**Appendix Three – National Audit Office Principles of Good Commissioning**

The eight principles of good commissioning are:

* Understanding the needs of users and other communities by ensuring that, alongside other consultees, you engage with the third sector organisations, as advocates, to access their specialist knowledge;
* Consulting potential provider organisations, including those from the third sector and local experts, well in advance of commissioning new services, working with them to set priority outcomes for that service;
* Putting outcomes for users at the heart of the strategic planning process;
* Mapping the fullest practical range of providers with a view to understanding the contribution they could make to delivering those outcomes;
* Considering investing in the capacity of the provider base, particularly those working with hard-to-reach groups;
* Ensuring contracting processes are transparent and fair, facilitating the involvement of the broadest range of suppliers, including considering sub-contracting and consortia building, where appropriate;
* Ensuring long-term contracts and risk sharing, wherever appropriate, as ways of achieving efficiency and effectiveness; and
* Seeking feedback from service users, communities and providers in order to review the effectiveness of the commissioning process in meeting local needs.