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Improving Social Care in Wales
Gwella Gofal Cymdeithasol yng Nghymru

Developing a Market Position Statement: A Commissioner's Toolkit

[See Contents](#)



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1. Introduction

The Welsh Local Government Implementation Plan for Sustainable Social Services includes a commitment to facilitate meaningful dialogue with commissioners and providers, to build a clear picture of current markets, and determine where these need to be reshaped to achieve the best outcomes for users and carers.

To support this, the Institute of Public Care at Oxford Brookes University (IPC) was asked by the Social Services Improvement Agency ('SSIA') to produce guidance for commissioners of adult and children's social care on how to develop a market position statement.

There is no statutory requirement to develop market position statements in Wales. However, developing an accurate picture of need and markets is a key activity for effective commissioning and this toolkit offers support for commissioners in developing market position statements for the social care market. It has been developed following an initial series of workshops on market facilitation and a consultation workshop which was attended by commissioners from across Wales in spring 2013. It contains the following:

- A summary of key national policy and guidance.
- An evaluation of the key ideas informing market facilitation.
- An overview of what should be included in a market position statement.
- Frequently asked questions.
- Example market position statements for both adults and children's social care.



2. The national context

There are 2 key policy documents from the Welsh Government which are particularly relevant to effective commissioning and market facilitation in social care.

Firstly, in 2010, the Welsh Government issued Section 7 Guidance to local authorities on commissioning social care services. '*Fulfilled Lives Supportive Communities Commissioning Framework and Guidance (2010)*' recognises that commissioning for social care is one of the most important activities undertaken by a local authority. The Guidance includes standards, which centre on the development and delivery of evidence-based, outcome-focused, commissioning plans. It highlights the need for commissioners to make judgements, based on their analysis of the existing market, about the most appropriate approaches to market development and procurement in their local area, including different contract forms, grants or in-house provision.

Secondly, '*Sustainable Social Services for Wales: a Framework for Action*' was published in 2011. It sets out the Government's aspirations for the transformation of social care and is a response to the changing needs of citizens, as well as the reduction in public finances. In particular it highlights:

- Greater citizen control.
- A focus on outcomes and prevention.
- The need for better integration and collaborative working, which avoids duplication and focuses on the needs of citizens.
- A shared approach between the public, private and voluntary sectors.

In the framework the Welsh Government articulates its view that national and local government must drive improvements in the market, rather than simply respond to the existing range of services. Commissioners are encouraged to work in dialogue with providers to ensure that social care is delivered within a public service ethos.

Commissioners can access support in implementing '*Fulfilled Lives Supportive Communities Commissioning Framework (2010)* and *Sustainable Social Services for Wales: a Framework for Action (2011)*' via the SSIA and Welsh Local Government Association programme of support described in '*The Local Government Implementation Plan (2012)*'.

In addition to existing guidance, at the current time the Social Services and Well-being Bill (Wales) 2013 is proceeding through legislative scrutiny. The Bill includes a number of important elements relevant to the development of local care markets in Wales including:

- Promoting the range of services to support the well-being of people who need care and support, and their carers.
- Better understanding the needs of the local population and the ability and capacity of local services to meet that need.
- Promoting the development of new models of delivery through social enterprises, co-operatives, user led and third sector services.
- Promoting the availability of preventative services from the third sector in the arrangements it makes for providing care and support and informing people in its area about what services are available.
- Securing the provision of an information, advice and assistance service to provide people with information and advice relating to care and support and provide assistance to them in accessing it. Providing information and advice about the care and support system provided for under this Bill, the type of care and support available in a local authority area and how to access it and how to raise concerns about people who appear to have needs for care and support or support.

Assuming the continued passage of the Bill through to an Act in 2014 this will have significant further implications for the roles of the local authority and its key partners as facilitators of the market.

3. Defining market facilitation

A market position statement is only one element in a range of activities which local authorities and their partners need to undertake if they are to be successful in promoting the successful development of services to best meet the needs of the local population. This range of activities is called market facilitation, and can be defined as follows¹ :

“Based on a good understanding of need and demand, market facilitation is the process by which strategic commissioners ensure there is diverse, appropriate and affordable provision available to meet needs and deliver effective outcomes both now and in the future.”

Looking at some of the phrases in the definition in more detail:

Phrase	Comments
Understanding of need and demand	Many local authorities routinely collect population needs information within Joint Strategic Needs Assessments or similar documents. They may also have information which gives a view of demand. However, the task is more than a simple matching of existing services to populations. Understanding demand is also about understanding what approaches work best, with whom and when. It involves asking where interventions might best be targeted and understanding which situations might deteriorate leading to poor outcomes for the individual and high, potentially avoidable, costs for public care. Finally, strategic commissioners must relate their understanding of demand to that of actual and potential users of care services.
Strategic commissioners	In the past this would probably have meant the commissioning and contracting functions in social care. However, taking a holistic view of the market means also encompassing those involved in housing, planning and community development, as well as, for example, health and education.

