

# Market Shaping Strategy for Adults and Older People & Action Plan 2016-21

---

April 2016

Version 0.8.5

## Document control sheet

Version	Date	Notes / Comments	Person Responsible
<b>0.1</b>	31 <sup>st</sup> May 2015	Initial draft	Andy Mailer
<b>0.2</b>	9 <sup>th</sup> June 2015	Update document to include relevant market position statement data	Andy Mailer
<b>0.3</b>	7 <sup>th</sup> January 2016	Addition of ONS household income and house price data as appendices	Andy Mailer
<b>0.4</b>	29 <sup>th</sup> January 2016	Update of action plan	Andy Mailer
<b>0.5</b>	1 <sup>st</sup> February 2016	Update of Action Plan	Ken Fairbairn
<b>0.6</b>	19 <sup>th</sup> February 2016	Update of Action Plan	Mary-Ann Stevenson
<b>0.7</b>	7 <sup>th</sup> March 2016	Update of Action Plan	Michelle Vinall
<b>0.8</b>	1 <sup>st</sup> April 2016	Review of vision, structure & action plan	Andy Mailer
<b>0.8.1</b>	13 <sup>th</sup> April 2016	Review of vision, structure & action plan	Ken Fairbairn
<b>0.8.2</b>	19 <sup>th</sup> April 2016	Review of action plan	Emily Sanderson
<b>0.8.3</b>	25 <sup>th</sup> April 2016	Review of vision, structure & action plan	Claire Bruin Ken Fairbairn Andy Mailer
<b>0.8.4</b>	28 <sup>th</sup> April 2016	Review of action plan	Ken Fairbairn Andy Mailer Alison Bourne Louise Tranham
<b>0.8.5</b>	5 <sup>th</sup> May 2016	Update of action plan and changes to LD background	Tracy Gurney Emily Sanderson

## Contents

1. Purpose .....	4
2. Introduction .....	4
3. The vision for Children, Families and Adults in Cambridgeshire .....	4
4. Council vision & priorities .....	5
5. Market Shaping Strategy aims .....	5
6. An overview of the Cambridgeshire care market .....	6
6.1. People receiving long-term social care support .....	6
6.2. The market for residential & nursing care .....	7
6.3. Homecare .....	9
6.4. Council funded direct payments .....	9
6.5. Impact on the wider health and social care system .....	10
7. Drivers for change.....the Council perspective .....	10
7.1. Local pressures .....	10
7.2. The national agenda .....	12
8. Drivers for change.... a provider perspective .....	13
9. What is market shaping? .....	15
10. Key market shaping activities being undertaken by the Council .....	15
10.1. Strong and effective engagement .....	16
10.2. Market intelligence .....	17
10.3. Provider development .....	17
10.4. Flexible arrangements .....	17
11. Market shaping themes .....	19
11.1. Focus on outcomes .....	19
11.2. Promoting quality .....	19
11.3. Supporting sustainability .....	19
11.4. Ensuring choice .....	20
11.5. Co-production with stakeholders .....	20
11.6. Understanding the market .....	20
11.7. Facilitating market development .....	20
11.8. Ensuring value for money .....	21
12. A framework for achieving the vision .....	21
13. Work already underway to shape and influence the local care market .....	26
14. Priorities for development .....	26
14.1. Strong and effective engagement .....	27
14.2. Market intelligence .....	27
14.3. Provider development .....	27
14.4. Flexible arrangements .....	27
Appendix 1: Action plan .....	28
Appendix 2: Estimating the economic value of the Cambridgeshire economy .....	40
Appendix 3: employment measures .....	42
Appendix 4: Cambridgeshire average weekly household earnings .....	43
Appendix 5: Average house prices (July-December 2013) .....	45
Appendix 6: Useful links .....	46

## 1. Purpose

This document supports the CFA Procurement Strategy and sets out actions in response to the duty to shape the care market established via the Care Act. This Market Shaping Strategy (MSS) provides shape and direction to the Council's role as a market facilitator, and is critical to realising Government's vision for the sector at a local level. The MSS is a key product of the care market workstream within the Council's Care Act implementation programme.

## 2. Introduction

Cambridgeshire County Council's Market Shaping Strategy (MSS) supports the vision that;

**The Council, partner agencies, service users and providers work together to ensure the local care market offers a diverse range of safe, sustainable, personalised and effective care and support services that meets the needs of vulnerable people**

The Council's MSS supports the Care Quality Commission's (CQC) objective that providers are "safe, effective, caring, responsive and well-led", and is underpinned by the new statutory duty established under the Care Act 2014 to shape and influence the local care market to;

**...give people more control and help them to make more effective and personalised choices over their care**

## 3. The vision for Children, Families and Adults in Cambridgeshire

The Council published a Strategy for Children, Families and Adults in Cambridgeshire in October 2015 setting out the directorate's priorities for the next five years. The document states;

**Our vision is for children, families and adults in Cambridgeshire to live independently and safely within strong and inclusive local networks of support. Where people need our most specialist and intensive services, we will support them**

This vision will be achieved by strengthening the impact of work to prevent, reduce or delay need for high cost care and support, with focus being given to;

1. Communities & families to do more for the vulnerable
2. All our work will be person focused
3. Change the way that people can access our services
4. Reduced spend on support for schools and settings
5. Improved use of digital technology, analysis and use of data to better plan, target and commission support
6. Convene a broader dialogue with business

These themes will be reflected in all areas of commissioning undertaken across adults and older people, and will therefore be an influence on this strategy.

#### **4. Council vision & priorities**

The 2016/17 Business Plan states the Council's vision is;

**For people in Cambridgeshire to live independently and safely within strong and inclusive communities and with networks of support that they can call on.**

**We will support people when they need our most specialist and intensive services.**

**To achieve our vision we are focusing on achieving a number of outcomes for the people of Cambridgeshire:**

- **Older people live well independently**
- **People with disabilities live well independently**
- **Places that work with children help them to reach their full potential**
- **The Cambridgeshire economy prospers to the benefit of all residents**
- **People lead a healthy lifestyle and stay healthy for longer**
- **People live in a safe environment**
- **People at risk of harm are kept safe**

**We are ambitious about the way in which we can support and shape the future success of our communities. We want to work with you to achieve our aspirations for our county.**

The Market Shaping Strategy and action plan seeks to influence the local care market in order that this vision is realised.

#### **5. Market Shaping Strategy aims**

The Council's Market Shaping Strategy will;

- Support the Council's strategic objectives by ensuring that appropriate services are available to all service user groups with a clear focus on the promotion of independence and personalisation.
- Support the implementation of the first phase of the Care Act 2014 by detailing a clear approach towards market shaping, promoting choice and control, and ensuring that services are tailored to the needs of the individual.

Encourage innovation within the local care market, promoting joint-working between the Council, commissioning partners in health and providers to meet people's care and support needs.

- Promote a thriving, vibrant and diverse provider market offering real choice and control for people with a wide range of care and support needs to achieve their outcomes and aspirations.
- Provide a clear direction that the County Council intends to follow so that providers feel informed about our commissioning intentions over the next five years.

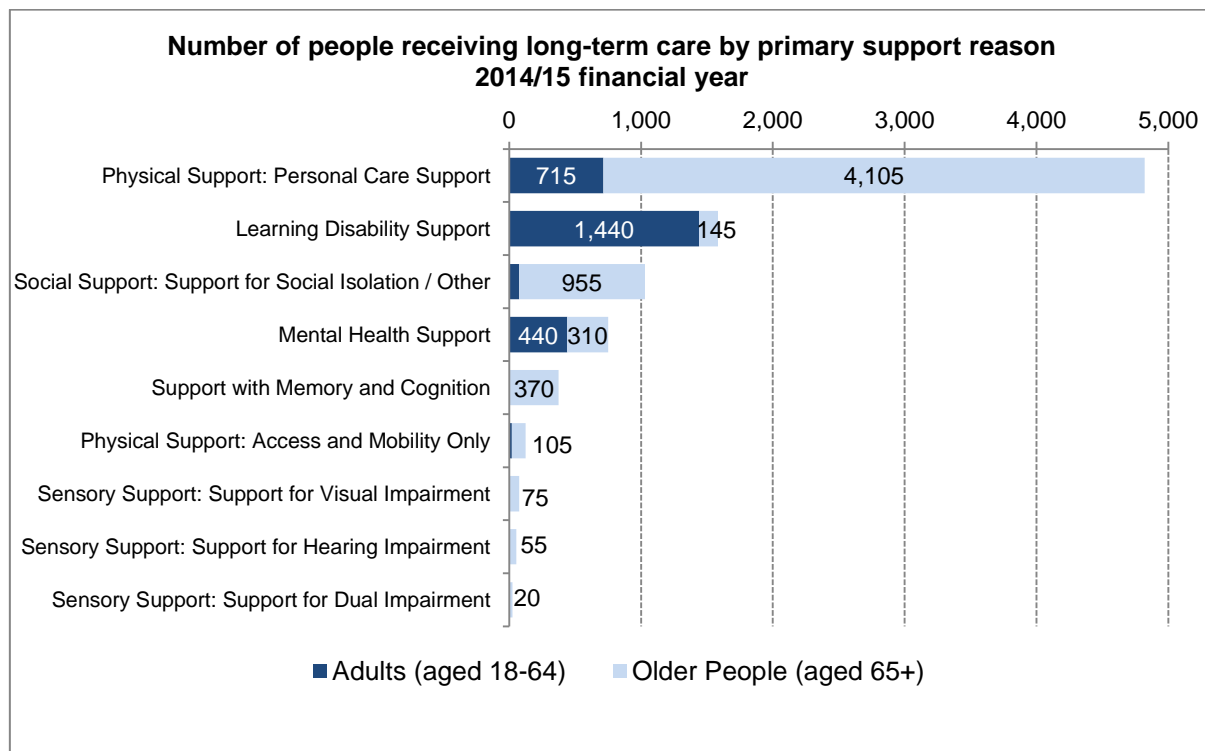
## 6. An overview of the Cambridgeshire care market

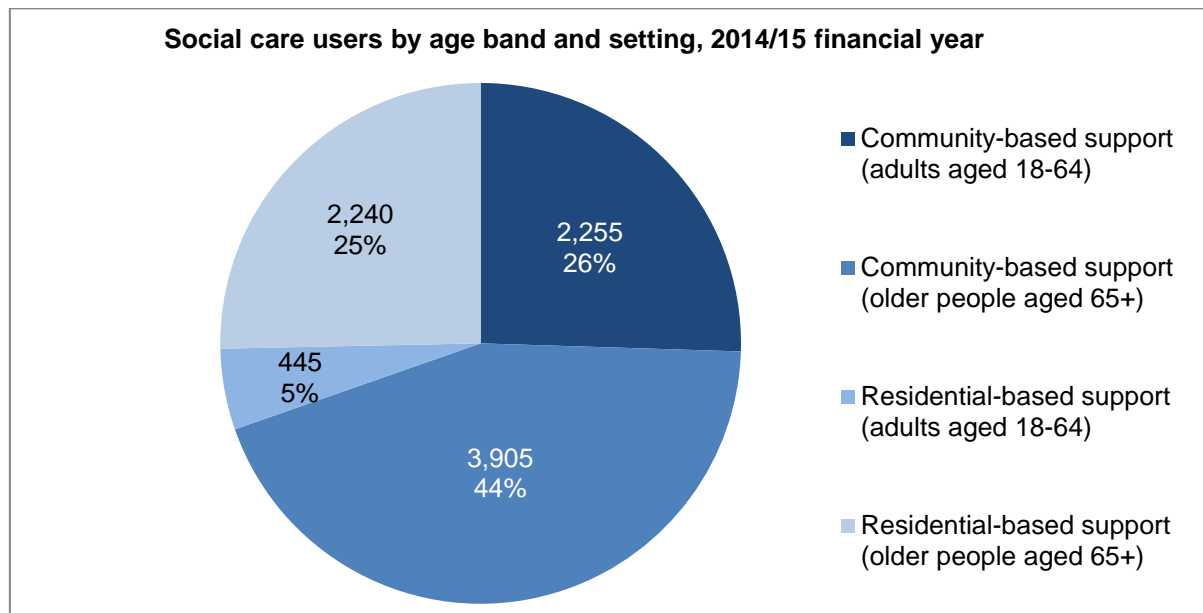
The direct economic value of the Cambridgeshire care market is estimated to be around £320m a year. This figure excludes the value of informal care, (ie care provided by family or friends), health related expenditure and any secondary economic benefit brought about through the subsequent purchasing of goods and services by care providers. Local estimates suggest that the Council and private individuals each spend around £150m annually on care services within the county area, with the NHS spending around £20m. See appendix 2 for further details.

