precise nature of commissioning opportunities and processes in their service area
- Any key differences in commissioning process between the main purchasers in their marketplace.

The report suggests that these needs might be better served by contextualised training and coaching.



Apart from technical skills, commissioning requires a calibre of leaders that have the experience and confidence to try innovative approaches (Bagwell, 2015). According to Allen and Wade (2011: 311), the skills required for the commissioning task, running the full gambit of needs assessment to outcomes management, calls for a new type of leader at the helm of commissioning organisations. The qualities required differ from traditional qualities associated with managing large organisations, and call for what they characterise as ‘positive deviance’ – namely, leaders with open minds and faith in what might happen, who encourage and support their community’s right to challenge and manifest a willingness to ‘engage in uncommon, disruptive but ultimately honourable’ ways of engagement.

## 5. Outcome-Based Commissioning

In outcome-based commissioning models, public services are awarded and monitored on the basis of outcomes. Bovaird and Davies (2011: 93-4) define outcomes as ‘the results that services provide that have an impact on the lives of service users and citizens’. Fundamentally, an outcome-based approach focuses attention on the results of an intervention rather than on associated activities and outputs. As outlined in the introduction to this paper, in policy terms the move to outcomes-based commissioning emanates from a reform agenda influenced by the promotion of services that were systematically planned, cost-aware, based on assessed need, and, above all, that adopt a conscious focus on outcomes. In England, the Every Child Matters reforms took shape in the Children Act 2004 and led to what Hudson characterised as the ‘epitome of rational decision-making with everything flowing from an outcomes-led approach’ (2006: 227). Although subsequently abandoned by the coalition government that came into office in 2010, many of the core principles of Every Child Matters remain part of the commissioning practices of local authorities.

While featuring prominently in the rationale underlying commissioning, ‘outcomes over outputs’ debates have their origin in a broader base of international literature on non-profit accountability and performance. Among service providers and funders alike, beginning in the late 1990s, a shift has taken place to reflect a move from ‘outputs to outcomes’ thinking that has become widely accepted as part of a culture of demonstrating effectiveness (Lynch-Cerullo and Cooney, 2011). The preoccupation with performance-based approaches to monitoring programme activities has been attributed to a trend that began in the United States when the Government Performance and Results Act of 1993 required federal agencies to develop strategic plans and report annually on programme performance (Boris and Kopczynski Wrinker, 2013; Winkler, Theodos and Grosz, 2009). This requirement was passed down to non-profits that received government funding, heralding what has been called the ‘performance measurement era’ characterised by the adoption of management and evaluation practices at non-profits.

With the adoption of performance-based approaches to measure programme outcomes, non-profits began to change their emphasis from reporting indicators, such as how much money was received and how many people were served, to measuring whether their programmes make a difference in people’s lives (Winkler, Theodos and Grosz, 2009; Lampkin and Hatry, 2003). The shift has become firmly embedded in how policymakers, funders and service providers think about programmes, to the extent that that proven, evidence-based practice is the mantra of funders looking for results and demonstrated

effectiveness (Lynch-Cerullo and Cooney, 2011). At the same time, attention to the growing importance of non-profit performance management in the literature (Cairns et al., 2005), while not specific to commissioning, does resonate with commissioners' need for good-quality performance information and analysis as the basis for assessment and decision-making.

Outcome-based assessment is valued as a way of moving organisations away from a focus on process and activities and towards making better outcomes the overriding priority. Outcome-based commissioning models place the onus on commissioners to specify the desired outcomes and to include measures to capture the extent to which services are meeting user needs as part of their assessment of performance and value for money (Audit Commission, 2007). Specifying the outcomes frameworks that providers use as part of their performance methodology provides for comparable data (Aked and Steed, 2009). Across a range of commissioning models, Bovaird, Dickenson and Allen (2012: 63) found a stated intention that commissioners should specify clearly the outcomes which they wish to achieve for a service and 'design a cascaded process which ensures that the achievement of these outcomes is built into the subsequent stages of the commissioning, procurement and contracting processes'. However, the authors concluded that the move to outcomes-based commissioning has been aspirational rather than real, with an acknowledgement that while such models are based around outcomes, 'defining these outcomes and obtaining operational performance indicators to assess them is still in development' (Bovaird, Dickinson and Allen, 2012: 70). Even where progress has been made in defining outcomes, such as in the case of Every Child Matters, they found the incorporation of outcomes into the overall commissioning process and in performance management to be patchy. These findings point to two key issues at the centre of outcome-based commissioning, namely defining and measuring outcomes.

