

Commissioning Framework

Funding for outcomes



Acknowledgement of Country

DHS acknowledges and respects Aboriginal peoples as the state's first peoples and nations and recognises them as traditional owners and occupants of land and waters in South Australia.

Further, it acknowledges that the spiritual, social, cultural, and economic practices of Aboriginal peoples come from their traditional lands and waters, that they maintain their cultural and heritage beliefs, languages and laws which are of ongoing importance, and that they have made and continue to make a unique and irreplaceable contribution to the state.

The *Cultural Maintenance* illustration was created by Allan Sumner in 2017.



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What is commissioning?

Commissioning is a way of thinking about government-funded programs and services as being the product of a cycle that includes:

- Defining community need
- Securing budget/funding
- Designing the program or service (informed or led by service users and providers)
- Putting the program or service into place (through external procurement or internal funding)
- Monitoring and evaluating the program or service to inform new definition of need and subsequent commissioning cycles.

In short, commissioning is how the Department of Human Services (DHS) makes decisions about what programs are funded and how, and who they are delivered by.

DHS approaches commissioning through a social policy lens. This means that it is driven by the evidence for good social policy and encompasses cycles of work to plan for, design, monitor and evaluate programs and services that enable solutions to social problems. In this context, commissioning is a set of principle-based practices designed to optimise the extent to which the programs and services funded by DHS have a positive impact on the lives of people, families, and communities in South Australia.



What is the Commissioning Framework?

DHS is committed to contributing to the wellbeing of people living and working in South Australia. DHS delivers and funds quality services that protect and enhance the community's wellbeing, and provide support to individuals, families, and communities when they need it, delivering on its mission of *making a difference so South Australians thrive*.

The purpose of the Commissioning Framework is to set out DHS's approach to commissioning for outcomes through the programs and services it delivers.

The Commissioning Framework explains how DHS plans for, develops, delivers, and evaluates the programs it funds, with a focus on enabling maximum social impact for South Australian people, families, and their communities.

The Commissioning Framework was developed by DHS with reference to feedback from human services sector leaders and service delivery practitioners, DHS executives and policy, contract management and procurement staff.

Why a Commissioning Framework?

Systematised, relationship-based, and client-focused commissioning practices are critical to government maximising the social impact of the programs and services it funds.

The Commissioning Framework takes a principles-based approach to commissioning for outcomes and recognises the importance of relationships between funders and providers within the human services sector. The Commissioning Framework has been developed in parallel with the Outcomes Framework and provides a mechanism for building a systematised outcomes focus across the department's programs.

In 2021, DHS published the Social Impact Framework (SIF), which explains that DHS can maximise its positive social impact if the programs and services it funds are:

1. Aligned to clearly defined purposes and outcomes
2. Able to meet best-practice service design criteria, and
3. Developed through a partnership with service providers.¹

“The Commissioning Framework provides a scaffolding from which to build strong relationships between funder and service provider, and design services that are evidence-informed, systematically connected, place people at the centre, and are aligned to the departmental outcomes set out in the DHS Outcomes Framework.”

¹ Department of Human Services Social Impact Framework, p.2.

Strategic context

The DHS Commissioning Framework is informed by the relevant legislation and policies, including:

- Treasurer's Instructions
- Procurement Services SA policies and guidelines
- South Australian Funding Policy for the Not-for-Profit Sector (PC044)
- *Not-for-profit Sector Freedom to Advocate Act 2013*.

Closing the Gap

Under the National Agreement on Closing the Gap (Closing the Gap), DHS is committed to transform the way it works. Closing the Gap has four Priority Reforms that commit DHS to:

1. Formal partnerships and shared decision-making
2. Building the community-controlled sector
3. Transforming government organisations
4. Shared access to data and information at a regional level.²

Guided by the Closing the Gap Framework (and Policy) and Spectrum of Working with Aboriginal Peoples, this includes building genuine, sustained and formal partnerships to inform program development and service system strategy, as progress toward Aboriginal self-determination.

