

London Borough of Tower Hamlets

**Third Sector Commissioning Code of Practice**

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## 1 Purpose of this Code

There is a growing realisation both locally and nationally that the 3<sup>rd</sup> sector (see definition below) may be able to deliver certain services more effectively than the public or private sectors. The Treasury<sup>1</sup> has identified 5 reasons why this might be the case:

- i) **Specialist knowledge, experience and/or skills.** This may come through direct experience of the user perspective. An example of this might be ex-addicts working on a drug rehabilitation programme or ex-offenders working with young criminals.
- ii) **Particular ways of involving people in service delivery whether as users or self-help/autonomous groups.** An example here would be an organisation working closely with users themselves or their families and friends to plan and deliver services.
- iii) **Independence from existing and past structures/models of service.** 3<sup>rd</sup> sector organisations are not bound by structures or rules in the ways in which more traditional public sector agencies are. They are independent and so can try to deliver services in new and innovative ways.
- iv) **Access to the wider community without institutional baggage.** Public service workers are often perceived as representatives of an authority which certain groups have learned to mistrust. The 3<sup>rd</sup> sector is independent of government and therefore free to be unequivocally on the user's side.
- v) **Freedom and flexibility from institutional pressures.** The sector can offer responsive services which are user-centred as they are not driven by budgets and targets within the public sector. At best they can be flexible and innovative rather than prescriptive.

Commissioning the 3<sup>rd</sup> sector to deliver certain services not only harnesses these advantages to produce more effective, better quality services for users but also provide opportunities to achieve wider social and economic objectives such as increasing local employment, improving local skills and increasing the self-esteem and confidence of local communities.

**For the purposes of this Code the 3<sup>rd</sup> Sector is defined as**

**The voluntary, community and faith sectors plus certain organisations that only profit for growth (such as some cooperatives and social enterprises) which will be judged on a case by case basis.**

This Code is therefore designed to provide an accessible and equitable process through which the 3<sup>rd</sup> Sector can demonstrate their potential to provide high quality value for money services

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<sup>1</sup> *The Role of the Voluntary and Community Sector in Service Delivery: A Cross Cutting Review*, HM Treasury, September 2002, The Stationary Office Ltd, 9/02 770543 19585

to the citizens of Tower Hamlets. It should be read in conjunction with the Council's Procurement Strategy and Financial Regulations.

**The commissioning process can be defined as:**

**The process of assessing needs, allocating resources, defining priorities and choices, determining how they are best delivered, overseeing implementation and delivery, evaluating impact and learning from the process.**

**The commissioning process contained in this document has been developed with the 3<sup>rd</sup> sector and LBTH officers involved in commissioning services. It is designed to enable the Council to achieve the aim set out in its Third Sector Strategy “to improve the quality and sensitivity of services delivered to local people”.<sup>2</sup> The aim of the process is to ensure high quality, value for money services driven by the search for continuous improvement.**

## **2 Use of this Code**

This code has been designed to apply to the commissioning of Council services that have been identified in a separate strategic options appraisal process as being potentially suitable for delivery by the 3<sup>rd</sup> sector and fall within Part B of the EU procurement rules. The most relevant Part B services for the Council are Education, Social Services and Leisure related services. A full list of Part B services is attached at Appendix B.

### **Application of the code**

Although primarily designed to commission the 3<sup>rd</sup> Sector this Code can be used to appraise and commission potential providers from any sector.

Council departments are responsible for delivering services on behalf of the Council. Therefore commissioning will be carried out directly by Council departments. This code of practice sets out how services will be commissioned by the departments.

### **Recording the decision to use the code**

To enhance transparency and accountability it is recommended that a decision to use the commissioning process is accompanied by a form to that effect signed by the relevant Director. A sample of such a form is attached at Appendix C.

### **Commissioning and grants**

Grants form a major part of the financial relationship between the Council and the 3<sup>rd</sup> sector, and a vital element of many 3<sup>rd</sup> sector organisations' funding. Although grants will continue to play a significant role it is important that these public resources are only used where this is the most appropriate form of funding. The main areas where grants should be used are:

- to support and develop new and emerging areas of service – e.g. support to asylum seekers

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<sup>2</sup> Third Sector Strategy and Action Plan – LBTH: Policy & Implementation Committee. 14 November 2001

- to develop the capacity of organisations to provide services – e.g. advice on business planning, tendering, staff management and so on.
- to fund certain niche and specialist providers

The grants process itself will continue to be developed to adopt many of the principles of this commissioning code, including:

- **openness and transparency** – alongside consistency in the way this is managed so that everyone knows how decisions are taken
- **partnership & negotiation** – to maximise innovation, flexibility and joint problem solving and ownership
- **performance management** - to ensure the best results for the Council's investments and to help promote the added value of the third sector
- **evaluation and feedback** – to provide on-going focus to the arrangement and ensure service improvements are delivered and impact of spending maximised

### **Service Level Agreements (SLAs)**

More recently, where specific services have been recognised as meeting essential community needs, service level agreements have been developed to provide a degree of continuity for service providers and to enable them to plan more strategically.