¹ Some of the concepts explored in this paper have been derived from earlier work by IPC with the National Market Development Forum (NMDF). The NMDF is a work stream of the Think Local, Act Personal Partnership and further information is available at www.thinklocalactpersonal.org.uk

Phrase	Comments
Diverse, appropriate and affordable provision	<p>There is a balance to be struck here:</p> <p>Diverse may mean a choice of providers or a choice of different services from one provider. It does not mean a market where there are many providers all offering the same service.</p> <p>'Appropriate' may have a wide range of interpretation; for example, an older person's rehabilitation service may not be appropriate for a young physically disabled adult; a foster carer may offer an ideal care environment but be too far from a child's original home to be acceptable.</p> <p>Affordable does not mean 'at any price' but equally, it does not always mean the lowest price. This is the case whether the purchaser is a local authority or an individual buying independently, or through a direct payment.</p>
Deliver effective outcomes	<p>The word 'outcomes' is being used more extensively in public care. However, there is a difference between simply stating a set of outcomes that are desired, as compared to paying for that service by the achievement of those outcomes. An example may be where the purchase of home care moves from purchasing by cost and volume to one where the purchase is based around a set of rehabilitative or re-ablement goals.</p>
Now and in the future	<p>Market facilitation needs to combine both short and long term strategic approaches. Of immediate concern will be day to day issues over supply and demand. However, as most providers assert, the key to a successful market is about consistency of demand and price. Investment requires predictability about how the market will behave and longevity if new ideas are to mature and develop.</p>

In the 'Fulfilled Lives Supportive Communities Commissioning Framework and Guidance (2010)' commissioning is described as essentially a sequential series of activities centred around 4 quadrants:



Market facilitation and the MPS form part of the 'securing services' quadrant, intended to contribute realistically and constructively to ensuring that the relationships between commissioners, providers and services is constructive, mature and above all valuable for service users. They are only part of the overall commissioning task, but are increasingly important as local authorities aim to work constructively with all of the many different providers of services in their local communities to best meet the care and support needs of their citizens.

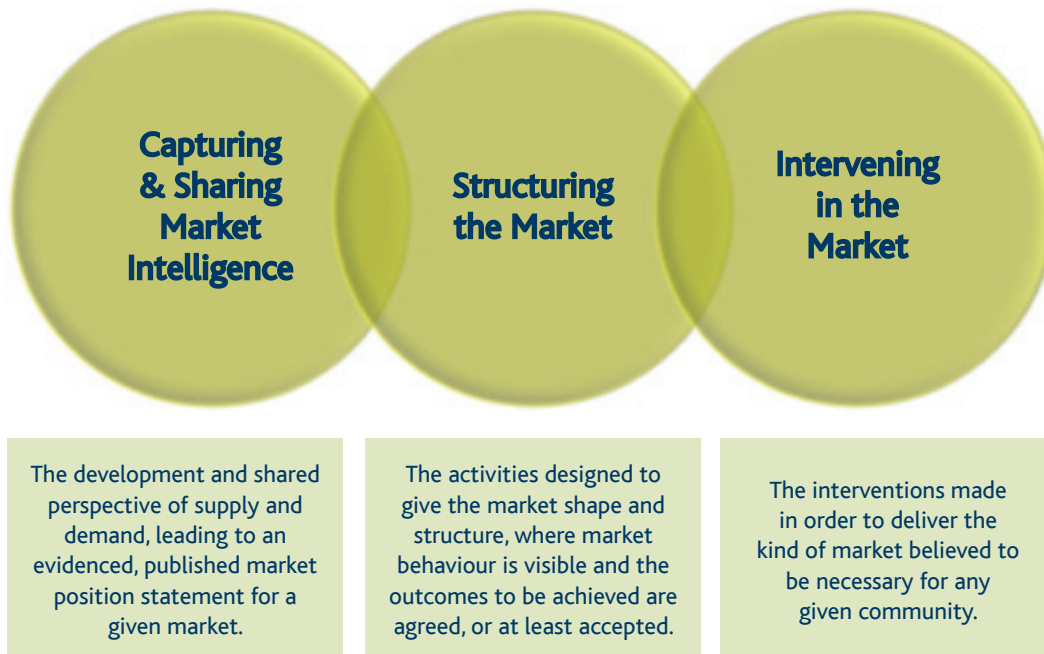
As Wales looks to build further on its legacy of community-based services and promote and encourage citizen-directed service models² and social enterprises³, local authorities will need to use the discipline of commissioning to ensure that its resources promote service choice and that the social care market in the local area is vigorous and able to offer real choice to citizens. Potentially more and more services will develop and grow through direct provision to individual citizens, and the local authority role will be less to do with contract management on behalf of citizens, and more about helping to ensure that the local area has a range of providers who understand and can meet the needs of the population. Systematic market facilitation through shared intelligence and on-going dialogue will be a key way in which this takes place.

² See for example the Wales Alliance for Citizen Directed Support <http://wacds.org.uk/>

³ See for example specific provisions in the Social Services and Well-being (Wales) Bill 2013

4. Market facilitation activities

The market facilitation task is complex, and it requires a new set of activities and skills from commissioners.



Considering each of these in turn:

4.1 Capturing and sharing market intelligence

This involves ensuring that the local authority is well informed about the market, understands the factors that influence demand and supply and has a clear vision of what good quality care looks like and the outcomes that it will achieve. A commissioner would naturally want to know, for any market, who provides what, where, to whom and at what price. However, they would also need to answer some of the following questions:

- What does quality look like?
- How sustainable are the care businesses that serve the local area?
- Is there sufficient diversity and flexibility of services to meet local need or is the market dependent on very few providers, where the service is delivered at the provider's convenience rather than that of the consumer?
- What are the deficiencies in current provision?
- What do consumer surveys tell us about the future shape of provision?

The social care market has close interaction and interdependence with the markets for health, education, housing, transport and leisure and can have a significant impact on local economies. Therefore, a full understanding of the market should involve working with other public care commissioners in gathering and sharing data, wherever possible. It is vitally important that this information is not just seen as belonging to the local authority. It is valuable information which if shared with providers and potential providers can help them make good business decisions and develop their services to meet the future needs of the population. The local authority needs to use the intelligence to explain to all stakeholders the current status of the social care market and to identify what it should look like at a fixed point in the future.

Once data has been captured and analysed it forms the basis of a market position statement (MPS). The MPS is intended primarily for providers, although it can be of interest to consumers, to help them understand and respond to a local authority's commissioning intentions. We will look at the contents of the MPS in more detail later in this document.