In exploring the impact of outcome-based approaches on commissioning practice in the UK, Bovaird and Davies (2011) identified five interrelated yet conceptually distinct ways in which outcomes are incorporated into public services. These are helpful in delineating between the differing expectations and the domains in which outcomes are considered, and are summarised below:

Outcome-Based Accountability	At the level of assessing public bodies, <b>outcomes can be used to define responsibilities and what counts as success.</b> Involves consideration of the potential role of outcomes in accountability and what assessments or indicators are acceptable.
Outcome-Based Commissioning	At the level of accessing needs of citizens and designing public services, <b>outcomes can be used to agree priorities with partners and other stakeholders with which to design interventions.</b> Involves engaging with service users and third-sector organisations to determine what outcomes they want to see and the best approaches to delivering these outcomes.
Outcome-Based Procurement	At the level of deciding which providers should be commissioned to deliver services that would achieve the desired outcomes. <b>Outcomes become the focus for deciding which provider should be selected.</b> An aspect of this is Outcome Plan Funding where commissioners specify a group of outcomes, inviting proposals from providers on how they would achieve these outcomes.
Outcome-Based Contracting	In implementing services, <b>outcomes can be used to frame the relationship between commissioners and service providers through OBCs.</b> Outcomes are the basis for payments by the commissioner to the provider; for example, Payment by Results.



## Outcomes-Based Delivery

Outcomes might also influence service delivery **through the way in which providers shape their activities**; for example, through outcome-related pay – building outcomes into performance-related pay for staff.

Source: adapted from Bovaird and Davies, 2011

Fundamentally, challenges to outcome-based commissioning pertain to the two key issues of what outcomes (how they are defined and selected) and how are they to be measured (establishing what data are to be used in assessment). A primary difficulty referred to in the literature as the ‘the attribution problem’ is that of establishing a link between interventions and outcomes. In practice, and particularly in preventative services for children and families, outcomes usually refer to long-term changes that occur outside contract timelines. In the case of social outcomes, the difficulties associated with tracking and measuring progress and the need to take account of a myriad of complex and multidimensional factors that contribute to outcomes have brought about what Bovaird and Davies (2011: 108) characterise as the ‘many headed accountability fudge’. Particularly in the case of partnership-based approaches to outcome-achievement, it can be difficult to identify how any single agency is responsible. Commissioners tend to require demonstrable evidence of progress and put little weight on alternative mechanisms such as feedback from service users. At the same time, Cairns et al. (2005) and others have raised the issue of whether indicators of quality and performance required of providers are fed back into service design and funding decisions for improved services, and not just collected as a data-gathering exercise. Ellis (2009) found that within organisations, despite the priority accorded to data gathering for accountability and performance measurement, it was not subsequently applied to internal learning.

Research undertaken by the New Economics Foundation in the UK argues that services directed to preventing problems in children’s lives have a better chance if they are supported by commissioning decisions that are made with longer-term improvements in children’s outcomes and wider social benefits in mind (Aked and Steed, 2009). Despite the rhetoric around commissioning focused on outcomes, the authors found a lack of requirements or resources to enable providers to collect sufficient data to track long-term change. The report recommends that when commissioners think about value for money, it is important to consider outcomes across the wider social, environmental and economic objectives. This might include service-level outcomes and community outcomes. After a contract is put in place, a monitoring framework to capture performance against these outcomes is required. They recommended that in order to capture the full range of outcomes geared towards assessing the wider and longer-term benefits of an intervention, children’s service providers should be funded to:

- Track the distance travelled, or at a minimum pre- and post-intervention
- Monitor longer-term outcomes for service users even after a contract ends, in order to identify the longer-term impact of an intervention
- Measure the impact of the service on other stakeholders, for instance, parents and siblings.

