

PART ONE - PUBLIC

Decision Maker: Care Services Portfolio Holder
For Pre Decision Scrutiny by Care Services PDS Committee on:

Date: 26th June 2014

Decision Type: Non-Urgent Executive Non-Key

Title: MARKET POSITION STATEMENT

Contact Officer: Richard Hills, Senior Commissioner
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Chief Officer: Executive Director of Education, Care & Health Services

Ward: N/A

1. Reason for report

- 1.1 To notify Members of the work under way in Bromley as part of the national programme: *Developing care markets for quality and choice (DCMQC)*. The programme was launched by the Department of Health last year and every Local Authority has a duty to produce a Market Position Statement. Officers would now like to consult on an initial draft with providers and service users.
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2. **RECOMMENDATIONS**

- 2.1 **Care Services PDS are asked to comment on and approve the work so far on the draft Market position Statement and to recommend that officers can enter into consultation with providers and service users.**
- 2.2 **The Portfolio Holder is asked to agree that a consultation on Bromley's draft Market Position Statement be undertaken with all relevant stakeholders.**
- 2.3 **The findings of the consultation, and the resulting final version of the document, to be reported back to Members later in the year.**

Corporate Policy

1. Policy Status: Producing a Market Position Statement is a new duty for Local Authorities
 2. BBB Priority: Excellent Council: Supporting Independence
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Financial

1. Cost of proposal: No direct cost but it is an opportunity to start a dialogue with providers generally about the likely level of funding available in the future for directly commissioned services
 2. Ongoing costs:
 3. Budget head/performance centre: Executive Director, Education, Care and Health for London Borough of Bromley
 4. Total current budget for this head: £34,458k controllable budget Adult Social Care
 5. Source of funding: ECHS revenue budget for London Borough of Bromley
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Staff

1. Number of staff (current and additional): No additional staff
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: Non statutory requirement : Government Guidance.

Set out in the White paper 'Caring for our future' that *"the government will introduce a duty upon local authorities to promote diversity and quality in the provision of services"*

This intent has been followed up in the new Care Act 2014 under general responsibilities part 5: *A local authority must promote the efficient and effective operation of a market in services for meeting care and support needs*

2. Call-in: Applicable:
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

3.1 Background

- 3.1.1 A Department of Health launched a programme called: *Developing care markets for quality and choice (DCMQC)*. The ambitions for this programme were set out in the White paper 'Caring for our future' which made two firm announcements:
- 3.1.2 *To strengthen diversity (in the market), the government will introduce a duty upon local authorities to promote diversity and quality in the provision of services*
- 3.1.3 *To help Local Authorities carry out this duty, we are offering support to every local authority to create a market position statement*
- 3.1.4 This follows on from the general policy direction that Local Authorities have a changing role in overseeing and securing quality care service for all local residents. Over time the Department of Health expect to see a “*shift from [Local Authorities] occupying a role of major procurer to one of facilitator of the whole social care market*”.
- 3.1.5 Increasing demand, greater numbers of self-funders and personal budget holders, and restrictions in state funding will mean significant change to the care market. In order to achieve greater choice and control as to how, where and what care is delivered requires a local diverse care market. Local Authorities have a clear role in stimulating, managing and shaping this market to address pressing care needs.

3.2 Market Facilitation

- 3.2.1 To achieve this 'shift' Local Authorities need to develop the role of market facilitator. By way of an explanation this role breaks down into three levels of activity:
- 3.2.2 **Market Intelligence.** Is the first level of market facilitation and provides the necessary bedrock for all further interaction with the local market. The Local Authority needs to be well informed about its local provider market. It needs to understand what's working well, where there is potentially over provision and where gaps in provision exist that need to be addressed. It needs to build the evidence base to better understand the pressure points regarding quality supply including detail on local provider performance, amount of provision readily available, benchmarking on costs and quality of that provision. All the Local Authority commissioning strategies need to tap into this level of evidence around supply as well as demand. Most Local Authority are already on top of this, however they struggle to have details around the whole market including where self-funders are going to meet their particular care requirements.
- 3.2.3 **Market Restructuring** The next level is to use market intelligence to influence changes and improvements to the local market. This includes developing and publishing a Market Position Statement. The statement is there to translate all the data and intelligence collected into a format that is useful and helpful to providers. The document should clearly set out the current and future commissioning intentions and priorities and highlights services that, based on the evidence, would be particularly beneficial to its local community. The document should open up dialogue with local providers and encourage a more open and transparent exchange of information that assists in improving the service offer to residents. The document can be refreshed each year and should provide a 'here and now' snap shot of the market which providers can use when targeting their services and preparing business proposals. Most Local Authorities are only in the early stages of being able to do this effectively and the *Developing care markets for quality and choice (DCMQC)* was put in place by the Department of Health to

continue to develop this role.