4.2 Structuring the market

Structuring the market involves making explicit how the local authority intends to perform and behave to influence the market. For example, an activity that supports providers to change the shape of purchasing from 'cost and volume' to 'commissioning outcomes' would be market structuring activity.

Structuring the market may involve work with other key stakeholders such as health, housing and planning colleagues. Other examples of market structuring could involve working with planners to produce guidance that reflects long term demand for care homes and supported housing in the context of older people or learning disability. It may also mean identifying and removing barriers to market entry faced by specific providers; developing channels to gather ideas from providers about new models of care, or piloting innovative approaches.

Market structuring may also involve the local authority developing the skills and competencies of its own staff so that they are better equipped to facilitate the market.

4.3 Market intervention

Market intervention brings the results of the intelligence gathering and analysis and the market structuring together to deliver the desired market. This may include, for example, stimulating particular parts of the market with financial incentives; offering specialist training; supporting providers with business planning; working with providers and consumers in order to deliver good quality information; creating vehicles for consumer feedback on service provision; or, setting up not for profit ventures.

5. What is a market position statement?

So, within the overall market facilitation task, a market position statement is a key product to help with capturing and sharing market intelligence. It has the following characteristics:

- It presents a picture of current demand and supply and possible future trends.
- It is a brief, analytical document that is clear about the distinction between description and analysis. It explains the local authority's priorities based on an evaluation of the data and evidence.
- It supports its analysis by bringing together material from a range of sources such as Joint Strategic Needs Assessments, surveys, contract monitoring, market reviews and statistics into a single document. The data presented should help providers to develop effective business plans.
- An MPS should cover all potential and actual users of services in the local area, not just those accessing state funds.



6. What questions does an MPS need to address?

As a succinct and authoritative analysis of the local market, the MPS is likely to need to address some or all of the following questions if it is to be effective. Some of these questions will be straightforward, and it will be easy to secure and analyse the relevant data. To answer other questions however, new data and new approaches will be needed.

Demand	<ul style="list-style-type: none"> ● What are the broad population trends and which sectors of that population will grow the fastest? ● Are there geographical distinctions in the way populations are distributed? ● What is the relationship between the whole population and people who currently receive a service? Is it possible to distinguish between populations that are known, those that we should know and those that are likely to remain unknown? Are there changes in demand that providers are experiencing and are these quantifiable? ● Are there market sectors where there are particular problems in meeting need? ● How might past trends over time match the future trajectory of demand? ● What surveys of the general public and of service users have been conducted? Can these be brought together with material from inspection reports and national research into clear indications about future trends and desires?
Supply	<ul style="list-style-type: none"> ● What is the current distribution of services in relation to the population? What does service take up look like over time? ● Have we been able to identify those who fund their own care and support and if so what is the distribution between the state funded and the person funded service? ● Is this a stable market, a market that is growing or a market that is in decline and what are the consequences of any of these positions? ● What is considered to be the threshold of quality, how good is local performance as shown through complaints, inspections and so on? ● Are there services that we would currently see as over, or under supplied and why? ● Which services are financially vulnerable, which have grown and which diminished? ● Are there some providers who have a significant market share?
Other	<ul style="list-style-type: none"> ● What sensitivity is there to price and what relationship has been established between price and service quality. Are there sectors of the market where people would be prepared to pay more for enhanced provision? ● Have we outlined what we would consider a good service to look like, in what volumes to match demand and explained why the local authority has come to that conclusion? ● Have we been clear about the likely future level of resourcing by the local authority both in terms of estimating likely future service purchase and the resources the Authority might offer to the sector, eg, training, etc, ● Is there a clear plan for how the MPS might be used and a process by which providers can respond to the Local Authorities market analysis?

7. What might an MPS actually look like?

An MPS will of course have to be developed to meet the needs of specific population groups, and length and detail will vary. Nevertheless there are some common characteristics and the table below outlines what might typically be contained in an MPS for social care.

Section	Key Elements
A summary of the direction the local authority and its commissioning partners wish to take and the purpose of the document	<ul style="list-style-type: none"> Summarises the outcomes to be achieved and any elements of policy, legislation and regulation which will have an impact on the market. Contains a summary of the key elements of the analysis presented in the individual sections below. This section should be written last of all and ideally be no more than one page.
The local authority's predictions of future demand, identifying key pressure points	<ul style="list-style-type: none"> An analysis of the current population and anticipated projections for the coming 5 to 10 years for the relevant market sector. It will identify the impact any population change may have on future demand for services. The analysis should cover the whole population of potential service users, including those who fund services themselves and those funded by the local authority either in part or in total. Consumer perspectives should be represented here. Highlights particular aspects of demand now and in the future; for example, by geography (which wards have high density) and by nature (dementia, profound and multiple disabilities et cetera), and whether this is likely to increase, remain the same or diminish. This analysis will include the rationale on which such estimates are being made.
The local authority's picture of the current state of supply covering strengths and weaknesses within the market	<ul style="list-style-type: none"> A review of current spend on services across the relevant market including public private and voluntary sector resources. A quantitative picture of supply, looking at what services are provided, to whom, where and in what volume. Particular issues to look out for could be: does the profile of service provision match likely future demand; are services located in the areas of highest need: do the services available offer genuine choice? A qualitative picture of current supply indicating those areas where services appear not to be meeting required standards or user's requirements or outcomes. These may be based on reports, of complaints, of user surveys mystery shopper exercises and the like.
Identified models of practice the local authority and its partners will encourage	<ul style="list-style-type: none"> A review of how the commissioning organisation understands supply in terms of the latest evidence about the best approaches and methodologies. An explanation of the desired models of care and an analysis of whether they are matched by current provision. Suggestions about how the market might deliver change. A statement about whether commissioners will provide or directly purchase any services; whether they will seek framework agreements with providers and whether these will be based on outcomes. An explanation of areas where the local authority will seek to influence the inspectorate, service users, carers, or national government.

