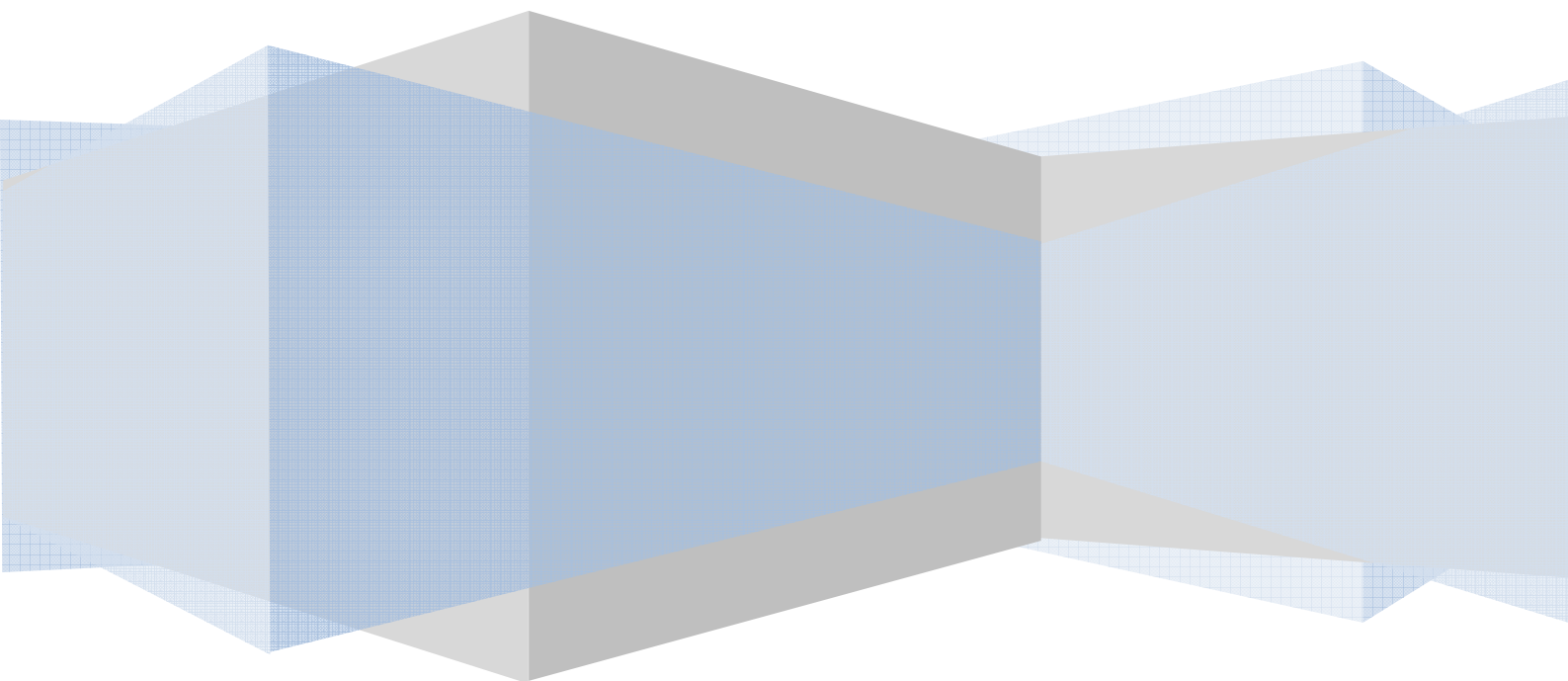


# Commissioning Framework

November 2008



## Project Commissioning Framework

### Summary

This document seeks to establish a Commissioning Framework for the WY BME Learning Network. As part of this process consideration has been given to developing a common understanding of the commissioning process, examine the challenges and options available, establish a core set of principles and developing a model to commission providers to deliver projects which meet the requirements of the WY BME Learning Network.

### Definition of Commissioning

Commissioning will be the term used for all of our planning and purchasing activity across the Network, including purchases that are negotiated or competitively tendered for. All of our commissioning decisions are rooted in a firm commitment to allocating our budget wisely, targeting provision of the highest quality, contributing to the targets and priorities of our funding providers, and give value for money to the Network Membership.