The market comprises a number of (sometimes overlapping) sub-markets. A sub-market is a group of services or client needs that have distinct commissioning requirements and cannot easily be combined. The makeup of each sub-market will vary considerably, with some well-established sub-markets attracting a diverse range of providers, while others, for a variety of economic factors, may consist of a small number or even a single provider.

### 1.1. People receiving long-term social care support

The majority of people who received long-term social care support (55%) in 2014/15 required help with personal care – most of whom were aged 65 and over. Just under 20% of people were supported because of a learning disability, most of whom were adults aged between 18 and 64.





Source: Health and Social Care Information Centre (HSCIS) Short and Long Term care (SALT) statutory return 2014/15, table LTS001a

## 1.2. The market for residential & nursing care

As of the 1<sup>st</sup> April 2015 there were 139 CQC registered providers of residential and nursing care in the county for adults and older people, with a total capacity of around 4,400 beds. The Council purchased beds in 113 of the 139 in-county registered care homes – equating to 80% of providers.

The Council purchases around 1,800 permanent residential and nursing care beds at any given time for all client groups and around 1,500 of these are in the county. The remaining 300 are with out-of-county providers.

In total, around a third of all available beds in the county are occupied by Council placements. The remaining capacity is taken up by other local authority placements, NHS continuing healthcare provisions, people who fund their own care costs (“self-funders”), and vacancies.

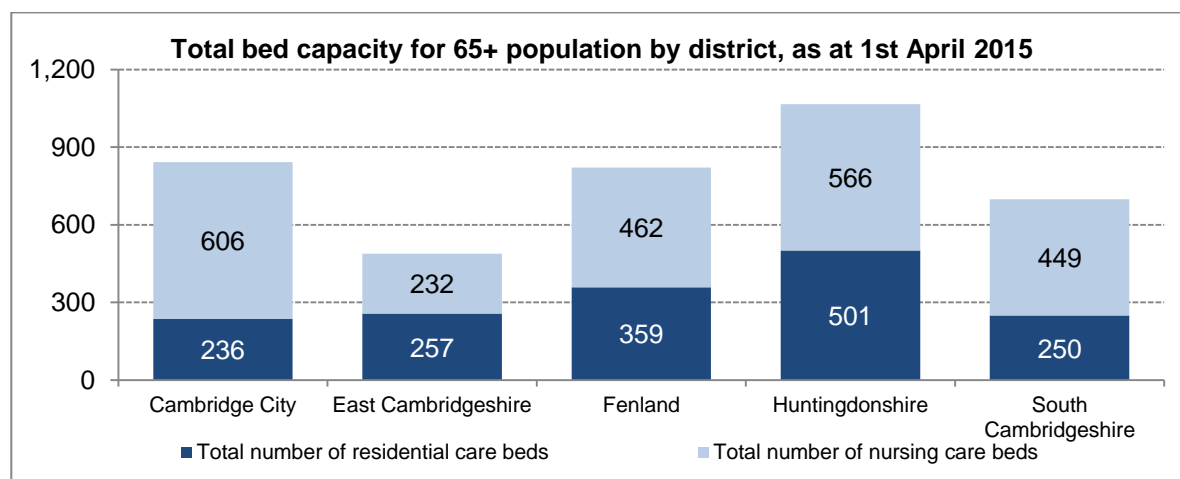
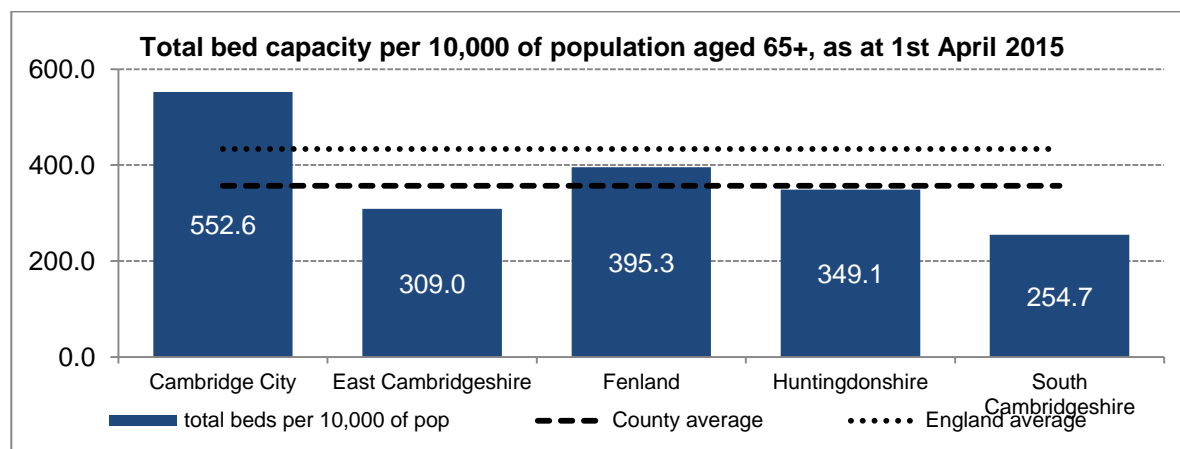
60 providers account for 80% of the Council’s in-county spend on permanent residential and nursing care. These providers have a total capacity of 2,559 beds, of which the Council purchases 1,146 (equating to 45% of their total bed capacity)

15 in-county residential and nursing providers have 80% or more occupancy part or fully funded by the Council, 8 of which are 100% occupied by Council funded service users, the largest of which has 25 beds.

Analysis of provider capacity shows that around 60% of providers have 29 beds or less, whilst 24% have fewer than 10 beds. This is broadly in-line with national and regional averages.

Applying the latest Office for National Statistics (ONS) population estimates for the 65+ age group to the published CQC registration data shows that Cambridge City is the only county district that has a total bed capacity above the national average – all other districts have significantly fewer beds per 10,000 of population aged 65+. Exploring the

breakdown between residential and nursing beds within each district area again highlights significant geographic variations. The majority of beds in Cambridge City and South Cambridgeshire are nursing care; whilst East Cambridgeshire and Huntingdonshire have a more even split between nursing and residential care beds.



There are around 1600 adults supported through the Learning Disability Partnerships in Cambridgeshire. There has been a change of emphasis within the Learning Disability Partnerships from placing service users in residential settings to commissioning supported living services for service users. A supported living service enables service users to hold their own tenancy, which increases their rights and their access to benefits, and also enable service users to be supported in their own home. This is in line with the personalisation agenda included in Transforming Lives.

Around 700 service users receive a residential, nursing or supported living service. Of that 700, there are almost 140 placed out-of-county. There has been a consistent policy in learning disability services to place in county and return service users to in county placements where appropriate, taking the service user's preferences into account. This was in response to the best practice guidance arising from the Winterbourne View Review.

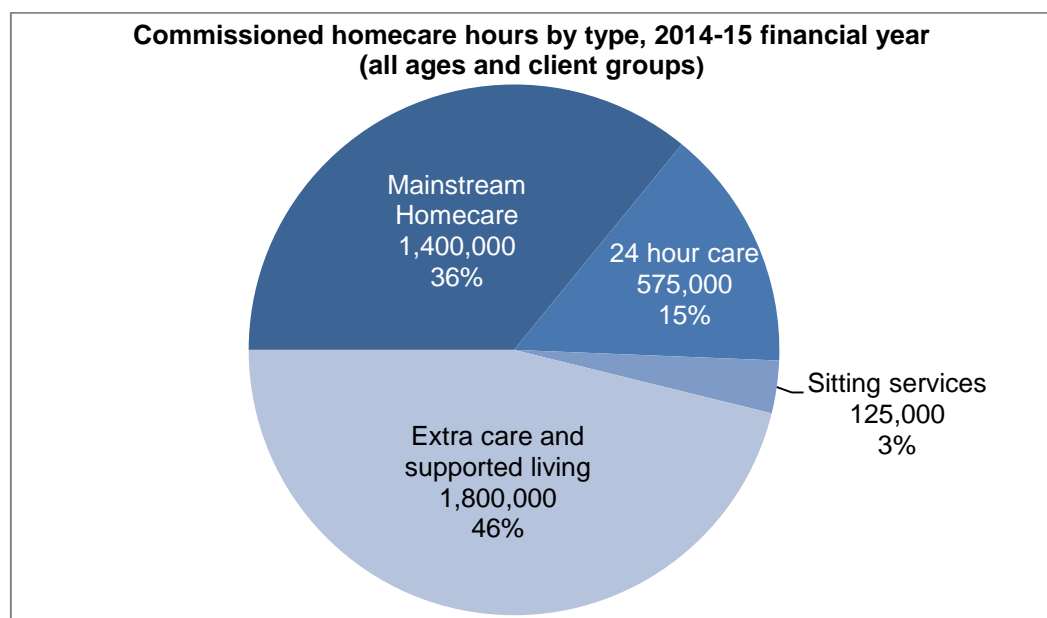
Supported living services depend on the local housing market; therefore there are areas of the county, where the price of housing is high, with shortages of provision - mostly in Cambridge city and South Cambridgeshire.



Alongside this there is a lack of specialist provision for adults with a severe learning disability and autism across the whole county and limited day services from independent providers for adults in the Huntingdonshire area.

### 1.3. Homecare

There are 84 CQC registered providers of homecare services, providing care to a mix of private and Council funded clients. The Council currently holds contracts with 29 providers. The Council typically supports 3,300 people at any one time with all forms of homecare, commissioning around 3.9 million hours a year.



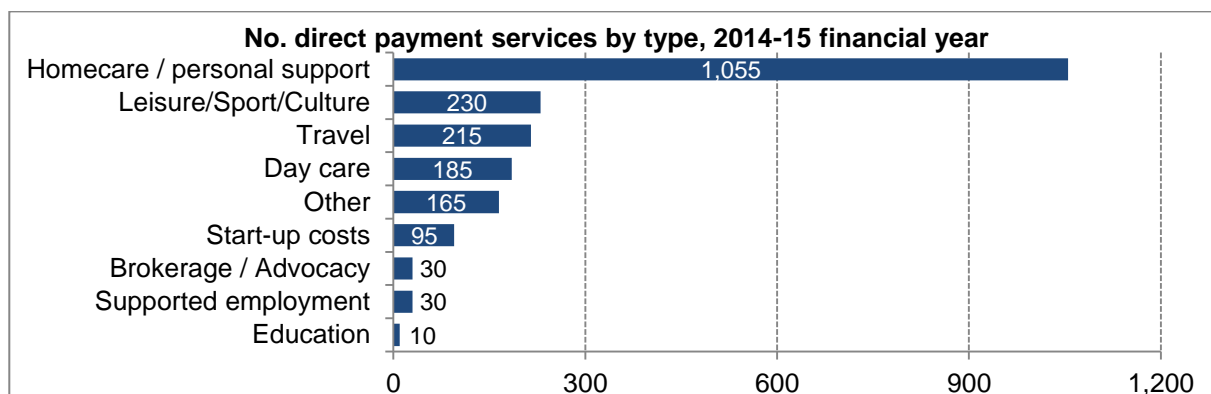
Source: Internal CCC homecare commissioning report

Note: Extra care and supported living figure includes two separate figures; a) 1.48m hours based on schedules recorded on individual client records and b) an estimate 330,000 hours based on a standard weekly plan of 22.5 hours per week, in line with existing operational practice

On a typical day, there are around 165 people on the 'pending list' waiting for homecare, who need on average around 1,500 hours of care a week, suggesting an overall lack of capacity in the market.

### 1.4. Council funded direct payments

Around 1,300 people a year receive social care support from the Council via a direct payment, which enables them to take control and make decisions about the care that they receive. Analysis of the service descriptions used on the client records shows that around half of all direct payments are used for personal support, either from homecare agencies or from personal assistants. It should be noted that people can receive multiple services and therefore the total number of services will be greater than the total number of people receiving direct payments.



## 1.5. Impact on the wider health and social care system

Capacity issues in the current care market have a detrimental impact on the wider health and social care system. For example, in the 2014/15 financial year there were over 33,000 hospital bed-day delays experienced by Cambridgeshire residents, of which just over 7,700 were attributed to Adult Social Care. Of those, just over 80% were due to a lack of capacity, either for care at home (re-ablement or homecare) or in a residential or nursing home.

## 7. Drivers for change.....the Council perspective

### 1.6. Local pressures

The local care market is subject to significant demographic pressure.