The research also underscored the importance of involving service users in measuring the things that have a direct impact on children’s experience of their lives, for instance, psychological well-being and quality of relationships.

In adopting an outcomes approach, the question arises as to the relationship between commissioning and outcomes set by national policy. In England, the development of the Every Child Matters

commissioning framework and subsequent establishment of the Children's Trusts was viewed at the time as an opportunity to build an outcome-led approach to commissioning. The underlying framework focused commissioning on key, statutorily defined outcomes, that children are healthy, safe, enjoying and achieving, making a positive contribution and achieving economic well-being. However, as Dickinson (2014) points out, the performance management regime failed to include adequate measures related to these high-level outcomes. Similarly, in Ireland, while Better Outcomes, Brighter Futures (DCYA, 2012) names broad outcome areas for children, there is little guidance as to how measurement could be undertaken. A common difficulty reported in commissioning related to organisations' struggling with reporting demands for standardised, quantitative data and the perceived failure to make a connection between outcomes recorded and the programme or project intervention. The need to show that funding programmes helped to meet national performance indicators left little room for flexibility in monitoring programmes (Ellis, 2009). The experience in the UK recommended that good practice is for commissioning to align with other strategies, such as outcomes identified in the Children and Young People's Plan (produced annually by Children's Trust), and to show how they contributed to other children service plans, such as parenting and family support (CSP, 2009: 6).

Outcome-based commissioning has, in practice, in some areas of social and health care, led to the use of Payment by Results (PbR), where providers receive payment only after the demonstration of certain outcomes. In England, PbR has become a central part of the strategy for public service reform, leading to greater use of the private sector in the provision of services and increased competition (Parton, 2014). Among the challenges associated with such methods, popular in welfare-to-work programmes and prisoner rehabilitation, for example, are what has been called 'creaming and parking', where beneficiaries who are most likely to achieve an outcome are selected and the most vulnerable or difficult clients are left behind (Bagwell, 2015). Another area of concern is cash-flow, with organisations needing to have sufficient reserves to subsidise activities until often delayed, result-based payments are made. As Rees (2013: 61) notes, the rise of PbR represents a transfer of risk from the state to the provider, and raises significant questions about a changing system in which the 'the third sector plays a highly dependent and subservient role'.

## 6. Implications for the Voluntary and Community Sector

Within the literature on voluntary sector service delivery, the import of moving to a commissioning approach is broadly perceived as a recognition of the deficiencies of a grant system that included a lack of focus on achievement or outcomes. In the UK in particular, a number of studies have examined the capacity and capability of third-sector organisations to engage in the ensuing 'contract culture', and the preparedness of the voluntary sector to tender for contracts (Martikke and Moxham, 2010; Chapman, Brown and Crow, 2008; Packwood, 2007). Indications are that in the beginning at least, organisations were ill-prepared for the shift in a funding environment that favours contracts for the delivery of public services over more conventional giving of grants. To some degree, this can be attributed to a lack of skill and expertise although, as Packwood (2007: 36) found, a significant factor is the difference in culture between 'grant regimes - which were based on money being given by a benevolent sponsor such as a local authority, often because the group was known and liked - and commissioning, which is based on a purchaser/provider culture with commissioners buying and expecting the achievement of clear outcomes'.