### Commissioning Challenges

The Network has made a commitment to securing funding in order to develop the skills, capacity, credibility and financial status of members. Underpinning any application for funding has been and will continue to be activities which need to be undertaken in order to build the capacity of Network Members. Two questions therefore need to be answered

1. Does the Network commission external support to build the capacity of its membership; or
2. Does the Network commission members of the Network to carry out projects as a way of building capacity?

Whilst capacity building is a desired outcome the Executive needs to be mindful of:

- Funding requirements and the responsibilities of the relevant accountable body to deliver outcomes, to specified timescales
- The resource implication for the Network supporting Members; from helping with application, supporting delivery, monitoring and evaluation

The Commissioning approach therefore recommended is a hybrid model which will involve a combination of approaches.

### Approach to Commissioning

Projects will be commissioned on the basis of the needs of the BME Learning Network and will be in line with the BME Learning Networks Strategic Framework and may include three approaches:

- Allocated commissions to appropriately skilled Network Members
- Negotiated commissioning with specific providers who will provide a unique input to the network
- Tended commissioning through a competitive process

Whichever of these approaches are used will require the Network to ensure that it is securing the best quality provision to meet the needs of Members and that the work can be delivered to agreed outcomes and timescales.

### **Key Principles of the Commissioning approach**

The BME Learning Network/ Build2Impact commissioning approach has a number of key principles.

All commissioning decisions will:

- Be based on a clear rationale for improving outcomes for Network members
- support and build the capacity of Network members
- be undertaken openly, competitively and transparently demonstrating accountability to funders
- reflect value for money
- provide added value for Network members

### **Commissioning Model**

The Network will adopt a methodical approach to the commissioning of the BME Learning Network's projects, in order to ensure that commissioned projects meet the specification. The Commissioning Model will be simple and encouraging, whilst being mindful that it has to be transparent and auditable.

The model will involve

- An Executive Committee approval process
- Development of a project specification detailing project outputs and outcomes
- Service level agreement
- Process for monitoring and evaluating project delivery

### **Recommendations**

The Network Executive is requested to approve the Commissioning Framework.

## **Towards a Commissioning Framework for the BME Learning Network**

This document seeks to establish a Commissioning Framework for the WY BME Learning Network. As part of this process consideration has been given to developing a common understanding of the commissioning process, examine the challenges and options available, establish a core set of principles and develop a model to commission providers to deliver projects which meet the requirements of the WY BME Learning Network.

### **Definition of Commissioning**

Commissioning will be the term used for all of our planning and purchasing activity across the Network, including purchases that are allocated, negotiated or competitively tendered for. All of our commissioning decisions will be rooted in a firm commitment to allocating our funding wisely, targeting provision of the highest quality, contributing to the targets and priorities of our funding providers, and gaining value for money to the Network Membership.

### **Challenges**

The mission of the BME Learning Network is built on

**“Connecting and supporting WY BME learning and skills providers to create a powerful force to influence the learning and skills agenda”**

To deliver this mission, the Network has committed itself to

- developing and delivering infrastructure support services
- work together as Consortia of organisations to secure larger more complex commissions
- developing a strategic voice to represent the needs of the sector

Whilst developing this mission, the Networks' Executive Committee were mindful that a significant number of its members (as individual organisations and as consortium) lack the skills, capacity, credibility and financial status to be able to complete successfully for commissions/tenders/funding. In light of this, the Network made a commitment to securing funding in order to develop the skills, capacity, credibility and financial status of members. Underpinning any application for funding has been and will continue to be activities which need to be undertaken in order to build the capacity of Network Members. Two questions therefore need to be answered

3. Does the Network commission external support to build the capacity of its membership; or
4. Does the Network commission members of the Network to carry out projects as a way of building capacity?

Whilst capacity building is clearly the desired route the Executive must apply some realism. Whilst capacity building is about supporting and ensuring that Network organisations have the skills, knowledge, structures and resources to realise their full potential there are some challenges with this approach. For example:

- ensuring that members are capable of delivering the outcomes, key performance indicators (KPIs) within the timescales so that this does not compromise the commitment to funding organisations
- ensuring that any commissioning process is open, competitive, transparent
- managing conflicts of interest by ensuring that Network Members likely to make an application are not involved in aspects of the procurement process itself
- some projects may need consortiums of Network Members to enable outcomes to be delivered and this may challenge capacity and partnership relationships

Whilst capacity building is a desired outcome the Executive needs to be mindful of:

- Funding requirements and the responsibilities of the relevant accountable body to deliver outcomes, to specified timescales
- The resource implication for the Network supporting Members; from helping with application, supporting delivery, monitoring and evaluation

There are several options available to the Executive Committee.

