
STATES OF JERSEY



COMMISSIONING OF SERVICES (R.124/2024): EXECUTIVE RESPONSE

Presented to the States on 5th November 2024
by the Public Accounts Committee

STATES GREFFE

FOREWORD

In accordance with paragraphs 69-71 of the [Code of Practice](#) for engagement between ‘Scrutiny Panels and the Public Accounts Committee’ and ‘the Executive’, the Public Accounts Committee (PAC) presents the Executive Response to the Comptroller and Auditor General’s (C&AG) Report entitled: [Commissioning of Services](#) (R.124/2024, presented to the States Assembly on 22nd July 2024).

Deputy I. Gardiner

Chair, Public Accounts Committee

COMMENTS

The PAC has reviewed the Executive Response to the report ‘Commissioning of Services’ and has the following comments to make in respect of it.

Cross Government Commissioning and Partnership Strategy

Overall, the PAC welcomes the development of the Cross Government Commissioning and Partnership Strategy that is due to be developed. It is noted that this is due to be developed throughout 2025 with a noted completion date of Quarter 4 2025. However, the PAC notes that, whilst all the recommendations have been agreed by Government, all bar one of them state agreed but already addressed. It is noted that the strategy is due to be developed and will encompass all these specific points, however, it is the view of the PAC that to state recommendations have already been addressed without the strategy being in place is somewhat premature. The PAC would expect to see evidence of the strategy incorporating these points and how this will operate in practice.

Furthermore, the PAC notes that good work has take place in relation to the Commissioning Framework, however, some departments (notably Customer and Local Services within the C&AG report) did not realise that they were commissioning services. In order for the strategy to be truly effective, it will need to be across the whole of Government and all parts of Government must be able to recognise when they are commissioning services.

The PAC will be maintaining a watching brief over the development of this strategy and will request briefings throughout 2025 in order to check its status and the implementation of the recommendations within the report.

Recommendation 2

R2 When commissioning a new service, or recommissioning an existing service, departments should formally	If decisions are not clearly documented, then it may be harder to demonstrate value for money and procuring best service in commissioning activity, which could	M	This is already being implemented through the commercial approvals process e.g. procurement strategy. The current procurement process	Agreed – however already addressed.	The Cross-Government Commissioning and Partnerships Strategy will ensure clarity of guidance for commissioners.
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document and capture the rationale behind why a particular delivery option is chosen.	result in higher costs and governance challenges. The current procurement strategy addresses the risk and sets out the documentation that is required. This information is available to all staff via the commercial services intranet pages.		requires the documentation of delivery options and the rationale for the selected option.		
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The response to this recommendation states that the recommendation is already being implemented through the Commercial Approvals process via the Procurement Strategy. Whilst this is noted by the PAC, it would raise that this recommendation is suggesting that Government documents the rationale to commission against whether the service could be delivered by Government itself. The procurement strategy and process is only undertaken once the decision has been made to commission. Therefore, the PAC believes that the key point raised by the recommendations of the C&AG has been missed in this response. The Government should look to put in place a documented process that shows when a decision to commission has been made, prior to any procurement process being undertaken.

Recommendation 3

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.	If clear responsibilities are not established, then accountability for delivery may be less clear, resulting in slower progress and reduced likelihood of addressing any key issues that may be identified. However, this risk and recommendation are already addressed and clear responsibilities and accountabilities are established.	M	This is already implemented. Commissioning activity responsibilities and accountabilities are: <ul style="list-style-type: none"> • Chief Officer for CLS is responsible and accountable for Long Term Care Fund (LTCF) • Chief Officer for HCS is responsible and accountable for Long Term Care Top up over the exceeded limit for LTCF. 	Agreed – however already addressed .	The Cross-Government Commissioning and Partnerships Strategy will ensure clarity of guidance for commissioners.
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			<ul style="list-style-type: none"> • Chief Officer for CYPES is responsible and accountable for children’s care with the Chief Officer for HCS responsible and accountable for children’s healthcare. 	
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- *Chief Officer for CLS is responsible and accountable for Long Term Care Fund (LTCF)*
- *Chief Officer for HCS is responsible and accountable for Long Term Care Top up over the exceeded limit for LTCF.*
- *Chief Officer for CYPES is responsible and accountable for children’s care with the Chief Officer for HCS responsible and accountable for children’s healthcare.*

