
REPORT TO: JOINT COMMISSIONING BODY
REPORT FROM: HOUSING SUPPORT STRATEGIC PARTNERSHIP
DATE: 9TH MARCH 2009

PERFORMANCE ASSESSMENTS

RECOMMENDATIONS

The Joint Commissioning Body (JCB) to:

1. Agree outline processes for calculating & allocating non guaranteed funds
2. Agree a reference group be established for performance assessments for 2009

1. BACKGROUND

1.1 On the 15th December 2008, the JCB agreed to the introduction of performance based contracts from March 2009. Although the contract period is for three years, for years two and three, the price that is guaranteed becomes reduced by 10% for each of these years. During the year prior to year two and year three, the total amount of money available to the programme will be reappraised, as will the sectorial balance of allocation. If affordable, and if allocated to the sector being considered, these 'non guaranteed' funds will be made available to high performing providers by means of an assessment of performance.

1.2 This new contractual approach requires 3 stages of activity from the programme's commissioners.

- Calculating how much money there is available to the programme
- Agreeing the 'sectorial' allocation of that money based on either Joint Strategic Needs Assessment (JSNA), or otherwise.
- Allocating non guaranteed amounts to individual provider contracts on the basis of a performance assessment

1.3 A timetabled set of draft milestones is set out at Appendix one to this report.

2. CALCULATING & ALLOCATING NON GUARANTEED FUNDS AT A PROGRAMME AND SECTORIAL LEVEL

2.1 An example of this process being applied can be seen within report no. JCB/08/169, from the JCB meeting of 15th December 2008. A predicted spend for the programme was presented in three options, and discussed in terms of what was known at that point about the Joint Strategic Needs Assessment for housing support. Only following a JCB decision on this was the Finance Manager then able to determine the overall

sum of funds available to each sector, and from that, calculate the overall amount available for both the guaranteed and non guaranteed elements of contracts in the forthcoming financial year.

3. CALCULATING & ALLOCATING NON GUARANTEED FUNDS AT A PROVIDER & CONTRACT LEVEL

3.1 As part of the Homelessness short term work packages, the DAAT Social Inclusion group and the Homelessness Steering Group (HSG) are planning to merge. This group would then need to develop new terms of reference, which, it is anticipated, will also look at how it links more closely with mental health stakeholders.

3.2 At the provider information event on the 30th January, where attendees had an opportunity to ask questions about their new terms and conditions, it was agreed that provider representatives would be involved in the development of the performance assessment framework.

3.3 Two providers from the RSL & Voluntary sector are already present on the HSG, and it is anticipated that provider representation will continue on the newly formed group.

3.4 Below are the suggested criteria for eligibility to access the non- guaranteed amount:

	Indicators	Data source
Performance	Utilisation & Key Performance Indicators (NI 141 & 142); Quality (QAF)	Quarterly electronic performance workbooks and QAF assessments
Outcomes	Successful outcomes	National Outcomes framework data from St Andrews University
Efficiency gains	Increase in number of units provided	Quarterly electronic performance workbooks
Value for money	Hourly rate; Cost per unit	Quarterly electronic performance workbooks

4. RECCOMENDATIONS

4.1 HSSP recommend that in addition to using the processes as set out above, each partnership board/steering group should develop a statement of priorities and needs that includes for any new services. This would ensure that providers have advance knowledge of what commissioners expect providers to deliver.

4.2 HSSP recommend the above process, including the establishment a reference group to oversee the development and implementation of the performance assessment framework for Homelessness contracts.

Draft proposals for implementing performance assessments

2008/9			2009/10				2010/11
September	October - December- March		March	August	September	December	March
Accurate prediction of the programme's total actual spend is carried out, for the year ahead of the current financial year. Ideally this would occur by September in any financial year.	Informed decision making about the division of funds between 'sectors' for the three years ahead of the current financial year. This occurred at the 15 th Dec 2008 JCB meeting	New performance based contracts introduced, and an initial performance framework set out in contract. Devon Supporting Team and Procurement & Contracts Team met with providers to introduce this on 30 th January 2009	New performance based contracts begin. Contract price starts at same level of funding to prior year. Commissioners and providers establish a reference group to agree the criteria for performance assessments	Accurate prediction of the programme's total actual spend, for the year ahead of the current financial year. Commissioners carry out performance assessments	Informed decision making about the balance or division of funds between 'sectors' for the three years ahead of the current financial year. (Repeat of process that happened at 15 th December 2009 JCB meeting)	Within each sector, performance assessments applied and decision made about which providers will receive any non guaranteed amount that is affordable and available. This discussed with each provider.	Homelessness sector contracts prices begin functioning for the first time on the outcome of the performance assessments that took place between August and December 2009.
Funding level guaranteed 100% of block contracts. Performance agreement introduced for winter pressures paid for on top of block contracts			Funding level generally at 100% of block contracts for first year of new contract. The only exceptions would be providers noted as having significant under utilisation, which would be 'clawed back' as usual.				Funding level guaranteed for only 90% of block contracts.