As observed above, the shift goes beyond the mechanics of payment arrangements and involves a number of fundamental changes in the relationship between the state and the community and voluntary sector. However, it can be difficult to ascertain the extent to which a commissioning process has been responsible for these changing dynamics. For community and voluntary sector service providers, greater adherence to accountability practices had been required for some time (Martikke and Moxham, 2010). Rees's (2013) assessment of the impact of commissioning on the relationship between statutory and voluntary sectors suggests that, rather than representing a new or 'transformative' approach, it should be viewed as part of a well-established trend towards an increased emphasis on the market mechanism, competition and externalisation of services by the state.

The Office of the Third Sector (Cabinet Office, 2006) set out eight principles of good commissioning in government-third-sector partnerships. While several of these have been discussed as part of earlier discussion on elements of the commission cycle, they are widely considered as the basis of good practice for cross-sector engagement and are listed below.

- Develop an understanding of the needs of users and communities, by ensuring that, alongside other consultees, they engage with third-sector organisations as advocates, to access their specialist knowledge.
- Consult potential provider organisations, including those from the third sector and local experts, well in advance of commissioning new services, working with them to set priority outcomes for that service.
- Put outcomes for users at the heart of the strategic planning process.
- Map the fullest practicable range of providers with a view to understanding the contribution they could make to delivering those outcomes.
- Consider investing in the capacity of the provider base, particularly those working with hard-to-reach groups.
- Ensure contracting processes are transparent and fair, facilitating the involvement of the broadest range of suppliers, including considering subcontracting and consortia building where appropriate.
- Seek to ensure long-term contracts and risk sharing wherever appropriate as ways of achieving efficiency and effectiveness.
- Seek feedback from service users, communities and providers in order to review the effectiveness of the commissioning process in meeting local needs.

Much of the commentary on commissioning (Alcock, 2010; Chapman et al., 2008) has questioned whether a more contractual approach is a beneficial development. Macmillan's (2010: 23) review of the evidence on the nature of the UK third sector's response to the service delivery landscape examined 48 pieces of research published between 2004 and 2010 on the theme of public service delivery, commissioning and procurement. The exercise revealed that the majority of the literature focused on process and roles of staff involved in TSOs, with far less attention given to the experiences of stakeholders and, importantly, whether new commissioning practices were leading to service improvements or better outcomes. According to Macmillan, across the board, TSOs reported that the new service delivery landscape was difficult, confusing and uncertain.

The six key areas of concern on the impact of commissioning were summarised as:

- Compromised independence
- Mission drift
- Loss of responsiveness and innovation
- Employment conditions
- Inter-organisational relationships
- Polarisation in the sector.

At the same time, Macmillan found that in accessing the evidence, there is an absence of empirical research. Indeed, with regard to some areas, such impact on organisations' mission, conflicting findings indicated that 'we are left with some concern about the potential for mission drift, but no clear indication of its prevalence or the causes or consequences of drift'.

The negative aspects of commissioning are well documented in the literature, where the experience of 'being commissioned' has given rise to a number of concerns. For instance, Milbourne's (2009) study of a move to commissioning among community-based organisations delivering services to children and young people in a deprived urban area in England, intended to rationalise and improve local service arrangements, identified several unintended consequences, including:

- Local commissioning arrangements underpinned by competitive contracts and performance frameworks were damaging to collaborative working.
- They also favoured bigger, better-resourced organisations.
- Smaller organisations lacked the time and skills needed to compete in bidding in a competitive commissioning process.
- The move to commissioning children and youth services, accompanied by a common contract containing performance indicators derived from central government targets, made for generic outcomes that providers saw as peripheral to their work.
- The competitive environment of commissioning, even for larger community organisations, produced evidence of 'hierarchies of inclusion' made up of insiders and outsiders.
- Questions arose as to whether competitive funding regimes 'underwritten by performance targets' were good for clients, as they can preference those beneficiary groups that can 'make the grade' over those that are difficult to work with.
- Pressure to report only positive outcomes detracts from opportunities to reflect on challenges.



