Market Intelligence Framework: a practical guide to the collection, analysis and use of intelligence about the adult social care market.

Developed by the West Midlands Market Intelligence Working Group

Paul Johnston
July 2011
Background and introduction

The West Midlands Market Shaping programme ‘Mobilising Community Capital’ has been set up to support the region’s efforts to transform adult social care and to create an environment where care markets can “shape themselves” to meet needs and achieve positive outcomes.

1 The vision is for a richer, more efficient market, shaped around customer needs, with a mixed economy of providers delivering real choice, better care and improved outcomes.

Market Shaping is increasingly seen as a core activity for local authority commissioners and is at the heart of the coalition government’s ‘Modernising Commissioning’ proposals. The programme has adopted the Institute of Public Care (IPC) / Oxford Brookes University model for market shaping and has structured its work around the components of the IPC model: Market Intelligence, Market Structuring and Market Interventions.

A Market Shaping Task & Finish Group, chaired by Pete Fahy of Coventry City Council, has been set up to inform and oversee delivery across the Market Shaping projects and has established a series of Working Groups to collaborate over the development of specific deliverables.

The Market Intelligence Working Group has been set up to share practice and to develop a practical approach to market intelligence. Group membership is as follows:

Dudley MBC – Mike Marshall
Shropshire County Council – Neil Evans
Staffordshire County Council – Jill Mogg, Kevin Harrison
Telford & Wrekin Council – Christine Harrison
Warwickshire County Council – Elaine Ives, Andrew Sharp
Wolverhampton City Council – Mike Finnegan-Lam, Joy Dale
Worcestershire County Council – Sue Harris
West Midlands JIP / Working Group facilitator – Sue Williams
Impact Change Solutions / Working Group facilitator – Paul Johnston

The Market Intelligence Framework has been developed to reflect the work of the Working Group and to describe the recommended approach to the collection, analysis, use and maintenance of market intelligence.

Benefits statement

Benefits are expressed in terms of the effect of the adoption of the Market Intelligence Framework on the market and on people’s care outcomes. These are longer-term measures that will require operational ownership, sustained effort and a focus on benefit delivery beyond the life of the Mobilising Community Capital programme. Use of the framework will help:

• Build community capacity – by identifying and engaging community assets; providing the evidence basis for future interventions; co-producing solutions aimed at addressing unmet need
• Facilitate integrated working across the Health & Social Care system – by helping to identify needs and required outcomes

1 West Midlands market shaping programme ‘Mobilising Community Capacity’, September 2010
2 TRANSFORMING THE MARKET FOR SOCIAL CARE: A model for market facilitation 2, IPC / Oxford Brookes University, June 2009
• Stimulate provision – by using the MPS to encourage new models of provision; incentivising changes in the provider offer; ensuring the availability of services that promote and enable independent living

• Enhance operating systems – for example by ensuring information systems are aligned to the needs and commitments contained within the MPS

• Facilitate choice & control – by ensuring an adequate supply of community-based support planning and preventative services

• Enable efficiency savings across the system – by ensuring a focus on needs and outcomes and by shifting resources towards universal and preventative services

• Encourage workforce development – by facilitating information sharing and encouraging the development of new roles and skills

• Support and reinforce cultural change – by unifying community resources around the vision for the market (MPS); galvanising support across organisational boundaries; developing the skills needed to effectively shape the market.

These effects are identified as priorities within the sector-led partnership agreement Think Local Act Personal and demonstrate the importance of market intelligence in local plans and in delivering the wider objectives of the Mobilising Community Capital programme:

**Richer, more efficient market**
- More (and more sustainable) providers
- Less reliance on public sector
- Lower unit costs

**Shaped around service user needs**
- Less unmet need
- Improved access to services

**Better care and improved outcomes**
- People can:
  - Live independently
  - Decide & pursue their own goals
  - Stay connected to their community
Market Intelligence Framework

“Councils and their partners need to understand their local context regarding care and support needs, and the relative supply position, if they are to develop a diverse range of high quality provision that people want. ‘Market Position Statements’... and market development strategies can be produced to assist this.’