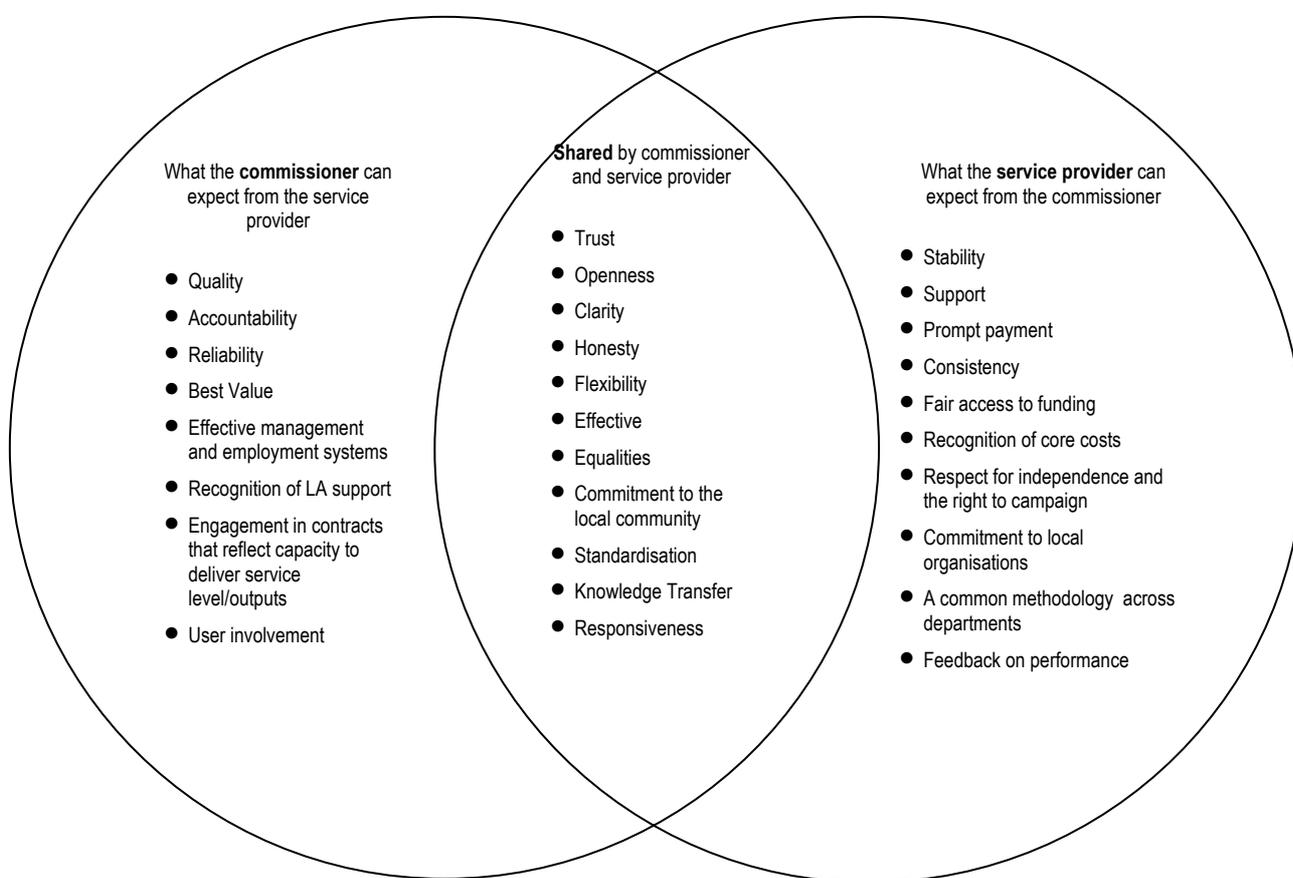
However, SLAs often lack the rigour that should be in place for the level of funding and the risks involved. Therefore these SLAs will be reviewed as part of this Commissioning Code as and when they come up for renewal.

### 3 Principles

The Council's preferred method of commissioning the 3<sup>rd</sup> Sector is by partnering. This involves the Council and the 3<sup>rd</sup> Sector working together in an open, mutually respectful and honest manner to reach agreement on the delivery of services. This method of commissioning is meant to ensure that both the Council and the provider have joint ownership of the services delivered to the users, mutual respect for each other and contracts that are driven by the performance of both parties.

Successful partnership commissioning will enable an on-going successful relationship between the 3<sup>rd</sup> Sector and the Council. The relationship and expectations of the parties is set out below in figure 1.

**Figure 1: Expectations of commissioners and providers<sup>3</sup>**



### 4 Service Identification and Use of this Code

The identification of services capable of being delivered by the 3<sup>rd</sup> Sector is fundamental to the success of the 3<sup>rd</sup> Sector Strategy. The Council has undertaken to:

- Undertake a strategic options appraisal of all services to identify those with the greatest potential for delivery by the 3<sup>rd</sup> Sector, and;
- Gradually increase the volume of service delivered by the 3<sup>rd</sup> Sector

<sup>3</sup> Source: IDeA research and 3<sup>rd</sup> Sector Consultation

Whether to use this code or the standard commissioning systems laid down in financial regulations will be dependent on the answers to the list of questions in figure 2 below. If the answer to some or all of these questions is yes, then the code may be used.

**Figure 2: Strategic Appraisal – 3<sup>rd</sup> Sector Test Questions**

1. **Is there a potential labour force of long-term unemployed, who with relevant training, would have the aspirations and the basic skills to deliver some aspects of this contract?**
2. **Is there currently a shortage of provision in the market place for this aspect of procurement? If so, does the contract seek to meet a previously unmet market need which has a specific social or environmental aspect?**
3. **Could the service be broken down into packages that could be delivered on a neighbourhood basis such that communities could in fact deliver the service for themselves?**
4. **Is the service – or an aspect thereof – to meet the needs of a very specific group who are hard to reach or fully engage?**
5. **Would the service benefit from specialist skills which might be hard to recruit into the private or public sector roles?**
6. **Would the service particularly benefit from close user-involvement?**
7. **Is there an aspect of the contract that the usual providers cannot effectively deliver?**
8. **Is the service one where there needs to be a high level of trust between providers and users (such as elderly care) or where it is very hard to specify the nature of the service in a contract (such as in support for disabled people)?**
9. **Is an essential element of this service to include education or awareness-raising?**
10. **Do prospective providers require a detailed local knowledge?**
11. **Will the service require a high degree of supplier innovation?**
12. **Is this a contract in which it will be particularly difficult to measure performance?**

In general the strength of the 3<sup>rd</sup> Sector is in the delivery of “people to people” services, e.g. Home Care, and local services. It is also more likely to be suited to smaller scale, less capital intensive services that do not rely on specific professional expertise such as accountants, lawyers and surveyors. It is in the delivery of such services that the flexibility, responsiveness and ethos of the 3<sup>rd</sup> Sector will have the greatest impact on service delivery. However the 3<sup>rd</sup> Sector should not be excluded from consideration in the delivery of other services where appropriate. The questions in figure 2 will assist in identifying which services these are.

