

Commissioning of Services

22 July 2024

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Report by the Comptroller and Auditor General: - 22 July 2024

This report has been prepared in accordance with Article 20 of the Comptroller and Auditor General (Jersey) Law 2014

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Summary

Introduction

1. The commissioning of public services describes the cycle of assessing the needs of people in an area, designing and then achieving appropriate outcomes within resource limitations. Resources include finances, facilities, capacity, skills and experience. In essence, commissioning is the process by which public services are planned, purchased and monitored.
2. Public services are services that are organised by the States of Jersey in order to benefit the citizens of Jersey. Such services might be provided directly by the States of Jersey or they might be commissioned from private, other public sector or third-sector organisations. Good commissioning provides value for money by improving the quality of services (for example accessibility, customer experiences and outcomes) and maintaining or reducing the costs involved in providing those services. Successful commissioning means delivering the right outcomes at the right cost.
3. The States of Jersey rely on commissioning services from external providers where it is not practical, or not possible, to deliver specialist services within the public sector on Island.

Key findings

4. Within the States of Jersey there is no common understanding of the term commissioning. Some departments interpret commissioning as applying only to contracts awarded to external entities to provide direct services to Islanders. In doing so, they exclude consideration of grants awarded to entities to provide direct services to Islanders. Other departments adopt a wider definition of commissioning. There is a need to consistently apply a single agreed definition across the States of Jersey. This will enable departments to identify commissioning opportunities, adopt consistent best practices and capture more effectively the rationale for chosen delivery options.
5. In January 2023, the Government launched the Jersey Commissioning Academy. During 2023, the Academy delivered face to face and online sessions with representatives from four departments. I note funding has been provided to continue the Academy during 2024 and there is a stated intention to continue into 2025 and beyond. This provides an opportunity to spread good practice across Government.

6. The Government has drafted a Jersey Commissioning Framework, which is based on a mental health commissioning framework from New Zealand. This draft Framework has been adapted for Jersey by a group of stakeholders from across Government and including external providers. The draft Framework describes a methodology for commissioning for the full range of people services, including health and care services, children and young people's services, education services, social wellbeing services and public health services. It is in line with the best practice identified and will provide an evidence-based process that can be applied across the whole continuum of public services provided by the Government of Jersey.
7. It is however concerning that while a number of departments have been involved in the Jersey Commissioning Academy and the development of the draft Framework, the response from one to my question about the value of services commissioned was that it has no commissioned service expenditure.
8. The role of Commercial Services to support commissioning is not clear. The Head of Commercial has been involved in the development of the draft Framework and is a member of Cross Government Commissioning Function for Health and Care. There is a need for Commercial Services to finalise its strategic approach to both commissioning and procurement, so that public money is managed effectively to maximise services delivered to the public in Jersey and obtain best value.
9. I identified different approaches to assessing needs within the Departments I selected for review:
 - Health and Community Services (HCS): my work identified good practice in a number of areas, for example commissioning mental health services, which is set within a wider Jersey Health and Care Commissioning and Partnerships Strategy 2022-2025
 - Children, Young People, Education and Skills (CYPES): the commissioning team has a number of good initiatives and the application of the wider strategy would provide a 'bridge' between the strategic context and the external commissioning activities required
 - Justice and Home Affairs (JHA) and Probation and After-Care: my work found no evidence of significant external commissioning, and neither Department currently takes part in the Jersey Commissioning Academy work. JHA has recently become a member of the Cross Government Commissioning Function. There are likely to be commissioning opportunities in the future as the Departments progress a joint rehabilitation and resettlement strategy; and
 - Customer and Local Services (CLS): the Department does not consider itself to undertake commissioning activities. However, I note that it awards a number of

grants to external bodies to provide services to citizens and processes transactions with third parties as part of the Long-Term Care Scheme.

10. Where services are commissioned by HCS and CYPES I noted the planning approach draws on the knowledge gained from assessing needs and opportunities. Commissioning plans have clear objectives, activities and measures of success. However, while HCS plans included some evidence of output measures, I did not see evidence in either HCS or CYPES which indicated a focus on outcomes at the time of my review. I have been informed that the recent mental health framework and planned community nursing commissioning identify outcomes essential to the commissioning process.
11. I also noted engagement with stakeholders in developing the CYPES commissioning workshop in January 2024, and in the development of Jersey Health and Care Commissioning and Partnerships Strategy 2022-2025. This is positive and should help ensure services are commissioned in partnership and lead to improved outcomes for service users.
12. However, there remains a need to plan and commission appropriate long term care, and children's care, services. Both are complex, cross cutting and Island wide services that cover Government departments, Arm's Length Bodies, charities and the private sector. The draft Jersey Commissioning Framework provides a mechanism through which commissioning these services can be managed.
13. Recruiting people with relevant commissioning and procurement skills is a challenge on the Island. Currently there is reliance on interim appointments. Therefore, when updating its strategic approach to both commissioning and procurement the Commercial Services team should consider how it provides support and training to other Government departments. Such an approach could also be used to identify which commissioning activities would benefit most from direct specialist support from the Commercial Services team. Certain Departments, including HCS and CYPES, employ their own staff to support commissioning. The introduction of the Jersey Commissioning Academy is intended to upskill individuals within Government. This is a positive direction of travel, but future improvements will require a mechanism for developing key skills and a joined-up approach including both the Jersey Commissioning Academy and the draft Jersey Commissioning Framework.
14. Where commissioning arrangements are in place, I found evidence that departments monitor, measure, review and evaluate progress, although this tends to be operationally focussed rather than outcomes focussed. There is scope for sharing good practice across departments through the draft Jersey Commissioning Framework and the Jersey Commissioning Academy. For example, standardised agenda and minute templates could be used to encourage

a focus on monitoring inputs, activities and outcomes, and to include service provider and service user feedback.