*Think Local Act Personal, January 2011*

Market Intelligence is defined as “the development of a common and shared perspective of supply and demand (including any gaps in provision), leading to an evidenced, published, market position statement for a given market” (IPC, 2009). It embraces a set of activities that collectively enhance the knowledge and understanding of a given market and the factors that can influence it, providing an evidence basis for organisational structuring and targeted interventions aimed at achieving the ‘market shape’ assessed as being required.

The role of market intelligence is defined within a 3-stage model for market facilitation developed by the Institute of Public Care / Oxford Brookes University (IPC): Market Intelligence, Market Structuring and Market Interventions.

The Mobilising Community Capital programme has been designed around the IPC model. This has provided a good basis for stakeholder engagement and has helped increase understanding of the concepts behind the market shaping ‘theory’. The programme is now concerned with the development of a somewhat more detailed and practical set of resources to take thinking and planning to the next stage and to build on the endorsement and interest that has been generated. This report addresses the recommended approach to the first element of the IPC model - Market Intelligence.

A model for market intelligence

There is, it seems, a plethora of intelligence that is available – provided one knows what to look for and where it can be found! Even then, simply holding intelligence isn’t enough in itself – it has to be assessed in the context of a host of other, often contradictory, factors and that assessment has to lead to decisions and actions. The concept of evidence-based decision making is firmly embedded but of course, the quality of decisions is directly related to the quality – and adequacy – of the intelligence that has produced them. Intelligence about demand and supply is by its nature dynamic and so processes must be iterative if the market is to maintain an appropriate shape.

The Market Intelligence Framework provides a set of practical resources aimed at helping councils and their community partners to **gather** the right intelligence from the right sources; to **analyse** the intelligence to provide a meaningful picture of demand, supply and gaps in provision; to **use** the analysis to inform decisions about required structuring and interventions; and to periodically **review** the intelligence to check that needs continue to be met.

*Fig. 2 Model for Market Intelligence*

The model for market intelligence shown in Figure 2 represents an iterative cycle, with each of the 4 stages a potential ‘starting point’. The framework explores the principles and objectives, information needs and outputs, hints and tips, decisions and success criteria that are relevant to each stage, starting with ‘Gathering market intelligence’.
### Gathering market intelligence

#### Principles & Objectives

Market intelligence is held in a variety of locations, with no single organisation holding the totality of intelligence that exists. Intelligence should be gathered on an ongoing basis. The objective at this stage is to collect, collate and codify the intelligence so that the source information can be easily accessed for analysis.

#### Information Needed (Inputs)

- **Intelligence Sufficiency Assessment** (see ‘Review’ stage)
- **Community Intelligence** – who is playing an active part in the market? Where are they? What do they offer? Who do they serve?
- **System Intelligence** – what do our collective systems and review records tell us about the market? What are the critical relationships and dependencies within the market?
- **Predictive Intelligence** – what is our view of future demand and supply? What are the likely future changes that will impact on the market?
- **Personal Intelligence** – what do our interactions with people who use services tell us? And with Providers? What formal and informal engagement mechanisms exist?

#### Information Produced (Outputs)

- Indexed record of the market intelligence held
- **Intelligence Library**
- **Market Map**
- Leads to next stage in the cycle (analysis of market intelligence)

#### Hints & Tips

- **Community Intelligence** – The diagram in Appendix 1 provides a high-level view of the market and can be used to help map the local care market.
- **System Intelligence** – Some LAs have developed ‘service catalogues’ that include information about community-based providers. Support Plans can be aggregated to build a picture of demand. Don’t forget that Provider systems and records are a source of intelligence too! Use the materials in Appendix 2 to help identify critical relationships.
- **Predictive Intelligence** – Population and demographic forecasts (e.g. POPPI and PANSI data); economic forecasts & trends (BIS, LA Business Support teams etc; local investment priorities (LEPs, JSNA, commissioning strategies etc); Provider business plans.
- **Personal Intelligence** – Review and overhaul engagement approaches; develop links with self-funders; review complaints & compliments; review quality ratings where available.