3.2.4 Market Interventions The final stage in this evolution of the role of the Local Authority in the provision of care is to make targeted and positive interventions in the market through its commissioning strategies. Having worked closely with local providers and having a clear understanding and overview of local need the Local Authority can choose to make a specific intervention where it believes it can improve outcomes for residents. These types of intervention can include:

- Stimulating specific parts of the market with targeted financial incentives
- Using new and innovative funding models to stimulate growth such as match funding, risk share, loans and income share
- Offer specific training to support the local workforce in filling a skills gap
- Support a provider in putting together a business proposal that addresses a specific gap in the local offer
- Championing a service through advertising and promoting the service to residents
- Even setting up not for profit ventures.

3.2.5 Local Authorities have been inadvertently doing some of these things for years but taking on a strategic lead for market intervention presents a step change from previous commissioning.

3.3 Care Act

3.3.1 This role, as explained above, has been further reinforced in the Care Act under general responsibilities part 5 which states :

(1) A local authority must promote the efficient and effective operation of a market in services for meeting care and support needs with a view to ensuring that any person in its area wishing to access services in the market—

(a) has a variety of providers to choose from who (taken together) provide a variety of services;

(b) has a variety of high quality services to choose from;

(c) has sufficient information to make an informed decision about how to meet the needs in question.

(2) In performing that duty, a local authority must have regard to the following matters in particular—

(a) the need to ensure that the authority has, and makes available, information about the providers of services for meeting care and support needs and the types of services they provide;

(b) the need to ensure that it is aware of current and likely future demand for such services and to consider how providers might meet that demand;

(c) the importance of enabling adults with needs for care and support, and carers with needs for support, who wish to do so to participate in work, education or training;

(d) the importance of ensuring the sustainability of the market (in circumstances where it is operating effectively as well as in circumstances where it is not);

(e) the importance of fostering continuous improvement in the quality of such services and the efficiency and effectiveness with which such services are provided and of encouraging innovation in their provision;

(f) the importance of fostering a workforce whose members are able to ensure the delivery of high quality services (because, for example, they have relevant skills and appropriate working conditions).

3.4 Bromley's Draft Market Position Statement

Officers have produced a draft MPS which we are now looking to consult on with providers before taking the final version through members for approval and authorisation to publish.

3.4.1 The Market Position Statement will be the theme of the next Adult Social Care Forum. The council will be running facilitated sessions for attendees focusing on what services the community sector and other local providers should be making available to residents to maximise independence for longer and prevents the need for more complex, long term care packages.

3.4.2 The draft document is being made available to Members as a link.

3.5 How does this document fit with the Local Children's Offer?

3.5.1 It is slightly different but all part of the same commissioning process. The Local Children's offer was a requirement of the Children and Families Act 2014 which required the Local Authority to tell everyone involved in the care and support of disabled children and young people, those with Special Educational Needs, and their families about what help is available in the Borough. In this way it was a communication with service users informing them of the local services available to them, whether offered directly by the Borough or other local providers such as Bromley Health Care.

3.5.2 The Market Position Statement was also driven by national requirements, however it is different, in as much as it is directed at the provider market and is intended to open a dialogue between commissioners and providers about the future shaping of the local market offer.

3.5.3 The Director is considering the option for the circle to be completed by asking Children's to produce a similar Market Position Statement for their providers and asking adult care services to produce a local offer for their service users. The consultation on this first Market Position Statement for Adults will inform further work.

4. POLICY IMPLICATIONS

The Market Position Statement is there to make our existing policies (which are reflected in our commissioning) clearer and more transparent for providers. Providers need to be able to use the document to better understand the Council's position and to adjust and develop their business models accordingly to best service the local population's care needs.

5. FINANCIAL IMPLICATIONS

As a summary of the commissioning intentions for adult social care in the borough this document works within existing financial budgetary requirements.

6. LEGAL IMPLICATIONS

The Council's legal obligations have been set out in 3.1 and 3.3 which sets out our duties under the Care Act.

7. PERSONNEL IMPLICATIONS

None

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	