This template has been devised to help Commissioners produce high quality documentation, using prompts and headings to help guide content and ensure a consistent and logical structure. However, no template can account for every eventuality and Commissioners must always exercise their commercial judgement to customise templates accordingly, removing or adding content as required]

[Delete All Text In Grey Highlight Before Use]

The purpose of this template is to support robust and thorough analysis for commissioning projects. This template should be supplemented by the guidance in the Commissioning Handbook as they are directly linked. Using this template will help officers to provide a strong evidence base for the decisions made throughout the commissioning process. The template can help to inform crucial commissioning decisions and documentation such as:

- *Make or buy decision*
- *Delivery model/solution*
- *The procurement route*
- *Social value requirements*
- *Performance management and reporting*
- *Business case*
- *Specification*

Officers are advised to begin analysis as early as possible in the commissioning process in order to be able to collect sufficient evidence for decision making. Although most of the analysis will take place during pre-procurement phases, officers should update the Analysis template throughout the commissioning process with any relevant information that comes to light. This will provide a complete and highly valuable analysis document for future commissioning activity.

Guidance for Use

This template is not designed to replace any elements of a business case or other justification document that should be produced for commissioning projects. This template can be used to guide the analysis process and to document all of the findings that can then be lifted into the business case where relevant.

Analysis needs to be proportionate to the value, associated risk and complexity of the project in question. When using this template, officers should use their professional judgement to determine which types of analysis are appropriate and useful, and what depth of analysis is required.

This template covers a broad range of areas for analysis, for some projects not all of these areas will be appropriate, for other projects there may be other areas that haven't been included here. Officers using this template should ensure they engage with relevant stakeholders to understand what analysis is required to make effective decisions about the project.

If any of the analysis sections below are not required for the project or will be addressed differently, officers can delete these sections.

For particular types of analysis, officers may wish to seek advice from subject matter experts or relevant teams across the organisation. Officers should prepare for this in advance, ensuring they engage these individuals or teams early in the project and understand the process for requesting support. This enables individuals and teams to be able to plan appropriate time for undertaking any work that is required.

Project Name:	
Service/Team Name:	
Analysis lead:	

Analysis of the Current Provision

It is important to at look current provisions that exist to address the same or similar objectives and outcomes. This might include:

- *The provision that you are recommissioning.*
- *A provision that is being decommissioned that is going to be replaced by the new provision.*
- *A provision that was previously delivered by a different team or organisation that is going to be replaced by the new provision.*
- *A provision that is currently being delivered by a different team or organisation that will work in collaboration with the new provision.*

The questions that you may want to address include:

- *What needs is/was the provision trying to meet? Do these differ to the needs we have now?*
- *Who were the end users?*
- *What is/were the desired outcomes of the provision? Do these differ to the outcomes we are trying to achieve now?*
- *What did/does the demand for the provision look like? (this may also be addressed through the Needs Analysis)*
- *How is/was the provision delivered? How has this been received? What insights do we have from clients?*
- *What resources are/were used to deliver this provision?*
- *What did/does the supply chain for the provision look like?*
- *How does/did the service perform? If it was delivered by an external organisation, how did they perform against the contract?*
- *Did/Is the provision working to achieve outcomes? (may also be addressed by Effectiveness of Solutions)*
- *Was the provision needed in its entirety? Did any parts of the provision have less impact or end up redundant?*

Potential sources of information include:

- *Past business cases or other justification documents*
- *Case studies*
- *Reporting data and management information from current provisions*
- *Performance data from current provisions*
- *Staff who currently deliver the provision*
- *Comments, compliments, and complaints logs*

Effectiveness of Solutions

For commissioning projects addressing specific problems or needs, officers need to ensure that

evidence behind the effectiveness of different potential provisions is understood. The main question to address is 'what will work?'

In order to answer this question, officers need to consider the following aspects:

- *What causes the problem or the need to exist? Addressing this will help to create a provision that tackles the root cause not just the impact.*
- *What solutions are there for addressing this and how do they address this? Evidence behind solutions is important to ensure outcomes can be achieved.*
- *What circumstances may impact the effectiveness of provisions? Understanding how the environment around the provision may impact how a provision works to achieve outcomes is important to avoid solutions that may not work for Kent. This includes the geographical factors, demographic factors, preferences and values of the client base etc*
- *Could there be any unintended consequences as a result of the provision? E.g. environmental impacts, increase/decrease in demand for other provisions*

Officers can use the following resources to answer these questions:

- *Specialists and Practitioners*
- *Scientific research papers and journals*
- *Case studies and pilots from other local authorities*
- *What Works Networks*

Needs Analysis

For complex or high value projects, advice on needs analysis should be sought from KCC's Analytics service. This template can support basic needs analysis for projects with a clear understanding of what is required and what we can expect demand to be.

