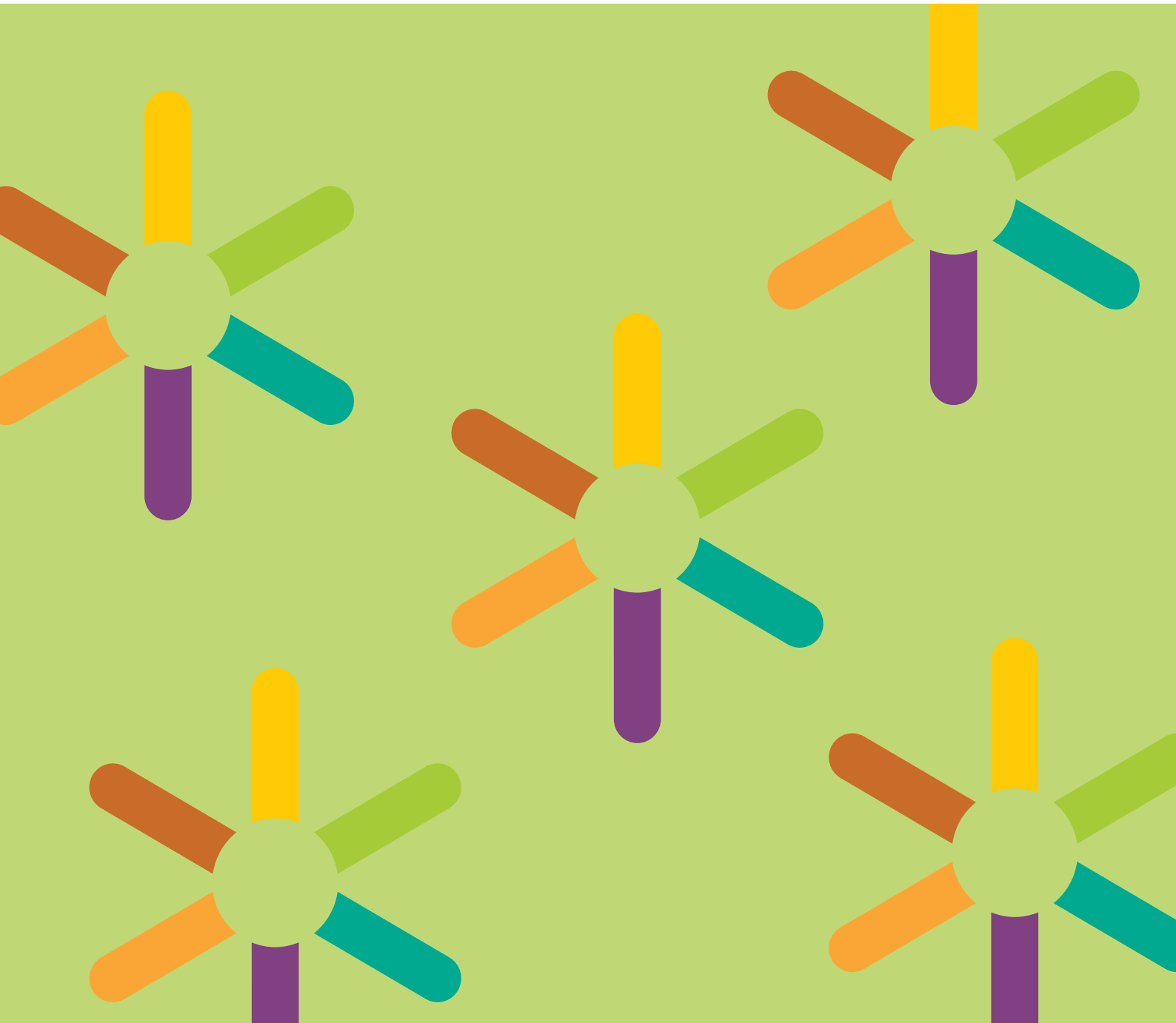




Government of **Western Australia**  
**Mental Health Commission**



# Commissioning Framework



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**Acknowledgements**

The Mental Health Commission acknowledges Aboriginal and Torres Strait Islander people as the Traditional Custodians of this country and its waters. The Commission wishes to pay its respects to Elders past and present.