Section	Key Elements
The likely future level of resourcing	<ul style="list-style-type: none"> ● The local authority's priorities: where it wishes to see services develop and those areas where it would be less likely to purchase. ● A description of likely future public care resourcing, and how this might drive the vision identified in the previous section. ● If less funding is to be made available, an explanation about this and of the opportunities for the market to propose or be involved in ideas for service re-design and new delivery models. If particular service areas are vulnerable to funding reduction, an analysis of the likely service areas which might be de-commissioned or discouraged and how the local authority will seek to achieve these changes.
The support the local authority will offer towards meeting its identified model	<ul style="list-style-type: none"> ● An analysis of what the authority anticipates will be the impact of more service users purchasing or negotiating their own care, and the impact this might have on the market. ● Opportunities to shape future thinking and also any particular offers that may be available to providers; for example, outcome based contracts, land availability, help with planning consent, guaranteed or underwritten take up of services, training and development, business and management support.

Putting together an effective MPS is not easy. It requires good information, succinct analysis and a willingness to engage with many different stakeholders in a way which promotes a genuine and meaningful dialogue. It can be worth the effort, however, in helping local authorities and their partners secure the kind of services that will be needed to meet the needs of its local population into the future.



8. Frequently asked questions

Many authorities across England, Scotland and Wales are working on market position statements at the current time. Some of the most frequently asked questions from their work are outlined below, along with suggested answers:

8.1 Must we produce a market position statement?

There is no statutory requirement for any local authority in Wales to produce a market position statement. However, developing an accurate picture of need and markets is a key activity within the Local Government Implementation Plan and the development of market position statements for the social care market is considered good practice.

8.2 Can we co-produce the market position statement in partnership with providers?

While the analysis of demand and supply can be developed jointly, the local authority needs to be clear about its approach to facilitating the market. For example, the local authority needs to communicate clearly the level of resourcing available; its expectations about models of service delivery and the outcomes required. Essentially, the market position statement is a clear statement of public sector plans for the health and social care market.

8.3 Our providers stretch across more than one local authority boundary, can we produce a joint market position statement?

In some instances it may make sense for authorities to work together in producing a market position statement. This may provide mutual support to its authors. More importantly, it may also reflect local provider communities; for example, where regional contracts are in place. However, where there are differences, such as in demand, or in terms of the shape of future support, or in approach to best practice between authorities, these would need to be identified clearly and explicitly.

The regional collaborative agenda is developing a pace in Wales and many local authorities are engaged in regional initiatives to improve their capacity to manage

the commissioning of social care services. For some markets, such as looked after children placements, specialist care for people with mental health problems or learning disabilities, or complex substance misuse problems for example, regional collaboratives might be an ideal place where regional MPS could be developed.

8.4 How do we define a market or are we talking about all social care?

The definition needs to focus on the provider's own definition of their market, rather than on how the local authority defines its functions. Therefore, if providers feel they serve a market defined by their consumers, such as older people learning disability, then a market position statement should be produced for each of those market areas. It is important to describe what is within, and sometimes beyond, the scope of a market position statement. For example, some market position statements will focus on particular populations, such as all older people; others will focus on sections of the population, such as older people with dementia.

8.5 What is meant by market facing?

This is a document that should be written for people who provide services in a particular market, whether state, private or voluntary sector. Therefore, it should aim to give its readers information they may not already know and which would be helpful in their future business planning. It should offer a clear picture of what gaps there are in the existing care market and identify what consumers and potential consumers are saying about services. It should be a document that encourages dialogue between the local authority and its providers.

8.6 We already have plenty of information about demand, why do we need to do more analysis?

In understanding demand, it can be unhelpful to simply extrapolate population data without applying more subtle and detailed analysis. For example, population trends may vary over time; evidence-based practice may influence and change perspectives on the most appropriate types of intervention for client groups; or legislation and policy direction may change.

8.7 What is meant by 'whole populations'?

Previously many social care strategies have looked only at known and state-funded populations. In considering the 'whole market' it is important to broaden the analysis. For example, we may know how many older people in residential care are being funded by the state but it might also be helpful to know how many people are self-funding and to consider the future implications for the market. Some authorities may not have ready access to such information. However, it can be helpful if the market position statement provides clarity about current knowledge and indicates what the local authority wishes to better understand in the future.

8.8 Why does the local authority need to do anything, if in the future social care consumers will drive demand and supply?

The market facilitation process recognises the potential changing role of the local authority from the provider of services to one where it seeks to influence, develop and encourage the market towards the provision of good quality care.

8.9 Do we still need commissioning strategies?

The answer to this question is 'sometimes'! The commissioning strategy is likely to be a more wide ranging, extensive and detailed strategic document which indicates broad commissioning intentions and is supported by a detailed needs assessment which offers a statement of demand. The market position statement primarily describes the key elements of a strategy in terms of the local authority approach to suppliers, an approach to supply. The diagram in Appendix 1 illustrates the relationship between Commissioning Strategies, market position statements and Procurement Plans.

