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DCMQC Briefing Paper 5

Using the MPS to Help Structure the Care Market

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1 Introduction

This briefing paper has been produced following the 'Developing Care Markets for Quality and Choice' programme. It explores how market facilitation activities can be effectively implemented. Other papers in this series look at:

- The basics of market facilitation (Paper 1).
- Developing a market position statement (Paper 2).
- Good practice examples (Paper 3).
- A checklist for testing your local MPS (Paper 4).
- Intervening in the care market (Paper 6).

In Paper 1 it was suggested that there were three elements of activity that local authorities should engage in if they were to deliver an efficient and sustainable care market – market intelligence, market structuring and market intervention as illustrated by the diagram below.

Figure 1: The three elements of market facilitation



Market intelligence activity has been described in the papers on market position statements (Papers 2, 3 and 4). This paper looks in greater detail at who should be the audience for an MPS, how it might be used and how the local authority can develop its facilitative role towards the care market through market structuring the care market.

2 Market structuring: engaging with key stakeholders

Having developed an MPS, local authorities need to look in detail at how, and with whom, it needs to be shared in order to deliver the activities that it outlines. As Figure 2 shows there are several stakeholders who should receive an MPS and with whom commissioners need to begin discussions. These stakeholders extend well beyond providers of care and support.

Figure 2: Market partners



2.1 Public sector stakeholders:

For many adult social care departments there will already be structures and processes in place with a range of public sector bodies through which an MPS can be disseminated. However, it still requires considerable work in order to ensure that the role all public sector bodies play in influencing the care market is fully understood and their participation ensured.

Health & Well-being Boards

It is important to identify where a common approach to the market would be beneficial. This might include a joint MPS or developing a procurement approach that encourages services integrated at the point of delivery, eg, services where health and care are purchased from a single supplier around a set of outcomes against which payment is determined.

Care Quality Commission

Both the local authority and the Care Quality Commission (CQC), as the regulator of care, will have new responsibilities towards overseeing the care market. There may be a number of ways in which CQC and a local authority might cooperate in order to develop a picture of their local care market.

Elected members

Members need to be well informed about the impact of legislative change and certainly before the MPS becomes a public and widely used document. Ensuring that members are in agreement with the goals and aspirations of the document is not only politically important, but may also be significant if members have links into private and voluntary care organisations. In addition to the MPS a separate briefing for members could explain the:

- Content and purpose of the MPS
- Legislative impetus behind change
- Implications for the social care function
- Implications for other areas of the council
- Impact on consumers of care services.

Public health

Now that the public health function is within the local authority it is reasonable to expect that some of the background data concerning demand and supply will be developed by public health analysts. In turn they may need to be involved in dissemination in order to understand how such data is used by the sector.

Housing and planning

The relationship between planners and providers of housing and adult social care can have a wide and varied impact on the social care market. For example:

- Where care services are located and whether there is over or under supply in any given area can be influenced by the planning authority.
- Adult social care may be keen to know who has outline planning permission for what sorts of care schemes and where.
- If planning applications are likely to go to appeal can have a considerable financial impact on care providers and hence whether they might develop in any given locality.

Planners will rightly argue that they cannot refuse schemes vicariously; they need evidence to support or deny a planning application. Demand and supply intelligence from the MPS may form a key component of planning decisions.

In the case of older people, the development of extra care housing and the use of sheltered housing should bring planners, housing authorities and housing providers together to agree how best to utilise existing housing stock and to stimulate the market for development. This might include.

- The authority making land and sites available for housing with care schemes.
- Assisting in the conversion of care homes.
- Helping to appraise sheltered housing stock as to which schemes can help to support care needs more.

However, planning is also about the wider environment in which people live. Assuming social care has the objective of maintaining more people within the community, planners need to focus on what kind of living environments are being created. Out of town shopping centres, poor street signage, narrow pavements and inadequate street lighting for example, may all be factors that make older people feel that remaining in the community is difficult.

Business support and regeneration

Many authorities have commented that business support and regeneration initiatives do not seem to be targeted at care businesses. Hopefully, the MPS provides data about the total size of the adult social care market and the economic and employment impact it has on local communities. Many small voluntary and private organisations and micro enterprises clearly need and would welcome help in obtaining further business skills. Many care providers report high turnover in staff. Economic development and regeneration functions have an important role to play in seeking to ensure that there is a balance of potential employers in an area.

Other local authority functions

In addition to the functions as outlined above there are a number of other local authority services that have relevance to the care market:

- Transport and highways – For example, not only in terms of transport for consumers of care but also staff (many of whom are low paid and working shifts, hence need transport at odd times).
- Leisure services – For example, what leisure provision is available to people in care homes and other forms of accommodation who may not be able to access community leisure services.

- Training – For example, what training is available to help the range of council staff, both employed and contracted, who might need to interact with, and understand, somebody who has a dementia.

2.2 Consumers

Section 4 of the Care Act clarifies the duties on local authorities in terms of supplying information to actual and/or potential care consumers and their carers. This is in order to ensure that people are able to understand how the care and support system works, what services are available locally, and how to access them.

However, if effective outcomes are to be delivered by the supply side of care then consumer research needs to embody more than just the giving of information and the occasional satisfaction questionnaire. The market shaping duties in Section 5 can only be delivered if consumer information, its receipt, use and relationship to the choices people make, is delivered under Section 4.