15. I found no consistent approach across departments to identifying opportunities for improvement in the models of service provision. Such an approach might include routine reviewing of service configuration, quality and efficiency. In both the HCS and CYPES commissioning teams I found a commitment to learn through continued engagement with partners within the quarterly monitoring meetings. A formalised, best practice process is needed to enable all departments to evaluate the service provided against expected outcomes, enabling those responsible for making decisions about commissioning to assess whether resources are being used effectively. Successfully undertaking this final stage of the commissioning process feeds back into the initial phase of understanding changing needs and opportunities.

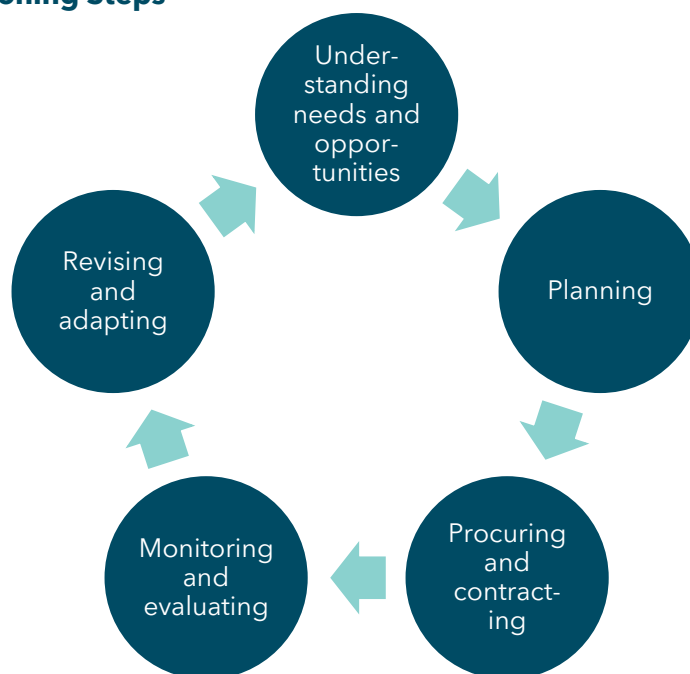
Conclusions

16. The Government has put in place a number of good initiatives, based on good practice identified in other jurisdictions, to seek to develop a consistent cross-Government approach to commissioning services. Where commissioning arrangements are in place, they are generally working well and take the needs of individuals and service providers into account. However, not all departments recognise they are commissioning services.
17. These initiatives need to be developed at greater pace and rolled out across all Government departments, to ensure the needs of Islanders are met through commissioned services delivering the right outcomes at the right cost.

Objectives and scope of the review

18. While there are different models of commissioning, in essence, they comprise five main steps. These are outlined in Exhibit 1.

Exhibit 1: Commissioning Steps



Source: Jersey Audit Office

19. The review has evaluated the extent to which the States of Jersey commission services from external providers that deliver outcomes for Islanders in line with policy objectives.
20. The review has included an overarching consideration of the State of Jersey's approach to commissioning, to understand:
 - the drivers for and policies underpinning the decisions about what public services are to be commissioned; and
 - the range of commissioning activity.
21. The review has also considered how specific services are, or are planned to be, commissioned, against elements of best practice. The specific services reviewed included those commissioned by the Health and Community Services Department (HCS), the Children, Young People, Education and Skills Department (CYPES), the Justice and Home Affairs Department (JHA), the Customer and Local Services Department (CLS) and the Probation and After-Care Service. Public Health commissions a small number of services. This commissioning has not been considered as part of my review.

Detailed findings

Understanding needs and opportunities for commissioning

22. The opportunities for commissioning of services should be driven and supported by:
- a consistent understanding of what is meant by 'commissioning'
 - a consistent commissioning framework; and
 - a clear assessment of needs supported by an understanding of external provision (including evidence of service effectiveness) and a clear vision as to what the commissioned services need to achieve.

What is meant by 'commissioning'

23. In broad terms the States of Jersey use four delivery models to provide services to islanders:
- direct provision of services by Government and Non-Ministerial Departments
 - provision of services by States owned or States established entities (with financial support from Government in the form of grants)
 - provision of services by external on-Island entities with financial support in the form of grants or subsidies; and
 - provision of services by external on-Island and off-Island entities bought through contracts for services awarded following consideration of competitive tendering needs.
24. Definitions of 'commissioning' differ across jurisdictions with some jurisdictions incorporating all forms of service delivery model noted above within their definitions.
25. Within the States of Jersey there is no common understanding of the term commissioning. Some departments interpret commissioning as applying only to contracts awarded to external entities to provide direct services to Islanders. In doing so, they exclude consideration of grants awarded to entities to provide direct services to Islanders. Other departments adopt a wider definition of commissioning.
26. There is a need to consistently apply a single agreed definition across the States of Jersey. This will enable departments to identify commissioning opportunities,

adopt consistent best practices and capture more effectively the rationale for chosen delivery option.

27. There is limited data available to assess the value of services externally commissioned by the States of Jersey. Exhibit 2 summarises the information provided by the specific Departments included in my review.

Exhibit 2: 2023 External commissioning expenditure identified by departments

Department	Commissioning activity identified	Value of activity identified
HCS	On-Island commissioning expenditure	£19.7m (of which ~£15.7m is commissioned from charities)
	Off-Island commissioning expenditure (mental health, social care and tertiary services)	£21m (of which ~£13m is contracted and the remainder is spot purchasing)
	On-Island top up funding to support long term care	£9.1m
CYPES	School fee supplement top up grants	£4.5m
	Grants (6)	£0.4m
	Contracts (28)	£2.5m
	Off-Island placements	£2.6m
Justice and Home Affairs	No commissioning or grants identified by department	Nil
Customer and Local Services	The Department did not identify any commissioning activity. CLS does however make payments to GPs, pharmacists and care providers from the Long-Term Care and Health Insurance Funds	Nil
	Grants	£4.7m
Probation and After-Care	No commissioning or grants identified by department, other than a small contract (£16,000) for the provision of weekend community service probation cover	£0.02m

Source: Jersey Audit Office analysis based on information provided by Departments

28. Exhibit 3 compares the total value of services which departments identify as commissioned expenditure as a percentage of total department spend in 2023.