The Office of National Statistics (ONS) project that number of people aged over 70 in the county is forecast to increase much more quickly than the size of the general population between 2011 and 2021. If current prevalence of frailty, dementia and disability continues, there will be a significant increase in demand for social care, particularly services that older people use, such as homecare, residential and nursing care, and assistive technology.

It is therefore envisaged that services for older people will need to change to cope with more demand. They will also need to change to effectively support a higher average age and complexity of need.

**Want to know more? Read the latest Joint Strategic Needs Assessments for Older People here!**

<http://www.cambridgeshireinsight.org.uk/currentreports/older-people-including-dementia>

<http://www.cambridgeshireinsight.org.uk/currentreports/jsna-older-peoples-services-and-financial-revie>

<http://www.cambridgeshireinsight.org.uk/joint-strategic-needs-assessment/current-jsna-reports/older-peoples-mental-health-2014>

As the Cambridgeshire population grows and ages, the number of people with learning and physical disabilities is also expected to rise.

The proportion of people with a learning disability aged over 55 is expected to increase and parents caring for them are likely to have died or become frail, placing additional pressure on the local care system. Social care requirements for people with learning disabilities in England are expected to increase by 14% by 2030, and a similar level of growth is expected within Cambridgeshire.

Physical disability is related to a number of chronic health conditions. People receiving support from the physical disabilities social care team at Cambridgeshire County Council are most likely to have a disability resulting from Multiple Sclerosis, spinal or skeletal injury or acquired brain injury. It is predicted that the number of people in Cambridgeshire aged 18-64 who have a moderate physical disability will increase by 8% and those with a severe physical disability will increase by 14% between 2015 and 2030<sup>1</sup>

**Want to know more? Read the latest Joint Strategic Needs Assessment for adults with physical and learning disabilities here!**

<http://www.cambridgeshireinsight.org.uk/joint-strategic-needs-assessment/current-jsna-reports/physical-and-learning-disability-through-life>

There are an estimated 63,000 people aged 18-64 in Cambridgeshire (16% of the county population) with a mental health problem such as anxiety or depression, and around 6,800 people (1.8% of the population) registered with their GP are known to have a serious mental illness such as schizophrenia. In May 2015 there were around 3,200 people receiving specialist support for mental health issues within the County, of which around 550 were also receiving social care support via the County Council. The number of people affected by mental illness in Cambridgeshire is expected to increase in line with overall population growth. The latest JSNA focussed on adult mental health forecasts an increased prevalence of common mental health disorders across all Cambridgeshire districts, with growth in numbers concentrated in Cambridge City especially. It also suggests that there is unmet mental health need within the population.

**Want to know more? Read the latest Joint Strategic Needs Assessments for adults with mental health issues here here!**

<http://www.cambridgeshireinsight.org.uk/currentreports/mental-health-adults-working-age>

<http://www.cambridgeshireinsight.org.uk/joint-strategic-needs-assessment/current-jsna-reports/autism-personality-disorders-and-dual>

---

<sup>1</sup> Source Pansi (Projecting Adult Needs and Service Information)

Taken together, the forecasts for older people, and adults with disabilities and those with mental health issues suggest a significant growth in demand for care and support over the coming years.

At the same time, local authorities are under significant financial pressure. The Council is faced with a substantial reduction in central government funding, only slightly off-set by increases in local funding through business rates and council tax. Between 2015 and 2020 the Council is faced with a budget reduction in real terms of around 40%. This does not take into account the sizable budget savings that have already been made since 2010.

In order to respond to the twin issues of increased demand and less financial resource, the Council needs to radically revisit the way care is delivered in Cambridgeshire. Simply reducing all existing budgets by a fixed percentage every year is neither sustainable nor in line with requirements in the Care Act. Through an internal project known as 'Transforming Lives' the Council is redesigning and refocussing the way care and support is provided. The new model places greater emphasis on self-help, universal 'preventative' support and progression towards independence, coupled with targeted early interventions via short-term crisis response services, in order to reduce the demand for long-term care and support.

### 1.7. The national agenda

At a national level, the first phase of the Care Act came into effect from the 1<sup>st</sup> April 2015. The Act places new duties on local authorities to facilitate and shape their market for adult care and support as a whole, to ensure it meets the needs of all people in their area who need care and support, whether arranged or funded by the County Council, by the individual themselves or in other ways.

The Act puts into law themes and practices that had developed over the last 10-20 years, placing greater focus nationally on;

- Prevention
- Promoting independence
- Integration with health
- Personalisation

Each is explained briefly below.

**Prevention** can cover many different types of support, services, facilities or other resources. There is no one definition for what constitutes preventative activity and this can range from general measures aimed at promoting health, to targeted interventions aimed at improving skills or functioning for one person or a particular group, or lessening the impact of caring on a carer's health and wellbeing.

"Prevention" can be broken down into three general approaches. These are to *prevent*, *reduce* or *delay* the need for care and support. Services can cut across any or all of these three approaches. Prevention should be seen as an ongoing consideration and not a single activity or intervention.

**Promoting independence** involves the use of preventative, short-term and low-level interventions to help people retain or regain their independence as well as developing new skills for those service users with learning disabilities. This can involve a range of

activities, such as working with housing providers to ensure homes are appropriate to people with complex needs, the use of short-term interventions such as re-ablement or short-term funded packages based on progression to help an individual regain and relearn the skills needed for day-to-day living, or the use of equipment and technology to enable someone to maximise their independence.

**Integration with health** involves cooperation and close partnership working, and seeks to improve patient and service user experience and outcomes by minimising barriers between organisations and services, and by delivering care that is tailored to meet the needs of those in need of care and support, their carers and families. Integration in this sense does not necessarily refer to structural integration, but to an integrated approach to delivery of care and support. The Learning Disability Partnership is already structurally integrated with health and works in partnership with the CCG but retains case responsibility for service users. This cross-organisational approach has delivered significant benefits in terms of closer partnership working, better information sharing and joint commissioning of services.

**Personalisation** is about putting individuals firmly in the driving seat of building a system of care and support that is designed with their full involvement, and tailored to meet their own unique needs. Personal budgets are agreed during the support planning process which sets out the overall sum of money that will be available to meet a person's eligible needs. The individual can then exercise choice and control over the way their eligible needs are met through their care and support plan. Some, or all, of the personal budget can be taken as a Direct Payment to enable the individual to directly purchase care and support services.

As money is devolved down to the individual, the role of the Council in directly purchasing services, often through the use of block contracts, is reducing. The number of people taking Direct Payments only (and choosing to arrange their own services independently) is increasing very quickly. This trend is expected to continue over the next few years and the market will need to respond to an increasing demand for innovative ways of using Direct Payments.

## 8. Drivers for change.... a provider perspective

Cambridgeshire is a geographically diverse area. Four district councils in the county area are classified as rural, and almost 40% of the local population live in villages with fewer than 10,000 residents. Just under a third of Cambridgeshire is classified as 'countryside'.<sup>2</sup> Users of care services often reside in sparsely populated areas which can result in significant travel times, inefficient service models which can make it hard for care providers to achieve economies of scale.

Cambridgeshire has a strong local economy compared to the UK, England and East of England. The county has above average levels of employment (79.5% compared to 72.5% in England) and lower levels of unemployment (3.9% compared to 6.2% in England). Cambridgeshire also has a higher job density ratio (0.84 compared to 0.79 in

---

<sup>2</sup> According to the Output Area Classification (OAC). The OAC distils key results from the Census to indicate the character of local areas (see <http://areaclassification.org.uk/> for more details).

England) meaning there are more jobs per working age adults than many other parts of the country. <sup>3</sup> More details can be found in appendix 3.

The County is relatively wealthy, with average household weekly earnings being higher than the regional and national averages. However there remain significant financial inequalities within the county at a district, and sub district level. In the wealthier areas, people are more likely to self-fund their care whereas in areas of lower household income, people with care needs are more likely to meet eligibility receive Council-funded support. More details can be found in appendix 4 and 5.

The latest local workforce report published by Skills for Care has shown that there are an estimated 15,800 jobs in adult social care in Cambridgeshire. These are split between the statutory sector (4%) the independent sector (75%) and direct payment recipients (22%). Across the whole sector there are estimated to be 12,500 direct care workers, 600 managers and supervisory workers 1,000 professionals and 1,700 workers from other areas of social care. 62% are full time – which is broadly in line with the regional average (59%). The whole time equivalent ratio is 0.6 meaning that on average 100 jobs equates to around 60 whole time jobs (calculated on a 37 hour working week).<sup>4</sup>

Staff turnover varies depending on the job group. Professional staff have the highest turnover rate (33.2%), direct care staff (30.4%) and management / supervisory (12.1%). The Skills for care workforce report suggests that there are around 1,000 people employed in a professional staff role, and a turnover rate of 33.2% equates to around 200 people leaving their jobs in the last 12 months. There are an estimated 12,500 direct care workers in the county so a turnover rate of 30.4% equates to around 3,800 workers leaving their position in the last 12 months. There are an estimate 800 people employed in a managerial and supervisory role and the turnover rate of 12.1% equates to around 120 people leaving their position over the last 12 months.

Cambridgeshire has a reported vacancy rate of 5.8% which is broadly in line with regional and national averages.

The Skills for Care report also shows that the majority of people were aged between 45 and 49, with an average age of 42. Those aged over 60 represent 11% of the workforce and with an estimated workforce of 15,800, this equates to a little over 1,700 who are likely to retire within the next 5 years.

The average rate of pay for the adult social care sector in Cambridgeshire is broadly in line with the national and regional average. The average for people providing direct care is £7.50 in Cambridgeshire compared to £7.40 in the Eastern region and £7.34 for England, while the average hourly rate for people working on a managerial / supervisory role is £13.43 in Cambridgeshire compared to £12.89 in the eastern region and £14.06 for England.

Local research has shown that the people working in the care sector have similar educational qualifications to those that work in administrative and secretarial occupations. Comparing earnings between these two categories across the eastern region shows that the median annual pay for administrative and secretarial occupations is around £5,000 a

---

<sup>3</sup> ONS unemployment statistics published April 2015

<sup>4</sup> A summary of the adult social care sector and workforce in Cambridgeshire – Skills for care January 2015

year higher than those that work in the care sector. Research also showed that people working in sales and customer service occupations have lower levels of educational qualifications to those that work in the care sector, but median pay is at a comparable level.<sup>5</sup>

## 9. What is market shaping?

**“Market shaping” is a catch-all phrase describing a spectrum of activity undertaken to influence the current and future range of support available in a locality, based on people’s needs and aspirations<sup>6</sup>**

As established via part one of the Care Act 2014 market shaping involves the local authority collaborating closely with other relevant partners, including people with care and support needs, carers and families, to facilitate the whole market in its area for care, support and related services. This includes services arranged and paid for by the state through the Council itself, those services paid by the state through direct payments, and those services arranged and paid for by individuals from whatever sources (sometimes called ‘self-funders’), and services paid for by a combination of these sources. Market shaping activity is designed to stimulate the development of a diverse range of appropriate services and ensure the market as a whole remains vibrant and sustainable and develops to meet the needs of an increasingly complex population of service users.

The core activities of market shaping are to engage with stakeholders to develop understanding of supply and demand and articulate likely trends that reflect people’s evolving needs and aspirations, and based on evidence, to signal to the market the types of services needed now and in the future to meet them, encourage innovation, investment and continuous improvement. It can also include working to ensure that those who purchase their own services are empowered to be effective consumers, for example by helping people who want to take direct payments make informed decisions about employing personal assistants.

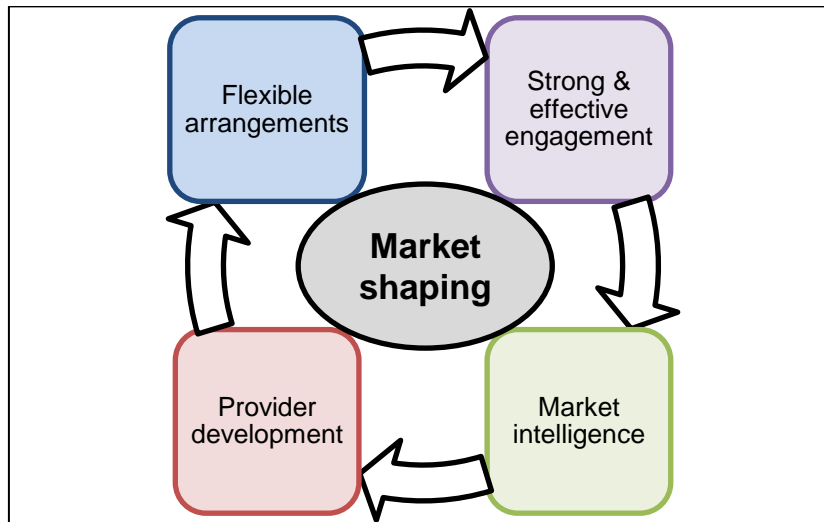
## 10. Key market shaping activities being undertaken by the Council

There are four overarching activities involved in market shaping. Each underpins a development workstream objective within the action plan detailed in appendix 1.