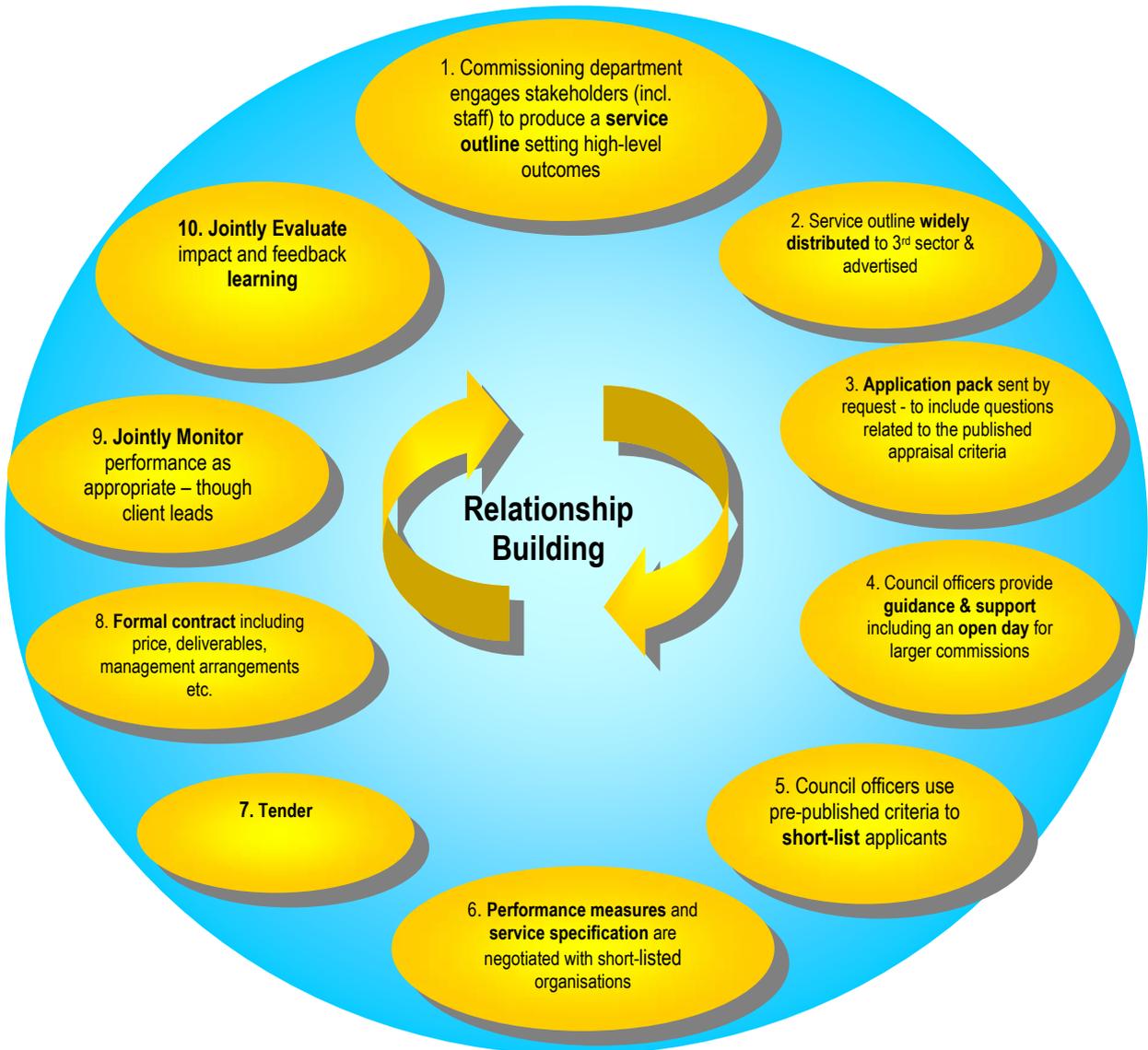
### **Best Value Review Boards**

A representative of the 3<sup>rd</sup> Sector will be a member of all Best Value Review Boards. This will help to ensure that the most appropriate services are considered for delivery by the 3<sup>rd</sup> Sector.

## 5 Commissioning the 3<sup>rd</sup> Sector

Figure 3 summarises the proposed process for commissioning services from the 3<sup>rd</sup> Sector – a more detailed picture of the process is attached at Appendix A.

Figure 3: Summary commissioning process



Both the 3<sup>rd</sup> sector and council officers are keen that the rigour of the process should be proportionate to the value of the commission. Therefore not all stages of the process would apply to all commissions – this is set out figure 4.

This process may take longer than the current processes set down in financial regulations. The length of the process will vary with the size and complexity of the contract but as guide will usually last between six and twelve months.

**Figure 4: Stages of the commissioning process by value of commission**

	Annual Commission Value		
	< £25k	£25k - £100k	> £100k
Service Outline	✓	✓	✓
Project Management	Project Manger only	✓	✓
Project Initiation Documentation	✓	✓	✓
Consultation & Market Management		✓	✓
Identify Prospective Providers	✓	✓	✓
Open Day			✓
Interview with short-listed providers	✓	✓	✓
Final Short-listing	✓	✓	✓
Performance & Specification Development	✓	✓	✓
Tendering (Where Applicable)		✓	✓
Contract Management		✓	✓
Annual Performance Review	✓	✓	✓

## 6 Legal and Compliance Issues

All commissioning must comply with the council’s procurement strategy and financial regulations.

The EC Procurement Directives are applicable to all procurements. Where the value of the commission is less than the current thresholds or for a Part B service (see Appendix B), the Council need not advertise in the European Journal. However under EC law the Council is bound to act in an open and transparent manner and *not* discriminate against any organisation from outside Tower Hamlets (including all the European Union) that may wish to bid for services. In the case of Part B services the Council must observe rules on specifications and place an award notice in the EC Official Journal (OJEC).

## 7 Project Management

Effective project management is critical to the commissioning of services whether it is from the private, public or 3<sup>rd</sup> Sector.