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**Accessibility**

This publication is available in alternative formats for people with a disability, on request to the Mental Health Commission.

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## Introduction

### **The Mental Health Commission (the Commission) is committed to improving outcomes for all Western Australians affected or impacted by mental health, alcohol and other drugs.**

In 2017, the Commission developed a Commissioning Framework (Framework) to outline for the sector and community how mental health, alcohol and other drugs (AOD) services would be commissioned in Western Australia (WA).

In updating the Framework, we acknowledge that our goal of improving can only be achieved in partnership with people with lived experience, the sector and other commissioning bodies. We recognise the reach, advocacy and commitment of sector peak bodies and community service organisations in this endeavour.

Change takes time to achieve. The updated Framework is a vehicle to support change in commissioning and provide a way of communicating our approach to our stakeholders and their communities. In practice commissioning is often complex with multiple activities happening at the same time, requiring flexibility in our approach. The Framework will be reviewed and updated as we continue to learn from our experience, mature as a commissioning agency and respond to emerging needs and changing priorities.

## Purpose

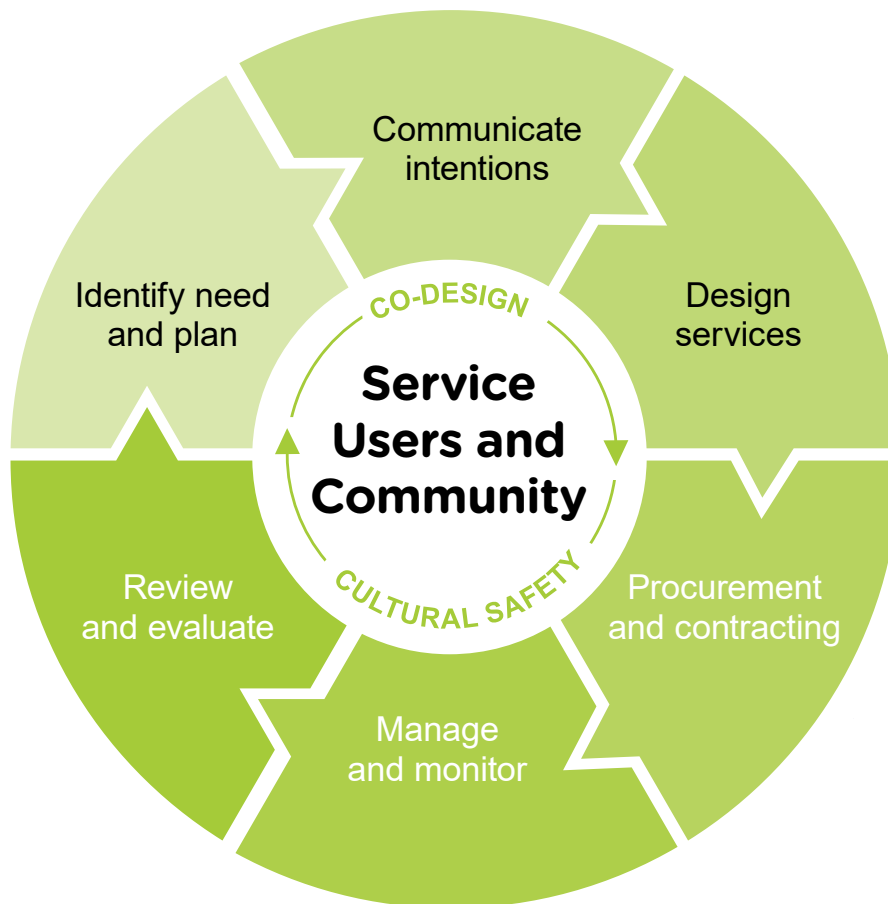
The Framework is an important step to embedding consistent commissioning processes and provides an overview of how the Commission will work towards undertaking its commissioning responsibilities by:

- providing a context for mental health and AOD commissioning in WA
- articulating our approach to each stage of the commissioning cycle underpinned by our commissioning principles
- explaining the interface between our commissioning activities and that of other commissioning agencies and service providers



## What is Commissioning?

**Commissioning is the cyclical process of planning, purchasing, managing, monitoring and evaluating services with the aim of ensuring that every available dollar is allocated in the optimal manner.<sup>1</sup>**



Commissioning encompasses the end-to-end policy and delivery cycle, and represents a collaborative approach to developing services in partnership with consumers and service providers through better relationships and new ways of working. Commissioning provides opportunities to make changes to the system and build the capability of stakeholders within that system. It puts consumers at the heart of the approach to look beyond procurement of services and focus on longer-term outcomes.<sup>2</sup>

1. State Commissioning Strategy for Community Services 2022  
2. Adapted from State Commissioning Strategy for Community Services 2022



## Commissioning context

**Under a commissioning model, the authority responsible for undertaking commissioning is independent of the provider that delivers the service.**

This means that the Commission is free to purchase services from the provider that is best placed to deliver them, irrespective of whether the provider is a public, private or not-for-profit organisation.

There is no one approach to co-commissioning, and it will vary depending on the particular program, service and partnership. Co-commissioning can mean working together at various stages of the commissioning cycle, whether to jointly identify needs, design solutions or procure services. This could be co-commissioning services or pooling funding to fund services or to facilitate capacity building events for the local workforce or to develop educational resources that can be shared.

### The State Commissioning Strategy for Community Services

The [State Commissioning Strategy for Community Services 2022](#) (the Strategy) aims to change the way government delivers community services. The Strategy will drive State government agencies to work together in a more cohesive, coordinated, and holistic way, led by central agencies including Department of Finance, Treasury and the Premier and Cabinet. This will include working with the community services sector on the commissioning of place-based services that are designed in consultation with consumers, local communities and service providers.

### Independent Governance Review

In response to the [Independent Review of the WA Health System Governance](#), the Commission [will be introducing a package of reforms](#) to improve leadership, accountability, collaboration, and co-ordination of the WA mental health and AOD system.

As the package of reform measures are implemented, the way in which services are commissioned will improve through:

- developing a collaborative and joined up approach to commissioning services, this means working towards involving the right people at the right time in a meaningful way. Understanding that there is no 'one size fits all approach,' instead we will tailor the approach to the stakeholders and the purpose of the engagement. This also means being clear and realistic about what stakeholders will and won't be able to influence.
- developing of a new mental health and AOD strategy (the MHAOD Strategy) that encapsulates whole of system priorities. The MHAOD Strategy will inform future commissioning intentions and focus areas in the Agency Commissioning Plan.
- developing of an Outcomes Measurement Framework (OMF) to support the monitoring and evaluation of our mental health and AOD services.
- implementing a consistent and coordinated approach to contract management and performance measurement enabled by contemporary service agreements and alignment with whole-of-Government strategy and service planning.

To support these actions the Commission will be providing learning and development opportunities for all staff in our organisation to support the continuous improvement of our knowledge and capabilities and to ensure that we embed our culture and behaviours in the strategic direction set out in this framework.

## Agency Commissioning Plan

In line with the [State Commissioning Strategy Implementation Plan](#), we have developed an [Agency Commissioning Plan \(ACP\)](#) that sets out the principles, commissioning intentions and focus areas for the Commission over a two and five year period. These have been guided by the State government's priorities that are outlined in the [Western Australia Mental Health and Other Drugs Services Plan 2015-2025](#), and the [Western Australia State Priorities Mental Health, Alcohol and Other Drugs 2020-2024](#).

## Commissioning Schedule

The [Commissioning Schedule](#) (the Schedule) within our ACP provides a timeline of planned commissioning for new and existing mental health and AOD community services for 2023-2030, enabling service providers to forward plan for the commissioning of their respective services.