Exhibit 3: 2023 External commissioning expenditure as a percentage of departmental expenditure

Department	Commissioned Expenditure Identified 2023	Total Departmental Expenditure 2023	Percentage of total expenditure commissioned
HCS	£49.8m	£330.6m	15.1%
CYPES	£10m	£223.4m	4.5%
JHA	Nil	£47.7m	-
CLS	£4.7m*	£107.7m	4.4%*
Probation and After-Care	£0.002m	£2.7m	0.07%

* excluding payments to GPs, pharmacists and care providers from the Long-Term Care and Health Insurance Funds

Source: Jersey Audit Office analysis based on information provided by Departments and States of Jersey Group 2023 Annual Report and Accounts

29. Public Health commissions a small number of services. This commissioning has not been considered as part of my review.
30. In January 2023, the Government launched the Jersey Commissioning Academy. The UK Public Service Transformation Academy was engaged to help co-design a modular learning and development programme for commissioning in Jersey. The programme was accredited by the UK Cabinet Office.
31. During 2023, the Academy delivered face to face and online sessions with representatives from HCS, CYPES, CLS and Public Health (PH). The approach included action learning sets. Workshops have been held and a number of 100-day projects undertaken, split into three areas:
- commissioning foundations – framework, community of practice and toolkit
 - stakeholder engagement; and
 - contract management processes.
32. The Academy was planned as a two year programme with the first cohort of 14 participants engaged in the process from February to October 2023. The original intention was to have a second cohort in 2024, but feedback from the first cohort

has suggested a change in format which is being planned by the Cross Government Commissioning Function. I note funding has been provided to continue the Academy during 2024 and there is a stated intention to continue into 2025 and beyond. This provides an opportunity to spread good practice across Government.

33. In JHA and Probation and After-Care, my work found no evidence of significant external commissioning, and neither department currently takes part in the Jersey Commissioning Academy work. JHA is included within the Cross Government Commissioning Function.
34. My work in CLS noted the Department does not recognise any of the activity it manages as being commissioned. CLS has engaged in the Jersey Commissioning Academy and forms part of the Cross Government Commissioning Function which is positive. However, CLS awards a number of grants to a range of entities including Jersey Employment Trust and Citizens Advice Jersey. These could be argued to fall within a definition of commissioning services. In addition, CLS makes payments to GPs, pharmacists and care providers from the Health Insurance Fund and the Long-Term Care Fund.

Commissioning framework

35. For the States of Jersey to commission services effectively there should be a consistent definition and understanding of the term commissioning and a consistent commissioning framework applied by all departments.
36. The Government has drafted a Jersey Commissioning Framework, which is based on a mental health commissioning framework from New Zealand. This draft Framework has been adapted for Jersey by a group of stakeholders from across Government and including external providers. This Framework was initially circulated in December 2023 for comment by HCS, CYPES, PH, CLS, Cabinet Office, Treasury and Exchequer and a small number of external agencies. It was updated in early January 2024 and recirculated to the same group. The Framework was introduced in January 2024 and is being trialled within HCS. The intention is to revise and adapt it based on experience of use and to undertake further stakeholder engagement, before developing a final version for roll out across Government and inclusion in the corporate governance processes. The Framework is available on the intranet but has not formally been shared with all Government departments.
37. The draft Framework sets out its ambition within the Executive Summary:

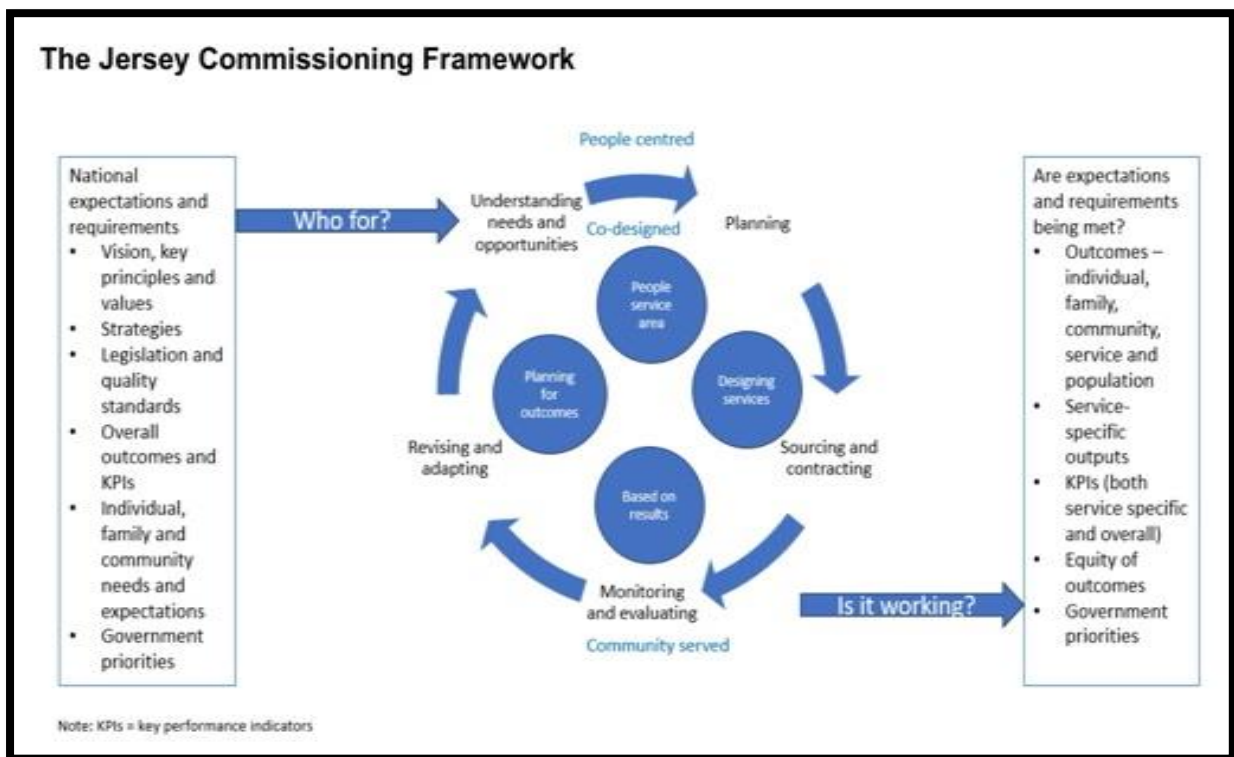
The Jersey Commissioning Framework aims to place people at the centre of commissioning to achieve equitable outcomes, wherever they live and whatever their circumstances. It is part of an outcomes-focused approach intended to shift