Option	Benefits	Disadvantages
1. Open applications	Wider pool of providers who may be in a position to bring considerable added value to the Network. Value for Money	Network members may not be successful in obtaining the commission. May not have a track record of working within the local area. Could be more expensive Longer lead in time.
2. Restricted to Network Members only	Supports capacity building of the Network.	Skills may not be available within the network to fulfil all the tasks required. Additional support may be required to enable Network Members to fulfil commitments of the specification.
3. Hybrid - Network Members and open applications	Combination of skills available to the Network.  Enables the Network to be both open and transparent whilst achieving its mission.	Deciding which areas to commission on the open market and which to restrict to members.

It is proposed that in the interest of the Network, whilst being mindful of the challenges, that Option 3 is adopted. This would be a Capacity Building Model whilst enabling there to be some control over the delivery of a quality product in line with funding requirements and timescales.

It is recommended that the following key principles be adopted to support this option:

### Key Principles

The BME Learning Network/ Build2Impact commissioning approach has a number of key principles.

All commissioning decisions:

- **are based on a clear rationale for improving outcomes for Network members** - whilst making the most effective use of resources, and due regard to the impact those resources have
- **support and build the capacity of Network members** - The commissioning is based on a rationale that in the first instance it is used to build the capacity, skills, credibility and financial record of Network members so that they can use it as evidence to support future tendering/commissioning/funding applications. However, where the skills do not exist within the Network then the commission will be openly advertised
- **are undertaken openly, competitively and transparently demonstrating accountability to funders** - All applications received in response to a commission will be assessed to determine whether they have the skills and abilities to deliver the outcomes required, how the work will be carried out and how its fit with timescales
- **Reflect value for money** - We are aware of the variation in costs involved and how these are dependent upon the overheads of the provider. All proposals should include a detailed breakdown of costs with explanations, where appropriate, advising the basis on which financial calculations have been made
- **Provide added value for Network members.** The Network want to achieve the maximum for its investment therefore will be looking for add value