8.10 How should we disseminate a market position statement?

Local Authorities are increasingly establishing 'Provider Forums' to ensure they have regular and direct dialogue with their providers. This can be an obvious and useful starting point for disseminating market position statements. Others are developing dedicated areas on their corporate websites which can be used to indicate

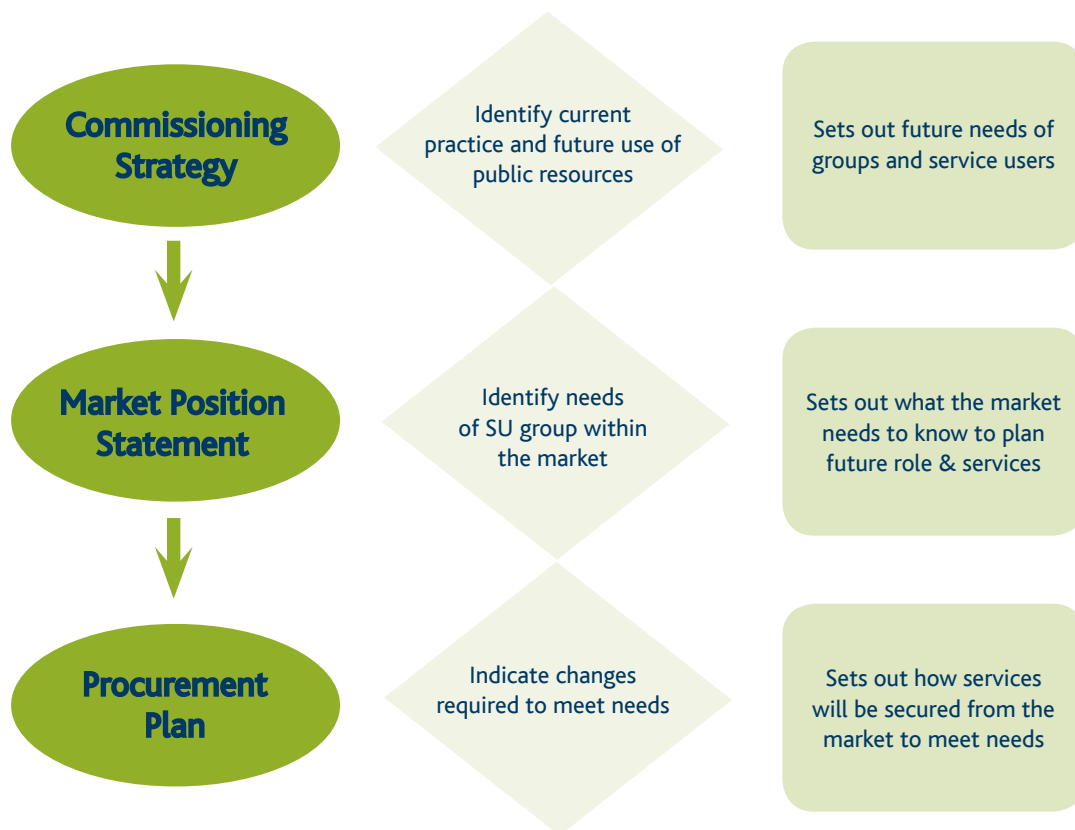
commissioning intentions and related information such as a market position statement.

9. Finally

The role of local authorities is changing and current and future policy both suggest that its task in facilitating and supporting the development of the social care market will become increasingly important. This is a complex and demanding task and commissioners will need new skills and new tools to help them address them. Developing and using Market Position Statements to build a good picture of the market, and then work with providers to help them respond to need is not the only way in which this can be done, but it is certainly one approach that is already proving useful



Appendix 1: The relationship between a commissioning strategy, market position statement and a procurement plan



Appendix 2: Example materials for adult social care

The following is an illustrative market position statement based on information provided by a number of authorities in Wales.

Adult Social Care Market Position Statement for Dragonshire

A summary of the direction the local authority and its commissioning partners wish to take and the purpose of the document

This document is aimed at existing and potential providers of adult social care and support. It represents the start of a dialogue, between the Council, people who use services, carers, providers and others about the vision for the future of social care markets. We are committed to stimulating a diverse, active market where innovation and energy is encouraged and rewarded and where poor practice is actively discouraged.

The local authority's predictions of future demand, identifying key pressure points

The future of Adult Social Care is going to see significant change. By 2030 nearly 20% of the population will be aged 65 or over (*source : Daffodil*) The demand for services to older people will increase as the shape of local and national populations changes as a result of advances in medical science meaning more people are living longer. The rise in demand will not be matched by Government Funding meaning a new approach is needed to how social care and support is delivered. Regardless of funding, people will want more choice about how their needs are met. A recent customer survey indicated that a priority is to support people to live independently and stay at home longer.

The local authority's picture of the current state of supply covering strengths and weaknesses within the market

There are seventy three registered care homes for older people in the area, providing around 2,900 places. 4 of these homes are operated by the Council, the remainder by the independent sector. The Council's information systems indicate that the authority currently purchases around 60% of all places on behalf of its residents.

Twenty four of the care homes (with 741 beds) qualify for the Council's additional fee for dementia payments. There are a further 80 Dementia beds within two of the Council run care homes.

There are a number of care homes that are in single ownership and some of these providers have stated that when the property market improves, they intend to retire and sell their property. It has already been identified that some of these homes are not viable mainly due to size but some are in a poor state of maintenance.

Identified models of practice the local authority and its partners will encourage

We are developing a new way of helping people who have lost life skills to regain their independence through a joint health, social care and support service. We have piloted this in a rural part of the authority by creating integrated teams of health, social care and domiciliary workers.

Referrals are received direct from GPs or therapists based in hospitals, or re-directed from our call centre. There are no waiting lists and no criteria, as these immediately create barriers.

The service is free of charge, is available for up to six weeks and maximises a persons' independence so that, ideally, no on-going support is needed. However, it is recognised that, at times, long term care and support may need to be delivered following and episode of reablement.

This service helps prevent hospital admissions and facilitates timely discharges so that a customer can return home straight from an acute hospital without the need for a transfer to a community hospital.

We would like providers to support reablement by offering services which demonstrate:

- Flexible and integrated care and support provision to achieve customer outcomes.
- Workforce development, including contributing to assessments and reviews in order to better respond to customer needs.
- Consistency of carers and care.
- Working with a reablement ethos to enable independence.
- Connecting customers with wider community opportunities.
- Staff training and development of services to respond to the increasing numbers of customers with dementia.
- Transport and simple pricing structure.
- It is looking to work with providers of services who are able to develop services which will be cost-effective and of high quality in a highly rural and geographically dispersed area.
- That they can deliver services using the medium of the Welsh Language equally as well as those delivered in English.