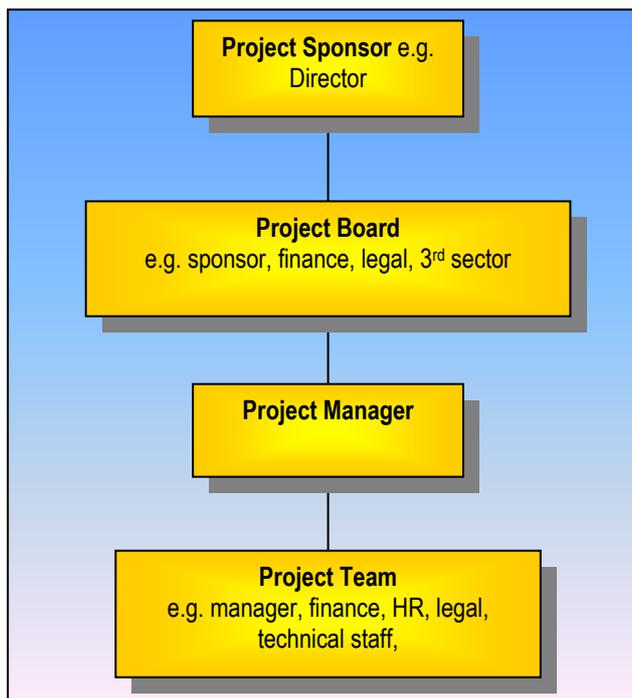
The circumstances of the project, its size, complexity and sensitivity will inform how the project should be run and how formal the decision-making and documentation needs to be.

However there are some fundamental rules when commissioning using this code that must be followed. These are described below and represented in figure 5.

For the purpose of this code, the term project covers the process of commissioning, from the service outline to the contract award stage. Although in some cases the Project Manager will continue beyond contract award, generally the role will be handed over to the service or client manager as appropriate.

1. The identification of a **Project Sponsor**. This will normally be a chief officer within the commissioning department with operational responsibility for the service to be delivered. The Project Sponsor provides high level direction for the project, interface with CMT/DMT, authorises project funding and addresses wider implications.
2. The establishment of a **Project Board** to oversee the commissioning process. This will normally have a minimum membership of three people including the Project Sponsor. The other two roles are to represent the service users and to provide an independent perspective. It is normal practice to have a representative of finance and legal as members of the project board.
3. The appointment of a **Project Manager**. This role is crucial to the effective delivery of the project. The Project Managers responsibilities include:
  - Day to day monitoring and management of the project
  - The development of the project plan– see below
  - Leading the project team where applicable
  - Liaison with the 3<sup>rd</sup> Sector
  - Monitoring and managing the project
  - Monitoring project risk
4. The **Project Team** will support the project manager in delivering the tasks outlined above.

**Figure 5: Project Structure Diagram**



### **The development of a project plan**

The plan is designed to provide a documented framework for the management of the project, confirming project objectives and scope, formalising reporting and communication channels, and highlighting areas of risk. It is intended to be a living document, and will be updated as changes to the project occur and are approved by the Project Team. The main components of such a project plan are set out in Appendix D.

### **Client management infrastructure**

A strong client management capability is needed to fulfil the important strategic role which includes : planning, commissioning and managing services. The application of this code will have implications for the level of resources and the type of competencies required by the client to commission and manage such projects.

Sufficient resources *may* be found internally by transferring staff from inspection and problem solving activities to contract and performance management tasks – i.e. from a reactive to a proactive role. However if the scale of commissioning does grow significantly then the resourcing of the client function may need to be reviewed.

Furthermore, the competencies required, e.g. to build relationships with the 3<sup>rd</sup> sector, negotiate, project manage major commissions, and manage performance post contract award, are likely to need developing and/or procuring in some areas.

## **8 Risk Identification and Management**

Risk can be defined as uncertainty of outcome (whether opportunity or threat). Risk is inherent in any action the Council takes. The most common reason for Projects failing is that in the

planning stage, a thorough risk profiling exercise is not carried out, resulting in poor management of significant risks.

Risks should be considered in three specific categories:

- **Existing service risk.** The strategic and operational risks that currently reside within the existing in house service or service provider. The existing service should be reviewed to identify the risks already carried by the Council, their current impacts and likelihood of occurring and look to see if by redesign of the service delivery the risks could be mitigated or eliminated in a cost effective way. This review should include the identification of any relevant insurance cover carried by the authority in relation to the existing service.
- **Commissioning risk.** The risks that could occur during the commissioning process that would damage the achievement of a successful outcome. Some risks are inherent in the contracting process; for example, poor tender specifications may lead to potential contractors not offering the level or quality of service envisaged and/or legal challenges being mounted against the results of the process.
- **New risk.** Any new risks that may emerge after the commencement of the contract. When the new provider of the goods or service is in place, there will be a new set of risks that the Council will have to address and these need to be categorised, documented and assessed; for example the provider may go out of business. This could include the impact on the values of the 3<sup>rd</sup> sector organisation.

Once the risks have been identified it is important to establish their magnitude both in financial terms and with regard to their potential to cause damage to the Councils reputation.

An important tenet of risk management is that risk “should be managed by the party best able to manage it”. Hence do not try to transfer all risk to the provider. In fact it may be beneficial to retain as much risk as possible with the Council rather than attempting to transfer risks that are either not properly understood or cannot be effectively managed by the 3<sup>rd</sup> sector. An example of this would be the liability for the financial performance of the pension scheme. The 3<sup>rd</sup> Sector provider has no control over the pension scheme and may be detrimentally affected by its poor performance.

However, an equally important tenet of risk management concerns the ‘ownership of risk’. It is vital that each party accepts ownership of the risks they are responsible for, that these are clearly identified and an action plan is in operation to deal with significant risk.

When commissioning the 3<sup>rd</sup> Sector the Council will work pro-actively with the prospective providers to identify and manage the level of risk.

## 9 Consultation, Market Management and Advertising

The Council wishes to work pro-actively to develop and support a 3<sup>rd</sup> Sector supplier market to deliver services to its citizens. It is undertaking considerable capacity building activity in this regard. The Council wishes to act fairly to ensure that all prospective suppliers are able to bid for work where appropriate. This may include the packaging of services, use of umbrella groups and / or consortia.