Needs Analysis may sound like it is only relevant for health and social care services. However, the principles of Needs Analysis can be applied to many commissioning projects. For example, Needs Analysis can estimate the number and type of clients who need to access public health services, but Needs Analysis can also estimate the number of households in different districts who need access to Household Waste services and what their experiences of accessing these services has been previously. Or, Needs Analysis could consider how many members of KCC staff need will need to have access to a piece of software that you are commissioning.

Needs Analysis can be separated into two areas of analysis; Social Analysis and Demographic Analysis.

Social Analysis

Social analysis is used to understand the current client base of the service (if there is one), how they feel about the service and what they feel they need. This could be individual members of the public or households or, KCC staff. This helps to inform the design of the service to ensure that it will meet demand and addressed the need effectively. First of all, quantitative social analysis is used to understand the current client base, what you will need to know depends on the requirement that you are aiming to deliver, but these are some things you may wish to consider:

I. *The number of clients or households currently in receipt of or using the provision by need type*
II. *The age distribution of these clients*

III. The geographic distribution of clients to an appropriate geographic scale – district or lower statistical geographic level (e.g. LSOA)
IV. Other identifiable and relevant characteristics such as gender, ethnicity, etc
V. Different service user needs and how they are currently being met
VI. Tools should be used to support this analysis to understand service user backgrounds, wealth and lifestyles where appropriate through the use of customer segmentation tools held within the Strategic Commissioning Analytics team.

You may also want to consider the use of qualitative analysis to inform your requirement. Qualitative analysis will look at client experiences and feelings into greater depth in order to be able to understand better how we can design provisions to meet needs and be successful. How you will carry out qualitative analysis and what questions you will explore will depend greatly on the requirement that you are planning to deliver.

Demographic Analysis

Demographic Analysis considers how the population or client groups might change over time so that we are able to plan future changes in demand into our provisions. The Analytics team can carry out highly sophisticated demographic analysis for services being provided to the public which is why they must be approached for support with high value and high complexity projects. However, if you are carrying out a lower complexity project these are some demographic factors that you may wish to consider:

- What proportion of the current population or client group use this provision?
- Do we have any evidence that the likelihood of people needing to use this provision will increase/decrease over time? E.g. Increasing rate of population with drug and alcohol dependencies means that the proportion of the population who access these services is likely to increase.
- How is the population or client group expected to grow? If your provision targets particular groups of people, you may want to look at how these individual groups are expected to change. The KCC Housing Led Population Forecast can provide this information for provisions that are being provided to the public.

Public Health Analysis

For particular services, it may be appropriate to consider the health implications of delivering different provisions on the public, to reduce any negative impacts but also make positive impacts.

Political Analysis

To fully understand the environment that we are commissioning in, we need to look at political analysis to understand different perspectives on the requirement. The two main areas to understand are National Perspectives and Local Perspectives.

National Perspectives:
Things you might want to consider include:
- How does what we're doing fit into the governments objectives or the governments own efforts to address this requirement?
- What support is there nationally for what we are doing? How might this change with the current political outlook?
- Is there any political lobbying currently happening related to this provision or any political interest groups that may have perspectives on what we are doing?
- Are there currently any government policies and legislation that will impact what we are

doing? Is there any chance this may change through the duration of the provision?

Local Perspectives:
Things you might want to consider include:
- *How does what we are doing link into wider activity in KCC's strategies?*
- *Have there previously been any issues or controversies related to what we are planning to do?*
- *Is there any interest from KCC members in this provision? What are their perspectives?*
- *Have we carried out any consultations relating to this provision? What feedback did we get?*
- *Are district or parish councils carrying out any related work? What are their perspectives on what we are doing?*

Financial and Economic Analysis

Financial and Economic Analysis aims to understand the feasibility of a commissioning project and how resources will be used in order to get the most from them.
Things you may want to consider include:

Financial Analysis
Things you may want to consider include:
- *How are we funding this provision? Where will the funding come from? When do we receive the funding? How long will the funding last? Do we need to meet any requirements to receive the funding?*
- *What are the potential costs of this provision? Whole life costing must be considered, including the project management and transaction costs to KCC for carrying out the commissioning activity.*
- *Will this provision generate any income for KCC?*
- *Will this provision incur a one-off cost or on-going costs?*
- *Could the provision potentially lead to savings for KCC?*