the focus from how things are done to outcomes that will make a real difference for people.

The Commissioning Framework describes a consistent approach to commissioning that supports the direction set in the Government of Jersey Common Strategic Policy.'

38. The draft Framework describes a methodology for commissioning for the full range of people services, including health and care services, children and young people's services, education services, social wellbeing services and public health services. It is in line with the best practice identified and will provide an evidence-based process that can be applied across the whole continuum of public services funded by the Government of Jersey. Exhibit 4 is a summary of the draft Framework.

Exhibit 4: The draft Jersey Commissioning Framework



Source: Jersey Commissioning Framework, January 2024

39. The draft Framework provides guidance and direction for those who are responsible for commissioning services. If rolled out and endorsed by all Government departments, it can provide a consistent approach to commissioning services in line with the Common Strategic Policy. It will support the Government in demonstrating that it is assessing the needs of the people of Jersey and achieving the right outcomes through the most cost-effective model of delivery. This Framework is being trialled within HCS. However, during my work I found that

not all departments and services are aware that a draft Framework has been developed.

40. It is encouraging that the Government has established a Cross Government Commissioning Function for Health and Care, with the first meeting taking place in January 2024. Membership initially included representatives from HCS, CYPES, CLS and Strategic Policy, Planning and Performance (SPPP), and this has now been extended to include JHA and Treasury and Exchequer (Commercial Services and Finance). In February 2024, the group members shared details of their commissioning activities with the intention of identifying opportunities for joint commissioning of health and care services across Government departments. The aim is to develop a joint commissioning workplan, based on these opportunities, following its meeting in April 2024.
41. It is however concerning that while a number of departments have been involved in the Jersey Commissioning Academy and the development of the Commissioning Framework, the response from one to my question about the value of services commissioned was that they have no commissioned service expenditure.
42. The role of Commercial Services to support commissioning is not clear. The Head of Commercial has been involved in the development of the draft Framework and is a member of Cross Government Commissioning Function for Health and Care.
43. There is a clear need to ensure that the planned future refreshed Commercial and Procurement Strategy is aligned to the Jersey Commissioning Framework, so that public money is managed effectively to maximise services delivered to Islanders.

Needs assessment

44. My fieldwork identified different approaches to assessing needs within the Departments I selected for review.
45. In HCS, a Jersey Health and Care Commissioning and Partnerships Strategy 2022 to 2025 was developed as part of delivering the Jersey Care Model. The Jersey Care Model has subsequently been withdrawn and work started in early 2024 to develop a new health and social care strategy. The development of a prioritised Jersey health and social care strategy would provide a strategic context for individual and care pathway commissioning decisions.
46. There is good evidence to suggest HCS uses appropriate information to assess population need, including:
 - the Public Health Jersey strategy *Seizing the opportunity: a population health prevention strategy for Jersey (2023-2027)*

- a Government of Jersey Public Health intelligence function publication schedule which provides detailed epidemiological data. For example: *Multi Morbidity Report 2023; Disease Projection Report 2023 -2053; and Obesity, Diet and Physical Activity 2023*; and
 - data provided by Statistics Jersey.
47. My work identified good practice around commissioning mental health services, with two key initiatives:
- a Co-production Framework for Jersey Mental Health Services (produced by the Jersey Recovery College, October 2023). The Framework was commissioned by The Mental Health Strategic System Partnership Board, a forum of stakeholders engaged with mental health services in Jersey. It is intended for use by those involved in the mental health system and to support the transformation of mental health services. It recognises the importance of having a consistently high quality approach to using co-production to design and evaluate services; and
 - a Procurement Strategy Approval for the provision of Mental Health and Well-being Support Services for Adults. This procurement started October 2023 with the five-year contracts starting in January 2024. The aim is to create five frameworks, with pre-selected and approved providers who can be awarded work without going back to the start of a competitive procurement process. The first competitive procurement process, to supply services to Islanders experiencing low level anxiety and depression, was launched in March 2024.
48. In CYPES, several documents exist to provide a context for commissioning. These include:
- Delivery Plan - Minister for Children and Education (2023-2026)
 - Children and Young People's Emotional and Wellbeing and Mental Health Strategy (2022-2025)
 - Digital Education Strategy (October 2022)
 - CYPES Business Plan (2023); and
 - Children and Young People and Families' Plan (2024-2027).
49. There is a small commissioning team, who have engaged in the wider Government initiatives, such as the Jersey Commissioning Academy, and are members of the Cross Government Commissioning Function for Health and Care. CYPES has developed a commissioning workplan, which covers value for money, school meals, social care reform, mental health and emotional wellbeing strategy, short

breaks, commissioning/policy and contracts. The content of this workplan does align with the high-level strategic context, but the range of the CYPES department's responsibilities is broader than this relatively narrow commissioning workplan.