In a study by Martikke and Moxham (2010) examining the perceptions of UK public sector commissioning from the perspectives of voluntary organisations delivering services, 70 per cent of the sample cited negative aspects of commissioning. These included under-utilisation of the full skill set and knowledge base residing in the sector into the full spectrum of commissioning activities and, in particular, limited input from voluntary organisations in service design. However, consultation events, service review processes using voluntary sector interviews and local partnership meetings focused on service design and specification were cited as examples of good practice. The study, among others (Dickinson, 2014; Chapman et al., 2010; Audit Commission, 2007) also highlighted the tendency for commissioners to draw on a small number of potential providers, with the prevalence of historical relationships and the long-standing funding arrangements creating an environment that appeared to favour the status quo, with commissioners reluctant to seek out alternative service providers once a working relationship was established. While interpersonal relationships and positive previous engagement between TSOs and commissioners were highlighted as important in effective commissioning, these must be weighed against the need for openness and transparency and for ensuring that engagement activities are not limited to well-organised and articulate groups (Dickinson, 2014).

Several of the concerns raised about commissioning and the imposition of a 'contract culture' emanate from a sense that the associated requirements may inhibit the unique capacities of voluntary organisations. Literature on the non-profit sector highlights the distinctive role that constituent organisations occupy and are uniquely placed to serve in society. These go beyond service provision with which the sector is most associated (Frumkin, 2002). A Nonprofit Sector Public Role Index developed by Moulton and Eckerd (2012) identified six distinctive yet overlapping roles in the non-profit sector that define their public value: service delivery, innovation, advocacy, individual expression, social capital creation and citizen engagement. In fulfilling the service provider role, non-profits can deviate from the uniformity of government agencies providing services, and they have more freedom to cater to minority preferences (Anheier, 2005). At the centre of key issues raised about the impact of commissioning on the ethos of voluntary sector organisations are perceived threats to independence; fears that by becoming too business-oriented the sector would lose sight of its essence; and concern that the focus on targets and outputs has potential to bring about reductions in quality and social capital (Martikke and Moxham, 2010; Packwood, 2007). In the Irish context, a recent study on the perceived impact of commissioning on the voluntary and community sector cautioned that emerging government policy in the area should recognise and support the non-financial as well as financial 'social value' inherent in the community and voluntary sector approach (O'Connor, 2016).

While sometimes neglected in the emphasis on management and monitoring, a principle of commissioning is to seek out innovation and promote a culture of creativity (Bichard and de Groot, 2007). Milbourne (2009), however, argues that an emphasis on competitive contracts and performance frameworks undermines collaborative and innovative front-line work that distinguishes community-based organisations. She further argues that the new organisational demands associated with commissioning disadvantages the smaller, community-based organisations, and for those larger organisations that can accommodate these practices it serves to distance them from their services users and their communities. Similarly, while partnership is considered a critical element of voluntary sector working, questions arise as to whether a commissioning environment is beneficial to collaborative working. For example, in the area of demonstrating outcomes, the issues of which partner can be attributed to which outcomes has been a source of tension. The restrictions and competitive elements of contract funding can act as a barrier to the development of synergies that may emerge from integrated or cross-population

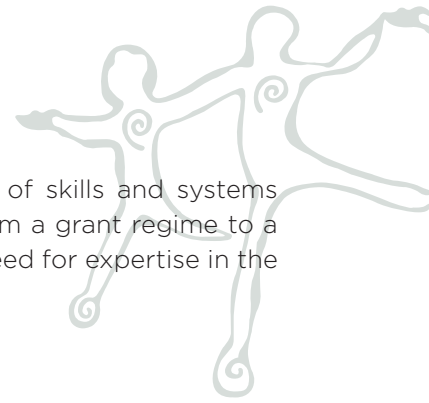


funding streams. In a study of organisations delivering integrated programme as in the case of seniors and children, Ruggiano (2009) found that the requirements for most funding organisations operating 'generational-specific' programmes did not allow funds to be transmitted across programming or to create hybrid programming that would have an intergenerational focus.

