

A Catalyst for Change...

Driving Change in the Strategic Commissioning of Non-Acute Services for Older People

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Foreword

This workbook is intended to help local authorities and health organisations to improve commissioning of non-acute services, principally for older people. It has been produced by the Department of Health Change Agent Team and Warwick Insight Ltd in collaboration with the Social Services Inspectorates in London and the South East, the London Older People's Services Commissioning Project and Department of Health policy branches.

We have collated information from a diverse range of publications, reports and research findings, including Department of Health and Audit Commission documents. We consulted with experts involved in developing a wider range of commissioned services and have drawn upon the expertise of organisations such as the Nuffield Institute in self-audit as set out in their Partnership Assessment Tool (see Bibliography and Useful References section). We visited forward-looking sites and are indebted to them for the time they gave to the project and the information they provided.

The workbook is intended to reflect the realities of commissioning non-acute services across whole health and social care systems, including the independent sector, and acknowledges the developing agenda for PCTs and non-acute Trusts in commissioning community care services. In particular, this work builds on the excellent progress made by many sites in working together more collaboratively following the Building Capacity & Partnership in Care Agreement of October 2001.

It has been produced as a *practical aid* to those in health, social care or independent sectors who have responsibilities for ensuring the delivery of a range of non-acute services, principally for older people. It is intended to be used alongside other guides and advice from the Department of Health, including new commissioning and contracting guidance currently in development at the time of publication of this workbook.

The key to effective services for older people is that they are the *right services* delivering at the *right time* in the *right place*. To ensure that these are achieved, commissioners need to know what service options are available or capable of being developed and how best to engage with their partners in service development.

The leadership and vision which drives change needs to be reflected in on-the-ground working practices and cultures within organisations, and across them, to remove impediments to more effective service improvement. Even the 'healthiest' and most-starred sites need continually to critically examine their own activities and the extent to which they meet the needs and expectations of the end user.

This workbook may be used as a self-audit tool of the health of working relationships and practices, and it makes some suggestions on how these can be optimised. It is not an exhaustive list. The end result may be a wider and more integrated menu of services meeting locally a greater range of people's needs more appropriately, but the process of using this document as a workbook, ideally in multi-agency groups, will help sites identify their own next steps in driving change.

Richard Humphries

Director, Health and Social Care Change Agent Team

[December 2003](#)

Definitions

Commissioning – within this document the word commissioning is used in its broadest sense and in this respect covers the following cyclical sequence of events:

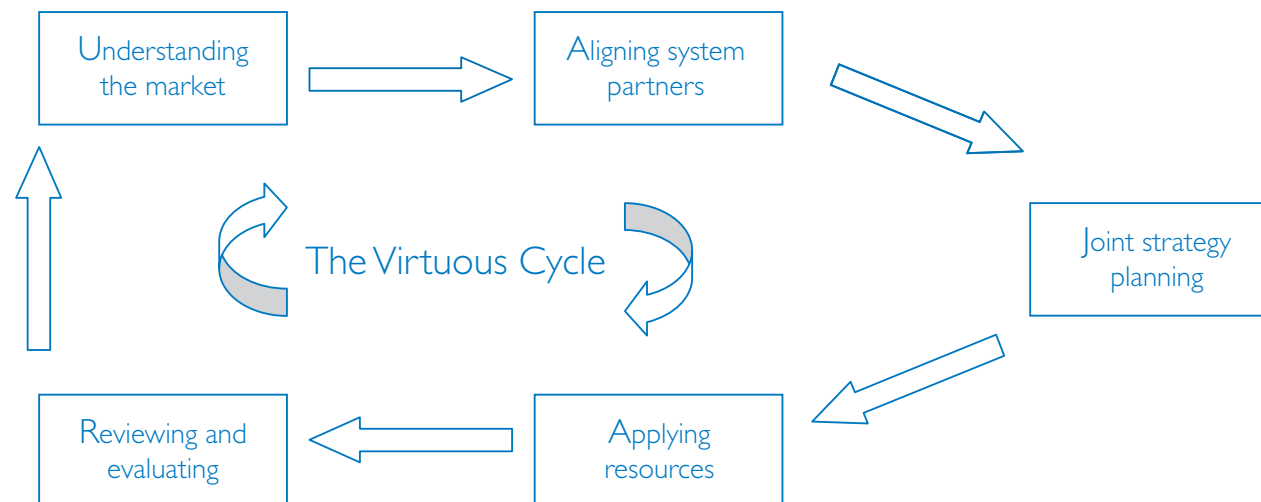
1. Understanding, mapping and forecasting the supply and demand factors within the market to meet the current and evolving needs of the users/recipients of care services
2. Ensuring that there is alignment between all system partners on what needs to be achieved to ensure this demand is met, including working within legal and political frameworks
3. Involving all system partners (including users) in the development of plans and strategies to achieve these goals
4. Ensuring that the resources across the system are applied for the best effect to maximise attainment of the strategic commissioning goals (including providing a clear and strong context for individual partner organisations to align their activities and organisations behind the strategic commissioning plan)
5. Reviewing and evaluating the services provided with a view to any necessary re-provisioning of those services to meet ever-changing population needs