Program area reviews include the evaluation, planning, design and procurement stages of the commissioning cycle. Each stage of the review will involve stakeholder consultation, identifying opportunities for innovative and sustainable solutions to reforming services and bringing on new services.

Program area reviews are scheduled to commence a minimum of 18 months prior to the program area end date. Prioritisation of program areas that will undergo a full commissioning process will be determined by a number of resource factors and emerging community need and, where there are synergies, several program areas may be reviewed concurrently.

## Commissioning principles

- Person-centred
- Outcomes-focused
- Sustainability
- Capacity-building
- Place-based
- Culturally responsive
- Evidence-based and evidence-informed
- Partnership and co-design



# Commissioning in partnership

## Interface with other commissioning agencies

There is significant potential for overlap between the services we commission, and services commissioned by other State Government agencies, WA Primary Health Alliance (WAPHA), the National Disability Insurance Agency (NDIA) and the Commonwealth.

We will therefore continue to work in partnership with relevant commissioning bodies to develop a collaborative and joined-up approach to commissioning services and to minimise the risks of duplication or gaps in services in order to deliver the best outcomes for the WA community.

This will include exploring opportunities where planning, service design and procurement could be coordinated between agencies.

## Aboriginal Community Controlled Organisations (ACCOs)

The Commission has committed to prioritising services for, and in partnership with, Aboriginal people and communities. In line with the National Agreement on Closing the Gap (Clause 55), which calls for measures to increase the proportion of services delivered by ACCOs, we will continue to work with Department of the Premier and Cabinet on the development of a whole of government ACCO strategy. We will also engage with Department of Communities on its ACCO Strategy to undertake the actions outlined within [A Call to Action 2022-2024 – Implementation Plan One](#).

In conjunction with sector partners, our focus will be on developing mechanisms to engage and partner with ACCOs and Aboriginal Registered Businesses (ARBs) to design mental health and AOD services and increase the number of ACCOs delivering services to both Aboriginal and non-Aboriginal people.

**The Commission has committed to prioritising services for, and in partnership with, Aboriginal people and communities.**





# The commissioning cycle

## Identify need and plan

The Commission will always be working to improve our approach to needs assessment and data collection to ensure evidence is at the centre of successful commissioning in both the design and evaluation of services. This involves combining population information, estimates of illness prevalence and validated assumptions about the services that are needed to properly meet the needs of the consumer and the community. It also includes identifying key impacts of the public sector environment (political, environmental, social, economic, technological, and legislative factors) that may influence our commissioning approach, as well as reviewing all potential funding options for service delivery.



Conducting a needs assessment as part of a program area review or establishment of a new service provides a critical opportunity to engage with stakeholders. It requires understanding community need and mapping existing services to identify gaps and duplication in service, or possibilities to improve service integration and coordination.

### Our approach

- Evidence-based, community-led and practice-based methodologies will inform commissioning decisions.
- All commissioning activities will align with government policy, standards and strategic directives.
- Undertaking transparent stakeholder consultation and decision-making whereby persons with lived experience, the sectors, communities, and professionals contribute to the planning process.

## Communicate intentions

Services will be commissioned in a staggered way so that service providers can forward plan for workforce and capacity needs. The efficacy of this approach relies on prioritisation of services and transparent communication of our commissioning intentions to stakeholders. It will also be important to establish clear expectations around the areas of focus and timeframes for commissioning. The ACP facilitates this on-going sector engagement with changes to our commissioning intentions to be detailed in annual updates.



### Our approach

- Commissioning activity will be aligned to the timeframes outlined within the Commissioning Schedule.
- Updates to our commissioning intentions will be communicated via updates in the ACP and other established stakeholder channels.

## Design services

Before designing or re-designing a service in line with our commissioning intentions, it is important to define the community outcomes that are intended to be achieved. Following review of existing data and best practice service models, services will be designed in consultation with consumers, carers, families, service providers and key stakeholders. This will include consideration of the resources that are needed to implement the service – such as funding, partnerships, workforce and infrastructure – relative to the desired outcomes.



