Commissioning Excellence

Securing innovation and value from London's voluntary sector

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The London Health Forum

- Launched in March
- Bipartite coalition between voluntary and private sectors
- Seeking to help address some of the health challenges facing London
- Reflected in the spread of our membership
- Includes a range of innovative service providers
- Chaired by Nicola Horlick

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Framework for Action

"Partnerships to improve health. The NHS has often made the mistake of thinking it can change healthcare outcomes on its own. It cannot.

The NHS must work with its partners – the London boroughs, the Greater London Authority and the Mayor's Office, the voluntary and private sectors, and the higher education sector – to implement this Framework."

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Commissioning

What is it?

A fancy name for procurement?

Working out what you want to buy from whom?

The whole process of identifying need, identifying resources available, planning how to use the resources, arranging services delivery and the reviewing of the service and the reassessment of need.

Lack of common understanding causes problems.

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World Class Commissioning

- Work collaboratively with community partners to commission services that optimise health gains and reductions in health inequalities
- Manage knowledge and undertake robust and regular needs assessments that establish a full understanding of current and future local health needs and requirements
- Effectively stimulate the market to meet demand and secure required clinical, and health and well-being outcomes
- Promote and specify continuous improvements in quality and outcomes through clinical and provider innovation and configuration

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London commissioners

- 82.6 per cent of commissioners agree third sector understands hard-to-reach groups
- Only 29 per cent always consult the third sector at an early stage
- 60.9 per cent of commissioners are aware of potential providers
- Only 8.7 per cent have mapped providers in the last year, while 43.5 per cent don't know
- 33.3 per cent of commissioners report average contracts of three years
- 37.5 per cent report average contracts of one year
- PCTs less likely than local authorities to offer three year contracts

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Third sector

- Over 20,000 registered charities, 3,400 social enterprises and 450 housing associations in London
- 65.1 per cent in London view delivery of public sector contracts as an opportunity for the future
- 68.2 per cent agree contracts rarely offer full cost recovery
- Despite Treasury pledge to do so across public services by April 2006
- 77 per cent of third sector organisations report problems of staff retention nationwide
- 52 per cent of commissioners in London agree that third sector should be more professional

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Mental health

- Average London expenditure up from £18.5 million (2004-05) to £22.5 million (2006-07) per 100,000 population
- Represents 17.5 per cent of total spend
- Next highest West Midlands at 14 per cent with South East Coast lowest at 11.6 per cent
- London PCTs occupy nine of top 10 by spend and 15 of top 20 from Islington at £36 million to Hounslow at over £20 million
- Is London's a Rolls Royce service?
- And what is the impact on other services?

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Ealing case study

- Ninth in top 10 by expenditure on mental health
- Working with borough council reallocates resource from secondary to primary care
- Undertakes comprehensive mapping of voluntary providers and services
- Feedback helps inform service specifications focused on outcomes
- Three year commissioning cycle to provide stability with flexibility
- Substantial increase in psychological therapy in community has reduced waiting times and improved outcomes

Impact of debt

- Despite sharp economic downturn, little evidence of PCTs considering potential impact of increased debt on mental health
- Low income and debt associated with mental illness but the effect of income appears to be mediated largely by debt
- Not yet possible to say whether low income and debt causes or consequences of poor mental health or both
- Correlation of debt and mental ill-health may have implications for preventive strategies as well as clinical assessments and care planning

LHF recommendations

Commissioners

- Relationship building and involvement
- Streamlined contracting procedures
- Full cost recovery

Third sector providers

- Evidence of added value
- Partnerships or consortia
- Realistic, fully costed targets

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Amplifying innovation

The expensive and unnecessarily longwinded bidding process for contracts is most to blame for undermining creative and innovative solutions from smaller community groups and charities.

Rod Aldridge, Executive Chairman, The Aldridge Foundation

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