Most commissioning models incorporate the principle of partnership between the commissioner and beneficiary organisation. However, in a climate where the interaction between the third sector and government is focused solely on money, the introduction of a client-contractor relationship and the impact on power relations has been perceived as not always beneficial to partnership working, with the more formal arrangements leading to a sense of 'us' and 'them' (McNeish et al., 2012). Among the concerns raised is the extent to which a relationship based primarily on resources causes tension between state funding bodies and recipient third-sector organisations and, as Chapman et al. view it, 'reinforces the notion that sectors are independent and separate rather than interdependent' (2008: 14). Related to this, Gazley and Brudney (2007) note that the burden of administrative arrangements associated with contracts can hinder any ethos of collaboration. In a performance-driven environment, the need to demonstrate best value for public money can act as a disincentive to researching difficulties, failure or negative results and to undertaking a collaborative culture of learning and creativity (Ellis, 2009).

In the voluntary sector there is a recognition that the improved internal and operational management required for commissioning confers benefits on organisations in the form of greater efficiency and planning (Bagwell, 2015; Ellis, 2009). In Packwood's (2007) review of practices among voluntary organisations delivering children and family services, providers acknowledged the deficiencies of the previous grant regime and the lack of attention to demonstrating clear outcomes and achievements. For some organisations, commissioning can be seen as an opportunity to move away from the cycle of short-term grants and poorly funded contracts (Audit Commission, 2007). However, the complexity of arrangements associated with commissioning has been seen as overly bureaucratic (Cairns et al., 2006). Voluntary sector organisations reported that compliance monitoring requirements absorbed a disproportionate amount of time, with a majority reporting that monitoring and evaluation findings were underused and the data collected was of limited internal value (Marikke and Moxham, 2010; Ellis, 2009).

For the most part, the literature concurs that the commissioning process favours larger, well-established organisations. Such organisations are better positioned to absorb the burden of administrative requirements and are in a position to hear about and compete for funding. In particular, the practice of prime contracting, whereby contracts are delivered by large organisations who sub-contract to smaller charities as second and third tier providers, involve a complexity of payment arrangements that have proved untenable for smaller providers (Bagwell, 2015).



In order for beneficiary organisations to be 'commissioning-ready', a number of skills and systems need to be in place. Packwood's report on the voluntary sector's transition from a grant regime to a contracting culture for the delivery of children's services (2007) identified the need for expertise in the following core areas:

- Communications
- Partnership working
- Achieving outcomes
- Financial management
- Performance management
- Monitoring and evaluation
- Business planning
- Developing effective governance

In preparing for the shift to the commissioning approach, organisations required support on systems management and financial planning. Key skill gaps included business planning, financial management and organisational risk assessment.

On a practical level, these included training and skills needed to effectively cost and manage projects including cash flow, budgeting, full-cost recovery as well as having systems in place to manage funding. Bidding for public sector tenders and managing projects requires a level of business acumen that is not necessarily present in voluntary sector organisations (Audit Commission, 2007). A key characteristic of a commissioning-ready organisation is effective partnership working, with the importance of collaboration and cooperation embedded in joint commissioning frameworks. Such changes require a reorientation of organisations' practices and training with skilling up trustees on public service delivery, support with legal issues and developing consortia (Chapman et al., 2008; Tanner, 2007).

Performance management skills are critical to ensure that voluntary and community groups have suitable processes in place to measure outcomes, outputs and results (Packwood, 2007). The skills and techniques required to carry out monitoring and evaluation and to manage and interpret data call for improved resources and capacities in data collection, data management and analysis. A study by Ellis (2009) of monitoring and evaluation practice in the UK found that the greater availability of tools and resources had not been matched by the development of relevant skills and capacity. Nor has the commissioning-specific expertise permeated organisations: the study found that monitoring and evaluation responsibilities were most frequently associated with a management or finance post rather than being an integrated function within the organisation.

