SYDNEY NORTH
Health Network

# Commissioning Framework

February 2025

## 1. Purpose

This document outlines the framework for commissioning health and community services within Sydney North Health Network (SNHN). The framework aims to ensure a value-based commissioning approach that prioritises outcomes and supports a connected, person-centred service system. It sets out a guideline that SNHN will follow in its commissioning activities to achieve the Quintuple Aim:

- Improve the health outcomes of the target population.
- Enhance the patient experience of care.
- Optimise the use of resources and achieve value for money.
- Reduce health inequities and promote equitable access to services.
- Improve the wellbeing of health care providers.

The ethos of SNHN is "achieving together better health, better care," with a vision for local communities to start life well, maintain and manage their mental and physical wellness throughout their lives, stay connected with healthcare providers and each other, and age with dignity. Commissioning enables SNHN to achieve its strategic objectives by applying limited resources based on the needs assessment to improve health outcomes and shape health and community care systems.

## 2. Scope

This framework provides guidance to the commissioning strategy, approach and cycle and it guides the development of commissioning policies and procedures by SNHN. It provides a framework for commissioning to be followed by:

- SNHN Board Directors
- invited and selected panel members
- all SNHN employees
- volunteers
- commissioned service providers
- consultants contractually bound by this framework.

## 3. Commissioning Values

***Accountability*** - The commissioning of services falls under the jurisdiction of the SNHN Board, which is responsible for determining the overall purpose of the organisation's commissioning strategy and ensuring that the necessary structures, processes, and behaviours are in place to achieve the best possible outcomes. This includes aligning with SNHN's strategic objectives and relevant national and statewide strategies/programs, and taking action to uphold and implement high standards.

***Transparency*** – SNHN will maintain transparency throughout the commissioning process by applying clarity and openness to each stage of the process and documenting all discussions, considerations and decisions in the minutes of all meetings.

***Probity*** – The principles of having strong moral standards and leadership based on honesty and decency. Probity will be applied in contracting of services to ensure fit for purpose and appropriate use of public funds.

***Collaboration –*** This approach will recognise that health across the lifespan is influenced by numerous factors within that place, including physical, social, and economic elements. This holistic approach will support communities to actively participate in decision making and shape their own "best health"

outcomes. In relation to improve health outcomes and close the gap in health equity for First Nations peoples, SNHN's vision for reconciliation is to collaboratively respect, support and advance opportunities and health outcomes for Aboriginal and Torres Strait Islander peoples in the Northern Sydney region by improving access to culturally appropriate, safe and person-centred healthcare services, supporting preventative health initiatives and addressing systemic barriers to equitable healthcare.

***Data driven*** - This approach ensures health services are tailored to actual population needs by analysing patient demographics, outcomes, and service patterns to improve decision-making, identify service gaps, and target interventions, leading to better health outcomes, greater efficiency, and reduced inequalities, while enabling continuous improvement based on real-time data.

## 4. Commissioning Framework

SNHN will adhere to the commissioning framework which is guided by key commissioning principles to bring to life the value-based commissioning process that prioritises health outcomes and value for money. This is referred to as the **10A framework** and consists of ten key characteristics:

- **Analysis:** Continuously assessing and understanding the population's needs and the evidence base for effective prevention and primary care commissioning. This involves the gathering and analysing of both hard data (e.g., health statistics, utilization patterns) and soft data (e.g., community perspectives, provider experiences) to gain a comprehensive understanding of the local context and identify nuanced health needs.
- **Authority:** Establishing robust joint governance arrangements with partner agencies (e.g., Local Health Districts, community organisations) to ensure strategic direction is data-driven, risk is managed, and probity assured.
- **Anchor:** Maintaining a continuous presence in communities experiencing inequity of health outcomes. This involves building trust with community members and leaders, understanding what matters to the community, and creating opportunities to activate local solutions. These characteristics highlight the importance of place-based approaches and community engagement in achieving health equity.
- **Adaptability:** Maintaining flexibility to adapt service models to changing needs and emerging evidence. Continuously monitor the impact of commissioned services and pivot when services fail to deliver value
- **Alliance:** Invest in relationships with government agencies and other funders including philanthropy to attract resources to North Sydney. This will require Sydney North Health Network to continuously build relationships with partner agencies, to commission collaboratively, and incentivise providers to work together to create a seamless service system.
- **Activation:** Equipping communities with the skills, knowledge, and resources they need to become self-sufficient. This approach enables them to address their own challenges and create sustainable solutions.
- **Acquisition:** Identifying, selecting, and securing the necessary services, resources, or providers to ensure a structured approach to procurement, focusing on efficiency, compliance, and achieving the desired outcomes for the community.
- **Acceleration:** Rapidly scaling a service to other communities once data demonstrates that it effectively achieves the quintuple aims. This approach ensures that successful initiatives are quickly expanded to benefit a wider population, optimising impact and efficiency.
- **Accountability:** Consistently measuring, monitoring, and evaluating both successes and failures to ensure transparency and effectiveness. This process includes regularly reporting results to the Board, funders, partner agencies, and the community to maintain trust, foster improvement, and ensure alignment with shared goals.

- **Advance:** Share the knowledge gleaned from failure and success with other Primary Health Networks and other jurisdictions in Australia and beyond.