The Outcomes Framework is designed to clearly show how the Closing the Gap Targets and Socioeconomic Outcomes DHS is responsible for are embedded within its outcomes themes and outcomes clusters. Throughout the stages of commissioning set out in the Commissioning Framework, DHS will consider the connection of funded programs to Targets/Socioeconomic Outcomes and ensure that, where a funded program contributes to a Target, these are measured to enable progress to be tracked. Similarly, the stages of commissioning will embed Priority Reform elements, providing a mechanism for the transformational change critical to Closing the Gap.

The Commissioning Framework works with Closing the Gap as a strategic umbrella, with the intention that all the agency's funded programs will consider how they contribute to the Priority Reforms and Targets/Socioeconomic Outcomes. Embedded in this approach is the belief that enabling equity under Closing the Gap will contribute to a more socially just and equitable society for all South Australians.

² National Indigenous Australian Agency National Agreement on Closing the Gap, p. 5–13.



Scope

The DHS Commissioning Framework applies to all elements of commissioning and to all programs delivered by DHS staff or funded by DHS.

How the Framework will be used

As a government agency with a broad mission to improve the lives of South Australians, DHS is a major funder of social services in the state and has responsibility for stewarding the service system and fostering the conditions that enable it to support outcomes for people, families, and communities.

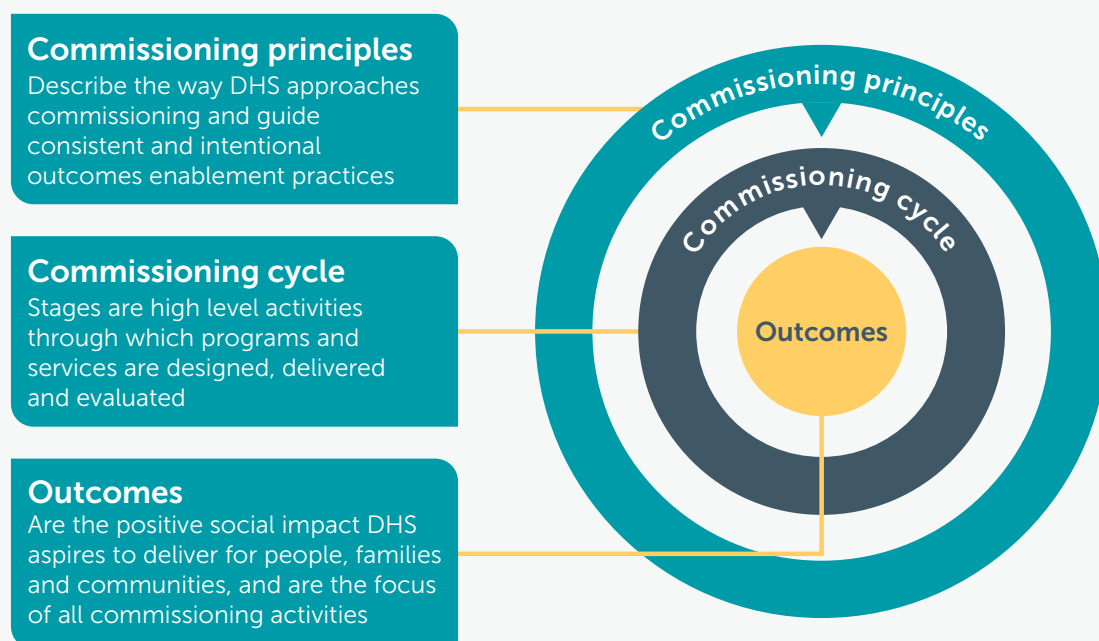
The Commissioning Framework will be used by DHS as a tool to both guide strategic decisions and development of outcomes-focused programs and services, and to support the systemic elements that equip it to deliver positive social impact. In this way, it provides a mechanism for operationalising the DHS Outcomes Framework and, crucially, embedding action on the Closing the Gap Priority Reforms.