The PAC notes from the response that it is the view of Government that this has already been implemented with the following rational provided:

Whilst this is noted, the PAC would argue that this response is simply a restatement of the status quo rather than an improvement to address the recommendation. It would be argued by the PAC that the C&AG has made a recommendation about requiring clear responsibilities in these areas and had the existing process been effective there would be no need for the recommendation. The PAC would expect to see further evidence of how these responsibilities are being actioned in practice and who has overarching responsibility.

Recommendation 8

The PAC notes that it is intended to build in key performance criteria including outcome based and service user informed measures into new contracts. This is welcomed by the PAC and it will be requesting, on a confidential basis, examples of these criteria and measures in due course.

Conclusion

In conclusion, the PAC welcomes the response of Government and the development of the Cross-Government Commissioning and Partnership Strategy. It has, however, noted a few points which it will continue to follow up:

- The PAC will maintain a watching brief on the development of the strategy and expects to see evidence of how the recommendations have been fully implemented into it. Eight of the nine agreed recommendations have been agreed and stated as being already addressed, however, this relies on the implementation of the strategy which is due to be developed in 2025. This is a concern for the PAC as it implies the recommendation has been addressed despite it being dependent on the development of the strategy. It would

therefore urge Government to continue to monitor the recommendations to ensure they are fully implemented in line with the strategy.

- The PAC would like to see further evidence as to how the responsibilities outlined in recommendation three have been fully actioned given it is simply a restatement of the status quo as opposed to any significant changes as a result of the recommendation.
- The PAC will be requesting, in confidence, examples of criteria and outcomes that will be included in new contracts for commissioned services.

The PAC would like to thank Officers for their work on this response and will be arranging briefings during 2025 to check the status of the implementation of the recommendations and the development of the strategy.

Executive Response to C&AG Report: [Commissioning of Services](#)

Summary of response

The Chief Executive and Treasurer of the States welcome the report from the Comptroller and Auditor General. The recommendations have been used to develop an improvement plan, based upon the risk profiles of the recommendations, and a consideration of the root cause themes leading to the recommendations.

The response and improvement plan below have been considered and devised collaboratively by colleagues across several government departments including: Health and Community Services (HCS), Children, Young People, Education and Skills (CYPES), Customer and Local Services (CLS), Justice and Home Affairs (JHA) Public Health and Commercial Services. It has been recognised that through the development of a cross-government commissioning and partnerships strategy, building on the existing Health and Care Commissioning and Partnerships Strategy, many of the recommendations can be implemented.

Improvement Theme 1: Cross-Government Commissioning and Partnerships Strategy

Most of the recommendations can be addressed through the development of a Cross-Government Commissioning and Partnerships Strategy. This will ensure more consistency in defining and undertaking outcomes-based commissioning and enable providers to understand the government commissioning process. The strategy will help ensure that the good practice identified in the report is rolled out across government departments, ensuring the needs of Islanders can be met through commissioned services delivering the right outcomes at the right cost.

The development of the strategy will require collaboration and coordination across a number of Government departments and partners/service providers to ensure consistent approaches. In order to achieve this, we will continue to strengthen the cross-government commissioning group and further develop the Jersey Commissioning Academy. Both groups will play a crucial role in developing the cross-Government Strategy including the framework and toolkits.

Many of the recommendations are already implemented as detailed in the table below, however, the inclusion and reference to existing processes and documentation in the strategy toolkit would enhance visibility, alignment and adherence across all commissioning functions. The table below highlights relevant recommendations.

Improvement Theme 2: HCS Financial Recovery Programme

Work on recommendation 5 has already started and continues to be delivered through the Health and Community Services (HCS) Financial Recovery Programme (FRP) in close co-operation with Commercial Services.

Progress against the improvement plan will be tracked internally, and Chief Officers will have oversight of implementation through the periodic reporting cycle. Implementation of agreed actions is monitored through the Chief Officers' objectives and so forms part of performance discussions with the Chief Executive Officer.