Many of the services the Council may seek to have delivered by the 3<sup>rd</sup> Sector will be either outside or peripheral to the current operations of the 3<sup>rd</sup> Sector organisation. The Council needs to generate interest from the 3<sup>rd</sup> Sector by marketing its commissioning activity. This can be undertaken in a number of ways, however the recommended process is as follows:

1. The commissioning department develops a short (1 or 2 page) document outlining the service it wishes to commission from the 3<sup>rd</sup> Sector. Important information to include in the **Service Outline** can be extracted from the Project Plan, this will include scope, objectives, desired outcomes, budget and the proposed timetable. It is good practice to identify (if possible) at this stage whether there may be a TUPE or Asset transfer as part of the commissioning. An indication as to whether the Council wishes to commission the services in a single or multiple packages is also required. Full consultation with all key stakeholders, including service users, member, staff and unions would be expected in developing the outline.
2. The Service Outline should be posted on the Council web site and forwarded to the Community Network (which includes COF and BWA) for distribution to their members together with a date by which Organisations must register their interest (at least 4 weeks after the Service Outline is distributed). See the Service outline template at Appendix E.
3. The commissioning department holds an 'open day' at which relevant council officers will be available to answer questions from providers concerning the service. This should include an open discussion on the risks identified in the Service Outline and the timetable for the procurement. See example programme at Appendix F.
4. The date for the return of the Application Form (see below) should be no less than two weeks after the open day.

## 10 Identification of Prospective Providers and Short-listing

An application form (see sample at Appendix G) should be sent to all organisations expressing an interest in the commission. When dealing with the 3<sup>rd</sup> Sector it is important not to automatically exclude them from the process *solely* on the basis that they have not provided the Service before, their Health & Safety policy is currently inadequate or they do not meet the Council requirements for financial size.

What is very important is that:

- the ethos of the applicant organisation meets the service delivery requirements
- they have “organisational knowledge” that is relevant to the proposed service
- they have a commitment to equality in service delivery
- they understand the risks inherent in service delivery
- they have the management capability and financial stability to deliver the services
- additional resources they may bring to the delivery of the services e.g. volunteers are recognised

The application form will be issued with the **Service Outline** and **relevant criteria questions** regarding the service being procured which are to be based on the criteria above. The weighting of the criteria questions for short-listing purposes shall be provided to prospective suppliers at this stage.

On return of the application form, the short-listing of prospective providers will be based on their answers to the relevant criteria questions. The assessment of the returned application forms will be undertaken by the Project Team and recommendations made in writing to the Project Board for approval. An assessment will also be undertaken of their Health & Safety policies and financial standing. Any issues arising from this assessment should be raised in interview with the applicants. Formal interviews at this stage are an integral part of the commissioning process and will inform the short-listing process.

After the assessment of the applicant organisations the shortlist should be between two and four organisations per service. Where organisations are not short-listed officers should debrief them.

## 11 Performance Measurement and Specification Development

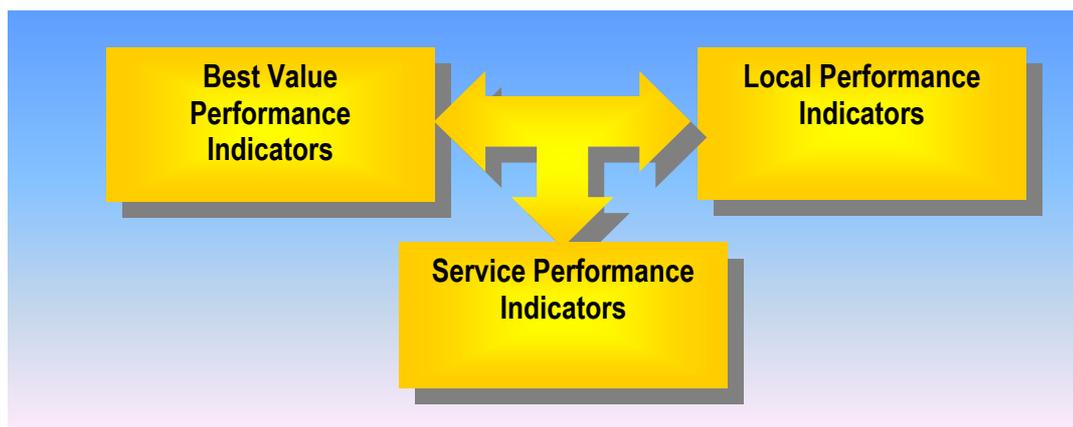
It is intrinsic to the success of the project, that the specification developed in partnership with the prospective providers, identifies performance measures that will deliver the council's strategic objectives.

An essential element in the development of commissioning partnerships is the joint ownership of the service specification and the outcomes/outputs of the service.

This process is a commercially confidential process between the individual service provider and the Council. Both parties must acknowledge this fact and respect the confidentiality of the information shared.

The development of performance measurement is to be aligned to the performance management requirements of the Council. The relationship is as shown in figure 6 below.

**Figure 6: The relationship between national, local and service PIs**



It is an acknowledged principal of good management that all effective organisations measure their performance in order to know how well they are performing and to identify opportunities for improvement.

In the initial development of key performance indicators (KPIs) a few matters are critical:

- Are the KPIs relevant to either the required outcomes and outputs of the service or essential to its proper management?
- Are they measurable?
- Is the measurement objective enough to make comparison with some base position relevant?
- Can the KPI be collected efficiently and cost-effectively?

The development of the Key Performance Indicators will be a collaborative process between the Council and the prospective providers, although, there may be statutory and other performance indicators that must be met. This will enable an informative process to take place in which the Council identifies its objectives and the prospective providers define their capability to meet these objectives in terms of measurable performance. As part of this iterative process of developing a performance measurement framework the Service Level Agreement for the service will also be developed. Additionally the resource implications for the provider may be confirmed through this negotiated process.

Where issues have been identified in the selection process (e.g. Health & safety Policies) the Council will support the 3<sup>rd</sup> Sector provider in the delivery of these policies and procedures. This would include providing standardised documentation that can be adopted by 3<sup>rd</sup> Sector Organisations and open briefing sessions for prospective providers.

A record should be made and kept on file of any and all pre-contract negotiations. Appendix H contains a simple sample form to create such a record.