Framework structure

Framework elements

The Commissioning Framework has three main elements: **commissioning principles**, **commissioning cycle**, and **outcomes**. It operationalises the Outcomes Framework by placing outcomes at its core and applying a principles-based approach to all stages of the commissioning cycle

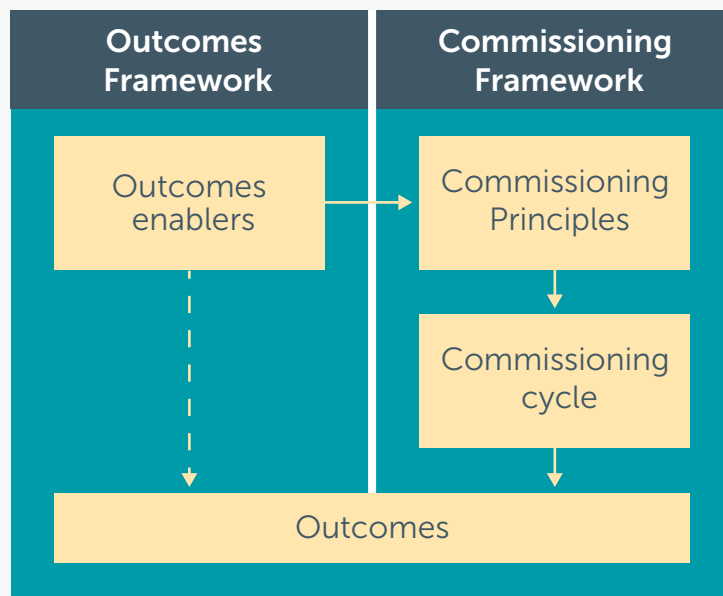
Figure 1. Commissioning Framework elements



In this model, principles are where the Outcomes Framework's core outcomes enablers (people-centred approaches, evidence-informed approaches, and systematised alliances) are put into practice. The application of these principles through the commissioning cycle enables DHS to support outcomes for people, families, and communities.