Consider the diagram in Appendix 3 as the basis for your indexed record of market intelligence.

**Good engagement with providers and people who use care services is essential.**

#### Checkpoint Decisions & Success Criteria

- Have the information outputs been produced?
- Does the intelligence library include community, system, predictive and personal intelligence?
- Have we engaged adequately with providers and people who use services in order to build the intelligence library?
- Do we have sufficient intelligence to move onto the next stage - analysis?
### Analysing market intelligence

#### Principles & Objectives
The starting point for change in the market is a higher level of knowledge for all key stakeholders about the factors that influence supply and demand. The objective of this stage is to produce an analysis of the market that is capable of increasing knowledge and facilitating change.

<table>
<thead>
<tr>
<th>Information Needed (Inputs)</th>
<th>Information Produced (Outputs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indexed record of the market intelligence held</td>
<td>Market Position Statement (MPS)</td>
</tr>
<tr>
<td>Intelligence Library</td>
<td>Leads to next stage in the cycle (using market intelligence)</td>
</tr>
<tr>
<td>Market Map</td>
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</table>

#### Hints & Tips
- The MPS should be a short ‘executive summary’ market facing analysis, containing information that the LA believes would be of benefit to providers and lead to better outcomes for people who use services.
- Avoid the temptation to include all of the evidence within the MPS – if necessary this can be presented as a technical appendix to the MPS.
- The MPS should identify the needs of different service user groups – both publicly and privately funded – including the role and importance of wider public services (housing, leisure, health etc).
- The MPS should present an honest appraisal of the current size, shape and performance of the market and the changes (quality, service standards, innovation) it wishes to encourage.
- The MPS should set out the LA’s intentions towards the market (e.g. targeted support & intervention, decommissioning of in-house provision, resourcing etc).
- The MPS template at Appendix 4 can be used as a basis for the development of local MPSs.
- The Institute of Public Care (IPC) at Oxford Brookes University has developed a MPS Toolkit for the South West Regional Improvement and Efficiency Partnership and this is available from [www.thinklocalactpersonal.org.uk/Regions/SouthWest/Resources/Resource/?cid=8903](http://www.thinklocalactpersonal.org.uk/Regions/SouthWest/Resources/Resource/?cid=8903)

#### Checkpoint Decisions & Success Criteria
- Has a range of stakeholders been appropriately consulted over the development of the MPS?
- Does the MPS adequately address the needs of different user groups?
- Is the MPS consistent with (for example) the JSNA and local Commissioning Strategies?
- Is the analysis supported by and reflective of the evidence base?
- Are the LA’s intentions clearly and accurately set out?
- Does the MPS make clear what actions are required of the market?
- Will the MPS allow the public to hold the LA accountable for delivery?
- The MPS is a strategically important document - formal approval is required.

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3 Developing Market Intelligence Discussion Paper 2, National Market Development Forum
**Using market intelligence**

### Principles & Objectives

Whilst many ‘actors’ will have contributed intelligence for the MPS, and some will have been involved in its development, most will be unaware of its detail and its potential to impact their operations. Producing a MPS provides LAs with a basis for productive engagement and co-production of the desired market conditions. The objective of this stage is to make productive use of the MPS so as to increase knowledge and facilitate change.

<table>
<thead>
<tr>
<th>Information Needed (Inputs)</th>
<th>Information Produced (Outputs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Position Statement</td>
<td>Local Communications materials and events</td>
</tr>
<tr>
<td></td>
<td>Market Intervention Plan</td>
</tr>
<tr>
<td></td>
<td>Statement of Expected Outcomes</td>
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<tr>
<td></td>
<td>Benefits Management Plan</td>
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<tr>
<td></td>
<td>Leads to next stage in the cycle (reviewing market intelligence)</td>
</tr>
</tbody>
</table>

### Hints & Tips

The MPS should be widely distributed, with its publication supported by launch materials and engagement events. This is an opportunity to explain the thinking that has gone into the MPS, to answer questions and address concerns. It should represent a ‘call to action’ whilst at the same time reinforcing the LA’s commitment to co-production.