---

<sup>5</sup> CCC internal report – Analysis of the local care provider market 7<sup>th</sup> May 2014 based on Census 2011 data and the Annual Survey of Hours and Earnings 2013

<sup>6</sup> Practical approaches to market and provider development – Department of Health 2010



### 1.8. Strong and effective engagement

Engagement with key stakeholders is fundamental to the success of any market shaping activity. Engagement with service users, their carers and families is essential to the understanding of 'need' and should set the direction for commissioning and service development activity undertaken by the Council when acting unilaterally or in partnership with other local authorities or NHS organisations.

Through the use of direct payments, service users become micro-commissioners in their own right. It is essential that the Council works with service users and providers to ensure that the care market is able to respond creatively and flexibly to meet service user need.

Elected members have an important role in ensuring that resources are used appropriately and effectively, and can help promote buy-in from the community and private and voluntary sectors, so early engagement is essential.

Working in partnership with other local authorities or NHS organisations can help deliver efficiencies, economies of scale, facilitate risk sharing and reduce competition between purchasing organisations. Collaboration can support market growth, sustainability and diversity. Whilst partnership working may not be applicable in every instance, it should be a key consideration when commissioning or re-commissioning services. Therefore early engagement to explore opportunities for shared arrangements is an important facet of this strategy.

Underpinning all of this is the need for continued engagement and dialogue with current and potential suppliers, especially focussing on the need to work differently and creatively to meet the growing and changing needs of service users, within a restricted financial envelope.

To facilitate this, Council staff will;

- Work with existing service user Partnership Boards and forums when commissioning and re-commissioning services and seek input into service specifications to ensure they reflect service user need
- Ensure contract monitoring processes capture service user feedback on service quality and use this information to improve services.
- Use appropriate forums (workshops, spokes and committees) to seek member engagement and direction when commissioning and re-commissioning services



- Exploring options for joint commissioning and shared services with other authorities and health organisations as a default position, before acting unilaterally
- Seek partner membership when establishing project and programme boards focussed on commissioning and re-commissioning services
- Use existing provider forums and networks to engage with providers to facilitate service development

### **1.9. Market intelligence**

This involves developing and maintaining a better evidence base about the local care market, a greater understanding as to how it operates, and finding more effective ways to communicate this knowledge to suppliers and local people.

To facilitate this, Council staff will;

- Refresh the market position statement to enable providers and potential providers to access the latest available information
- Develop and maintain mechanisms and processes that will enable the Council to respond quickly to new ideas and proposals from new and existing providers

### **1.10. Provider development**

The focus of this work is to develop constructive relationships with providers based on a shared view of the outcomes to be achieved, a common understanding of any constraints and an equitable distribution of risk; and making targeted support available to suppliers to help them adapt and respond while developing a local infrastructure that supports people to have choice and control.

To facilitate this, Council staff will;

- Engage with partners and providers to design, implement and support a joint workforce development programme that supports a sustainable workforce
- Encourage workforce stability to support the standardisation of contract terms and conditions and payment practice
- Work with health partners, providers and other stakeholders to promote the concept of a new career pathway within the care sector, whereby employment in the care market can be a gateway to employment in the NHS or in social care in the longer term. This model would be founded on the acceptance of 'churn' within the workforce and allow all stakeholders to develop coordinated recruitment processes
- Develop early warning systems that will pre-empt financial and quality related provider failure and put in place provider failure plans, in line with the new legal requirements established in the Care Act
- Provide ongoing provider workforce training

### **1.11. Flexible arrangements**

The focus of this work is to develop commissioning, procurement and tendering processes that are fair and proportionate and which support the development of a range of person-centred support from a plurality of different providers, where formal tendering is not always the first resort and where opportunities are taken to enhance flexibility and secure services across local authority boundaries.

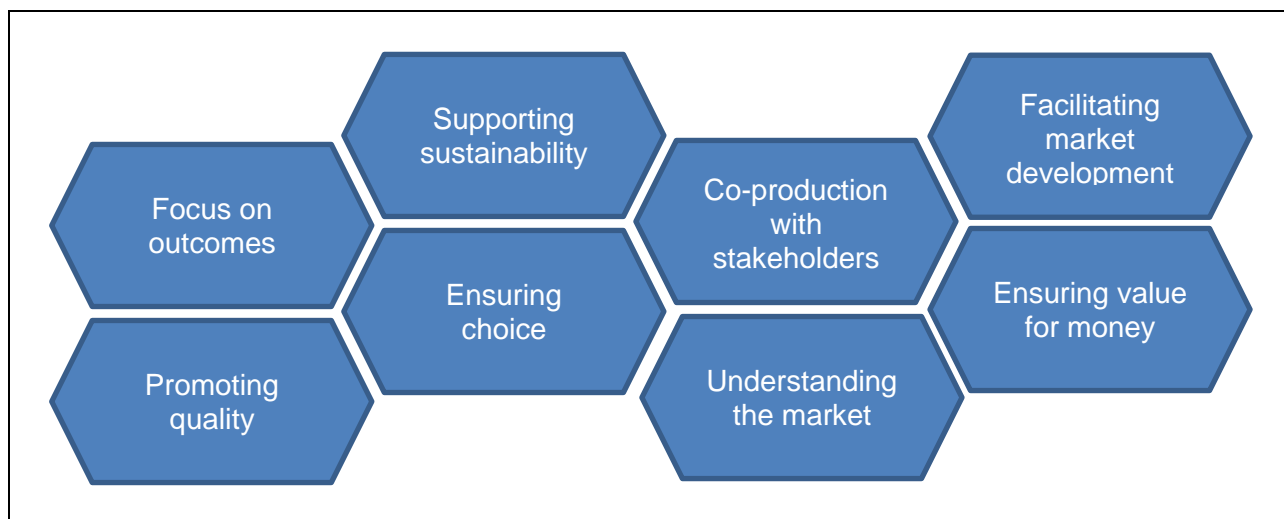
To facilitate this, Council staff will;

- Develop and implement a new procurement strategy that will support flexibility and innovation

- Develop mechanisms that support the piloting of new and innovative ways of meeting need, recognising that doing so will carry a degree of uncertainty and will therefore require shared models of risk that reward and support providers to engage with the commissioning process and offer proposals that reduce long-term care costs
- Undertake an options appraisal of outcomes based commissioning and agree where and how areas where it might be applied to improve service user outcomes and reduce care costs

## 11. Market shaping themes

The Council will reference the following high-level themes when undertaking actions that shape and influence the local care market. The specific theme will apply to a greater or lesser extent depending on the specific activity.



### 1.12. Focus on outcomes

The Council is committed to promoting the wellbeing of individuals who need care and support, as well as the wellbeing of their carers, emphasising the importance of enabling people to stay independent as long as is possible. The Council will ensure that the focus on achieving positive outcomes is imbedded in all care market shaping activities.

In encouraging outcomes-based services, the Council will give consideration to incorporating “payment-by-outcomes” mechanisms, where appropriate.

### 1.13. Promoting quality

The Council has a duty to facilitate markets that offer a diverse range of quality and appropriate services. When considering the quality of services, the Council will be mindful of the capacity, capability, timeliness, continuity, reliability and flexibility of services delivered to support well-being, where appropriate, using the definitions that underpin the CQC’s fundamental standards of care as a minimum, and having regard to nationally relevant standards, for example any developed by the National Institute of Health and Care Excellence (NICE).

### 1.14. Supporting sustainability

The Council will work to develop markets for care and support that – whilst recognising that individual providers may exit the market from time to time – ensure the overall provision of services remains healthy in terms of sufficient provision of quality care and support to meet expected needs. The Council will maintain a Market Position Statement that will highlight gaps in service and include, where possible, demand projections to support this objective. The Council will also act positively and creatively to promote sustainability within the market, using detailed risk assessments to identify a range of potential solutions that support ‘hard to replace’ sub-markets. This may involve – but is not limited to – developing in-house services that address unmet need, or using Council

assets or resources creatively to facilitate solutions, for example allowing the development of residential homes on Council land to ensure market capacity.

### **1.15. Ensuring choice**

The Council is committed to encouraging a range of different types of service providers to ensure that people have genuine choice of the way in which their support needs are met. The Council will work with a range of providers and other commissioning organisations to develop a sustainable market place, which is willing and able to offer the type of services people want to purchase. This marketplace will be able to meet the anticipated needs—both in terms of capacity and capability—of the local population, regardless of how they are funded.

The Council will facilitate the personalisation of care and support, and will encourage services designed to enable people to make meaningful choices, and to take control of their support arrangements, where they choose to do so. The Council endorses the national view that personalised care and support services should be flexible so as to ensure people have choices over what they are supported with, when and how their support is provided, and whenever possible, by whom.

The Council will facilitate the provision of information and advice to support informed decision making.

### **1.16. Co-production with stakeholders**

Where possible, the Council will work alongside people with care and support needs to find shared and agreed solutions. Where there is a clear benefit to the county population, the Council will work with partners in health and the voluntary and community sectors to provide integrated services for individuals who need care and support.

### **1.17. Understanding the market**

The Council will maintain a robust understanding of current and future needs for care and support services, using the Market Position Statement as the principal, public-facing repository for this information. Where information is available, this will include;

- appropriate information about specific conditions and multiple and complex needs
- trends and forecast estimates of the number of people who are or are likely to be fully or partly state funded care and support services
- trends and forecast estimates of the number of people who are or are likely to be fully or partly state funded and micro-commissioning their care via direct payments
- trends and forecast estimates of the number of people who are or are likely to be self-funding their own care and support services

### **1.18. Facilitating market development**

Where practical, the Council will collaborate with stakeholders and providers to bring together information about needs and demands for care and support with that about future supply, to understand for their whole market the implications for service delivery.

The Council will support and empower effective purchasing decisions by people who self-fund care or purchase services through direct payments, recognising that this can help support and develop a more effective and responsive local market.

The Council is committed to ensuring that the market has sufficient signals, intelligence and understanding to react effectively and meet demand, a process often referred to as market shaping.

The Market Position Statement is intended to encourage a continuing dialogue between a local authority, stakeholders and providers where that dialogue results in an enhanced understanding by all parties, and is therefore an important market shaping tool.

In the event of the Council's market shaping activity is not achieving the strategic aims as quickly or as effectively as is needed, the Council will consider more direct market interventions. This may include the encouraging and supporting of social enterprises, Community Interest Companies and User-Led Organisations.

### **1.19. Ensuring value for money**

The Council will research best practice in the commissioning, re-commissioning and decommissioning of services, and recognises that achieving value for money means optimum use of resources to achieve intended outcomes and therefore will regard service quality as well as cost when procuring services.

## **12. A framework for achieving the vision**

This strategy supports the vision that;

**The Council, partner agencies, service users and providers work together to ensure the local care market offers a diverse range of safe, sustainable, personalised and effective care and support services that meets the needs of vulnerable people**

Aligning the overarching activities with the high-level themes described in the previous sections provides a framework for achieving the vision.