Drivers/Key Drivers – those aspects of market activity that influence the performance of the market and, as such, represent the key dimensions on which market assumptions are predicated.

Whole System – in this context whole system refers to all of the organisations, parties, associations, stakeholders, users and other key individuals and groups who have an interest in and influence (real or potential) the overall performance of non-acute care services to older people

System Partners – refers to all of the associated organisations who are or should be involved in the system of providing non-acute care services to older people. These may include local authority social services and housing, health, voluntary agencies, private companies, etc. Essentially system partners include those who use the services and who have the greatest stake in or influence over their effectiveness.

Market – a mixed economy of heterogeneous services provided by a variety of organisations whose range and complexity of services needs constant mapping, understanding and development



Purpose of this workbook

The purpose of this document is to provide a systematic approach to people in health and social care organisations and their system partners to help them identify what stage they are at in their commissioning roles, and subsequently identify the critical activities that will take them forward in the successful development of the non-acute services their communities need. (It specifically does not refer to NHS commissioning of acute health care services.)

The context for this document is to reinforce a whole systems approach to change. By definition, whole systems means the inclusion of all related partners from public and independent sectors who are involved in the purchase and provision of non-acute care services, including private and voluntary organisations, housing providers, etc. At the heart of the whole system are the patients and clients, and their families, who use the services that the whole system provides.

This workbook is aimed at senior managers in these whole system partnerships to assist them in identifying and acting upon their key priorities for change. The workbook is a facilitative not a prescriptive document.

The core objectives for the workbook are to:

1. create a framework to support senior management of care systems to manage change in a cohesive, coherent and sustainable manner
2. enable benchmarking of system partners within each locality and each sector

3. help people see what needs developing and identify a route through
4. share and disseminate good ideas that may facilitate change
5. provide a self-assessment process

In meeting these objectives, this workbook provides an assessment methodology and, more importantly, helps sites prioritise what they need to do to change in order to achieve higher levels of performance. In using this workbook as a self-audit tool, sites need to ask themselves two fundamental questions:

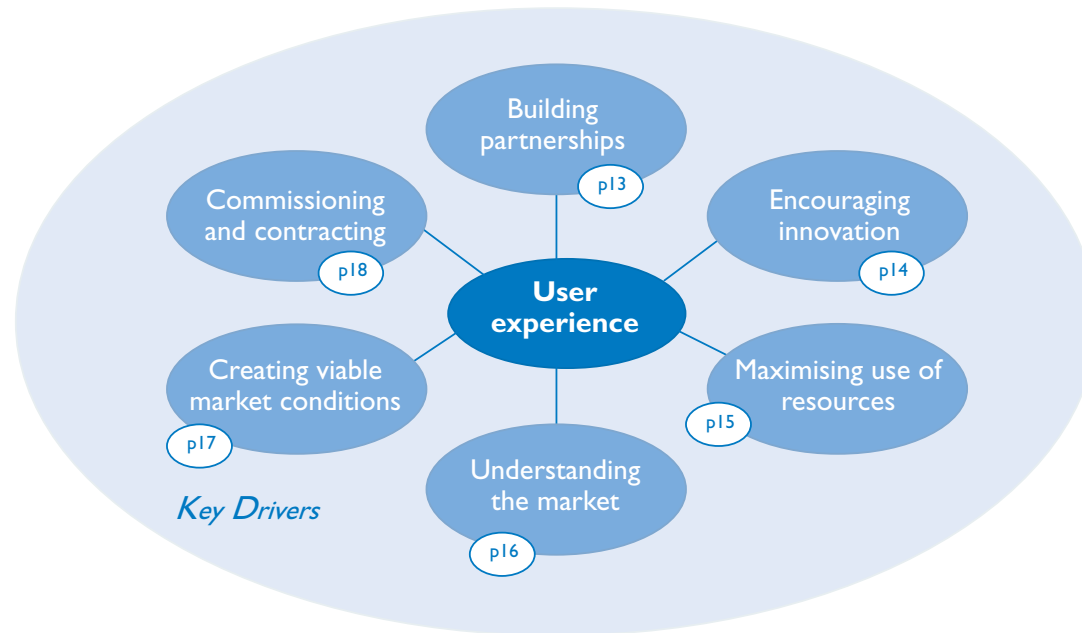
- 1. Have we a realistic and honest grasp on what things are done well and what could be done better?**
- 2. Can we agree with our partners the actions needed to do things even better?**