Use ‘Productive Engagement’ sessions to explore options and prioritise interventions. Co-produce a Market Intervention Plan to reflect agreed priorities and responsibilities.

Be clear about the outcomes that your planned intervention will lead to – these should reflect the Adult Social Care Outcomes Framework and the Think Local, Act Personal priorities. If interventions don’t support the delivery of these outcomes then they probably shouldn’t be given priority!

Refer to [Appendix 5](#) for guidance about Benefits Management. Remember that delivering benefit requires ongoing effort and dedicated ownership. The benefits arising from market shaping will accrue to a number of parties and this adds a degree of complexity, making it even more crucial that an appropriate approach is adopted.

### Checkpoint Decisions & Success Criteria

- Has the MPS been approved?
- Do local communications materials reflect the key messages we wish to deliver?
- If a launch event is planned, have we invited relevant key stakeholders? Keynote speakers (including contributions from service users and providers)?
- Does the Market intervention Plan reflect shared priorities? Is it deliverable? Are stakeholders committed to (and capable of) taking the actions required? Is it adequately resourced?
- Do the expected outcomes map onto the Adult Social Care Outcomes Framework and/or the Think Local, Act Personal priorities?
- Is there a clear and actionable benefits management approach? Do the planned benefits justify the intervention?
**Reviewing market intelligence**

### Principles & Objectives

Market intelligence is dynamic and constantly changing. The MPS presents a ‘snapshot’ analysis of the intelligence held at a point in time and whilst ‘reviews’ should be encouraged throughout the cycle, a formal process stage is required to periodically review the available intelligence in order to inform an updated analysis. The objective of this stage is to test the robustness of the intelligence held and, if necessary, to instigate further gathering of intelligence in preparation for the updated MPS.

### Information Needed (Inputs)

| Indexed record of the market intelligence held |
| Intelligence Library |
| Market Map |
| Market Position Statement |
| Market Intervention Plan |
| Statement of Expected Outcomes |
| Benefits Management Reviews |

### Information Produced (Outputs)

| Intelligence Sufficiency Assessment |
| Leads to next stage in the cycle (gathering market intelligence) |

### Hints & Tips

Review the Intelligence Library to identify any gaps in intelligence. Use the record of intelligence held to flag any gaps.

Check that the intelligence library has been updated since the previous MPS was produced, and that source intelligence remains reliable (for example, old surveys may not reflect current experiences).

The Market Intervention Plan and Statement of Expected Outcomes should be checked to see whether new intelligence is required.

Benefits reviews may identify a need for further intelligence.

The Intelligence Sufficiency Assessment should be used to request that further intelligence be gathered or updated.

The Intelligence Sufficiency Assessment should be prioritised to identify ‘critical gaps’ (which must be plugged before the next iteration of the MPS) and ‘aspirations’ (setting out recommendations for enhancing the intelligence base for the future).

Annual review of MPS as a basis for recasting the Market Intervention Plan

### Checkpoint Decisions & Success Criteria

- Does the existing MPS reflect any new intelligence gathered since it was produced?
- Have any new intelligence requirements been identified (for example, during the course of Benefit Management Reviews)? Has the required intelligence been collected and made available?
- Are there any critical gaps in intelligence that must be plugged before the next MPS is produced? Does the Intelligence Sufficiency Assessment make clear and prioritised recommendations?
Appendix 1: Mapping the Market

Community Intelligence – the care market

In this view of the market there are five ‘roles’ identified:

**Service Users** are placed at the heart of the model and are the reason the care market exists. State-funded service users are those who receive some form of publicly funded support, even though they may top this support up with their own resources; self-funded service users pay for their care and support entirely from their own resources.

**Support for Service Users** is the term we’ve used to describe the individuals and organisations that offer personal, professional and emotional support. The category includes friends & family members, who are likely to be providers of ‘care’ on an unpaid basis, as well as those services that provide mediated access to care services.