### Our approach

- We will work to design services using outcomes-based program logic that incorporates evaluation methods from service planning and design stages.
- Co-design of services will be undertaken in line with the ACP commissioning principles.
- Place-based approach to ensuring what the community needs is incorporated in the design of the service.

## Procurement and contracting

Procurement and contracting refers to the process by which we select and enter into a formal contract with a service provider. As a government agency, the Commission must comply with the *Procurement Act 2020*, the [Western Australian Procurement Rules](#) and other relevant policies, including the Delivering Community Services in Partnership ([DCSP](#)) policy and the [Aboriginal Procurement Policy](#).



Our approach to procurement varies according to the requirements of each project, methods include Registrations of Interest, Open Tenders, Expressions of Interest, Preferred Service Provider processes and Direct ACCO Engagement. Decisions on the preferred procurement approach will be informed by an assessment of the market's capacity to deliver the required service as well as consultation with key stakeholders. Typically, the Commission applies a market testing approach when purchasing services from the community sector to ensure value for money and transparency. Under the DCSP policy, however, there are some situations in which it is appropriate that government agencies exercise discretion to set aside market testing by retaining an existing Not-for-Profit (NFP) through a Preferred Service Provider process, or through direct negotiation. In addition to continuing to refine our established systems, we will also explore emerging and innovative approaches to procurement and contracting.

### Our approach

- Procurement activities will be guided by relevant whole-of-government policies, including the DCSP policy.
- There will be an emphasis on contracting for outcomes, and consideration of innovative approaches to procurement and contracting that may enhance outcomes for the community.
- Service providers will be encouraged into entering partnerships, consortia or collaborative arrangements with other providers with complementary expertise and capacity.
- ACCOs will be prioritised as providers of services for Aboriginal people.

## Manage and monitor

Monitoring and performance management allows us to track the delivery of services and to measure progress towards the delivery of outcomes. We are committed to working in close partnership with our providers. This will help ensure that we are able to learn and continuously improve how we work together, and that we can respond to emerging issues and changing needs in real time.



### Our approach

- Implement a consistent and coordinated approach to contract management and performance measurement.
- Build and maintain strong relationships with service providers.
- Service providers will be required to report information to demonstrate service delivery, compliance with contractual terms and conditions and contribute to evidence for informing future services.
- Service providers should understand the purpose of data collection and reporting requirements.

## Review and evaluate

Evaluation involves the planned and periodic assessment of a commissioned service (including consumer and family experience, efficiency, impact, sustainability and overall value) to understand if the desired outcomes are being achieved for the community. Standardised outcomes are being developed in alignment with the [Outcomes Measurement Framework for Community Services](#), through which we will seek to measure the impact of our mental health, alcohol and other drugs services. We are committed to evaluating our commissioning activities and approaches in collaboration with providers, so that the findings can help us improve how we work together. The evaluation evidence will also inform future commissioning and support the expansion of innovative programs and continuation of existing programs shown to be successful.



### Our approach

- Work towards focusing on outcomes for consumers and the community, rather than inputs and outputs.
- Involve key stakeholders such as consumers, families, carers and community members in evaluation processes.
- Develop an evidence base to inform and improve the next cycle of commissioning.

## Decommissioning

Decommissioning falls naturally out of the commissioning process. Services may be decommissioned to make way for more contemporary models, or for reasons such as the withdrawal of State or Commonwealth funding; a service provider being unsuccessful in a tender process; a shift in the needs of the community; failure by the service provider to perform to the required standard or the withdrawal of the service provider from the current contract.

Ceasing service delivery by a service provider may apply to all or some of the services provided by that service provider, and the notice period for cessation of service, non-renewal or reduction of service will be a minimum of three months. The transition period will be decided on a case-by-case basis by the Commission, with consideration given to the type and scale of the service, and the impacts of the change on service providers and consumers during the transition to new service arrangements. The transition period will be determined in consultation with the service provider and will commence on the date a decision has been formally communicated.



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