50. The application of the Jersey Health and Care Commissioning and Partnerships Strategy 2022-2025 would provide a 'bridge' between the strategic context and the external commissioning activities required to deliver the range of commissioning opportunities across CYPES.
51. In JHA and Probation and After-Care, my work found no evidence of significant external commissioning, and neither Department currently takes part in the Jersey Commissioning Academy work. JHA has recently become a member of the Cross Government Commissioning Function. There are likely to be commissioning opportunities in the future as the Departments progress a joint rehabilitation and resettlement strategy.
52. While CLS does not consider that it undertakes commissioning activities I note that the Department awards a number of grants to external bodies to provide services to citizens. It also processes transactions with third parties as part of the Long-Term Care Scheme. Long term care is a complex cross cutting Island wide service that covers Government Departments, Arm's Length Bodies, charities, the voluntary sector and the private sector. A failure to properly commission and manage this market can lead to quality concerns and to issues such as a shortage of provision.

Recommendations

- R1** Develop a cross Government Commissioning and Partnerships Strategy, building on the Health and Care Commissioning and Partnerships Strategy. The cross Government Commissioning and Partnerships Strategy should include:
- a finalised Jersey Commissioning Framework containing the commissioning vision, process and monitoring arrangements for all departments
 - an aligned commercial and procurement plan
 - future commissioning requirements; and
 - plans to address the challenges associated with the provision of long-term and social care.

In developing the cross Government Commissioning and Partnerships Strategy, engage actively with external stakeholders and service providers.

- R2** When commissioning a new service, or recommissioning an existing service, departments should formally document and capture the rationale behind why a particular delivery option is chosen.

Work planned that should be prioritised

- P1** Develop a joint commissioning workplan, based on the opportunities identified by the Cross Government Commissioning Function for Health and Care.
- P2** Explicitly set out the funding and future programme of the Jersey Commissioning Academy for 2024 and beyond.

Planning

53. Where services are commissioned by HCS and CYPES there is evidence that the planning approach draws on the knowledge gained from assessing needs and opportunities.
54. Within HCS, the approach varies dependent on the type of service (whether the service is provided through on-Island external services or off-Island tertiary and non-tertiary services).
55. There is an audit trail from the various CYPES strategies to the current 2023 to 2025 CYPES commissioning workplan. Furthermore, the workplan gives a current priority rating, with all activities either prioritised as high or medium. However, as noted above, there is no strategy document to provide a 'bridge' between the strategic context and the external commissioning activities required to deliver the commissioning opportunities.
56. In HCS and CYPES, I noted that commissioning plans have clear objectives, activities and measures of success. HCS plans included some evidence of outputs, but I did not see evidence in either HCS or CYPES which indicated a focus on outcomes at the time of my review. I have been informed that the recent mental health framework and planned community nursing commissioning identify outcomes essential to the commissioning process.
57. My work in HCS and CYPES identified some stakeholder engagement in developing the CYPES commissioning workshop in January 2024, and in the development of Jersey Health and Care Commissioning and Partnerships Strategy 2022-2025. This is positive and will help ensure services are commissioned in partnership and should lead to improved outcomes for service users.
58. In HCS, because there is currently no Jersey health and care strategy, it is difficult to formally state what is the national expectation of service delivery and outcomes. However, there are published annual delivery plans, and performance reports are taken to each meeting of the HCS Advisory Board.
59. Long-term care is funded through a benefits payment by CLS with HCS paying for costs above the top up level. The planning and procurement arrangements for long-term care are fragmented between HCS and CLS and are not embedded within a commissioning process. In my previous report on the Long-Term Care Fund, published in February 2022, I noted long-term care:

'... is not supported by an overarching commissioning model. Individual health and social care professionals take the responsibility for sourcing residential or domiciliary care on the basis of the best information available to them at the time. Care home data is requested from residential home managers on a weekly basis.

However, there is no obligation for care homes to provide the data and consequently records maintained of vacancies are incomplete. This puts pressure on health and social care professionals to contact individual care homes to check capacity. Where data is provided, this shows capacity only and not prices. Costs and prices are determined by providers and may vary depending on occupancy levels. Whilst many individuals are free to make their own choice of residential care setting, in reality the choice is limited as the market is stretched.'

60. My report included the following recommendation:

R15 Review and update existing framework agreements with all care providers. Ensure that the update includes a clear articulation of the data and quality standards required from care providers.

This recommendation has been closed by the Government of Jersey during the first quarter of 2024. The explanation for closure is that while the recommendation is not fully met, no further actions are possible. It is, however, not clear what action has been taken in response to my recommendation. The need to plan and commission appropriate long-term care remains and I consider that the draft Jersey Commissioning Framework provides a mechanism through which this recommendation can be implemented.

61. The ongoing need for this recommendation is supported by the findings from the Jersey Care Commission in a report issued in November 2022, which identified the following risks and issues:

- care providers with insufficient numbers of experienced staff, handing back care contracts because they cannot manage the workforce shortages and growing demand for services (an example is a care provider having to cancel 300 hours of care per week at short notice)
- increased demand and complexity of care requirements on home care providers [and] insufficient staff with the necessary skills and experience to fill vacancies
- a lack of data to ensure that demand and capacity is fully understood [and lack of] good quality information to predict future requirements; and
- no clear strategy to understand the future requirements and challenges of the care sector.

62. There is evidence that CYPES links its resources to national expectations through the different strategies produced and there are published annual delivery plans. However, a number of reports over the last two years indicate the arrangements to commission services for children and young people could be improved:

- My report on Child and Adolescent Mental Health Services published in September 2022 noted that *“Commissioning of community services from other on-Island providers is relatively under-developed in Jersey but opportunities, including for partnership working, are increasingly being identified and implemented”*. In addition, I noted *“There are currently no on-Island residential, therapeutic facilities for children and young people with complex issues which include mental ill-health”*.
 - The Jersey Care Commission issued a report on its 2023 inspection of Children’s Social Care and noted *“Fundamental functions like commissioning, analytical capabilities, policy development, and performance intelligence are either insufficiently resourced or underdeveloped. This hampers leaders’ ability to be confident in their evaluation of risk and vulnerability or to know how to best target resources and prioritise.”*
63. Planning and securing the capacity required for children’s social care is complex. A failure by the Government to properly plan and manage capacity can lead to quality concerns, such as children being placed in unregulated care settings due to shortages of provision in established, regulated care settings. The introduction of the draft Jersey Commissioning Framework provides a structure through which these findings can be addressed. I therefore recommend the Government speeds up the introduction of the Framework across all departments.
64. In JHA, Probation and After-Care and CLS I found limited evidence to support systematic planning for commissioning given that the departments do not recognise themselves as commissioning services.