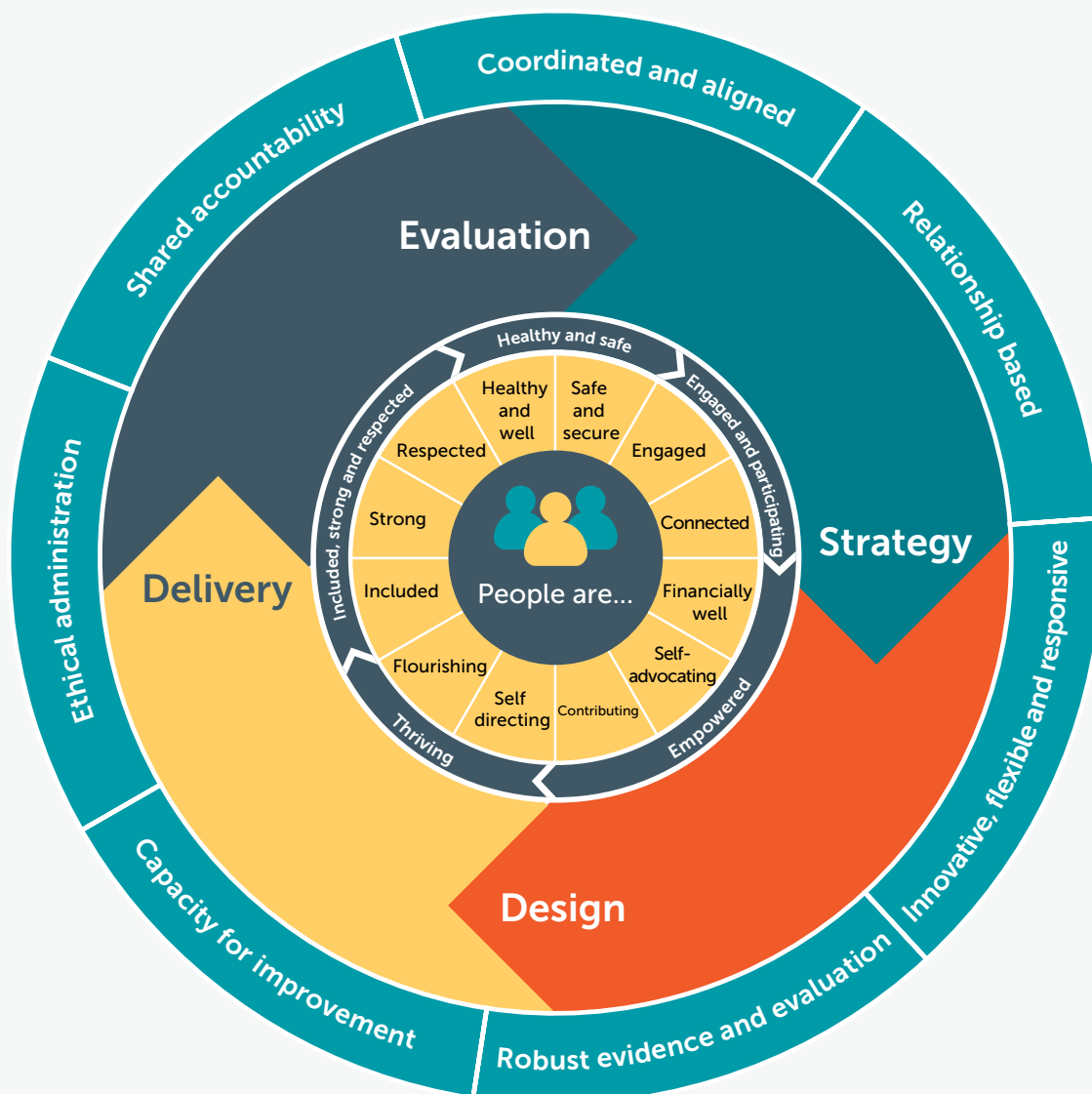
Commissioning Framework

Figure 2. Enabling outcomes through application of commissioning principles



The Framework

Figure 3. DHS Commissioning Framework



Principles

Figure 4: Commissioning principles

Principle	Description
Shared accountability	<ul style="list-style-type: none"> • Transparency, data sharing, clear parameters for funding and purpose • Agreement on co-contribution not attribution
Coordinated and aligned	<ul style="list-style-type: none"> • Build understanding of program in context of related funded programs • Increase coordination and connection with other agencies and services • Centre the goals of community, share decision-making and respond to the context of place
Relationship based	<ul style="list-style-type: none"> • Authentic, open relationships between funders and providers • Build understanding of the conditions for program and service delivery
Innovative, flexible and responsive	<ul style="list-style-type: none"> • Adapting programs and partnerships to meet emerging and changing needs • Enabling equitable outcomes proportional to need with emphasis on Closing the Gap Targets/Socioeconomic Outcomes • Increase capacity to seize opportunities, new ideas and partnerships • Supporting and building a diverse service system including focus on building the Aboriginal community-controlled sector

Principles

Principle	Description
Robust evidence and evaluation	<ul style="list-style-type: none">• Assess and build data reporting capabilities, evidence base guided by Aboriginal data governance• Establish evaluation frameworks and processes
Capacity for improvement	<ul style="list-style-type: none">• Establish strong foundations for quality (accreditations and workforce), including Aboriginal cultural leadership and service delivery• Identify and strengthen capacity to meet the conditions for social impact
Ethical administration	<ul style="list-style-type: none">• Value for money delivered through processes that support proper use of public funds• Funding decisions are impartial, appropriately documented, publicly defensible and lawful• Requirements supporting administration of funding are robust, accountable and proportional

Commissioning cycle



Strategy

This stage is about making the business case for the program/service.