## 12 Tendering

After the development of the performance management system and specification, it will be necessary to enter into a formal tendering procedure. The methodology for this is set down in the Councils Financial Regulations.

When tendering for services to be provided by 3<sup>rd</sup> Sector organisations the tender may be based on a pre-defined "fixed price". In these cases the competition between the organisations will be based on quality and outcomes. The tender will be assessed in accordance with C.8.2(b) of the Councils Financial Regulations which states: "*Non-financial criteria have been outlined in the tender, and applied when evaluating tenders. The contract will be awarded to the firm that scores highest in the evaluation process*". The tender evaluation model will be prepared in advance of receipt of the tenders and any quality/price matrix should be sensitive to the areas in which the 3<sup>rd</sup> sector can add value to the delivery of Council services.

Following the award of a contract a Contract Award Report will be completed and signed by the commissioning Director. An outline of such a report is attached at Appendix I.

The authority to award contracts is set out in the Councils Financial Regulations.

## 13 Contract Length

When Commissioning services under this code it is recommended that contracts are for a minimum period of 3 years. This period is chosen as this reflects the Councils Medium Term Financial Strategy. This enables the provider to recover any investment it makes to deliver the service. Investment in this sense includes assets, training and additional management support. It also enables the provider to plan for the long term.

## 14 Contract Management and Performance Review

Effective contract management is fundamental to the delivery of high quality services.

The Council and the provider will jointly monitor performance on an ongoing basis [monthly / quarterly] with a formal review on an annual basis. This review must be completed by October each year so that a report can be provided to members on the performance of each project and enable officers to confirm or withdraw funding for the following financial year.

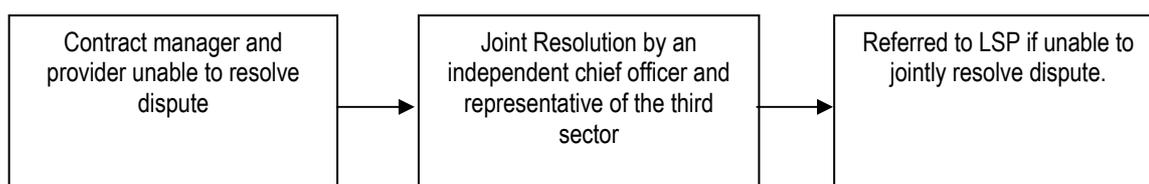
To develop trust and reinforce transparency it is imperative that an open book procedure is in operation on both sides.

The Council reserves the right to carry out an audit of commissioned 3<sup>rd</sup> Sector organisations at its sole discretion.

## 15 Dispute Resolution

All agreements with the 3<sup>rd</sup> sector will incorporate a dispute resolution mechanism which needs to be time limited.

This will be as follows:



This dispute resolution process is an informal process designed to complement but not replace the formal legal route.

## 16 Service Reviews

Where necessary a review will be undertaken prior to the contractual review date.

Where Contracts with the 3<sup>rd</sup> sector are for five years or more, both parties will jointly undertake a fundamental review of the Service in accordance with best value principles by the end of the

third year. The aim of this review is to test whether the council objectives and user needs are still being met in the most effective manner. Any amendment to the Scope, Costs or continuation of the Service will be enacted by the beginning of the fourth year.

## **17 TUPE & Pensions**

*[to be revised in the light of new Best Value & Performance Improvement guidance currently under consultation]*

In January 2000, the Government issued Guidance on “Staff Transfers in the Public Sector” this document outlined the Government’s expectation that all public sector organisations are expected to ensure that staff are treated fairly and consistently and have their rights respected in outsourcing exercises. The document talks of a consensus in favour of applying TUPE in all situations where services are: contracted out; re-tendered; brought back in-house or reorganised /transferred within the public sector. Where services are being transferred the presumption is that TUPE will apply and there is a requirement for the provision of broadly comparable pensions to the transferring staff.

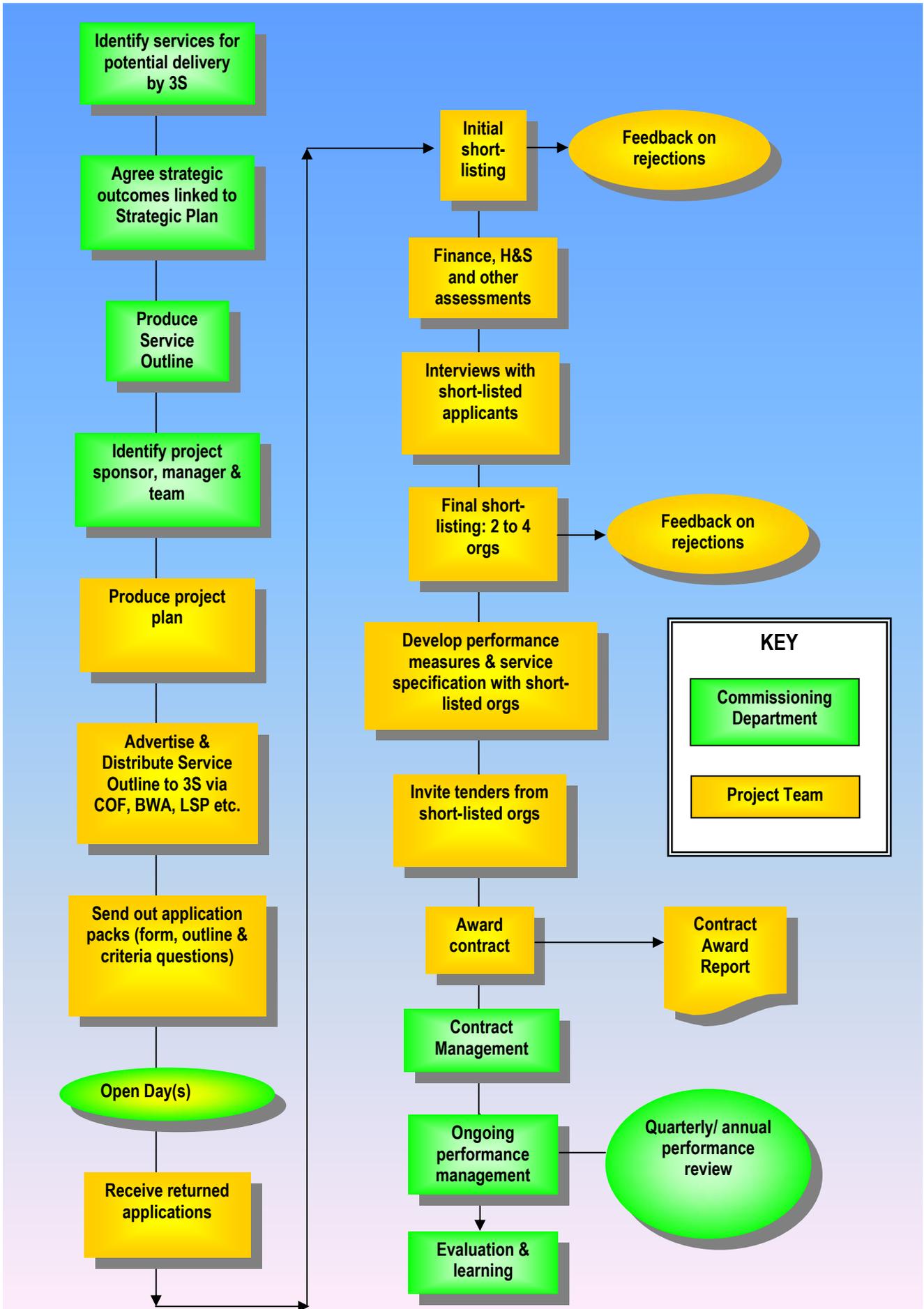
As a matter of good practice, trade unions (or independent employee representatives) should be provided with adverts, the broad strategy to be used in tendering for projects and the likely timetable. Additionally there is a statutory duty to inform and consult with Trade Unions (or independent employee representatives) in respect of any TUPE transfer. Where there is a decision to outsource services, staff and unions should be involved in the selection process and in subsequent detailed work around the transfer.