Recommendation

- R3** Establish clear responsibility and accountability for the planning and commissioning associated with long term care, and with children’s care, using the principles set out within the draft Jersey Commissioning Framework.

Procuring and contracting

65. To procure and contract effectively, I would expect to see:
- a detailed understanding of what is being procured, the value and risk of the procurement and how important the procurement is to achieve overall goals and strategy
 - the ability to demonstrate that the procurement methods selected will deliver best value for money; and
 - robust business cases that are put in place where required under the Public Finances Manual.
66. I noted a mixed picture of evidence to support these expectations.
67. Recruiting people with the relevant commercial and procurement skills has been identified as a challenge by the Commercial Services team and there is current reliance on interim appointments. In my Report *Major and Strategic Projects including Capital Projects* (November 2023) I recommended that the Government should:
- R2 Develop a framework that identifies the projects that would benefit the most from direct specialist support from the Commercial Services Team and ensure that support requirements are confirmed at an early stage in a project.*
- Such a framework could also be used to identify which commissioning activities would benefit most from direct specialist support from the Commercial Services team.
68. Certain departments, including HCS and CYPES, employ their own staff to support commissioning, and the introduction of the Jersey Commissioning Academy has been designed to upskill individuals within Government. This is a positive direction of travel, but it requires a framework for developing key skills and being joined up with both the Jersey Commissioning Academy and the draft Jersey Commissioning Framework.
69. In HCS I identified three external service provision areas:
- off-Island tertiary services (including placements)
 - on-Island external providers; and
 - long term care, both on and off Island (including care package top ups).

70. In relation on off-Island tertiary services there is robust information about what is currently being procured, the value of that contract or cost of placement, and the associated risks. But there is no evidence of a more strategic approach to monitoring the extent to which tertiary services are being procured to achieve the Island's longer term strategic objectives. Operational day to day contract and placement management is undertaken by a consultancy firm based in the UK, reporting formally to the Director of Clinical Services.
71. During my review, a number of interviewees referenced the need for HCS executive leadership to review off-Island tertiary contracts with the objective of facilitating a rationalisation of contracts to support a more sustainable service model.
72. For on-Island external providers there is better evidence. In 2023, all 16 HCS grants were turned into contracts. HCS is aware of the strategic importance of developing these community-based providers/charities going forward. A good example of this is the development of a Young Persons Integrated Sexual Health Service being taken forward by the HCS commissioning team which cuts across HCS in-house services, CYPES and charities.
73. The value of commissioned services in CYPES is relatively low compared to overall spend, but I found evidence that confirms such commissioning is carried out in line with the commissioning workplan 2023 to 2025. The team uses templates and processes derived from the Jersey Public Finances Manual, the central Commercial and Procurement team and the Jersey Commissioning Academy.
74. In JHA and Probation and After-Care, the development of the Joint Rehabilitation and Resettlement Strategy by the Prison Governor and the Head of Probation and After-Care is focussed on seven pathways. These pathways cut across a range of Government departments, charities and the private sector, and each represents a commissioning project. The Jersey Commissioning Framework could provide a mechanism to be used to support the delivery of the pathways. However, at the time of my review, the Departments were not aware this Framework existed.

Recommendations

R4 Ensure that:

- a mechanism is developed to identify commissioning activities that would benefit most from specialist commercial services expertise; and
- appropriate procurement training and support is available to departments, to ensure they feel confident to competently take forward low and medium risk commissioning and procurement work.

R5 Review and rationalise the commissioning, and number of, off-Island tertiary contracts managed by HCS and ensure appropriate responsibility and accountability arrangements are formalised.

Monitoring and evaluating

75. Where commissioning takes place, I found evidence that departments monitor, measure, review and evaluate progress, although this tends to be operationally focussed, rather than outcome focussed. I selected three contracts to review from commissioning contracts put in place by each of HCS and CYPES during 2023.
76. Each of the three HCS contracts follows a consistent format with quarterly meetings in place from Quarter 2 of 2023, replacing previous informal monthly meetings. There is a standard terms of reference for the service review meetings, supported by a standard agenda and minute format. The agenda includes a review of the previous minutes, a service performance overview and review of Key Performance Indicators (KPIs), a section on contract and finance and confirmation of next steps from the meeting. Quarterly data was available for each contract and an action log is maintained. For two of the three contracts, I was also provided with evidence of feedback from the users of the service.
77. In CYPES, two of the three contracts followed a consistent quarterly contract meeting format. The agenda appears to be more basic with an update on outstanding actions, a brief summary of issues discussed and the actions to be taken. All three of the contracts were supported by a risk register. Two of the three contracts included KPIs and were supported by monitoring information. However, it was less clear how the risk register and KPIs were integrated into the meeting agenda.
78. There is scope for sharing good practice across departments through the draft Jersey Commissioning Framework and the Jersey Commissioning Academy. For example, standardised agenda and minute templates could be used to encourage a focus on monitoring inputs, activities and outcomes, and to include service provider and service user feedback.
79. My audit has identified supplier relationship management as an area to develop. The Government recognises the benefit that will be gained through ensuring consistent interactions and communications with suppliers, and a number of actions have been identified. However, I could not see a clear explicit explanation of how this will link into existing commissioning arrangements.
80. Charities and private sector providers in Jersey play a vital role, working alongside Government departments in delivering a wide range of services that meet the needs of the Island population. The evidence gathered through interviews indicates that the Government does not communicate with charities or other commissioning partners in a comprehensive, structured way. Rather, commissioning conversations tend to take place in relation to individual grants or contracts and are largely operational and reactive. That said there are several

existing groups and forums that could be utilised to better inform commissioning conversations, and this could provide an opportunity to develop a comprehensive communication structure.