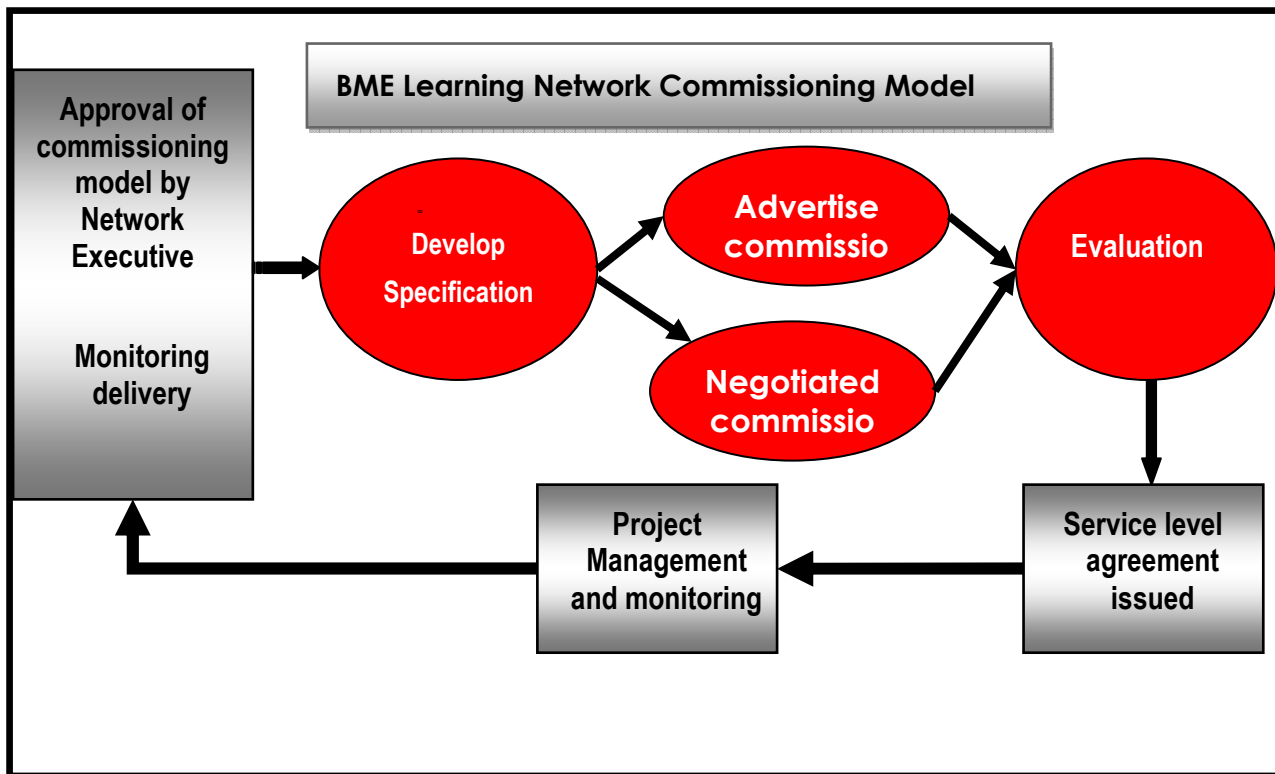
### Commissioning Model

The Network will adopt a methodical approach to the commissioning of the BME Learning Networks projects, in order to ensure that commissioned projects meet the specification and can deliver the expected outputs. However, the Commissioning Model needs to be as simple and encouraging as possible, whilst being mindful that it has to be transparent and auditable.

The Commissioning model must demonstrate that the Network:

- is not accepting or considering any proposal that does not relate specifically to the identified commissioning activity and the priority
- has an auditable contractual process which details the outcomes and performance indicators required to meet the specification
- a process for monitoring key performance indicators, outcomes and expenditure
- a contractual disputes resolution process

There will be six stages in the commissioning model as shown in the diagram below.



### **Approval**

Prior to the Commissioning of any work the Executive Committee will receive a schedule seeking approval to commission a project. The schedule will detail the project activity, proposed commissioning model, timetable and budget.

### **Developing the Specification**

Following approval a detailed specification will be developed relevant to the commissioning model agreed. The specification will outline what the Network wants to commission and by when.

### **Advertising the Commission and seeking application**

The advert will be issued in line with the Executive Committee approval. To ensure that all submissions are assessed in a consistent way, applicants will be provided with an application package which provides guidance and information about evaluation.

### **Evaluating submissions**

All submissions will be assessed against pre-determined criteria which will be accessible to all bidders

### **Service Level Agreement**

All contractual arrangements will be managed through a Service Level Agreement which will detail the arrangements between the supplier and the Network (4).

### **Project Management and Monitoring**

All projects will have a project plan and will be managed against this plan. Project Management protocols will be introduced and used to ensure delivery. All Commissions will involve the production of a monthly progress report and will be monitored against the agreed timetable.

***Whichever commissioning model is used there will be an audit trail of paperwork to demonstrate why the provider has been commissioned and what is expected of them.***

# Commissioning Framework Appendices

**Executive Committee Approval Process**

<b>Activity to be Commissioned</b>	<b>Commissioning Model and rational</b>	<b>Time table</b>	<b>Budget Allocation</b>

**Specification**

<b>BME Learning Network Commissioning Specification</b>	<b>Project:</b>
<b>Activity to be Supported</b>	
<b>Outputs and Outcomes Expected</b>	
<b>Funding Available</b>	
<b>Timetable</b>	

**Appendix 3**

**Application  
Package**

## What do we need to know?

**This paper is designed to provide you with some guidance to ensure that you**

**Capacity to Deliver** - In this section you should provide sufficient information to *demonstrate* your previous experience and current capabilities and the capacity to deliver the type of project specified.

**Method Statement** - Tells us in detail *how* you intend to carry out the project. Giving us an indication of the key tasks you will be undertaking and *how and who* will be responsible for each stage of the delivery.

**Outputs and Outcomes** - You will be expected to deliver the outputs and outcomes stated in the specification don't forget to tell us how you intend to do this.

**Financial Information** - Part of the evaluation process will include consideration of the value for money aspect of your project so it is very important that you include a detailed breakdown of all project costs. Service level agreements issued as a result of this process are exclusive of VAT and therefore if you are to incur VAT these costs should be included in the financial breakdown.

**Project Management and monitoring** - We also need to know how you are going to manage and monitor the project to ensure you achieve the outcomes and timetable specified.