## 5. The Role of the 10A Framework in Value-Based Commissioning

The 10A Framework provides a roadmap for SNHN to pursue excellence in commissioning, guided by the following principles:

- **Needs-Based**: Commissioning decisions will be driven by a thorough understanding of the health needs of the target population, informed by robust data analysis and stakeholder engagement.
- **Outcomes-Focused**: Services will be commissioned with clearly defined outcomes that are aligned with the Quintuple Aim.
- **Collaborative**: SNHN will work in partnership with patients, community, providers, community organisations, funders, and other stakeholders throughout the commissioning cycle.
- **Equitable**: Commissioning processes will aim to reduce health inequities and ensure fair access to services for all, including vulnerable and diverse populations.
- **Transparent and Accountable**: All commissioning activities will be conducted with transparency and accountability, adhering to principles of probity and good governance.
- **Innovative and Adaptive**: SNHN will encourage innovation and adopt a flexible approach to commissioning, adapting services based on evidence and evaluation findings.

The 10A Framework enables SNHN to:

- move beyond traditional, transactional procurement models that focus solely on inputs or activities.
- prioritise services that deliver measurable improvements in health outcomes and address population health needs.
- foster collaboration and partnership with providers and community stakeholders.
- embrace innovation and piloting new models of care.
- ensure accountability and transparency in decision-making.

By adopting this framework, SNHN aims to create a more integrated, person-centred, and value-driven approach to commissioning that ultimately improves the health and well-being of the communities it serves.

## 6. Commissioning Structure

A dedicated commissioning team will be place-based and responsible for overseeing and coordinating all commissioning activities.

Commissioning will adopt a layered approach, focusing on **place-based**, **regional-based, and outreach** services. This will allow for a balance between universal service provision, targeted interventions, and flexible services that meet the unique needs of different communities and populations.

The commissioning cycle will follow an iterative approach, encompassing the following stages:

- Needs Analysis and Capability Assessment
- Plan Development and Service Design
- Procurement and Contracting

- Implementation
- Monitoring and Evaluation

## 7. Key Focus Areas

Commissioning activities will prioritise the following key areas:

- **Fostering healthy, supportive and connected communities:** Develop and implement programs that promote social inclusion, community engagement, and well-being. Work with local organisations, schools, and community to create environments that support physical and mental health, strengthen social networks and reduce isolation, enabling individuals to access support and resources that foster a sense of belonging and connectedness.
- **Addressing Social Determinants of Health:** Implement social prescribing initiatives and collaborate with community organisations to connect patients with services that address social, economic, and environmental factors impacting health, such as housing, employment, and social support.
- **Supporting Vulnerable Populations:** Develop targeted commissioning strategies to improve access to culturally appropriate and responsive services for vulnerable groups, including Aboriginal and Torres Strait Islander people, people from culturally and linguistically diverse backgrounds, and those experiencing mental health issues or social isolation.
- **Enhancing Primary Care:** Commission services that strengthen primary care, improve care coordination, and support the integration of care across different settings.

## 8. Governance and Accountability

This framework ensures SNHN's commissioning activities are efficient, ethical, and aligned with organisational goals. The SNHN Board is accountable for governance, ensuring commissioning aligns with strategic objectives and is conducted ethically, transparently, and in a way that builds public trust. The Clinical Governance Committee ensures that commissioned services meet or are working towards accreditation standards to ensure high quality and safety. The Management Leadership Team oversees commissioning operations, ensuring effective processes and sufficient resources to support these efforts. Strong governance enables SNHN to achieve its purpose and deliver outcomes that benefit stakeholders.

## 9. Resources and Capacity Building

SNHN will invest in the resources and capacity required to effectively implement its commissioning framework. This includes:

- Developing data analysis, evaluation and storage capabilities.
- Building strong partnerships with key stakeholders.
- Providing training and support for staff and providers on value-based commissioning principles and practices.
- Ensuring adherence to all relevant SNHN Framework, Policies and Procedures.

## 10. Definitions

| Term | Definition or meaning within this document |
|---|---|
| Commissioning | A continuous and iterative process of planning, designing, procuring, implementing, monitoring, and evaluating health and community |

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|---|---|
| | services to address the needs of a defined population. |
| Place-Based Commissioning | A collaborative and long-term approach to building positive service outcomes within a defined geographic location. |
| Quintuple Aim | A framework for healthcare improvement encompassing five key dimensions: tackling health inequity; improving population health, enhancing the patient experience, improving the experience of providing care, and reducing costs. |
| Social Prescribing | A method of enabling primary care professionals to refer patients to a range of local, non-clinical services to address social determinants of health and improve well-being. |
| Value-based Commissioning | An outcomes-focused approach to commissioning that prioritises achieving the best possible results for clients, clinicians, and the healthcare system. |

# 11. References

## Internal References

SNHN Commissioning Framework and Toolkit
SNHN Governance Policy Framework V3.0
SNHN Risk Management Policy
SNHN Budget and Planning Policy
SNHN Board Delegations Policy
CEO Delegated Authority to SNHN Employees
SNHN Conflict of Interest Policy and Procedure
Environment Policy and Procedure and the SNHN Climate and Health Strategy
SNHN Privacy Policy
SNHN Risk Management Policy
SNHN Data Governance Framework
SNHN Data Governance Policy
SNHN Strategic Plan
SNHN Reflect Reconciliation Action Plan Draft Version 1

## External References

Primary Health Network Commissioning Principles (adapted from the National Audit Office)

## 12. Approval and Review

This commissioning framework will be reviewed and updated every 3 years by the Clinical Governance Committee to ensure it remains aligned with best practice, emerging evidence, and the evolving needs of the target population.

| Version | Date Approved | Owner (title) | Approver (title) | Next Review Date | Comments |
|---|---|---|---|---|---|
| 1.0 | July 2019 | Lynelle Hales (CEO) | Board | | |
| 2.0 | November 2022 | Lynelle Hales (CEO) | Board | | No changes recommended. |
| 3.0 | 26 February 2025 | Kevin Barrow (CEO) | Board | February 2028 | *Reviewed by CGC 06.02.2025* |