81. The draft Jersey Commissioning Framework has a clear strategy to ensure expectations and requirements are being met, with a focus on outcomes for the individual, family, community, service and population. Unless the Framework is rolled out and implemented consistently across the whole of Government there is a risk that the focus will remain on activities, rather than on the outcomes that will make a real difference for Islanders.

Recommendations

- R6** Implement a systematic approach to documenting the contract review process for monitoring and evaluating the delivery of commissioned services against the key performance criteria included in contracts.
- R7** Design and implement effective mechanisms to engage with all providers of commissioned services across Government to inform future needs and opportunities as well as to monitor and evaluate delivery.
- R8** Ensure key performance criteria include outcome-based and, where appropriate, service user informed, measures.

Revising and adapting

82. The final element of a robust commissioning framework is to revise and adapt as circumstances change. This includes assessing whether there are opportunities to improve the model of service provision, and to learn from success and failure.
83. I found no consistent approach across departments to identifying opportunities for improvement in the model of service provision. Such an approach might include routine reviewing of service configuration, quality and efficiency. In both the HCS and CYPES commissioning teams I found a commitment to learn through continued engagement with partners within the quarterly monitoring meetings. A formalised, best practice process is needed to enable all departments to evaluate the service provided against expected outcomes, enabling those responsible for making decisions about commissioning to assess whether resources are being used effectively. Successfully undertaking this final stage of the commissioning process feeds back into the initial phase of understanding changing needs and new opportunities.
84. The draft Jersey Commissioning Framework recognises the importance of this stage and this needs to be finalised and implemented consistently across Government to maximise the benefits from commissioning services.

Recommendation

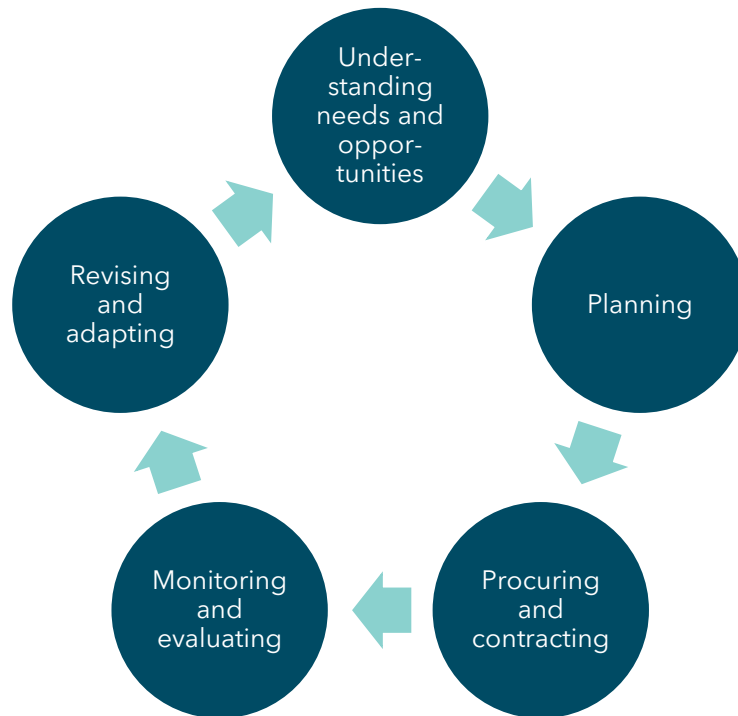
- R9** Implement a standard agenda for use by all departments commissioning services which includes regular evaluation (at least annually) of opportunities to improve or adapt the service provided.

Appendix One

Audit Approach

This audit used a combination of a result-oriented and system-oriented approach.

The audit used the following criteria



To assess relative performance during the audit, I used the following best practice criteria developed by the Jersey Audit Office based on commissioning frameworks in place in the UK and New Zealand.

Understanding needs and opportunities

- Are clear high level expectations and requirements set to create the context for commissioning?
- Does the commissioning activity align with Government direction and overarching strategies and policy?
- Is there clarity as to who the commissioning response is for?
- Are appropriate methods being used to accurately assess population need?

- Does a clear vision exist of why the response is needed, what it needs to achieve and how much it should achieve?
- Have stakeholder views on current needs and opportunities been considered and assessed?
- Has current and emerging evidence of service effectiveness been used in understanding needs and opportunities?
- Have the alternative responses available to address needs and opportunities been identified and assessed?

Planning

- Does the planning approach determine how to prioritise the needs identified and enable agreement on which opportunities should be followed up, drawing on knowledge gained from assessing needs and opportunities?
- Do commissioning plans have a clear set of objectives, activities, outputs, outcomes and measures of success?
- Have the States engaged with key stakeholders to ensure the proposed response meets their needs and is useable?
- Do commissioning plans consider the national expectations and requirements to determine the most efficient and effective way of addressing the identified need within the resources available?

Procuring and contracting

- Do the States have a detailed understanding of what is being procured, the value and risk of the procurement and how important the procurement is to achieving their overall goals and strategy?
- Can the States demonstrate that the procurement methods selected will deliver best value for money?
- Are robust business cases in place where required under the Public Finances Manual?

Monitoring and evaluating

- Do the States take stock of progress by monitoring, measuring, reviewing and evaluating?

- Do the States monitor the delivery of the commissioned service effectively including meeting budget and standards of timeliness, quality and accuracy, and following ethical practice?
- Do the States monitor and evaluate the commissioned response against the expected outcomes?
- Do the States engage with service providers and with users in monitoring and evaluating commissioned services?
- Do the States share the results of their evaluation to help make commissioning transparent?

Revising and adapting

- How are opportunities for improvement in the model of service provision, configuration, quality or efficiency identified?
- How do the States learn from success and failure and modify what and how the response is delivered?