For example, an effective use of information certainly means more than just 'signposting' people to services¹ or giving leaflets. Important questions to ask might be checking whether the signposted advice was followed, or whether it pointed people in the right direction.

It is also important to note that the Care Act lays emphasis on the market shaping role being across all actual and potential recipients of care, not just people for whom the local authority funds care. Therefore, local authorities need to understand more about self-funders' purchasing behaviour for both regulated and un-regulated care

Beyond giving information, it is also important to take proactive steps towards ensuring that service users' experience informs the MPS. This is not simply involving 'the usual suspects' but using information from individual reviews² aggregating information about needs that are not being effectively met and reviewing complaints in order to build a view of consumer reactions to service supply.

Therefore the MPS should reflect a number of factors concerning consumers. For example take up of provision and how that differs between self-funders and those in receipt of state funding. Who uses our web sites and do they find what they are looking for? What have the trends been in the take up of purchased extra care housing? Can we begin to define the hidden care market of those using unregulated care?

¹ As Henwood and Hudson found in –'Lost to the System? The Impact of Fair Access to Care, Henwood and Hudson, CSCI, 2008' signposting does not always work well.

² For example, see Department of Health (2009) *Working Together for Change: Using Person-centred Information for Commissioning* which describes a process that uses person-centred information to drive strategic change and commissioning

Where the MPS defines future strategic direction based on the range of information available locally it is helpful to consult with current service users using a variety of means to check this out.

2.3 Providers

Providers in the various consultation exercises that were undertaken as part of the Developing Care Markets Programme (DCMQC) outlined a number of expectations of an MPS and how they would like to see it used. For example:

- Local authorities need to have a mechanism for letting organisations know an MPS or an update has been released. This needs to cover not just providers the authority contracts with but all providers in their area, remembering that not all providers belong to local care associations.
- There needs to be ground rules for future local authority / provider meetings if they are to help in building relationships with providers, and these could be described in the MPS. Currently, providers say it feels as if engagement is often dictated by the local authority, ie, it occurs when they have a problem or when they want an answer quickly.
- If providers are asked for information, then the local authority should be clear about why it wants it and what benefit its collection might deliver to providers as well as the local authority. Providers don't always feel safe handing over their information and they also want to be asked in the right way.
- The MPS needs to be part of a process with providers not a replacement for it. For example, market structuring could include where providers go for redress if they are unhappy about local commissioning arrangements.
- Of particular concern in the current climate is the level of resourcing available to social care. A number of providers, in response to the DCMQC programme, have said they would be more than willing to sit down with their local authority and look at how they can help to make savings, in a way that is less damaging to the sector and less likely to lead to judicial review than presenting the care market with a fait-accompli.

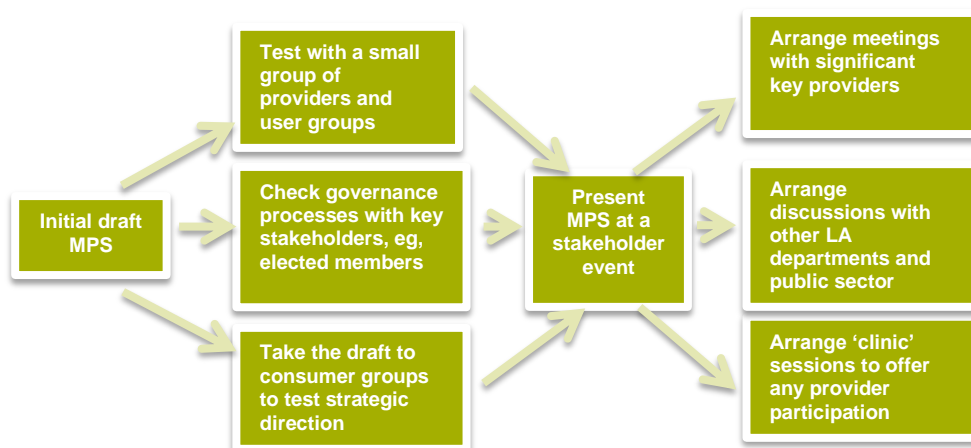
Therefore, considerable thought needs to be given to how a local authority uses its MPS with its provider community and whether it addresses some critical issues: For example:

- Is the commissioners' portrayal of the local market how providers see it?
- Does the model of care which the local authority wishes to support and the business opportunities outlined fit with the strategic direction and business plans of providers (does the provider even have a business plan)?

- Is the strategic direction suggested by the commissioner going to stimulate or depress the market?
- Is the approach of the authority one with which providers can do business (and that means all aspects of the local authority not just the social care element)?

Clearly, the same kinds of dialogue cannot be had with all providers given that in some authorities this will involve a considerable number of organisations. However, across the market it might make sense to offer an individual discussion with fifteen to twenty of the authority's largest providers (based on spend) and the offer of group discussions to others who may wish to participate. Such discussions might vary widely from large national organisations, where much time and effort is spent in understanding how best to target their business, through to small local micro-providers whose knowledge of the actual and potential market may be very limited. An amalgam of a variety of approaches to market engagement is outlined in Figure 3 below.

Figure 3: An example of market engagement



In addition to discussion, sometimes it may be helpful for providers and commissioners to spend time engaged in simulating joint decision making. The Think Local Act Personal website has sample exercises that can be used which involve commissioners, providers and consumers in role playing shared decision making on market facilitation topics³.

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http://www.thinklocalactpersonal.org.uk/Browse/commissioning/National_Market_Development_Forum/Commissioning_the_future/