Overarching Activity	High-Level Theme							
	Focus on outcomes	Promoting quality	Supporting sustainability	Ensuring choice	Co-Production with stakeholders	Understanding the market	Facilitate market development	Ensuring value for money
<b>Strong and effective engagement</b>	<p><b>Commissioners engage with service users to develop outcome-based service specifications</b></p> <p>Individual service users micro-commission services that meet outcomes via direct payments</p> <p>Providers understand and deliver services that meet personal outcomes to support independence</p>	<p>Quality standards are agreed with providers</p> <p>Service user and regulatory (eg CQC) feedback is used to monitor provider service quality</p> <p>Providers comply with the Council's service standards and quality requirements</p>	<p><b>Strong and regular communication with providers to understand and respond to business challenges and opportunities</b></p> <p>Local SME and VCS organisations are given equal opportunity to compete for Council business, in line with the Social Value Act 2012</p> <p>The Council supports local businesses to develop sustainable business models</p>	Providers engage with service users and commissioners to offer a range of solutions that meet peoples care and support needs	<b>Service users, partner organisations, members, providers and commissioners are all involved in finding shared and integrated solutions that meet peoples care needs</b>	Providers understand the Council's commissioning intentions and procurement timetable	<p>Service users and providers are able to influence local policy and service delivery models</p> <p><b>New providers are encouraged to develop and invest in services across the county</b></p>	Commissioners explore ways of integrating services with partner organisations in order to maximise value for money and improve efficiency

Overarching Activity	High-Level Theme							
	Focus on outcomes	Promoting quality	Supporting sustainability	Ensuring choice	Co-Production with stakeholders	Understanding the market	Facilitate market development	Ensuring value for money
<b>Market intelligence</b>	Service user experience and outcome information is clearly articulated and available to inform commissioning decisions and provider capacity	<b>Monitoring systems use local and national data to monitor capacity, utilisation and service quality</b>	<p><b>The care market is regularly analysed to identify ‘hard to replace’ providers to support actions that encourage sustainability and promotes new entrants into the market</b></p> <p>Gaps and shortfalls in provision are communicated to the market via the Market Position Statement and provider forums</p>	<b>The Market Position Statement identifies gaps and shortfalls in market provision to stimulate growth and promote choice</b>	The Market Position Statement is shared with, and promoted by, stakeholders	Commissioners and stakeholders develop a shared understanding of market pressures, limitations, and cost pressures	Information about long-term needs for care and support is routinely used to facilitate the development of new services	<p><b>Commissioners use market intelligence data to identify opportunities to integrate services, improve outcomes for service users and achieve greater value for money or efficiency in the way in which services are delivered</b></p> <p>Commissioners and providers have a shared understanding of cost and budget pressures</p>

Overarching Activity	High-Level Theme							
	Focus on outcomes	Promoting quality	Supporting sustainability	Ensuring choice	Co-Production with stakeholders	Understanding the market	Facilitate market development	Ensuring value for money
Provider development	Providers are supported to develop new and innovate ways of delivering positive outcomes for service users	Providers are supported to develop workforce development strategies that supports the delivery of good quality care	Service providers are supported to develop effective strategies to recruit and retain staff within the sector	Providers are supported to develop a range of services focused on improving outcomes for people with care and support needs using information provided in the Market Position Statement	Providers work with service users and other key stakeholders to shape service design and development to increase choice, promote quality and sustainability	Providers are supported to proactively identify and respond to market signals and industry best practice	Providers innovate and are pro-active in developing new ways of improving outcomes for people with care and support needs	Providers develop and support cost effective service delivery models



Overarching Activity	High-Level Theme							
	Focus on outcomes	Promoting quality	Supporting sustainability	Ensuring choice	Co-Production with stakeholders	Understanding the market	Facilitate market development	Ensuring value for money
<b>Flexible arrangements</b>	<p>Contracts and service specifications focus on meeting outcomes rather than describing how services should be delivered</p> <p>Opportunities for 'payment by results' and / or 'incentivisation' are identified and incorporated into contractual arrangements, where appropriate, to reward the achievement of outcomes</p>	<p><b>Providers are empowered to develop, in agreement with commissioners and procurement staff, appropriate ways of measuring their service which complement the service specification</b></p>	<p>Commissioning and procurement arrangements are flexible and encourage innovative practice, market growth and sustainability</p> <p><b>Commissioners use a range of solutions (including use of council assets) to promote market sustainability</b></p> <p>Procurement processes encourage engagement from local SME and VCS organisations, in line with the Social Value Act 2012</p>	<p>Commissioning and procurement arrangements encourage providers to offer a range of service delivery solutions to meet identified need and / or gaps in the market</p>	<p>Service users are supported to form their own independent service delivery models (including mutuals and social enterprises) to meet outcomes</p>	<p>Commissioners, service users and providers regularly meet to monitor the performance of contracts and identify any areas for improvement, variation or amendment</p>	<p><b>Commissioners are able to respond positively to new and innovative business proposals designed to improve outcomes for people with care and support needs</b></p> <p>Commissioners support and encourage a market for alternative options for service provision (for example, PA's personal health budgets, Individual Service Funds)</p>	<p>Contract monitoring arrangements are streamlined and proportionate.</p> <p><b>Procurement processes and service delivery models support a range of flexible provider models (eg partnerships, sub-contracting, geographical patches etc)</b></p>

### **13. Work already underway to shape and influence the local care market**

Although this is a new strategy developed as a result of the Care Act, the Council is already engaged in a number of significant pieces of work designed to shape and influence the local care market where there are long-standing sufficiency issues resulting in unmet need. The more significant pieces of work are;

- Older Peoples accommodation strategy, focussing on medium and long- term accommodation needs for people aged 65+
- Homecare sufficiency project, focussed on a range of tasks aimed at reducing unmet need for homecare, and delivering actions identified at a stakeholder workshop that took place in April 2015
- The recent appointment of a Homecare Development Manager to support providers through a range of actions, including support to implement recruitment and retention plans and the development of a county-wide independent sector provider (ISP) workforce development strategy
- The Council's Workforce Development Service provides regular training courses to support the provider and voluntary sector workforce, covering a range of key competencies, both managerial and operational
- Through the personalisation agenda, Direct Payments continue to be promoted to service users, and the use of non-traditional care providers (such as personal assistants) encouraged to provide person-centered support
- As a result of the Winterbourne Concordat, now called Transforming Care, best practice guidance was to bring all hospital placements in county using non-residential services where possible, the Learning Disability Partnership took the opportunity to review all out of county beds and, where a move in county would be in the person's best interest, move the person in county to a non-residential setting.
- There is ongoing work through the Transforming Care Partnership Board reporting to NHS England to investigate options for provision as an alternative to a hospital admission.
- Consolidating a number of contracts to provide a 'single offer' across the county and across client groups (such as the upcoming VCS support contract and the advocacy contract)
- There are a range of quality monitoring systems in place designed to capture and utilise service user feedback to monitor service quality
- A CFA Procurement Strategy has been drafted, referencing national best practice and recent legislative changes (such as the Social Value Act 2012) that promotes a flexible approach to procurement
- There is significant work ongoing in the East Cambridgeshire Learning Disability Partnership with providers around responses in a crisis situation to improve possibilities that carers can continue in their role and prevent hospital admission. Consideration is currently being given on how this approach could be implemented across the county.

### **14. Priorities for development**

Taking into account the activities and themes detailed earlier in the strategy, and work detailed above that is already underway to shape and influence the market, the action plan will involve around the following priority areas for development:

### **1.20. Strong and effective engagement**

1. Commissioners engage with service users to develop outcome-based service specifications
2. Strong and regular communication with providers to understand and respond to business challenges and opportunities
3. Service users, partner organisations, members, providers and commissioners are all involved in finding shared and integrated solutions that meet peoples care needs
4. New providers are encouraged to develop and invest in services across the County

### **1.21. Market intelligence**

1. Monitoring systems use local and national data to monitor capacity, utilisation and service quality
2. The care market is regularly analysed to identify 'hard to replace' providers to support actions that encourage sustainability and promotes new entrants into the market
3. The Market Position Statement identifies gaps and shortfalls in market provision to stimulate growth and promote choice
4. Commissioners use market intelligence data to identify opportunities to integrate services, improve outcomes for service users and achieve greater value for money or efficiency in the way in which services are delivered

### **1.22. Provider development**

1. Providers are supported to develop new and innovative ways of delivering positive outcomes for service users
2. Providers are supported to develop workforce development strategies that supports the delivery of good quality care
3. Providers are supported to develop a range of services focused on improving outcomes for people with care and support needs using information provided in the Market Position Statement
4. Providers are supported to proactively identify and respond to market signals and industry best practice

### **1.23. Flexible arrangements**

1. Providers are empowered to develop, in agreement with commissioners and procurement staff, appropriate ways of measuring their service which complement the service specification
2. Commissioners use a range of solutions (including use of council assets) to promote market sustainability
3. Commissioners are able to respond positively to new and innovative business proposals designed to improve outcomes for people with care and support needs
4. Procurement processes and service delivery models support a range of flexible provider models (eg partnerships, sub-contracting, geographical patches etc)

## Appendix 1: Action plan

Strong and effective engagement					
	<b>1</b>	<b>Commissioners engage with service users to develop outcome-based service specifications</b>			
		<b>Actions</b>	<b>Success criteria</b>	<b>Owner(s)</b>	<b>Linked to:</b>
		Develop a range of approaches to Outcomes-based Commissioning, relevant to the specific service area	Options identified and opportunities for implementation agreed	Strategy Service	Procurement Strategy
		Embed the Council's participation strategy in the commissioning and procurement processes	Service users influence key service specifications  Service users participate in the evaluation of tenders	Heads of service for commissioning and procurement	Participation Strategy
	<b>2</b>	<b>Strong and regular communication with providers</b>			
		<b>Actions</b>	<b>Success criteria</b>	<b>Owner(s)</b>	<b>Linked to:</b>
		Regular provider forums held to ensure providers are up to date with latest developments and upcoming work	Minimum of 6 held annually, across different client groups	Heads of service for procurement	
		Review of provider forum attendance, and follow up with non-attendees to understand reasons for lack of engagement and identify areas for improvement	Improved attendance at provider forum meetings	Heads of service for procurement	
		Increased dialogue with key providers – small group and 1-2-1 – to review areas for development and identify opportunities for service development and innovation	Topic specific workshops held throughout the period, to include; Medication management Deprivation of Liberty End of life care Meetings with key providers held on a bi-annual basis to support future service development	Heads of service for procurement	
		Development of a dedicated provider	Increased awareness and	Heads of service	Procurement

	webpage to hold key information, to include: <ul style="list-style-type: none"> <li>• Market position statement</li> <li>• Market shaping strategy</li> <li>• provider forum materials</li> <li>• a new ideas template</li> <li>• Details of key commissioning contacts</li> <li>• e-procurement user guide</li> </ul>	transparency of Council procurement.  Providers and stakeholders have a clear route for accessing information regarding commissioning requirements and the submission of proposals	for procurement	Strategy, Market Shaping Strategy	financial year
	Expand readership across all services of existing service's communications with providers which includes WFD e-bulletins and Brokerage newsletter and develop further communications for new markets	All providers have access to regular CCC communications and updates including information on upcoming events and training	WFD, Brokerage Team and Access to Resources	Workforce Development Strategy, TL and Care Act	On going
	<b>3 Service users, partner organisations, members, providers and commissioners are all involved in finding shared and integrated solutions that meet people's care needs</b>				
	<b>Actions</b>	<b>Success criteria</b>	<b>Owner(s)</b>	<b>Linked to:</b>	<b>Timeline(s)</b>
	Create reference groups to support key commissioning activity e.g. the re-commissioning of homecare	Stakeholders are engaged throughout the commissioning exercise	Heads of service for commissioning and procurement	Homecare sufficiency project	From April 2016
	Conduct detailed market research to identify current and future accommodation needs of older people	Council strategy reflects the needs of the local community	Heads of service for commissioning and procurement	Older Peoples Accommodation Programme Board	End 2016/17 financial year
	Work with commissioner's in children's services to map future demand for adult social care in a systematic way	Adult social care commissioners are aware of future demand and can proactively commission services to meet that demand.  The transition between children's social care and adult social care is straightforward for service users.	Heads of service for commissioning	SEND code of conduct  SEND Commissioning Board	End 2016/17 financial year

	Engage key VCS service user groups (e.g. CAIL, COPE, Older Peoples Reference Group, Lifecraft, Speaking Out, LD Partnership Board) to inform commissioning strategies and service design	Co-production of services	Heads of service for commissioning and procurement	Participation Strategy Transforming Lives	From April 2016
<b>4</b>	<b>New providers are encouraged to develop and invest in services across Cambridgeshire</b>				
	<b>Actions</b>	<b>Success criteria</b>	<b>Owner(s)</b>	<b>Linked to:</b>	<b>Timeline(s)</b>
	Develop simple process for dealing with new ideas from providers	Investors, developers and stakeholders are able to submit proposals for service changes and improvement	Heads of service for commissioning		September 2016
	Develop a 'Cambridgeshire Offer' in response to new business ideas from potential investors / providers so that the Council operates a 'no wrong door' approach	All parts of the Council (Planning, Economic Development, Digital Strategy etc) and other relevant stakeholders (eg District Councils) are engaged to support investment into the County	Service Director: ASC Service Director: OPMH Commissioners and other strategic leads		End 2016/17 financial year
	Develop work with Cambridge Community Foundation and other grant funded organisations to prompt funding of VCS and Community groups that provide support and services that support Transforming lives strategy.	Increase of funding streams to VCS from external sources	Heads of service for commissioning and procurement	Care Act Transforming Lives Community Resilience Strategy	From April 2016

