

# Commissioning and Partnerships

Commissioning is a set of inter-related steps that converts policy and investment into effective social services for New Zealanders

The key to commissioning is collaboration between social sector agencies and providers - those best placed to determine need, and design and provide services. At the simplest level, this involves co-designing services with providers. At a more comprehensive level, it involves enduring partnership between agencies and providers, by supporting providers to take responsibility for making decisions on what communities and families need.

## **SIA promotes a commissioning approach that:**

- is joined up across the social sector
- is driven by evidence
- is focused on outcomes for people
- takes a whole-of-life view.

Better tools, infrastructure and consistency will improve data collection, evaluation and feedback, leading to better investment decisions, greater access to useful insights and, ultimately, better service outcomes for people.

Our Commissioning approach reflects the conclusions of the Productivity Commission's [More Effective Social Services](#) report.

## **Supporting commissioning organisations**

We're working with a range of organisations to prototype reusable and scalable commissioning tools, templates and guidance for social investment.

Many of the organisations we're working with are driving exciting innovations in how services are delivered; our approach is to support these innovations, trialling and testing new ways for government, NGOs and other stakeholders to work together on the most pressing social issues.

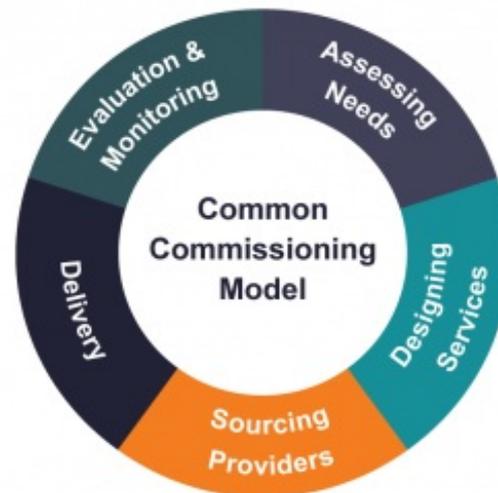
Designed around the five steps of commissioning, described below, these include:

- **Guidance** on how to understand and prioritise population groups.

- **Methods**, to;
  - Identify, measure and place a value on improved outcomes for wellbeing
  - Prioritise activities in the right areas to provide the right services to the right groups
- **Processes and templates** for choosing and implementing partnership arrangements, service models and payment methods.

## Five steps of commissioning

Effective commissioning requires five inter-related steps to be completed (they can't be undertaken in isolation and each must be done):



### Step 1: Assessing needs:

- use data and analytics to understand who needs what, who currently gets what, where the gaps or overlaps are
- use evidence to understand what works
- identify desired outcomes and understand costs and benefits.

### Step 2: Solution design:

- co-design services (and evaluation) with the right stakeholders
- identify the most appropriate service model, e.g. in-house, contracting, client-directed budgets (allowing clients to decide what would help them best).

### Step 3: Investment/service models:

- identify and select the most appropriate way to deliver, structure and fund services.

### Step 4: Implementation:

- monitor on-going performance to ensure for effectiveness and continuous improvement.

## **Step 5: Evaluation and monitoring:**

- measure and evaluate people's experiences and outcomes
- compare performance to the original benefit assessments in the context of social wellbeing
- feedback loops ensure information on outcomes informs future service-delivery decisions.

## **Is commissioning just procurement by another name?**

Procurement is only one part (of step 3) of the commissioning process.

Procurement begins with an assumption the government will purchase a market-supplied service. This may be one option within a commissioning approach but, equally, the decision may be made not to purchase a service from the market.

Other models that could be considered include in-house provision or client directed budgets.

Traditional procurement models may have effectively delivered services to the majority of New Zealanders in need. However, this process isn't the only option, and collaborative approaches that draw resources and ideas together from a wider range of sources are increasingly important.

The [Productivity Commission's report](#) notes commissioning starts by asking what the best way is to achieve a specific outcome for a person or group.

## **Fact sheets**

[Check out our Commissioning and Partnerships fact sheet.](#)