It needs to consider the evidence for client and/or community need (including structural inequities for marginalised people), the service landscape (gaps and overlaps), the policy/regulatory context, and service system (or “market”) capacity/capability (including support for sector diversity).

It will often include a high-level program logic and/or theory of change to support a strategy for how the proposed program/service will achieve proposed outcomes. It identifies who are the key stakeholders and what degree of engagement is appropriate given the scope of the program/service.

Strategy should be informed by Closing the Gap Priority Reforms and consider how a program/service will contribute to delivering Closing the Gap objectives.

There should also be consideration of available budget, with reference to ethical administration principles for delivering value for money.

This stage should be informed by the evaluation of previous iterations of the program/service, or evaluations of programs/services being delivered to similar cohorts and/or connected to similar outcomes.



Design

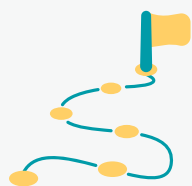
This stage builds on the Strategy stage and sets out the supporting evidence for a program/service, along with evidence that the service outputs proposed are consistent with the outcomes sought.

It needs to consider whether the program/service can be developed via co-design, partnership, or empowerment of communities to build place-based solutions, in line with Closing the Gap Priority Reforms.

This stage closely links to the Outcomes Framework, with clear connectivity of the funded activity to high-level DHS outcome(s), which builds in indicators for tracking against these high-level outcomes. This includes clear identification of connections to Closing the Gap and the Targets/Socioeconomic Outcomes DHS is responsible for.

This stage should also consider the evaluation approach and build in the mechanisms to support program/service monitoring and end-of-cycle evaluation to inform future commissioning decisions.

Commissioning cycle



Delivery

This stage is about setting up the program/service. This could involve procurement of external providers (with reference to Closing the Gap Priority Reform Two), or funding for internal service delivery.

It includes providing clarity around critical timeframes, milestones, and the responsibilities of all involved.

It also includes regular monitoring of outcomes, sharing of data with providers and communities (in line with Closing the Gap Priority Reforms), with opportunity for adjustment throughout the period of funded activity.

It also considers what change management strategies may be required.



Evaluation

This stage is about understanding the extent to which a program/service achieved its stated outcomes, to inform funding decisions (e.g., recommission or decommission the program/service).

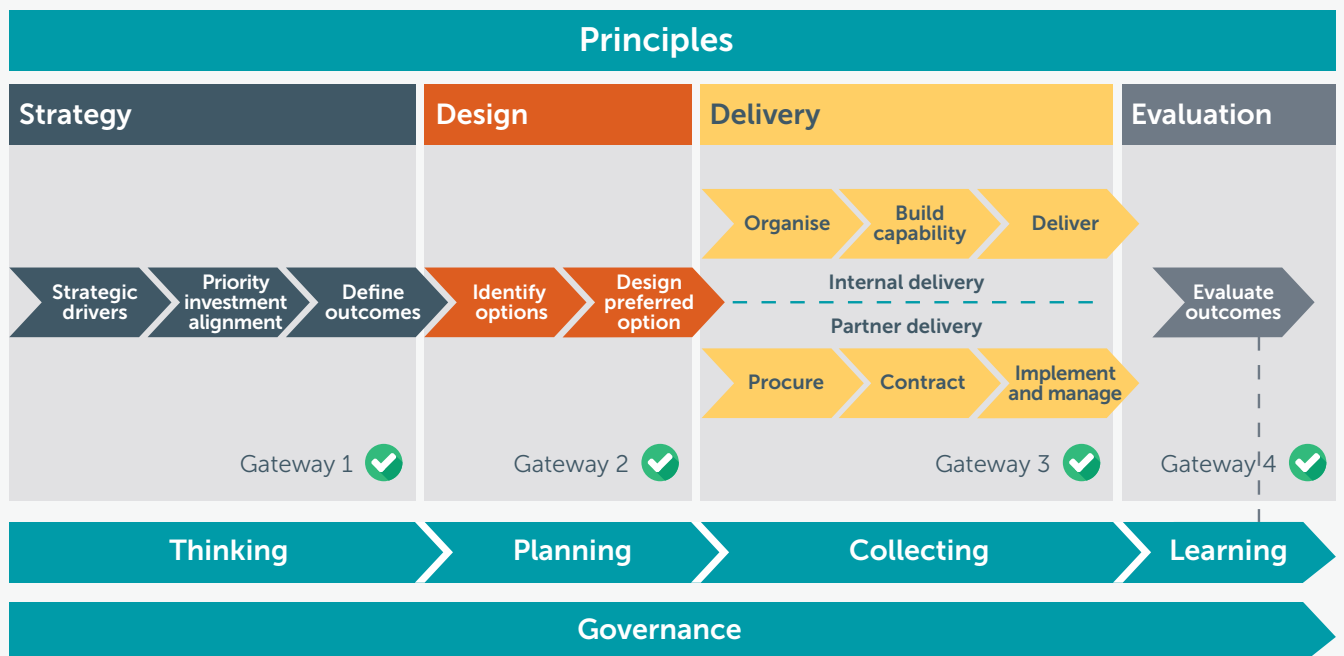
Definition of value should also be informed by Aboriginal leaders and community (in line with Closing the Gap Priority Reforms).