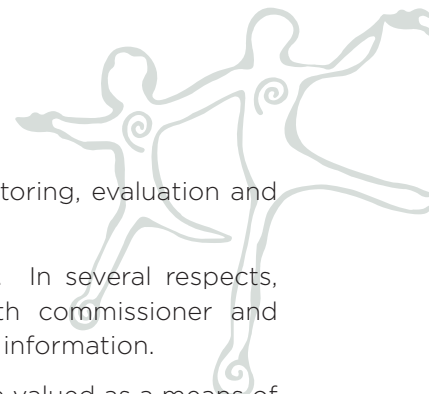
Commissioning is a slow and complex process. McNeish et al. (2012) note that while the reaction to commissioning was initially negative, by the time of the CSP's final report in 2011, assessment of progress since 2008 was broadly positive. With support in place, improvements included greater consistency of practice throughout the country, improved leadership around the commissioning agenda, joint commissioning teams, an increase in pooled budgets in many local areas, and the integration of children's commissioning strategies into a range of existing strategies such as health or adult services.

## 7. Summary and Conclusion

In examining the experiences of stakeholders in adopting a commissioning approach to the delivery of services, the review of the literature has revealed a lack of clarity and definition in both the theory and the practice of commissioning. Despite a wealth of information on the rationale, the processes involved and the operation of commissioning practices, the dearth of research on its impact in delivering better outcomes or improving services is noteworthy. At the same time, particularly given the emphasis given to the financial elements, questions arise as to the extent to which commissioning frameworks represent a genuinely new way of working, or whether they form part of a broader context geared towards more conscious adoption of the need for changes in the way public services are planned, managed and delivered. Also, while much of the literature has been in relation to the UK experience, it is worth noting that recent research indicates the overriding tendency to move in the direction of more competition and outsourcing. Nonetheless, it appears that reform is inevitable and a commissioning agenda forms part of an environment where in Ireland, as in other jurisdictions, the call for greater accountability in terms of evidence of effectiveness and outcomes for services provided is part of the contemporary culture.

It is hoped that awareness of both the opportunities and the shortfalls of commissioning identified in the literature will instead pose an opportunity for agencies in Ireland to learn from and put in place mechanisms with which to inform and orient their commissioning strategy. In this regard, the following learning is critical:

- The adherence to **generalised notions of efficiency and outcomes** upon which commissioning models are often founded, while eminently valuable at a high level, become extremely challenging to implement in practice. Moving beyond this requires that more attention be given to providing meaningful guidance to stakeholders at the outset of the commissioning process.
- Related to this, implicit in many commissioning models are **mixed messages** such as the need to ensure value for money alongside that of producing the best outcomes for service users. Commissioners need to be aware of the difficulties posed by such contradictory goals, for agencies seeking or evaluating funding requests.
- While broadly welcome, the transition to outcome-based, more formalised agreements marks a **shift in the nature of the relationship** between the state and the community and voluntary sector. It requires significant investment not only in technical skills and capacity building required to execute the commissioning process in all its stages, but also in ensuring the opportunity for ongoing dialogue on the challenges and risks associated with the model.
- The **potential for collaboration** afforded by the commissioning process exists, and in principle forms the basis of a positive engagement in which the community and voluntary sector is involved in the design and direction of public services. It is critical that commissioning be understood not as



a paper-driven, isolated exercise, but rather as a **continual process** of monitoring, evaluation and improvement involving interaction between all stakeholders.

- At the same time, the **role of information** should not be underestimated. In several respects, commissioning is a data-driven exercise; it calls for investment by both commissioner and organisations funded in their internal capacity to produce, analyse and utilise information.
- The use of **outcomes as the basis for assessment** and decision-making, while valued as a means of moving organisations from activity to results-oriented thinking, requires commissioners to devote greater attention to defining and setting standards for the measurement of outcomes that can be applied across the spectrum.
- Finally, in a performance-driven environment, there is a need to ensure that the dynamics of a **client-contractor relationship** and the formalities of contractual arrangements do not diminish the principle of partnership working between the statutory and voluntary sector.

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