**Service Providers** in this model are the individuals and organisations that provide funded or paid-for care and support services for the direct benefit of people who use services. They may be commissioned through public sector contracts or directly accessed by service users or their agents.

**Support for Service Providers** is an important component of a pluralist market, particularly where small ‘micro-providers’, new social enterprises and provider consortia will play an increasing part.

**Market Facilitators** are likely to be present in each of the other four categories; however, their inclusion in this model as a distinct group reflects the specific function of market shaping, which requires planning and co-ordination across all roles in the market and is quite separate from the user/provider/supporter role.
Appendix 2: Critical Relationships

System Intelligence - Critical Relationships

This model seeks to categorise the relationships that any individual or organisation ('actor') within the care market might have with any other actor. Six relationships are described:

Funding – over-reliance on a single source of funding might imply risk if the funding organisation withdraws support.

Contractual – while contracts may be viewed as positive, there may be onerous contractual obligations that constrain either party.

Trading – normal buying and selling of services or support within and across the market. May indicate over-reliance on one or few customers.

Competitive – actors providing the same or similar services to the same target customers. Competition is likely to impact on price and quality.

Sharing – actors within the market may share information or other resources through formal or informal partnerships as a means of utilising spare capacity and sharing costs. Failure of one partner may lead to failure of the other(s).

Support – actors that provide support are not immune from risk and their failure could have a significant impact on the actors they support.

Whilst in reality individual actors will have many relationships in each category (and there may well be a case for them to define these relationships), system intelligence is concerned with those that reflect a critical dependency or risk. This is important because it may be necessary to plan some form of intervention in order to protect the market – for example where a key support organisation is at risk of falling out of the market.

Fig. 4 Critical Relationships ©Impact Change Solutions
## Critical Relationships Template

<table>
<thead>
<tr>
<th>Name</th>
<th>Relationship Categories</th>
<th>Critical with...</th>
<th>Relationships</th>
<th>Risks &amp; dependencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Organisation or Individual name)</td>
<td>Funding</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Role
Choose from:
- Service User
- Support for Service Users
- Service Provider
- Support for Service Providers
- Market Facilitator

<table>
<thead>
<tr>
<th>Role</th>
<th>Contractual</th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Trading</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Competitive</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Sharing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Support</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
### Appendix 3: Sources of Market Intelligence

#### Community Intelligence

<table>
<thead>
<tr>
<th>LEPs</th>
<th>Funding bodies</th>
<th>Carers</th>
<th>ULOs, SEs, Coops</th>
<th>DPSOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioners</td>
<td>Trade Associations</td>
<td>VCS Partners</td>
<td>Brokers</td>
<td></td>
</tr>
<tr>
<td>Local Consortia</td>
<td>Standards bodies</td>
<td>Other LA Services</td>
<td>Advocates</td>
<td></td>
</tr>
<tr>
<td>National VCSOs</td>
<td>Infrastructure</td>
<td>Independent providers</td>
<td>People who use services</td>
<td></td>
</tr>
<tr>
<td>Gov Departments</td>
<td>Support Orgs</td>
<td>PAs</td>
<td>Friends &amp; Family</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Health partners</td>
<td>Peer Networks</td>
<td></td>
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</tbody>
</table>

#### System Intelligence

<table>
<thead>
<tr>
<th>Service reviews</th>
<th>Inspections</th>
<th>Social Media</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reviews</td>
<td>Transactions</td>
<td>RAS</td>
</tr>
<tr>
<td>Support Plans</td>
<td>CRM / service requests</td>
<td>Critical Relationships</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Website stats</td>
</tr>
</tbody>
</table>

#### Productive Engagement

<table>
<thead>
<tr>
<th>Advocacy</th>
<th>Service User comments</th>
<th>LINK / Healthwatch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complaints &amp; Compliments</td>
<td>User Forums</td>
<td>Quality Ratings</td>
</tr>
<tr>
<td>Reviews</td>
<td>Quality Ratings</td>
<td>Networks</td>
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</tbody>
</table>