The likely future level of resourcing

- The adults, health and community well-being budget in 2011/12 was 5.9% less than the previous year; the budget available in 2012/13 is a further 4.5% less; and in 2013/14 a further 4.1% less.
- Last year the Council spent £76 million (net) with over 590 organisations on social care services for older people in 2010/11 which constituted 55% of the total adult social care spend, 3% higher than the national average.
- As can be seen from the table there has been a consistent proportionate increase in expenditure on residential care for older people. We need to change this balance so that a greater proportion of the budget is spent on preventative services and through cash payments and a smaller proportion spent on registered care.

The support the local authority will offer towards meeting its identified model

The Council wants to support voluntary sector providers via infrastructure organisations to come together to build more social capital in the district. It also wants to reduce requirements placed on providers to work within complex contractual arrangements and to make it easier for existing and new providers to enter the market and work with us. The Council aims to continue to encourage local people to help influence local commissioning decisions and will always consult with its residents to shape the services they want.

Appendix 3: An example market position statement for children's services

This example is taken from 'Commissioning for Families with Complex Needs' developed by IPC as part of the Commissioning Support Programme on behalf of the Children's Improvement Board. It can be found at <http://ipc.brookes.ac.uk/>

The participants in the all Wales consultation workshop felt this worked example is helpful when producing market position statements for Children's Service. It illustrates how to describe:

- The audience for the market position statement.
- An analysis of demand.
- The current state of supply.
- The models of best practice which the commissioners wish to encourage.
- Any significant and specific changes to service delivery required by the local authority.
- The likely levels of funding.
- A description of how the local authority will support providers to deliver the desired outcomes.

This worked example is illustrative of a market position statement for children's centre services. It is not a policy model, but is used here to show how these guidelines might be used in practice.

Market Position Statement for Children's Centres in Anytown'

Children's centres are the lynchpin of our provision for vulnerable families with younger children. We must look to make best use of our total local resource to ensure the best outcomes for all children aged 0–5 including, in particular, our most vulnerable children.

This market position statement is aimed at:

- organisations interested in providing children's centre services – what kinds of services we are looking to support.
- families – how we intend to shape the local children's centre market to best meet your needs, and how you might be encouraged to participate.

It represents the start of a dialogue about the future of local children's centre markets. We aim to give a clear insight into the ways in which we propose to commission children's centre services and our vision for how other key services, such as health visiting, speech and language services, and early years education can work together with and use children's centres as a vital local hub for more vulnerable families.

It takes into consideration the findings of the recent review of children's centre and allied services, which was shared with local families and providers, our Commissioning Strategy for Early Years Services, and our knowledge of good or emerging practice. It also takes account of national developments in relation to health services overall as well as recent national reviews such as the Kennedy Report (2010), the Review of the Early Years Foundation Stage (2011), the Allen Review (2011) and the Munro Review of Child Protection Services (2011).

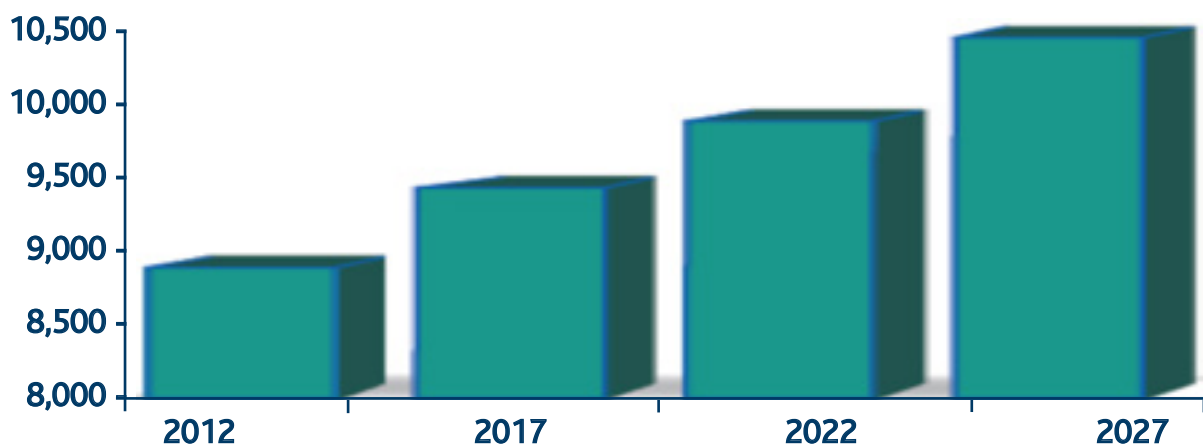
We are committed to stimulating a diverse, active market where innovation and energy is encouraged and rewarded and where poor practice is actively discouraged. This is an important role for the Children and Young People's Partnership. It is a key part of shaping a place where all families, but particularly those with emerging additional needs, can engage in and benefit from services that build on family strengths, and address difficulties, with the important ultimate aim of improving outcomes for children.

Organisations interested in providing children’s centres can learn about our intentions as a purchaser of services, and our vision for how services might respond to the national drive for greater targeting of the more vulnerable families.

Likely future demand and pressure points

Our population of children aged 0–5 years old is set to grow slowly over the next 10 to 15 years.