As a practical tool, working through the processes outlined in the next pages will help sites clarify their own next steps to drive change. It may be helpful to consider this process as catalysing discussion and mapping change in order to arrive at the agreed actions to achieve it rather than as prescriptive advice.

Using the workbook

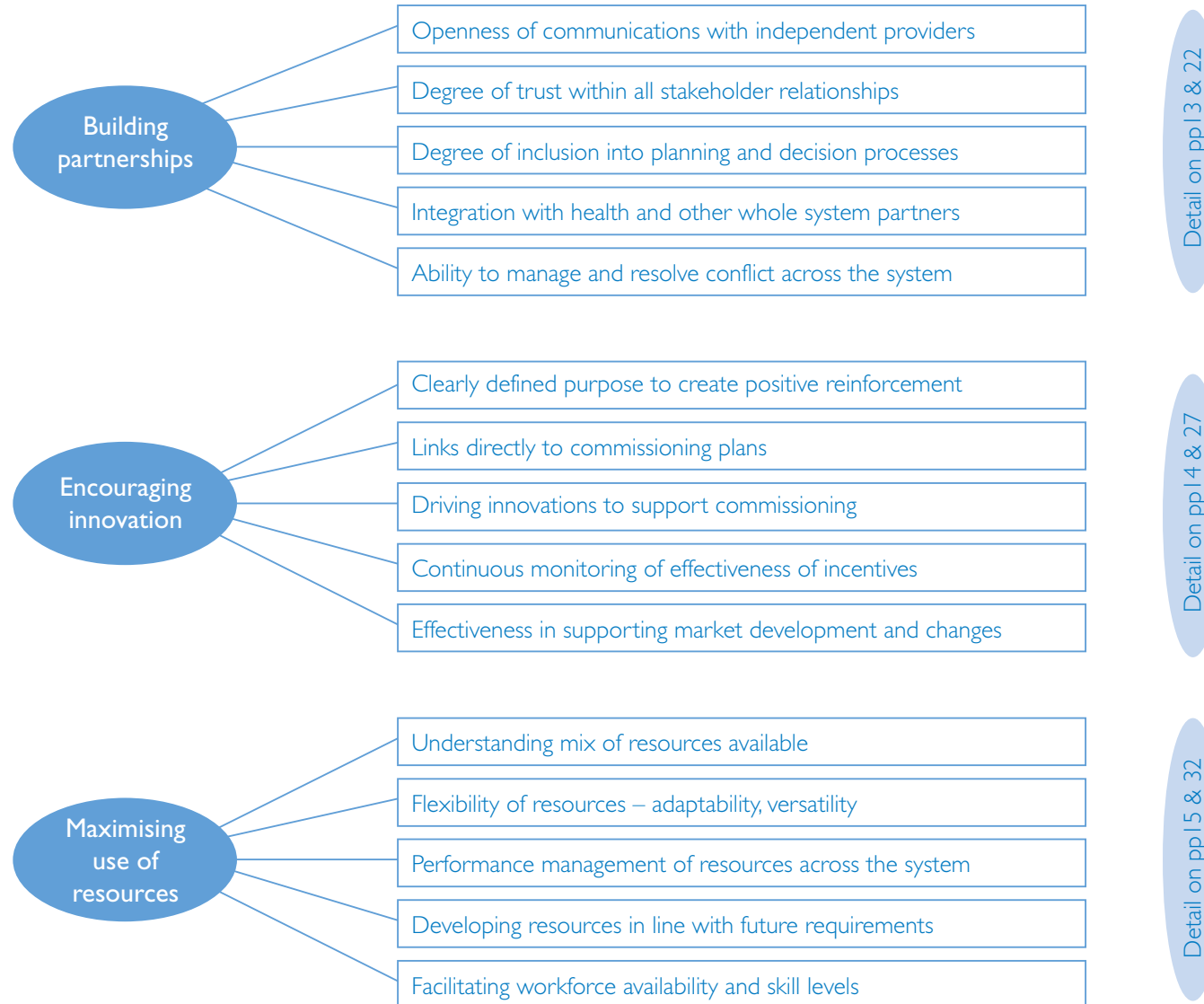
The 6 key Drivers

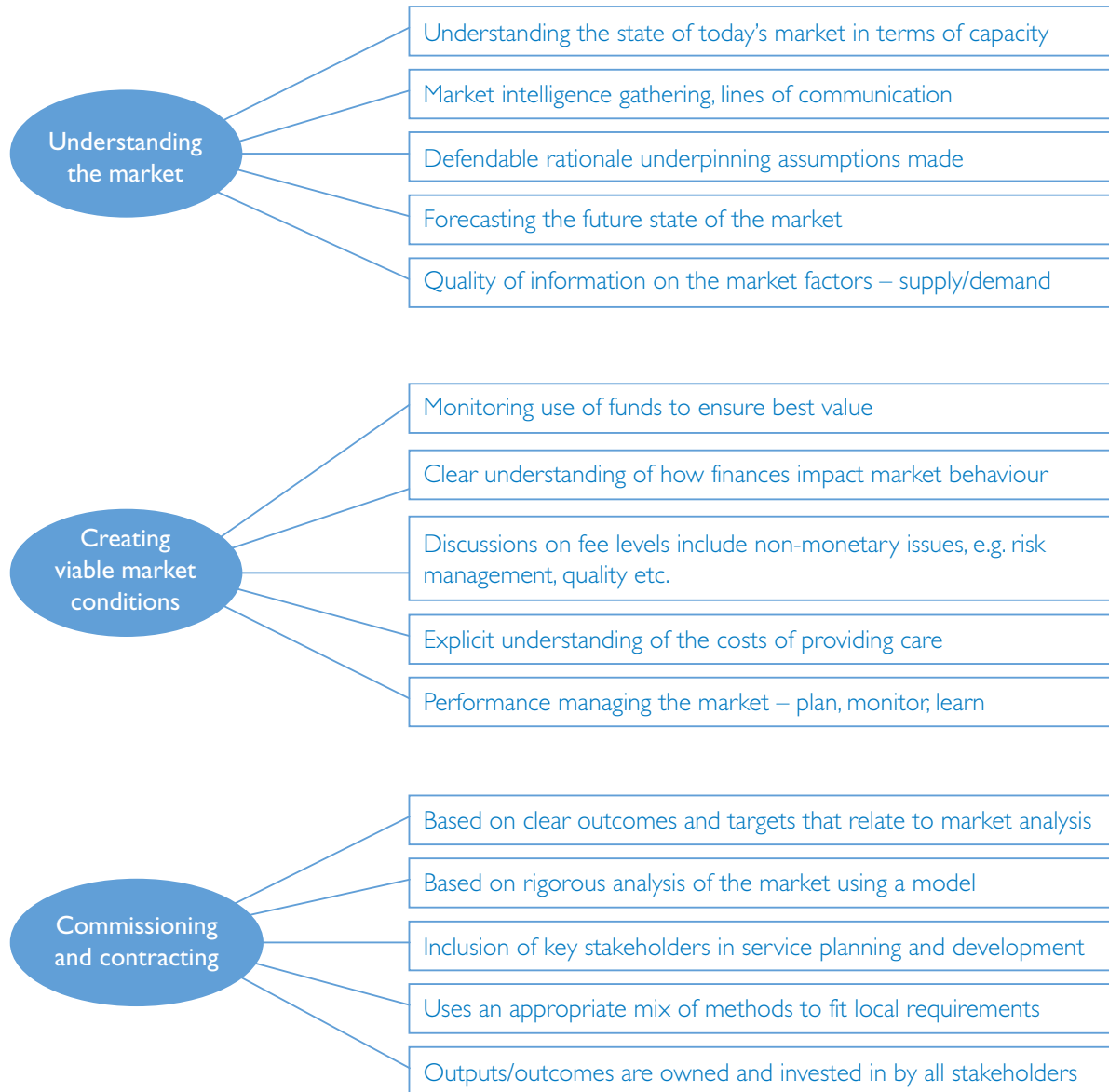
The workbook identifies the 6 key Drivers which create the environment in which user experience is central. All measures of success relate to how the end user benefits from the outcomes of services provided.