The approach included the following key elements:

The review commenced with an initial documentation request. The findings of the document review were followed up by interviews with key officers and with other stakeholders.

The documents reviewed included:

- A Co-production Framework for Jersey's Mental Health Services
- A Co-production Toolkit, Jersey Recovery College
- A Health and Wellbeing Framework for Jersey
- Agendas and minutes of Cross Government Commissioning Function for Health and Care
- Children and Young People and Families' Plan (2024-2027).
- Children and Young People's Emotional Wellbeing and Mental Health Strategy 2022-2025
- Children and Young People's Plan 2019-23
- Children, Young People, Education and Skills Business Plan 2023
- Commissioned Services Summary 2023 HCS

- Commissioned Services Summary January 2024 CYPES
- Commissioners' and Providers' Feedback on Commissioning in Jersey January 2024
- Commissioning Workplan CYPES
- Common Strategic Policy 2023-2026
- Contracting Documents (various) CYPES
- Contracting Documents (various) HCS tertiary contracts
- Contract Management Process Government of Jersey
- Contracts: three from HCS and three from CYPES
- Customer and Local Services Business Plan 2023
- Delivery Plan 2023 - Minister for Children and Education
- Delivery Plan 2023 - Minister for Health and Social Services
- Delivery Plan 2023 - Minister for Justice and Home Affairs
- Delivery Plan 2023 - Minister for Social Security
- Developing our Transformational Commissioning Practice Programme Overview January 2023
- Digital Education Strategy October 2022
- Discussion Paper: addressing challenges and risks in social care, Jersey Care Commission, November 2022
- Education in Jersey: Your Guide
- Government of Jersey Risk Management Strategy 2023
- Government Plan 2023 to 2026
- Government Plan 2024 to 2027
- Health and Community Services Business Plan 2023
- Health and Community Services Commissioning Work Plan 2024-2025
- Jersey Charities combined responses to a review of commissioned services

- Jersey Commissioning Framework – draft January 2024
- Jersey Health and Care Commissioning and Partnerships Strategy 2022-2025
- Jersey Probation and After-Care Service Annual Report for 2022 and Strategic Priorities for 2020-2023
- Job Description Group Director, Integrated Services & Commissioning (CYPES)
- Justice and Home Affairs Business Plan 2023
- Ministerial Plans 2024 to 2027
- Procurement Best Practice & Procedures: User Guide & Toolkit, Government of Jersey
- Procurement Strategy Approval for the Provision of Mental Health and Well-being Support Services for Adults
- Rehabilitation and Resettlement Strategy – a joint Probation/Prison operating model
- Seizing the opportunity: A population health prevention strategy for Jersey (2023 to 2027)
- Seizing the opportunity: Population health action plan 2023-27
- Terms of Reference Cross Government Commissioning Function

The following people contributed information through interviews or by correspondence:

- Assistant Chief Executive and Chief Officer Strategic Policy, Planning and Performance
- Associate Director for Improvement and Innovation (HCS)
- Associate Director, Innovation, Transformation and Business Support (CYPES)
- Chief Executive, Association of Jersey Charities
- Chief Inspector, Jersey Care Commission
- Chief Officer Children, Young People, Education and Skills
- Chief Officer Customer and Local Services
- Chief Officer Health and Community Services

- Chief Officer Justice and Home Affairs
- Chief Probation Officer
- Director of Clinical Services (HCS)
- Director of Improvement and Innovation (HCS)
- Director of Strategic Improvement, Commercial Services
- Head of Corporate Development, Police
- Head of Risk
- Head of Transformation, Commissioning and Partnerships (CYPES)
- Head of Transformation, Commissioning and Partnerships (HCS)
- In-Form Solutions Ltd
 - Managing Director
 - Business Manager
- Prison Governor

The fieldwork was carried out by an affiliate working for the Comptroller and Auditor General, in January 2024 to May 2024.

Appendix Two

Summary of Recommendations and Work planned that should be prioritised

- R1** Develop a cross Government Commissioning and Partnerships Strategy, building on the Health and Care Commissioning and Partnerships Strategy. The cross Government Commissioning and Partnerships Strategy should include:
- a finalised Jersey Commissioning Framework containing the commissioning vision, process and monitoring arrangements for all departments
 - an aligned commercial and procurement plan
 - future commissioning requirements; and
 - plans to address the challenges associated with the provision of long-term and social care.
- In developing the cross Government Commissioning and Partnerships Strategy, engage actively with external stakeholders and service providers.
- R2** When commissioning a new service, or recommissioning an existing service, departments should formally document and capture the rationale behind why a particular delivery option is chosen.
- R3** Establish clear responsibility and accountability for the planning and commissioning associated with long term care, and with children’s care, using the principles set out within the draft Jersey Commissioning Framework.
- R4** Ensure that:
- a mechanism is developed to identify commissioning activities that would benefit most from specialist commercial services expertise; and
 - appropriate procurement training and support is available to departments, to ensure they feel confident to competently take forward low and medium risk commissioning and procurement work.
- R5** Review and rationalise the commissioning, and number of, off-Island tertiary contracts managed by HCS and ensure appropriate responsibility and accountability arrangements are formalised.

- R6** Implement a systematic approach to documenting the contract review process for monitoring and evaluating the delivery of commissioned services against the key performance criteria included in contracts.
- R7** Design and implement effective mechanisms to engage with all providers of commissioned services across Government to inform future needs and opportunities as well as to monitor and evaluate delivery.
- R8** Ensure key performance criteria include outcome-based and, where appropriate, service user informed, measures.
- R9** Implement a standard agenda for use by all departments commissioning services which includes regular evaluation (at least annually) of opportunities to improve or adapt the service provided.

Work planned that should be prioritised

- P1** Develop a joint commissioning workplan, based on the opportunities identified by the Cross Government Commissioning Function for Health and Care.
- P2** Explicitly set out the funding and future programme of the Jersey Commissioning Academy for 2024 and beyond.



JERSEY AUDIT OFFICE

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