The population aged 0-5



Families currently registered with and using children’s centre services come from a range of backgrounds and some centres are succeeding in attracting a greater diversity and number of vulnerable families. However, overall the balance is too much in favour of parents who could get by without additional help, and we are not succeeding in stimulating sufficient demand for services aimed at supporting more vulnerable families, for example:

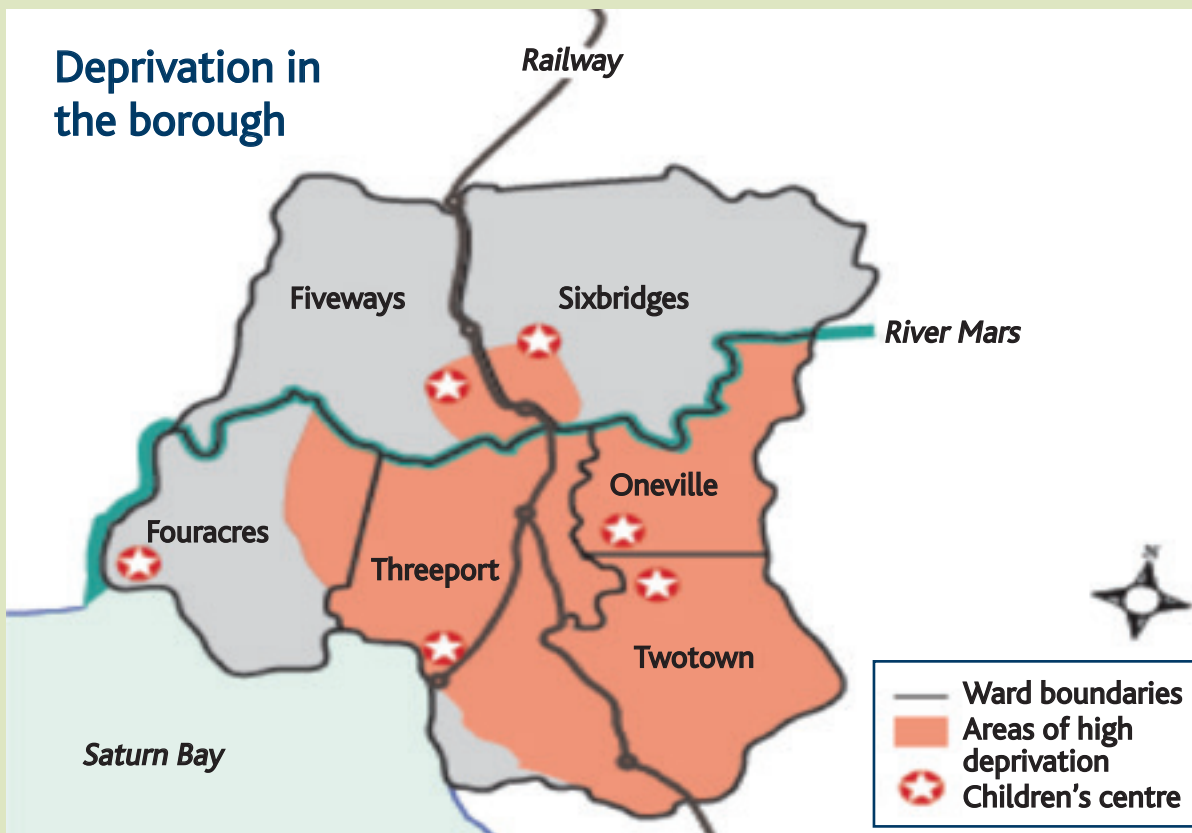
- families who have children with disabilities.
- younger parents, including in particular teenage parents.
- families with parental mental ill-health.
- families with parents who drink too much or take drugs .
- families where there is domestic violence.

Demand for key aspects of children’s centre services such as parenting education classes is high but, again, insufficient numbers of families with additional needs are being supported to attend these.

Families – including vulnerable families accessing children’s centres – travel; they don’t necessarily choose to access their local centre.

Wards that are more deprived and have a greater number of indicators of family vulnerability currently include: Oneville, Twotown and Threeport although there are pockets of deprivation and vulnerable families in all of our six wards.

Deprivation in the borough



Although our local breastfeeding rates are high overall compared with the national picture, rates for vulnerable groups such as younger mums remain stubbornly low.

Vulnerable families do access Team around the Family locally, but in much greater numbers for older children and young people. We have very low demand for in Team around the Family arrangements for families of 0–5 year olds. There is no clear record of the extent to which Team around the Family families are accessing children's centre services and little connection between the two.

Demand for specialist children in need services for under 5s continues to grow locally, but not as steeply as in other areas.

Our recent children's centre parents' survey has revealed that many existing users are happy with the services on offer but would like more flexible opening hours including more evening and weekend activities, more groups for fathers, more welcoming reception areas, and greater one-to-one support where appropriate.

The current state of supply

We currently fund a children's centre in each of the six wards. There is a mixed economy of provision, with some centres and services delivered by the council and some by the voluntary and community sector.

The 'offer' and activity type and level varies greatly from centre to centre. Most have standard offers such as nursery provision, parent and toddler groups, employment advice and general family support. However, not all centres offer evidence-based parenting programmes, which we know are central to effective early intervention, or more intensive and tailored support for families identified as being vulnerable, or outreach services that can target and support families who might find it difficult to ask for help.

Services provided by the more successful children’s centres include a combination of relatively open-access and attractive services such as nursery provision, baby massage and parent and toddler groups with:

- evidence-based parenting programmes such as Webster Stratton.
- dads’ groups.
- parents’ forum.
- outreach services.
- breastfeeding support.
- access to other services, such as counselling and other mental health support services, housing and debt advice.
- young parents’ group.
- bespoke family support.
- community activities.
- activities for disabled children and their families.

Models of practice we will encourage and support

We retain a commitment to commissioning children’s centre services, focusing resources in particular on areas where there is greatest deprivation and need. Children’s centres will continue to need to deliver a ‘core’ offer including:

- energetic and visionary leadership.
- welcoming reception areas and easy access information, advice and support services.
- working together with families and involving of parents in shaping delivery.
- services to support a range of good outcomes for children – seen through the eyes of the child.
- contribution to the sufficiency of good quality child care locally.
- targeted family support.