Economic Analysis
Things you may want to consider include:
- *Are there any opportunities for maximising cost efficiency? E.g. Adapting current delivery to meet multiple needs or collaborating with other teams or organisations to combine requirements.*
- *How is the current economic environment likely to impact the cost of the provision? E.g. Interest rates, inflation, exchange rates.*

Market Analysis

The purpose of market analysis is to understand the opportunities for external provision of the requirement and the characteristics and challenges of the market. We want to use that analysis to understand our buying power and prepare for any potential issues we might face in sourcing the provision. Market analysis could be carried out through research, meetings, surveys, focus groups and market engagement events.
Things you may want to consider include:
- *What are other local authorities doing? What do their provisions look like? How much does it cost for them? What is demand like for their provisions? How did their*

procurement processes go? How are their provisions currently performing? What lessons learned can they share?

- *What does the market look like? How many providers are there? What is the size of the organisations? What are their market shares? Where are providers mainly located? What is the current demand in the market? How long has the market looked like this? What are the market trends? Is it likely that the market will change soon? How stable does the market appear to be? Is there any sign of anti-competitive behaviour?*
- *How difficult would it be to switch between providers? Do existing providers have a greater advantage?*
- *What are the key drivers that impact the market and impact market health?*
- *What solutions are provided by the market? How complex are the solutions? How much do they cost? What is required for the delivery of these solutions? Are there any future technological advancements on the horizon? What kind of digital solutions are there?*
- *Are there opportunities in the market to seek social value initiatives? Does the market have any current issues related to corruption, sustainability, corporate social responsibility etc.?*
- *Is the need that we are looking to address currently being addressed by any other organisations e.g. charities or private organisations? For example, does a private organisation sell this provision directly to the public or does a charity provide services to the public to tackle these issues?*
- *How does the market perform on environmental sustainability and emissions reduction?*
- *How vulnerable is the market to the longer-term impacts of a changing climate and increasing severity/frequency of severe weather events?(This could feature in risk analysis instead or too?)*

Risk Analysis

Risk analysis looks at what could potentially happen that could impact our objectives and what things we need to make certain we consider when we are designing our provisions. Things you may want to consider include:

- *What legislation must we comply with and how might this change?*
- *What potential risks will we face in the commissioning process? What is the likelihood of these risks happening and how could they impact the success of the project? How can we mitigate these risks? How will we monitor and review risks?*
- *What potential risks will we face in the delivery of the provision over the lifetime of the contract? What is the likelihood of these risks happening and how could they impact the success of the provision? How can we design mitigations into the provision to prevent issues? How will we monitor and review risks?*

Officers may wish to complete a Risk Mapping exercise to answer these questions and link it to this document.

Technological Analysis

Technological Analysis considers how we could potentially deliver services in innovative ways in order to maximise cost efficiencies, improve client experiences and future proof provisions. Things you might want to consider are:

- *Do clients want to engage more with technology in order to receive this provision? (should be informed by social analysis)*
- *What technological solutions are available in the market?*

- *How rapidly is technology developing in the market?*
- *Are there opportunities to trial new technologies or collaborate with an innovative provider?*
- *How can we use technology to meet wider needs e.g. sustainability needs, net zero requirements?*

Environmental Analysis

Environmental analysis considers the potential positive and negative impacts on environmental factors due to the delivery of a provision. It should also shed light on possible opportunities to innovate in order to minimise environmental impact and take advantage of new opportunities due to a changing climate.

Environmental analysis will involve a combination of scientific based research to understand the possible effects of the provision and market based research to understand the possible solutions for reducing environmental impact. Things you may want to consider include:

- *What are the expected carbon emissions based on previous delivery or market information?*
- *Which activities in the provision are likely to create the most emissions?*
- *What low carbon solutions are available in the market in order to reduce emissions?*
- *What are other local authorities doing with this provision to reduce emissions?*
- *What other environmental impacts is this provision likely to have e.g. impacts on green spaces, generating waste?*
- *Are there are legal factors to consider relating to the environment e.g. use of dangerous chemicals, pollution and waste prevent as a result of procuring/using vehicles, equipment, materials and energy, including fuels, oils and chemicals?*
- *What solutions are available in the market to reduce these environmental impacts e.g. products with ecolabels, renewable energy, environmentally friendly alternatives?*
- *What are other local authorities doing with this provision to reduce environment impacts?*
- *Are there any potential positive impacts or new opportunities arising from this provision that will support the business case?*
- *How can Circular Economy principles be applied to minimise environmental impact?*