#### Personal Intelligence

<table>
<thead>
<tr>
<th>POPPI &amp; PANSI</th>
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</thead>
<tbody>
<tr>
<td>Provider Business Plans</td>
</tr>
<tr>
<td>Commissioning Strategies</td>
</tr>
<tr>
<td>Community Strategy</td>
</tr>
<tr>
<td>Local Economic Forecasts</td>
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<tr>
<td>Academic Research</td>
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<tr>
<td>West Midlands Observatory</td>
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#### Predictive Intelligence

<table>
<thead>
<tr>
<th>Policy papers</th>
<th>JSNA</th>
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<tbody>
<tr>
<td>Reviews Census Data</td>
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*Fig. 5 Sources of Market Intelligence ©Impact Change Solutions*
Appendix 4: Market Position Statement Template

Principles

The Market Position Statement should bring together data from the JSNA, from commissioning strategies, and from market and customer surveys into a single document. It should be market facing, i.e., contain information the authority believes, and can substantiate, would be of benefit to care providers.

Other characteristics of the MPS are that it should:
- Cover the whole market, not just the section that the local authority funds.
- Indicate how the local authority intends to behave towards the market in the future.
- Be a brief and analytical rather than descriptive document.
- Be evidence-informed in that each statement it makes has a rationale that underpins it, based on population estimates, market surveys, research etc.
- Take into account, and as relevant to the user group, consider the role of the wider local authority, for example housing, education, leisure services and the PCT. However, the document is aimed primarily at the social care market so it should only consider these other functions from the perspective of the impact it has on that market.
- Draw on commissioning strategies, the JSNA, policy reviews, inspection reports etc, but differ from these documents by virtue of its brevity and the fact it is a document designed solely to inform and facilitate the social care market.

An MPS can be the basis of a constructive and creative ongoing dialogue between the local authority and its public, private and voluntary sector providers, and as such it can potentially play a significant role in helping all partners deliver better services to the user.


Background
- What is the MPS? (e.g. an analysis of the intelligence that has been gathered about the community care market in (LA area), bringing together data from a variety of sources into a single document in order to stimulate a diverse, active market where innovation and energy is encouraged and rewarded and where poor practice is actively discouraged, etc).
- Who is it intended for and what is its purpose? (e.g. Providers of adult social care can learn about the Council’s intentions as a purchaser of services, and its vision for how services might respond to the personalisation of adult social care and support; Voluntary and community organisations can learn about future opportunities and what would enable them to build on their knowledge of local needs to develop new activities and services; People interested in local business development and social enterprise can read about new opportunities in the market and tell us what would help them to come into social care markets and offer innovative services; Social care providers and organisations not currently active in the area could find opportunities to use their strengths and skills to benefit local people and develop their business, etc).

Context: The Care Service Market in (LA area name)
- Identify the principles of policy, legislation and regulation that will have an impact on the market;
• Describe the key care & wellbeing objectives for the local community;
• Overview of existing funding position and specific challenges. Consider benchmarking against neighbouring / comparator authorities.

**Demand for Care Services**

• An analysis of the current population and anticipated projections for the coming 5, 10 and 15 years and the impact any population change may have on future demand for health, housing and care services
• The analysis should concern the whole care & wellbeing market, including self-funders and those funded by the LA (either in part or in total). The views, expectations and attitudes of consumers (users of community care services and the general public) should be represented here.
• Highlight any specific or notable aspects affecting demand now and in the future (both up and down) – e.g. by geography (wards with high density) and by the nature of a specific problem or aspect of demand (e.g. dementia, older people, profound and multiple disabilities etc) – including the rationale for estimates made.
• Present this as a series of bullet points / key messages and illustrate with extracts from the evidence base where appropriate

**The current state of Supply**

• A review of current spend and by whom on particular market sectors
• A quantitative picture of current supply – what services are provided, to whom, where and in what volume. Describe ‘categories’ of provision (e.g. residential care, respite care, extra care housing, day care etc)
• Analyse supply against the picture of demand: does the profile of service provision match likely future demand? Are services located in the areas of highest need? What is the proportion of out of area placements compared to in-house and how does this benchmark against other LAs?
• A qualitative picture of current supply – where are services not meeting required standards, user requirements or outcomes (this might come from CQC reports, complaints, user surveys, mystery shopper exercises or direct feedback)? What are service users’ aspirations and expectations about quality provision in the future?
• As with the demand picture, present as a series of ‘key message’ bullet points and illustrate with a short narrative / extracts from the evidence base.