Particular changes we are seeking to achieve over the period 2012–15

1. A shift away from focusing on growing registrations from across the overall population of 0–5 year olds to extending the number of vulnerable children and their families accessing outcomes-focused, flexible, and evidence-based support. Particular target groups include:

- families where housing, debt, parental mental ill-health, substance misuse, disability, social isolation and/or domestic violence or a combination of these are impacting or likely to impact on parenting capacity.
- younger parents, including in particular teenage parents.
- fathers.
- children with disabilities – particularly those with emerging behavioural or speech and language problems.

These services will not need to be delivered exclusively by children's centre staff. They will need to be developed with and complement other targeted services locally including those commissioned by the local authority to support children in need, and community health services. Services should focus on increasing child resilience and preventing or reducing risk factors including parent and environmental factors. They will need to be well planned and for sufficient duration to make a difference.

2. A further extension of outreach activities – including evidence-based engagement with and planned programmes of support for vulnerable families. Again, these services will need to complement and not duplicate others including community health services.
3. A greater focus on parenting skills development, including evidence-based group and individual programmes of support designed to enable consistency, capacity and motivation of parents to nurture children.
4. A further extension of children's centres as hubs for other services, including in particular community health services such as health visiting, speech and language therapy and midwifery.
5. Facilitation of parent or community-led universal activities and consideration of charging mechanisms for open access provision – to ensure that these services remain viable and provide a bridge into more targeted or specialist services if necessary.
6. A shift towards maximising the use of children's centre 'space' for a range of activities relevant to children and young people as well as the wider community. This will include stimulating grass roots including parent-led groups or individuals to make creative use of the space and support networks of parents.
7. Greater focus on the facilitation of and support for crucial integrated systems to help vulnerable families move smoothly through and across services – for example CAF, Team around the Family, lead or key professional activities. This may involve children's centre staff sometimes 'holding onto the baton' and so taking the lead on these systems and activities.

We would also like to explore the extent to which children's centres can become hubs for integrated workforce learning and continuous improvement in early childhood services – and would welcome the views of all concerned about how this could work in practice.



Likely future level of resources

Our income from central government for children's centre services is reducing overall from £2 million per annum for the period 2010–2011 to £1.8 million per annum for the periods 2011–12 and 2012–15. Central government funding thereafter is uncertain.

We have in the past supplemented the central government grant for children's centre services with a local authority contribution of £600,000 per annum for allied family support services. In keeping with overall council reductions, we will need to reduce this spend on children's centre related family support services to £400,000 per annum for the period 2012–13.

We will therefore have approximately £2.2 million to spend on children's centre services in the year 2012–13, compared with £2.4 million in 2011–12 and £2.6 million in 2010–11.

We will need to ensure that this money works as hard as it can in the next period of time, and that we make best use of the total resource available locally to ensure the future applicability, effectiveness and sustainability of services. In this context, we will wish to prioritise our direct spend on:

- activities that are evidence-based, particularly for more vulnerable families, for example centres offering parenting education classes.
- improved engagement with vulnerable families, in order to support them to access and benefit from children's centre services.
- activities that draw other services in to support vulnerable families, such as Team around the Family, lead professional services or contributions to Team around the Family, access to facilities for peripatetic workers who need to meet with families and access to drop-in clinics for community health professionals.

We anticipate that children's centres will also need to and indeed can realistically attract and increase their income from a number of other sources, including:

- families accessing universal offers such as nursery, parent and toddler groups, baby massage and parenting education.
- the wider community, for example by offering space to let to community groups.
- professional groups and organisations, for example through the provision of training for groups of practitioners in relation to areas of children's centre expertise, such as:
 - building family capabilities and resilience.
 - how to engage with harder to reach families, and keep them engaged for long enough to make a difference.
 - improving communication and language development in early years by all professionals – the significance of and tools to support this area of development.
 - use of local tools and systems to consistently and effectively identify and act on early signs of need.

What we can offer to support innovation and change

The support we will offer families

Information and advice about the services on offer at children's centres, including those services that will no longer be on offer or no longer free of charge, and the rationale for the change(s).

Information about the services they can expect to receive from each children's centre and their likely cost.

Support to develop parent or community-led groups to organise and access funding for services to be delivered in or run from children's centres, including activities for disabled children, peer support for vulnerable parents and community events.

Information and advice to individual families about accessing services or funding for services particularly for vulnerable groups, such as nursery provision, short breaks and specific grants via our Family Information Service (FIS).

To support effective integrated services we will continue to share information about the needs of vulnerable families and communities across the local authority area and by Clinical Commissioning Group.

We will encourage statutory agencies to use children's centre premises and services as local area 'hubs' to meet with families, professionals and teams and to access training.

We will support Team around the Family arrangements in relation to vulnerable families who have needs greater than one agency can address and who would benefit from this approach.

The support we will offer providers

A transparent tendering process for all children's centre services to commence in April 2012 including: provider involvement in developing the detailed specification for local authority funded services; outcome-based procurement processes and contracts; and the award of contracts for a 3 year period (from 2012 to 2015).

One-off time limited funding and complementary advice for all commissioned children's centres to develop, or further develop, aspects of the 'offer' that may be currently underdeveloped, such as training, Team around the Family lead professional work, parenting education and outreach services.

Direct advice, support and coaching from our Business and Innovation Unit for all providers to identify and grow legitimate sources of income from other sources, including families, the wider community and professional groups or organisations, and to develop their business plans.

Direct marketing and brokerage of children's centre offers that include paid-for services, for example through our Family Information Service (FIS) or with our partner organisations interested in early intervention and prevention services for families.

Information for existing users about the changes in services we are making across the local authority area, and why.

Continued access for key children's centre staff, including children's centre leaders to our own workforce development programme.