## Market Intelligence

**1**

**Monitoring systems use local and national data to monitor capacity, utilisation and service quality**

Actions	Success criteria	Owner(s)	Linked to:	Timeline(s)
Use Capacity Overview Dashboard to capture and analyse care home prices, capacity and quality	Real time, evidence based market management.	Heads of service for commissioning and procurement		From April 2016
Provider Failure Early Warning Dashboard is used to collate and analyse information to identify providers who may be at risk from financial or quality failure. This information is shared across services.	Market intelligence is available to enable CCC to take early action in the event of provider failure in line with duties under the Care Act.	Contracts Teams and Access to Resources	TL and Care Act Programme	April 2016
Develop closer links between monitoring officers and locality teams in the Learning Disability Partnership	Information flows well between frontline staff and contract monitoring officers ensuring that all staff interacting with a provider are aware of and supporting one another.	Access to Resources and Learning Disability Partnerships		September 2016
Monitor effectiveness and application of training and seek to offer targeted, affordable and high quality workforce development opportunities to providers	Systems are in place to monitor the effectiveness of training, and targeted workforce development support is available	Workforce Development, Contracts Team and Access to Resources	Draft ISP Workforce Development Strategy	September 2016

**2**

**The care market is regularly analysed to identify 'hard to replace' providers to support actions that encourage sustainability and promotes new entrants into the market**

Actions	Success criteria	Owner(s)	Linked to:	Timeline(s)
Management information is regularly reviewed by directorate management teams and / or performance boards	'Hard to replace' providers are identified and a) provider failure plans are in place and b) commissioners develop remedial plans to encourage new and	Heads of service for commissioning and procurement	Older Peoples Accommodation Strategy  Transforming Care	Ongoing



		alternative providers to operate in the County			
	Develop strategic partnerships with identified 'hard to replace' providers	Identified 'hard to replace' providers have regular contact at a strategic level with the Council and are aware of the Council's future commissioning intentions.	Heads of service for commissioning and procurement		September 2016
<b>3</b>	<b>The Market Position Statement identifies gaps and shortfalls in market provision to stimulate growth and promote choice</b>				
	<b>Actions</b>	<b>Success criteria</b>	<b>Owner(s)</b>	<b>Linked to:</b>	<b>Timeline(s)</b>
	Refresh Market Position Statement	Information used by Providers, developers and stakeholders to support business case development.  Information used in regular discussions with key providers to develop services  A process is in place to ensure the document is regularly refreshed	Heads of service for commissioning and procurement	CFA Procurement Strategy  Business Plan	Ongoing, minimum annually
	Focus workshops when specific gaps identified. These should include providers, Commissioners from CCC, PCC, CCG and Districts, VCS and Service Users	Ensure all opportunities and options considered	Heads of service for commissioning and procurement	CFA Procurement Strategy	Business as usual from launch of strategy
<b>4</b>	<b>Commissioners use market intelligence data to identify opportunities to integrate services, improve outcomes for service users and achieve greater value for money or efficiency in the way in which services are delivered</b>				
	<b>Actions</b>	<b>Success criteria</b>	<b>Owner(s)</b>	<b>Linked to:</b>	<b>Timeline(s)</b>
	Commissioning strategies incorporate national best practice, and learning from regional support networks (eg ADASS contracting group, ADASS Finance group,	Best practice approaches are adopted in service specifications and options for service delivery where replication would lead to service improvement, efficiency	Heads of service for commissioning and procurement		Ongoing



	CCRAG)	gains or quality improvements.			
	Pre-market assessments are undertaken when commissioning services	Comprehensive understanding of local markets and the commercial challenges and opportunities facing providers.  Information is used to inform the approach used to commission services.	Heads of service for commissioning and procurement		Approach adopted for commissioning significant areas of spend
	Commissioners explore opportunities for joint commissioning with relevant stakeholders (for example other local authorities, health partners, voluntary organisations, district councils)	Development of a regional contracting plan enabling opportunities for joint working and integrated contracts.  Reduction in transaction costs. Reduction in duplication Reduced costs as a consequence of increased volumes	Heads of service for commissioning and procurement	ADASS Directors Group Agenda	Sept 2016
	Reconsider expanding Brokerage function to homecare and community support functions and/or CHC Homecare.  Consider options for the recommissioning of homecare across the county where appropriate in 2017	Centralised approach to driving efficiency and minimising travel time leading to an increase in contact time for care staff.  Increase market visibility and control over scarce resources.  Increased opportunities for collaborative working amongst providers	Head of Procurement & Head of Operations		January 2017
	Develop integrated Joint Commissioning with CCG, PCC and District Councils particularly in the commissioning of MH services and VCS.	Joint commissioning of Services	Heads of service for commissioning and procurement	Care Act Transforming Lives Community Resilience Strategy Mental Health Strategy	From April 2016

## Provider development

1	Providers are supported to develop new and innovative ways of delivering positive outcomes for service users				
	Actions	Success criteria	Owner(s)	Linked to:	Timeline(s)
	Develop with the New Early Help Team as well as locality teams for learning disabilities, new and innovate ways that providers from both the independent and voluntary sectors work with service users who are Transforming Lives tier 1and 2 to provide support and services	Increases referral rate between providers and VCS. Service users have improved/route access to a range/menu of services	Head of Procurement & Head of Operations	Transforming Lives Better Care Fund	From April 2016
	Homecare Development Manager working closely with Homecare providers to develop their workforce through the delivery of some of the key objectives of Joint Workforce Development Strategy.	Homecare providers recruiting and retaining a highly trained work force with the right values, developing a positive culture and raising the profile of Homecare across the sector	Head of Procurement	Joint Workforce Development Strategy	From April 2016
	Targeted training opportunities & workshops, to support provider development.	An increase in the number of providers able to comply with service standards, customer expectations and regulatory requirements	As stated	Joint Workforce Development Strategy	Oct 2015 – Oct 2016
	Develop work that is ongoing in East Cambridgeshire across the county with providers to work to a progression model around short term funded packages to reduce the reliance on long term funded service and/or hospital admissions.	Providers work quickly and responsively with locality teams on a short term basis across the county.	Learning Disability Partnerships	Transforming Lives	From May 2016
	Develop a countywide strategy to address issues regarding older people's accommodation needs in the medium to long term.	Strategy implemented and attracting engagement from accommodation providers	CCC, Cambridge & Peterborough CCG, Peterborough	Older Peoples Accommodation Strategy	From June 2016

			CC, PSHFT, EEAST and CPFT		
<b>2</b>	<b>Providers are supported to develop workforce development strategies that supports the delivery of good quality care</b>				
	<b>Actions</b>	<b>Success criteria</b>	<b>Owner(s)</b>	<b>Linked to:</b>	<b>Timeline(s)</b>
	Homecare providers assisted to develop individual workforce development strategies	Increase in staff retention Increase in numbers of staff recruited into the sector School and college leavers able to consider a career in care Sustainable career pathways developed in conjunction with Sills for care and other sector leaders	Workforce Development Officer & CCC WFD Team	Joint Workforce Development Strategy	September 2016
	Development of an overarching sector wide Workforce Development Strategy	Active promotion of the sector through a variety of sources and through the media. Calendar of recruitment events across the county.  Job centres across the county actively working with providers in their areas.  A cohort of care Ambassadors visiting and promoting a career in care in schools and colleges	Workforce Development Officer & CCC WFD Team	Joint Workforce Development Strategy	End August 2016
	Work with LD providers to develop career pathways for their staff	Increase in staff recruitment and retention in the sector	CCC WFD Team LDP Teams		End of financial year 2016/17
	Proactively work with providers to identify training required for packages of care and tailor the training offer as needed.	Providers work closely with the Council to procure and develop needed training courses.	CCC WFD Team LDP Teams		End of financial year 2016/17

3	Providers are supported to develop a range of services focused on improving outcomes for people with care and support needs using information provided in the Market Position Statement				
	Actions	Success criteria	Owner(s)	Linked to:	Timeline(s)
	To ensure that commissioning arrangements offer providers sufficient flexibility to develop innovative services	Service Users and other stakeholders report better outcomes	Heads of service for commissioning and procurement		Business as usual from launch of strategy
	To work with providers (including VCS), health colleagues and CCC staff to develop an AT offer that supports independence for Service Users	Greater use of AT, leading to less use of statutory care services and less people entering residential care. Lower number of acute admissions	Assistive Technology Team	Transforming Lives Assistive Technology Strategy	ongoing
4	Providers are supported to proactively identify and respond to market signals and industry best practice				
	Actions	Success criteria	Owner(s)	Linked to:	Timeline(s)
	Increase awareness amongst providers of how to submit plans to address shortfalls (and who to submit these to)	Increase in the number of Business Cases submitted to Invest to Save pot. Submissions from providers that address shortfalls in service availability, unmet need and unsatisfied need	Heads of service for commissioning and procurement		Business as usual from launch of Strategy
	Agree a clear process to address provider shortfalls in learning disabilities.	A process is in place and agreed with providers as to how to address shortfalls.	Access to Resources and LDP		September 2016
	CCC to disseminate information from regional/national forums regarding best practice; providers to consider how this could be adapted by them	Examples of successful service delivery options used elsewhere tabled by providers and partners	Heads of service for commissioning and procurement		From April 2016 and ongoing

## Flexible arrangements

**1**

**Providers are empowered to develop, in agreement with commissioners and procurement staff, appropriate ways of measuring their service which complement the service specification**

Actions	Success criteria	Owner(s)	Linked to:	Timeline(s)
Work with providers to use their internal quality assurance arrangements to inform the review of service specifications.	Service specifications are familiar to and agreed with providers.  Provider's staff at all levels are aware of the service specification they are working to.	Heads of service for commissioning and procurement		Business as usual from launch of Strategy
Providers, commissioners and Contract staff to review outcomes contained in service specifications prior to tendering	Outcomes based targets developed as part of the Service Specification	Heads of service for commissioning and procurement		Business as usual from launch of Strategy

**2**

**Commissioners use a range of solutions (including use of council assets) to promote market sustainability**

Actions	Success criteria	Owner(s)	Linked to:	Timeline(s)
Council land, infrastructure and other assets are considered for use when developing services, e.g. service delivery points could include libraries and other Council buildings	Providers are supported to remain in Cambridgeshire. Robust business cases developed to evidence the best use of council assets.	Service Director: ASC Service Director: OPMH		Business as usual from launch of Strategy
Establish a commissioning group across CFA to share learning and good or innovative practice.  Consider extending this group across the Council.	Commissioning is as efficient as possible across CFA.  Learning is shared and good practice celebrated.  Innovative ideas are progressed.	Service Director: Strategy and Commissioning		September 2016
Consideration to be given to	Consideration is given when	Commissioners		Business as usual

	delegation of functions of the LA to third parties, including VCS, where this makes operational sense and produces savings/efficiencies and improving outcomes	commissioning services			from launch of Strategy
	To explore the opportunities for Providers to take advantage of the purchasing power of the council when procuring goods and services, (e.g. equipment, training)	More providers utilising purchasing power of the council to procure services/goods, leading to lower costs	Heads of Service Procurement in conjunction with LGSS	CFA Procurement Strategy	Business as usual from launch of Strategy
	<b>3 Commissioners are able to respond positively to new and innovative business proposals designed to improve outcomes for people with care and support needs</b>				
	<b>Actions</b>	<b>Success criteria</b>	<b>Owner(s)</b>	<b>Linked to:</b>	<b>Timeline(s)</b>
	Develop and implement a process for dealing with proposals for new services	Process in place and publicised via CCC website and provider forums	Heads of Service for Procurement		September 2016
	Develop, in collaboration with providers, services to support specialised needs within learning disabilities, for example, complex challenging behaviour.	There are appropriate services for all client groups within the service users open to the Learning Disability Partnership.	Head of Service for the LDP		Ongoing
	Alternative models of homecare are considered for implementation to address system capacity issues	<p>Alternative models of homecare developed to address the overall shortfall in homecare supply and improve provision in hard to reach areas.</p> <p>Reduction in demand on re-ablement and other services currently used to manage demand for mainstream homecare</p>	Head of Service Development	Homecare Sufficiency Project	See project timeline

	<b>4</b>	<b>Procurement processes and service delivery models support a range of flexible provider models (eg partnerships, sub-contracting, geographical patches etc)</b>			
	<b>Actions</b>	<b>Success criteria</b>	<b>Owner(s)</b>	<b>Linked to:</b>	<b>Timeline(s)</b>
	Review current contract procedure guidelines with LGSS Procurement to facilitate flexibility in commissioning	Contract procedure guidelines are sufficiently flexible to allow innovative provider models and support commissioners in developing these.	Head of Service for commissioning and procurement LGSS Procurement		End of financial year 2016/17

## Appendix 2: Estimating the economic value of the Cambridgeshire economy

The Office of National Statistics (ONS) collects and publishes information on business turnover captured via the Annual Business Survey. This Data can be broken down by business type which allows the analysis of the care economy in England. The data is available at a regional level, which by applying population information, can be used to estimate the value of the care economy at a county level.