It can also overlap with and be informed by micro-evaluation cycles within the Delivery stage.

Commissioning flowchart

While the stages of commissioning are cyclical, in practice this can be usefully set out as a linear process with clear gateways at which to consolidate, seek governance approval and move forward to the next stage. The commissioning flowchart provides a structure for each stage that enables it to be managed as a project.

Figure 5. Commissioning flowchart



Roles and responsibilities

Commissioning activities will be principles-driven at all stages of the cycle, with shared accountability, coordination, and relationships between DHS and the service system, ensuring the programs and services funded by DHS are innovative, flexible, and responsive, evidenced informed, and include capacity for improvement.

This principles-based approach to commissioning activities, which have clear roles and responsibilities for DHS and the service system, is how the outcomes enablers in the DHS Outcomes Framework (people-centred approaches, evidence-informed approaches, and systematised alliances) are operationalised.



Figure 6. Commissioning roles and responsibilities to enable outcomes

Stage	Roles and responsibilities	
	Department of Human Services	Service system
 Strategy	<ul style="list-style-type: none"> Identifies strategic drivers Applies priority investment lens to target funding 	<ul style="list-style-type: none"> Contributes practical contextual evidence to priority investment targeting
 Design	<ul style="list-style-type: none"> Develops detailed delivery options in partnership with stakeholders including lived experience Collaboratively defines outcomes and data collection requirements 	<ul style="list-style-type: none"> Contributes further practical and contextual evidence to collaborative development of options
 Delivery	<ul style="list-style-type: none"> Conducts procurement where relevant Facilitates shared decision making on, and analysis of, data for continuous improvement Maintains relationships to share practice, learnings and identify improvement opportunities 	<ul style="list-style-type: none"> Contributes to shared decision making on and collection of quality data to contribute to analysis and decision making Participates in relational contract management conversations aimed at improving program outcomes
 Evaluation	<ul style="list-style-type: none"> Analyses data from program reporting Shares evaluation findings with key stakeholders in formats that support collective sector learning 	<ul style="list-style-type: none"> Contributes to evaluation activities

