

Lead topic: Reform and Delivery Office

Sub-topic: Commissioning

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FAST FACTS

- The commissioning initiative is intended to transition away from the historical block-granting process that is used by Government Departments, Executive Offices and Agencies to fund services that are delivered through non-direct provision.
- Commissioning is based on the premise of assessing the needs of service users, identifying outcomes and then selecting the appropriate funding model and service provider that will achieve agreed current and future outcomes to suit the service recipient.
- Over €2.3bn has been identified in spending through the community and voluntary sector and there is legitimate requirement for the State to seek better effectiveness and value for money on this significant level of expenditure.
- A consultation process began with key stakeholders in Q4 2014 and has included a full international evidence review on different commissioning models and an Open Policy Debate on October 23. A full public consultation is now being planned to embed new principles for how we spend money and receive value for money services through the non-State sector.

Q&A'S

- **Why is there a need for change?**
- Previous reports (C&AG Disability Review 2005; CRE Cross-Cutting paper 2011) have stated that the block-grant funding model is inappropriate for funding services through non-direct provision.
- **Will this initiative have an adverse effect on the C&V pillar?**
- The Department has engaged with the C&V pillar from the earliest juncture of this programme to see how best we can minimise the effect the transition to a more outcomes-focussed process will have on the sector. While it is certainly possible that some services delivered by underperforming providers may be decommissioned in favour of others, the ultimate goal is to provide more effective services, leading to better outcomes for the citizens.
- **What type services will this cover?**
- The range of services that are provided through the C&V sector and other non-direct providers varies widely. It ranges from disability services in the home, mental health services, employment activation schemes, further education and training, interventions for children, social exclusion schemes amongst many others
- **Why is this being led by D/PER / Is this just about cost savings?**
- D/PER is but one leader of this programme of work. The Departments of Health; Children and Youth Affairs and Environment, Community and Local Government

are all co-leading on this work. The programme is not primarily about cost saving but there is scope for Government to get better value for the money we spend in this type of service provision whilst getting more effective services and better outcomes for the citizen.

- **What is the immediate expected outcome of this programme?**

The Department expects that the outcome of the consultation process will involve providing Commissioners/Funders and the C&V sector with a set of principles to use when services are being funded through non-direct provision.

It is hoped that once transitioning arrangements and timelines are settled, the agreed principles will be adopted by Departments, Offices and Public Service Bodies and, at a future point, there may be potential to have a codified set of Commissioning principles subsumed into accounting/reporting arrangements for Departments/Offices/Public Service Bodies.

- **Will there be costs associated with this initiative?**

While there may be some upfront costs associated with building capacity and skills, both amongst the commissioners and providers in moving to a new model, it is expected that the costs associated with commissioning can be absorbed through better price/performance ratios, more integrated systems and collaboration, less administration through more focussed funding (e.g. one funder of a service rather than 7/8) and more efficient data sharing amongst other aspects.

- **Have there been any investments to support a move to this type of funding system?**

The Department is funding the 'Benefacts' project which will provide invaluable data on the C&V sector; giving us a much better understanding of which Government bodies are funding non-profit entities, and the extent of their funding. This could allow us to make funding decisions in a much more direct and focussed manner, thereby eradicating layers of duplication and reporting for both the State and the C&V sector.