Risk assessment and decision rationale

Recommendations	Risk of non-implementation	Risk profile (E, H, M, L)	Other considerations in prioritisation	Is the recommendation agreed?	Improvement theme (If applicable)
<p>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:</p> <ul style="list-style-type: none"> • 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. <p>In developing the cross-Government Commissioning and Partnerships Strategy, engage actively with external stakeholders and service providers.</p>	<p>If a cross-government overarching commissioning and partnerships strategy is not developed, adopted and consistently implemented, then there may be:</p> <ul style="list-style-type: none"> • reduced clarity of what is meant by commissioning • inconsistency in approaches to commissioning • no improvement in models of service provision • increasing risk of insufficiency of supply to meet current and future need • pressures on supply base (internal and external) • PFM non-compliance. <p>The impact may be:</p> <ul style="list-style-type: none"> • services not sufficiently joined up with the potential for inefficiencies and duplication • increased cost pressures linked to volume, complexity and failure to manage suppliers and cost • lower quality services. 	M	<p>The cross-government commissioning group will work on the refresh of the existing Health and Care Commissioning and Partnerships Strategy during 2025, which supports the recommendation.</p> <p>The continuation of the Commissioning Academy will support the development and delivery of the strategy.</p> <p>Close working with Commercial Services will also ensure that information on procurement and sourcing will be referenced and aligned with the strategy.</p>	Agreed	The Cross-Government Commissioning and Partnerships Strategy will deliver the recommendation
<p>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.</p>	<p>If decisions are not clearly documented, then it may be harder to demonstrate value for money and procuring best service in commissioning activity, which could result in higher costs and governance challenges.</p>	M	<p>This is already being implemented through the commercial approvals process e.g. procurement strategy.</p> <p>The current procurement process requires the documentation of delivery options and the rationale for the selected option.</p>	Agreed – however already addressed.	The Cross-Government Commissioning and Partnerships Strategy will ensure clarity of guidance for commissioners.

Recommendations	Risk of non-implementation	Risk profile (E, H, M, L)	Other considerations in prioritisation	Is the recommendation agreed?	Improvement theme (If applicable)
	The current procurement strategy addresses the risk and sets out the documentation that is required. This information is available to all staff via the commercial services intranet pages.				
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.	If clear responsibilities are not established, then accountability for delivery may be less clear, resulting in slower progress and reduced likelihood of addressing any key issues that may be identified. However, this risk and recommendation are already addressed and clear responsibilities and accountabilities are established.	M	This is already implemented. Commissioning activity responsibilities and accountabilities are: <ul style="list-style-type: none"> • Chief Officer for CLS is responsible and accountable for Long Term Care Fund (LTCF) • Chief Officer for HCS is responsible and accountable for Long Term Care Top up over the exceeded limit for LTCF. • Chief Officer for CYPES is responsible and accountable for children's care with the Chief Officer for HCS responsible and accountable for children's healthcare. 	Agreed – however already addressed.	The Cross-Government Commissioning and Partnerships Strategy will ensure clarity of guidance for commissioners.
R4 Ensure that: <ul style="list-style-type: none"> • 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. 	If there is not a focus on identifying those commissioning activities that most require the specialist commercial expertise, then the opportunities to get best value for money out of highest value commissioning activities will be missed. Similarly, if training is not available to departments, then value for money opportunities may be missed with smaller value partnerships. However, this risk and recommendation are already addressed. Mechanisms and training are in place.	M	The following arrangements are already in place: <ul style="list-style-type: none"> • Commercial services work with commissioners to review and advise on commissioning activities and identify activities where specialist commercial services are required. • Commercial services specify requirements for and source specialist commercial expertise to support commissioners. For example, current commissioning of community nursing services supported by commercial services and specialist external expertise. • Training and support are available to departments through the Commercial services hub and spoke arrangements. 	Agreed – however already addressed.	The Cross-Government Commissioning and Partnerships Strategy will ensure clarity of guidance for commissioners.
R5 Review and rationalise the commissioning, and number of, off-Island tertiary contracts managed by HCS and ensure appropriate responsibility and	If the number of off-Island tertiary contracts is not reviewed, then there may be substantial repeat activity in terms of contract management that could be reduced, and accountability arrangements may be less clear.	M	The following arrangements are already in place: The HCS Financial Recovery Programme (FRP) has a dedicated workstream that reviews and rationalises off-Island contracts.	Agreed – however already addressed.	The off-Island tertiary contracts FRP workstream will continue to deliver the recommendation.