The Council will provide generic guidance on TUPE to the 3<sup>rd</sup> Sector and enable the 3<sup>rd</sup> Sector to take out Admitted Body Status (ABS) of the Council pension scheme. The under performance of pension schemes can result in substantive liabilities for providers. The Council will retain the liability for the performance of its pension scheme.

## **18 Assets**

Where assets are provided to the 3<sup>rd</sup> Sector on lease, rental or transfer, the Council will provide sufficient information on their condition, quality and operational cost to enable the 3<sup>rd</sup> Sector to assess their liability. This information will be provided during the specification development phase at the latest.

## Appendix A: Proposed Commissioning Process



## Appendix B: Current EU Thresholds & Part B services

### Thresholds fixed on 1 January 2002

Supplies and Services	£154,477
Works	£3,861,932

### Part B Services

The following are Part B services under the European rules subject to the requirements relating to tender documents and the publication of a contract award notice –

- Hotel and restaurant services
- Rail transport services
- Water transport services
- Supporting and auxiliary transport services
- Legal services
- Personnel placement and supply services
- Investigation and security services
- Education and vocational education services
- Health and social services
- Recreational, cultural and sporting services
- Other services that do not fall within the following (Part A) services:
  - a) Maintenance and repair services (mainly vehicles)
  - b) Land transport services
  - c) Air transport services
  - d) Transport of mail
  - e) Telecommunications services
  - f) Financial services
    - i. insurance services
    - ii. banking and investment services
  - g) Computer and related services
  - h) R&D services
  - i) Accounting, auditing and book-keeping services
  - j) Market research and public opinion polling services
  - k) Management consultant services and related services
  - l) Architectural services; engineering services and integrated engineering services; urban planning and landscape architectural services; related scientific and technical consulting services; technical testing and analysis services
  - m) Advertising services
  - n) Building cleaning services and property management services
  - o) Publishing and printing services on a fee or contract basis
  - p) Sewage and refuse disposal services; sanitation and similar services.

## Appendix C: Sample Director's Decision Form

### Director's Decision Regarding Use Of Contract Award Procedure

In accordance with Standing Orders and the Commissioning Code I have considered all the circumstances surrounding the proposed procurement of.....

.....

...

(Contract No:.....) and the relevant procurement rules, including the European rules, and have decided that this contract will be awarded by the use of the Commissioning Code

The justification for using the procedure is.....

.....

.....

.....

.....

Signed:.....

(Director or duly authorised deputy)

Date:.....

## Appendix D: Core components of a project plan

- The Scope of the Project (what is included and specifically excluded from the project)
- The Objectives of the Commissioning project (specifically what is to be achieved by the project, wherever possible in measurable terms)
- The desired Outputs and Outcomes from the project, wherever possible in measurable terms.
- The benefits to the Council and the service users from the commissioning project
- Risks and constraints to the project. Constraints are the restrictions on time, resources and funding for the project.
- The systems for reporting on the delivery of the project to the Project Board
- The Project Timetable which identifies the activities that need to be undertaken (when, by whom, and at what cost) to deliver the project outcomes. It will also identify when key decisions will need to be made by the project board

## **Appendix E: Sample Service Outline template**

Introduction

Background

Corporate/Departmental Vision

General Information

- Demography
- User Groups
- Transferring Facilities
- Current demand/usage

Aims and Objectives of the Service

Targets and relevant performance indicators for the Service

Financial Information

- Current Budgets
- Expected growth/reduction in budgets
- Number of transferring staff and wage bill

Commissioning Timetable

Relevant Criteria Questions

## **Appendix F: Sample Open Day Agenda**

*[any real LBTH example? (e.g. Youth Service)]*

1. Introduction by Project Sponsor
2. Corporate/Departmental Vision
3. Aims and Objectives of the Service
4. Commissioning Process & Timetable
5. Q & A Session

## Appendix G: Sample Project Application Form

1. What is the name of the service which you are seeking to deliver?

2. Please give full details of the person to contact in relation to this application

Name:
Organisation:
Address:
Telephone: (daytime)
Telephone: (evening)
Fax/email:

3. What is the target group for your project?

4. How much money are you requesting from us for your project?

5. What will be the start and end date of your project?

Start:
End:

6. Will you be seeking/getting any other money towards your project?

Yes
No
If yes, who from

7. Have you got any matched funding for your project?

Yes

No

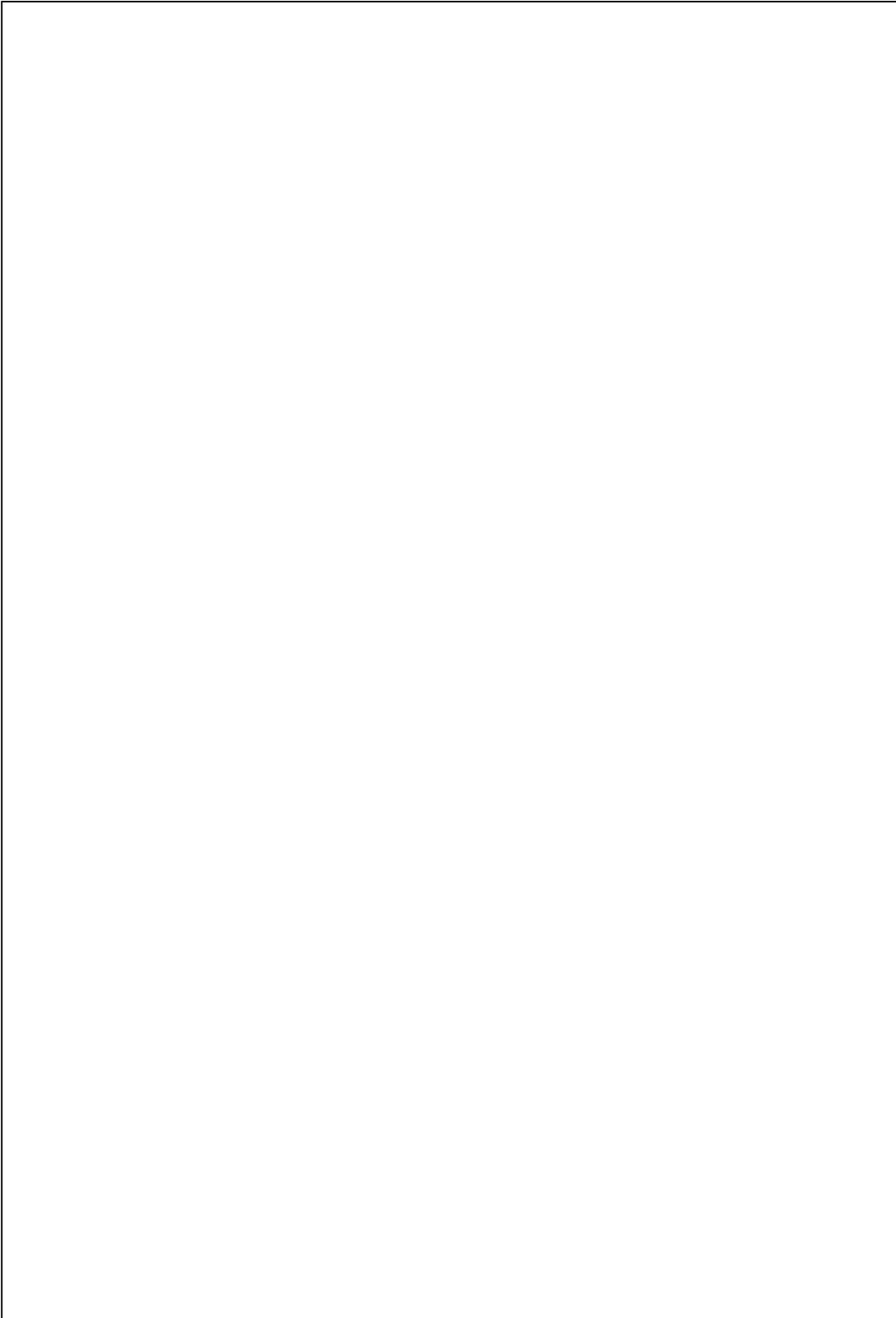
If yes, how much and what source is it from?

8. Give us a brief description of your project (its aims and objectives, how it will operate, who the main beneficiaries are etc.)

9. Please use this section to demonstrate how your project meets the relevant criteria questions (complete all the sections that apply to your project)

a.
b.
c.
d.
e.
f.
g.
h.
i.
j.

k. Is there anything else you would like to mention in respect to your project?

A large, empty rectangular box with a thin black border, intended for the respondent to provide additional information or comments regarding their project.

10. Policies

Does your organisation have a Health & Safety Policy? YES/NO

Does your organisation have a Equalities Policy? YES/NO

*The Council may request copies of these at a future date.*

11. About your organisation

When was your organisation set up?

Please give the date of the last Annual General Meeting

What was the turnover of your organisation in the last financial year?

Year \_\_\_\_\_

Turnover £\_\_\_\_\_

Is your organisation:

A company limited by guarantee? (please give registration number)

A registered charity? (please give registration number)

Other? (please clarify, e.g. voluntary organisation, limited company etc.)

Form completed by

Position:

Signature:

Date:

## Appendix H: Sample Record of Negotiations

Date:

Time Commenced:

Time Concluded:

Venue:

Present: Council<sup>4</sup>(name/title)

Present: Contractor (name/title)

Agenda <sup>5</sup>

Record (by reference to the agenda, a summary of the issues discussed, detail of the financial or risk implications and conclusion/agreement.)

Signatures:

Minimum Director or Nominee and Senior Officer

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<sup>2</sup> Minimum Director or Nominee and Senior Officer

<sup>5</sup> To be prepared in advance and circulated to all attendees.

## Appendix I: Outline Contract Award Report

The Contract award Report will by its nature vary dependent on the complexity of the contract. However it should include the following:

Introduction

Background

Pre tender selection

Tender Evaluation Methodology

Quality & Product Evaluation

Price Evaluation

Risk Evaluation

Contractual/Legal Evaluation

Summary of Negotiations

Project Risks

Summary of Evaluation

Recommendations

Author \_\_\_\_\_ signature

Approved \_\_\_\_\_ signature  
Chief Officer/Director