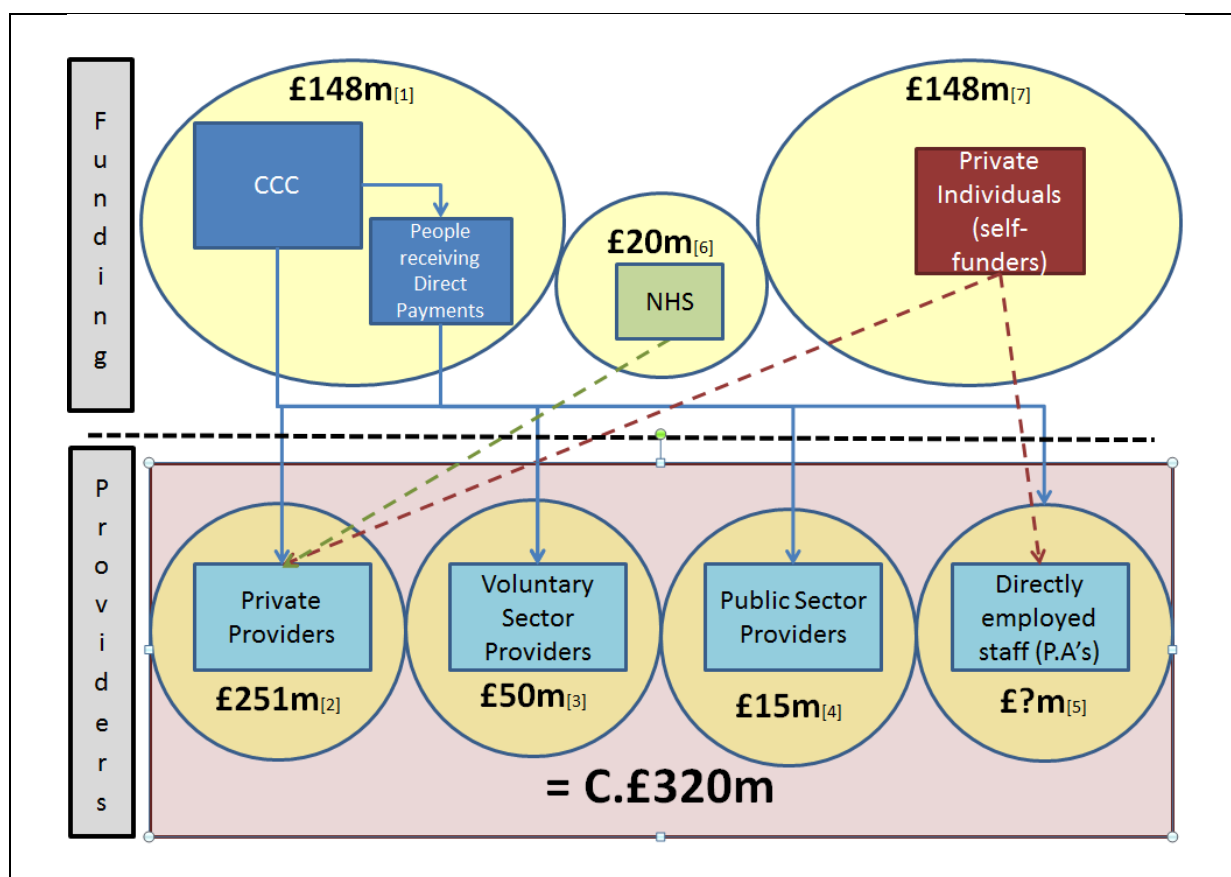
### 2012 Annual Business Survey UK Non-Financial Business Economy

Release Date 23/07/2014

Area	Population aged 18+	Care Economy - Total Turnover (£ million)	Turnover per person (18+)
East of England	4,678,281	£2,338	£500
England	42,359,366	£21,402	£505
UK	50,501,583	£25,266	£500

Applying the East of England Turnover per person (aged 18+) to the adult Cambridgeshire population suggests a total

Area	Population aged 18+	Turnover per person (18+)	Care Economy - Total Turnover (£ million)
Cambridgeshire	502,057	£500	£251





**Estimate value of the Cambridgeshire Care Economy (£ millions)**

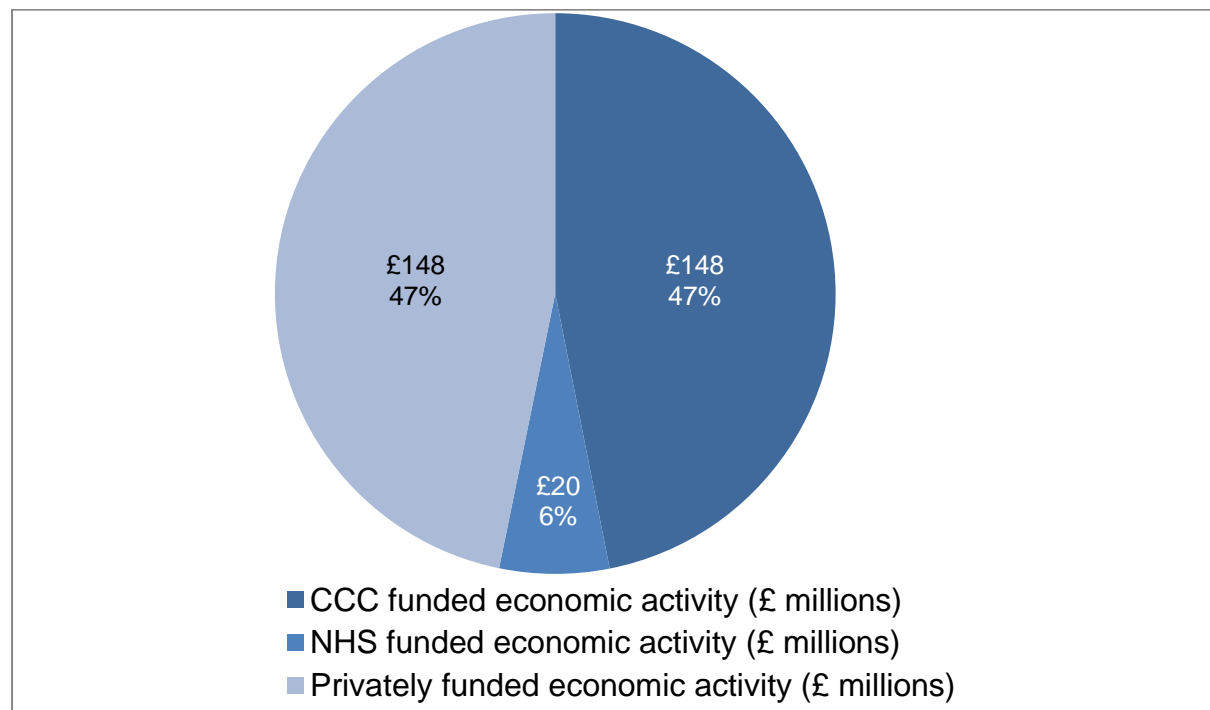
<b>Gross annual CCC spend of care packages</b>		<b>£171</b>
Of which.....	Older People & Mental Health Directorate	£84
	Adult Social Care	£87
<b>Client contributions</b>		<b>£22</b>
Of which.....	Older People & Mental Health Directorate	£19
	Adult Social Care	£3
<b>[1]</b>	<b>Net annual CCC spend of care packages</b>	<b>£148</b>

<b>[2]</b>	<b>Private providers - Total Turnover (£ million)</b>	<b>£251</b>
Of which.....	CCC funded	£148
	NHS funded	£20
	Private funded	£148

<b>[3]</b>	<b>Voluntary sector (est. additional 20% of sector)</b>	<b>£50</b>
------------	---	------------

<b>[4]</b>	<b>Public sector run services</b>	<b>£15</b>
Of which.....	In-house provider services	£7
	Re-ablement, OT, ATT	£8

	<b>£ millions</b>	<b>%</b>	<b>Calculation</b>
CCC funded economic activity (£ millions)	£148	47%	[1]
Privately funded economic activity (£ millions)	£148	47%	( [2] + [3] + [4] ) - [1]
<b>Total care market economic value (£ millions)</b>	<b>£316</b>	<b>100%</b>	<b>[2] + [3] + [4]</b>



### Appendix 3: employment measures

Analysis of a range of employment indicators available from the Office National Statistics (ONS) shows that the Cambridgeshire economy is out performing the regional, England and national averages.

**ONS People not in Work - January 2014 to December 2014 (published 17th April 2015)**

Economic Indicator	What is good?	Cambs	East of England	England	UK	Notes
Job density	Higher ratio	0.84	0.78	0.80	0.79	Jobs densities are calculated as the number of jobs per resident aged 16 to 64 of the relevant year.
Employment %	Higher %	79.5	75.7	72.5	72.2	Annual Population Survey (APS) data. The APS is a survey of the population of private households, student halls of residence and NHS accommodation.
Unemployment %	Lower %	3.90	5.20	6.20	6.20	Model-based estimates of unemployment. These are calculated from a model based on the Annual Population Survey with the Claimant Count as an auxiliary variable.
Unemployment claimant count %	Lower %	1.1	1.9	2.4	2.5	A measure of the number of people claiming benefits principally for the reason of being unemployed. Currently this is the number claiming Jobseeker's Allowance on the second Thursday of each month (the "count date").

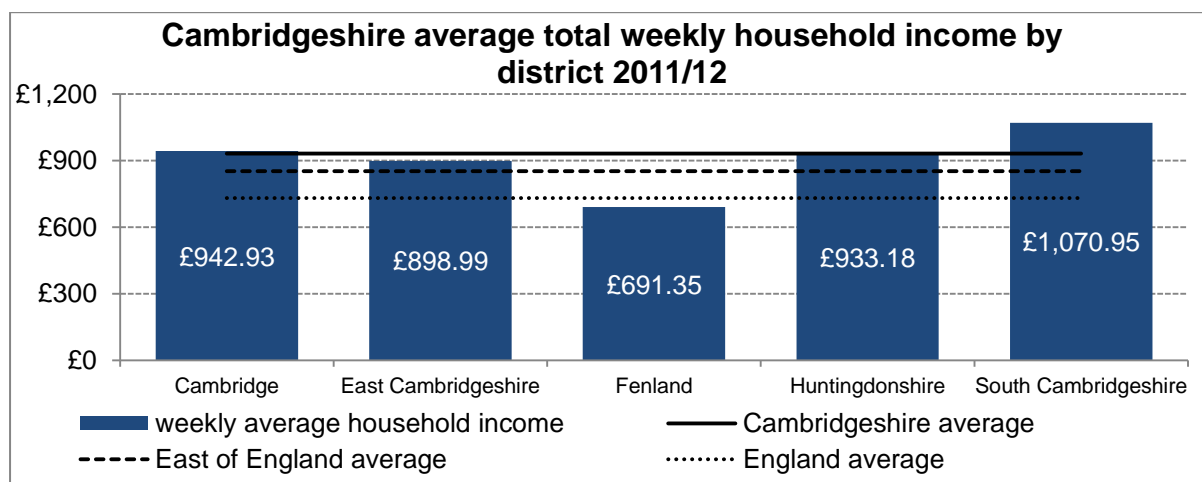
**Source:** <http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=People+not+in+Work#tab-data-tables>