Recommendations	Risk of non-implementation	Risk profile (E, H, M, L)	Other considerations in prioritisation	Is the recommendation agreed?	Improvement theme (If applicable)
accountability arrangements are formalised.			The Chief Operating Officer – Acute Services has overall responsibility and accountability for off-Island physical tertiary care contracts, the Director of Mental Health, Adult Social Care and Community Services has overall responsibility and accountability for mental health and adult social care off-Island care contracts and services.		
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.	If a standard approach is not taken to evaluating performance of commissioned services against agreed criteria, then it will be more challenging to demonstrate outcomes of commissioning activity, value for money and lessons may not be learned for future activity.	M	HCS has developed a systematic approach to contract reviews. This will be reviewed and included in the Commissioning Strategy/Framework to ensure visibility and consistency across the organisation.	Agreed – however already addressed.	The Cross-Government Commissioning and Partnerships Strategy will ensure clarity of guidance for commissioners.
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.	If engagement with providers is not comprehensive, then GoJ may not fully appreciate market opportunities and risks, potentially impacting service quality and value for money.	M	There are currently good mechanisms to engage with providers, including (but not exhaustive of): Quarterly contract meetings, Health and Care Partnership, Community Forums, Mental Health Strategic Partnership Group, End-of-Life Partnership, Cluster Groups. Including commercial input as required.	Agreed – however already addressed.	The Cross-Government Commissioning and Partnerships Strategy will ensure clarity of guidance for commissioners.
R8 Ensure key performance criteria include outcome-based and, where appropriate, service user informed, measures.	If outcome-based criteria are not included in agreements, then it will be more challenging to demonstrate positive outcomes of any commissioning activity.	M	Key performance criteria including outcome-based and service user informed measures are being built into new contracts.	Agreed – however already addressed.	The Cross-Government Commissioning and Partnerships Strategy (and associated toolkit) will deliver the 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.	If departments do not use a standard methodology, then opportunities to improve service may be missed. Whilst this may be the case, the exercise in regular evaluation is deemed to be more important than	L	These have been designed in the Commissioning Academy and will be included in the overarching strategy.	Agreed – however already addressed.	The Cross-Government Commissioning and Partnerships Strategy will deliver the recommendation.

Recommendations	Risk of non-implementation	Risk profile (E, H, M, L)	Other considerations in prioritisation	Is the recommendation agreed?	Improvement theme (If applicable)
	the standardisation – hence the low risk assessment.				

Prioritised improvement plan

Action theme	Actions	Target date	Responsible Officer
Cross-Government Commissioning and Partnerships Strategy	<p>Develop and publish the Cross-Government Commissioning and Partnerships Strategy utilising the Cross-Government Commissioning Group and the Commissioning Academy.</p> <p>Strategy development key actions:</p> <ul style="list-style-type: none"> • Identify all stakeholders and establish steering group • Stakeholder engagement • Clarify the outcomes & definitions • Identify working groups to focus on specific aspects • Develop strategy and action plan • Finalise Commissioning Framework based on existing pilot • Develop toolkits to include: <ul style="list-style-type: none"> ○ Outline Business Cases ○ Option Appraisal Templates ○ Commercial Proposal ○ Commissioning Proposal ○ Standardised documentation. 	Q4 2025	Associate Managing Director, HCS
Off-Island tertiary contracts FRP workstream	<p>Establish an Off-Island Tertiary Governance Committee.</p> <p>The Committee will focus on:</p> <ul style="list-style-type: none"> • Review of off-island tertiary contracts • Review and introduce standard procedures • Review future requirements • Identify opportunities for rationalising contracts. <p>Report provided on the review and new arrangements.</p>	<p>Q4 2024</p> <p>Q2 2025</p>	HCS Finance Director and FRP Change Lead