**Equal Opportunities and Environmental Sustainability** - You should demonstrate your commitment to equality and environmental sustainability and how you will apply this during this project.

**Submission Template**  
**BME Learning Network**

<b>Project:</b>
<b>Name of Provider:</b>
<b>Address:</b>
<b>Telephone details</b>
<b>Email details</b>
<b>Company number and Vat Registration number where appropriate:</b>
<b>Total cost for delivery</b>
<b>Two references (where appropriate)</b> Brief details of project carried out Contact name, telephone number, email address: Value of contract:
On no more than 3 sides of A4 please outline your proposals to undertake the project

## Application Process

In this commissioning process we are committed to making the application process as simple as possible.

### Stage 1

On receipt of your application it will be appraised against the evaluation framework included in your application package by a panel. The panel will look closely at how the application relates to the specification. The panel will award a rating of

- 0 fails to meet the specification
- 1 partly meets the specification
- 2 fully meets the specification
- 3 fully meets the specification and can bring added value to the Networks activities

against each of the questions featured in the Evaluation Framework. They will also consider the value for money aspect of the proposal by comparing like for like before determining an overall rating award to the application.

### Stage 2

This important stage is intended to enable us to resolve all outstanding issues with successful applicant(s) relating to their application before a final service level agreement is issued and signed. Confirmation of claim and monitoring arrangements will be made at contracting stage.

### Feedback

All unsuccessful applicants will receive three summarised pointers of where their bid has failed at the time projects are notified of the results.

### Conditions of the Contract

The successful organisation(s) will be contracted through the use of a Service Level Agreement. A description of the project, key milestones and outcomes, timescales, payment, monitoring and condition will be detailed within each Service Level Agreement. Payment will be made once the expenditure has been checked and verified in terms of both accuracy and eligibility, and the Network has satisfied itself that there is sufficient evidence that the expenditure has been incurred by the project against the agreed milestones and outcomes.

## Evaluation Criteria

**Project Name:**

**Provider:**

**Date**

Criteria	Score *
<p><b>1. Project Proposal</b></p> <ul style="list-style-type: none"> <li>• Understanding of the project brief</li> <li>• Content of methods statements meets the requirements of the specification</li> <li>• Clarity of project plan and methodology</li> <li>• Capacity to deliver</li> <li>• Added value to the Network</li> <li>• Understanding of equality and environmental sustainability</li> </ul>	
<p><b>2. Financial</b></p> <ul style="list-style-type: none"> <li>• Affordability</li> <li>• Detailed costs breakdown</li> <li>• Value for money</li> </ul>	
<p><b>3. Competency</b></p> <ul style="list-style-type: none"> <li>• Evidence of similar projects</li> <li>• References from previous projects</li> <li>• Project Management Arrangements</li> </ul>	
<p><b>4. Monitoring and evaluation</b></p> <ul style="list-style-type: none"> <li>• Is it clear when a milestone will be achieved or not?</li> <li>• SMART objectives and outcomes</li> <li>• Quality controls proposed</li> </ul>	

\*Score 0 – 3. 3 = meets specification +; 2 = fully meets specification; 1 = partly meets; 0 = does not meet specification

## BME Learning Network Service Level Agreement (SLA)

<b>BME Learning Network</b>	<b>Provider</b>
<b>Signature</b> <b>Date</b>	<b>Signature</b> <b>Date</b>
<b>Description of the Project to be carried out:</b>	
<b>Milestones</b>	
<b>Outcomes</b>	
<b>Payment</b> The payment for this project will be £.....  Payment will be made on a monthly basis in arrears, unless otherwise agreed, up on presentation of satisfactory evidence that the project milestones and targets have been achieved.	
<b>Duration of the Agreement:</b>	
<b>Monitoring</b> Monitoring will be carried out on a monthly basis by the Build2Impact Project Co-ordinator or Administrator unless otherwise agreed, against the agreed milestones and outcomes.	
<b>Evaluation</b> At the end of the project the provider will be expected to write an evaluation report to close the project.	
<b>Default</b> Where there is concern about the delivery of the Project the Project Co-ordinator will suspend the project and no more payments will be made until the Project Co-ordinator is satisfied that the milestones and outcomes can be achieved as described in this service level agreement. Where it is clear that the Project cannot be delivered the Project Co-ordinator will write to the supplier terminating the Service Level Agreement	