**ONS People not in Work - January 2014 to December 2014 (published 17th April 2015)**

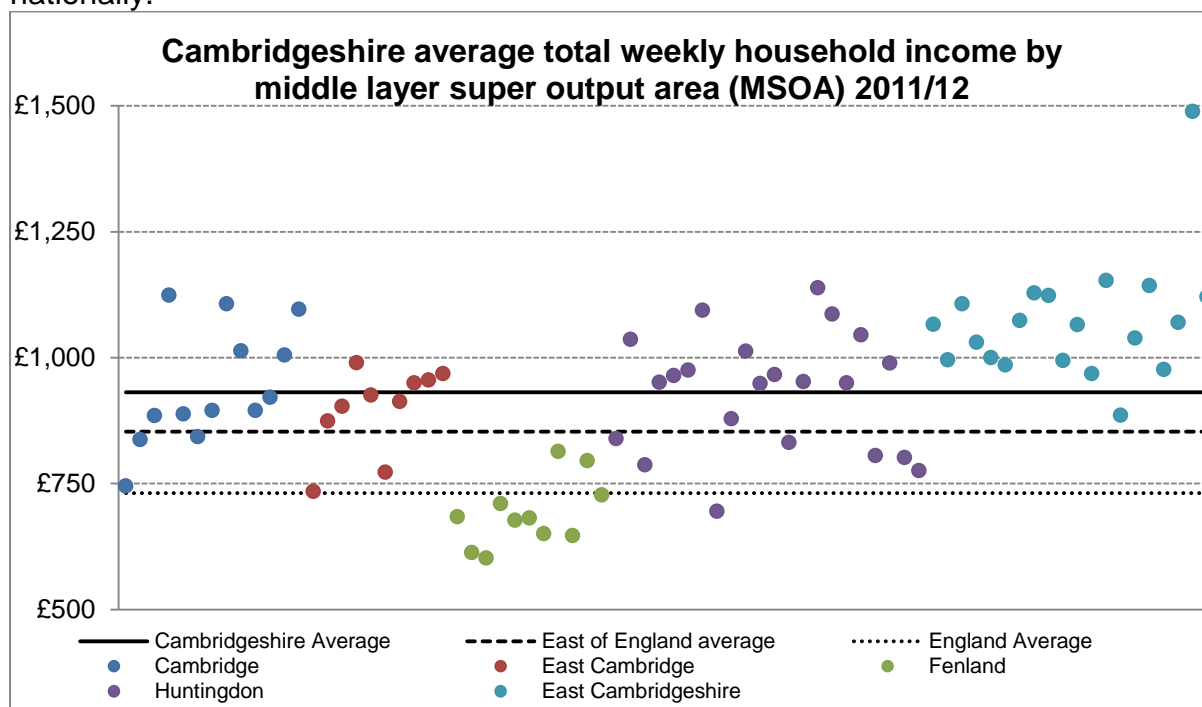
Area	Job density	Employment %	Unemployment %	Unemployment claimant count %
<b>Cambridgeshire</b>	<b>0.84</b>	<b>79.5</b>	<b>3.9</b>	<b>1.1</b>
Cambridge	1.18	78.6	4.0	1.0
East Cambridgeshire	0.70	74.1	4.4	1.1
Fenland	0.64	78.0	5.4	1.9
Huntingdonshire	0.75	83.9	3.6	1.1
South Cambridgeshire	0.80	79.6	3.2	0.7

## Appendix 4: Cambridgeshire average weekly household earnings

Analysis of average weekly household income data published by the Office of National Statistics (ONS) shows that the county is performing well against national and regional comparators. However, analysis of the Cambridgeshire level data (i.e. district sub-district) shows significant geographical variations within the County. Cambridge and Huntingdonshire have weekly household income levels similar to the county average, and greater than the national and regional averages, with the average for South Cambridgeshire being significantly higher. The average weekly household income in East Cambridgeshire, is above national and regional averages, but a little below the county average, whilst the average for Fenland is significantly lower than all other districts and is also below the national and regional average.



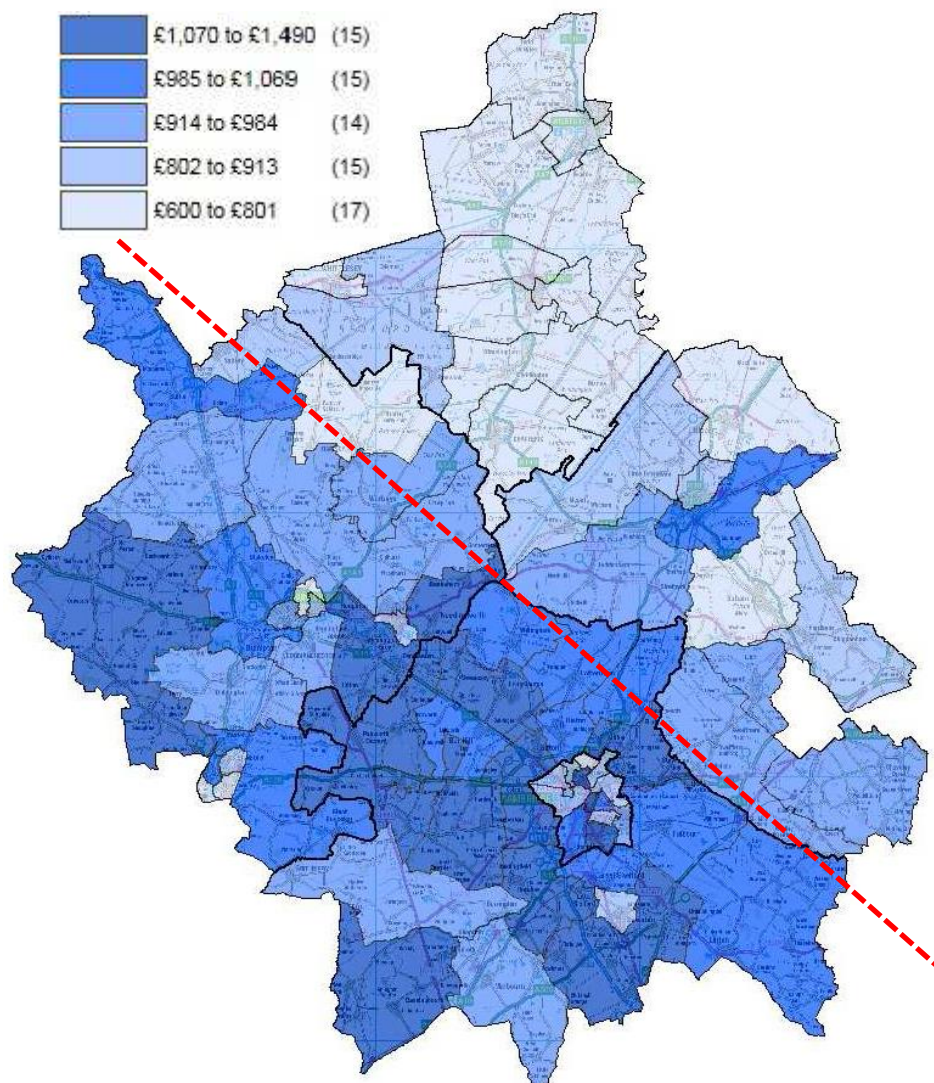
Analysis of district level information follows a similar pattern, with the averages within South Cambridgeshire being significantly above the regional and national averages, and Fenland performing poorly against other parts of the county, regionally and nationally.



Source: <http://www.ons.gov.uk/ons/rel/ness/small-area-model-based-income-estimates/2011-12/index.html> published October 2015

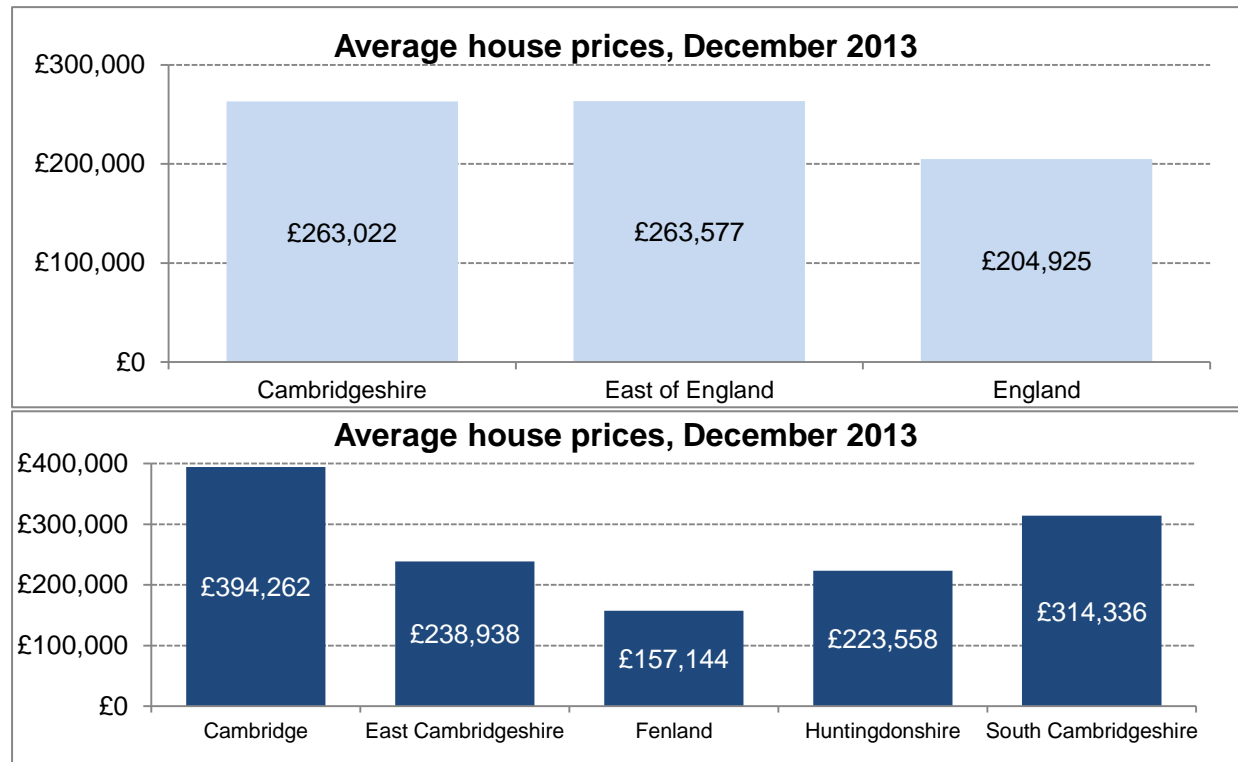
When plotting this information geographically, there is a clear South-East / North–West axis, as shown in the map below.

**Cambridgeshire average total weekly household income by middle layer super output area (MSOA) 2011/12**



## Appendix 5: Average house prices (July-December 2013)

House prices in Cambridgeshire are in line with the regional average, and are greater than the national average. Breaking this figure down to district level, it is clear that much of this comes from house values in Cambridge and South Cambridgeshire, which are significantly higher than other parts of the County.



## Appendix 6: Useful links

### **CQC capacity data**

[https://docs.google.com/folderview?id=0B1jvn\\_rdpdEzMUtiNVoyeW9rb2M#list](https://docs.google.com/folderview?id=0B1jvn_rdpdEzMUtiNVoyeW9rb2M#list)

### **CCC website – support for new businesses**

[http://www.cambridgeshire.gov.uk/info/20098/support\\_for\\_businesses](http://www.cambridgeshire.gov.uk/info/20098/support_for_businesses)

### **CCC website – doing business with the Council**

[http://www.cambridgeshire.gov.uk/info/20092/business\\_with\\_the\\_council/37/doing\\_business\\_with\\_the\\_council/2](http://www.cambridgeshire.gov.uk/info/20092/business_with_the_council/37/doing_business_with_the_council/2)

### **CCC Joint Strategic Needs Assessments**

<http://www.cambridgeshireinsight.org.uk/joint-strategic-needs-assessment/current-jsna-reports>

### **ONS unemployment statistics**

<http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Unemployment#tab-data-tables>

### **Skills for Care NMDS-SC dashboards**

<https://www.nmds-sc-online.org.uk/ReportEngine/Dashboard.aspx>

### **LGA market shaping toolkit**

[http://www.local.gov.uk/care-support-reform/-/journal\\_content/56/10180/6520234/ARTICLE](http://www.local.gov.uk/care-support-reform/-/journal_content/56/10180/6520234/ARTICLE)

### **IPC Market Shaping Toolkit**

[https://ipc.brookes.ac.uk/services/documents/Market\\_Shaping\\_Toolkit.pdf](https://ipc.brookes.ac.uk/services/documents/Market_Shaping_Toolkit.pdf)

### **Cordis Bright - Social care market sustainability guidance**

<http://www.cordisbright.co.uk/news/post.php?s=social-care-market-sustainability>

### **United States Agency for International Development (U.S AID) Healthy markets for Healthy Growth: A Market Shaping Primer**

[https://www.usaid.gov/sites/default/files/documents/1864/healthymarkets\\_primer.pdf](https://www.usaid.gov/sites/default/files/documents/1864/healthymarkets_primer.pdf)

### **Practical approaches to market and provider development**

[http://www.thinklocalactpersonal.org.uk/\\_library/PPF/NCAS/Practical\\_approaches\\_to\\_market\\_and\\_provider\\_development\\_12\\_November\\_2010\\_v3\\_ACC.pdf](http://www.thinklocalactpersonal.org.uk/_library/PPF/NCAS/Practical_approaches_to_market_and_provider_development_12_November_2010_v3_ACC.pdf)