Stage	Outcomes enablement through commissioning		
	People centred approaches	Evidence informed approaches	Systematised alliances
 Strategy	<ul style="list-style-type: none"> Voices of people and their communities inform planning decisions 	<ul style="list-style-type: none"> Evidence from community and provider knowledge Place-based analysis of need (including structural barriers for marginalised people) 	<ul style="list-style-type: none"> Service system provides contextual knowledge to inform planning decisions
 Design	<ul style="list-style-type: none"> Program design is informed by lived experience and is trauma informed, strength based and culturally appropriate 	<ul style="list-style-type: none"> Research to understand the problem and best practice approaches 	<ul style="list-style-type: none"> Programs designed with broader system context in mind to enable integration and build partnerships between services into program logics
 Delivery	<ul style="list-style-type: none"> Program delivery considers individual and family context, and is trauma informed, strength based and culturally safe 	<ul style="list-style-type: none"> Programs have flexibility to respond to new and emerging needs and seize new opportunities, ideas and partnerships Data collection supports evaluation activities to build the evidence base for social impact 	<ul style="list-style-type: none"> Programs are delivered as part of an integrated service system and are responsive to the needs of people and communities
 Evaluation	<ul style="list-style-type: none"> Evaluation approaches centre the voice of program participants/ service users 	<ul style="list-style-type: none"> Data used to inform evaluation outputs and build evidence base for commissioning strategy 	<ul style="list-style-type: none"> Data is collected to inform partnering within a service system, partnering between services systems and regional responsiveness

Additional resources

- Outcomes Framework
- Outcomes Bank of Measures (to be developed)
- Commissioning Handbook (to be developed)
- Evaluation Framework (in development)
- Evaluation Handbook (in development)
- Place-Based Partnerships Framework (to be developed)
- Closing the Gap Framework Policy
- Closing the Gap Framework and Spectrum of Working with Aboriginal Peoples
- Social Impact Framework
- Social Impact Framework Assessment Tool



Glossary of terms

Terms	Definitions
Commissioning	The process by which governments plan for, design, deliver, monitor, and evaluate the programs and services they fund.
Community	A group of people that live in the same place or share common characteristics, cultural identity, or interests.
Cultural safety	Cultural safety means that Aboriginal culture is respected, acknowledged, and celebrated. It is providing a safe environment for all Aboriginal people to be themselves and to express their identity and culture, knowing that this will be respected. Cultural safety is the extension of allyship accountability and cultural lens application.
Evaluation	The systematic and objective assessment of the design, implementation, or results of a program or service for the purposes of continuous improvement, accountability, and decision-making.
Family	A group of two or more people that are related by blood, marriage (registered or de facto), adoption, step or fostering, and who usually live together in the same household or are connected by kinship, or a shared commitment to support each other.
Human services	Programs designed to support people to meet their fundamental health, welfare, and wellbeing needs.
Social impact	The effect of programs, services or policies on people and communities.

Glossary of terms

Monitoring	A continuous process of collecting, analysing, and reporting on Key Performance Indicators for a particular program or service to provide an indication of its performance against stated objectives.
Outcomes	Results that show the impact of human services upon the lives of people and communities.
Outputs	Products of activities by human service agencies to achieve outcomes.
People	Collective noun to describe groups of humans. The Commissioning Framework uses people as a broad term that captures the department's priority cohorts and their intersectionality, and which is adaptable to any context or program designed to improve the lives of people, families, and their communities.
Program	A set of activities that are managed in a coordinated way over a sustained period and share a common, large-scale goal related to delivering an outcome or outcomes for people, families, and communities.
Service	A set of actions (outputs) by a government agency or delivery partner to benefit people or communities in some way.
Stakeholders	Individuals or groups who have an interest in something (e.g., a project, program, initiative, or other activity).
Systematised alliances	Collaborative connections between service system partners that are resourced, deliver strong referral pathways, are regionally responsive to needs and service gaps, prioritise service continuity, and connect with community to enable sustainable outcomes.



Reference list

- Australian Government National Indigenous Australian Agency *National Agreement on Closing the Gap 2020* closingthegap.gov.au/national-agreement
- Department of Human Services *Social Impact Framework* dhs.sa.gov.au/how-we-help/ngo-and-sector-support/social-impact-framework