**Changing practice**

• How does the LA and its partners see the supply side delivering in the future in terms of the approaches and methodologies that might be used
• An analysis of the extent to which desired models of care are matched by current provision, and whether they would require additional funding or support to deliver a different approach
• Suggestions about how the market might deliver change, including specific opportunities and priorities for development.
• A statement about the LA’s own intentions in terms of services they currently provide or directly purchase, whether it will seek framework agreements, whether it will seek to influence service users, carers, regulators, policy in particular directions
• Changing commissioning practice – how the LA plans to make it easier for civil society organisations to access the market, deliver services, inform the commissioning process, deliver outcomes, etc.

• A statement about the LAs role as ‘market facilitator’ – this could be described in terms of the IPC model for market facilitation (Market Intelligence; Market Structuring; Market Intervention) and should reflect the emphasis on productive engagement and co-production.

Future levels of Resourcing
• Overview of the future funding position, including spending forecasts and priorities
• Which areas of supply does the LA see as a high priority, where does it wish to see services develop, where is it less likely to purchase (or encourage service users to purchase) in the future. Describe the vision & options for future resourcing and how this matches with any desired shift in resources identified in the previous section.

• If the LA is to make cuts – what are the likely targets, which services might be de-commissioned or discouraged and how will the LA seek to achieve these changes.

Support for Innovation & Development
• What will be the impact of more service users purchasing or negotiating their own care, and what impact might this have on transaction costs?

• Is the LA making any particular offers to providers – e.g. outcome based contracts, land availability, support with business rates or planning consent, guaranteed or underwritten levels of service take-up, training & development, business & management support, direct support for certain types of provision.

Summary
• It may be helpful to provide a summary of the key points that have been identified in the analysis and to describe the general and specific opportunities that each point offers. This could be presented as a table showing “Evidence” and “Opportunities”.

Glossary – of key terms to help ensure a consistent understanding of the language used.

Note: The Institute of Public Care (IPC) at Oxford Brookes University has developed a MPS Toolkit for the South West Regional Improvement and Efficiency Partnership which provides detailed guidance on developing the MPS. This is available from www.thinklocalactpersonal.org.uk/Regions/SouthWest/Resources/Resource/?cid=8903
Appendix 5: Benefits Management Process

The Benefits Management Process

This model, which is based on TQM, has five major identifiable sub-processes:

1. Identifying and Structuring Benefits

The proposed benefits are identified (this includes the rationale for the benefit as well as the nature of the benefit and its organisational location), and for each one suitable measures are developed - both financial and non-financial. The benefits are structured in order to understand the linkages between business changes and business objectives. At this stage, it becomes possible to assess the overall business benefit set and its dimensions including the identification of ‘dis-benefits’.

2. Benefits Planning

The Benefits Plan is the set of change activities that will cause the benefits to appear. The Benefits Plan necessarily includes the dates when the benefits will appear and the resources and accountability for making sure that it does. The plan must detail the appropriate measurement and benefits tracking mechanisms.

3. Execution of the Benefits Plan

This stage is principally straightforward change implementation with business managers owning the benefit stream(s) and driving through the change activities that will deliver them, including establishing the planned measurement and benefits tracking mechanisms. During execution the prime requirement is that value must be being added.

4. Evaluating and Reviewing

Benefits may accumulate over quite long periods and it is therefore important that regular reviews are conducted. The review should ensure that the new capabilities have been achieved or that progress towards them is being made.

5. Potential for Further Benefits

Further benefits can be identified at any time but should in any case be formally explored at the Review stage.

Adapted from Benefits Management Best Practice Guidelines
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