These high-level Drivers break down into their constituent performance criteria. The performance criteria show the ways in which each Driver is apparent within the system. These are largely perceptive. Each stakeholder will have a view as to how effectively these performance criteria are being demonstrated. It is this perception of stakeholders that will determine their behaviour towards the system as a whole and their engagement with it. This is where the workbook differs from and complements the Nuffield Partnership Assessment Tool in that it views the system more broadly, rather than specifically singling out partnership working. Used together, these performance criteria offer a framework in which health and social care communities can assess themselves.

Driver components





Detail on pp 16 & 37

Detail on pp 17 & 42

Detail on pp 18 & 47

Each of these performance criteria is given a descriptive at 4 levels, along with indicators of how sites can gauge the level they are at. It provides a framework for identifying what must be done to move from one level to the next. At each of the 4 levels for each performance criterion, statements of evidence and best practice indicate the kinds of things that need to be rated at each level.

Local systems can rate themselves on the basis of their performance within each key Driver area by calculating an average of the scores to compare with a score across the whole system. The flexibility of the process enables sites to target for focused attention their weakest areas first and to prioritise other areas in order that sustainable change is managed consistently and strategically.

The self-assessment and scoring process

In essence, the key questions that need to be answered are:

- What is a fair summary of the current position?
- What has been identified as areas of weakness?
- What needs to be done to improve as a matter of priority?
- How can these improvements be made?

To answer these questions this workbook needs to be used in 2 stages:

1. [Self-assessment](#) as a whole system across all 6 Driver areas, rated against the elements. This may be done either by the system partners agreeing the ratings as a group following debate *or* by rating themselves from a single-agency perspective before convening as a group to explore the differences and agree a common set of ratings
2. [Detailed assessment](#). Once sites have identified which of the Driver areas are the most important/urgent, they use the relevant detailed sheets to establish their current position and consider some of the approaches to change that have been suggested, or others of their own generation, in order to progress to higher levels of involvement and operation

In taking a systematic approach to using the workbook, the [process](#) is almost more important than the outcome. In going through the process, sites need to:

1. define common objectives and achieve commitment by all respective system partners or stakeholders
2. evaluate the system as a whole – not as a vehicle for criticism but as a realistic and constructive appraisal of what shortfalls exist in current service provision and where there is scope for a more diverse and more integrated range of solutions

3. arrive at a better understanding of stakeholder differences and perceptions
4. facilitate an exploration of these differences, uncovering the key assumptions that are driving current system behaviour
5. attend to any deficits or inconsistencies that prejudice the development of a better commissioning practices
6. facilitate a joint action plan to address the issues, setting targets for progress in the performance criteria as appropriate within the score thresholds framework. ([Consolidating the basics – Thinking differently – Developing strategically – Sustaining high performance.](#)) (See pp.13–19.)

Getting the best from the process

As with many facilitated processes, the quality of implementation of the process itself defines and validates the chances of satisfactory results. The principles that must underpin this process are:

- committing to shared outcomes and objectives
- conducting the assessment with [all](#) system partners
- being honest about current organisational positions
- using help from external sources where appropriate
- making sure that everyone's input and view is sought and valued

It is well understood, however, that different areas will be at different stages and have their own particular strengths, sensitivities and challenges which they must take account of within this process.

Scoring

For each element, a level 1 assessment will score 1, a level 2 scores 2, and so on.

No mixed health and service care community starts at the same point as any other. Each site will be achieving some things very well, but others less well.

The objective of the next section is to give sites a means of comparing performance and to help them identify the actions needed to improve effectiveness in a planned, systematic and prioritised way.

We recommend that sites complete all of the self-assessment section, but, if your site already knows which are the weakest areas that need addressing first, by all means use the sections that most closely fit your needs.

In this event, however; check that all sections are subsequently visited, and that a holistic approach is taken to the collective sum of these commissioning drivers.

In essence, while sites should not get too preoccupied with numerical scoring, it is important to attribute values which can be measured and compared. From this will follow the debate and dialogue that will lead to improvement.

Site expertise

We have quantified site expertise (see sections 2 and 3) into 4 main levels:

Level 1. In which they are consolidating the basics in terms of commissioning expertise

Level 2. Where they are thinking differently about engaging with partners and approaching new ways of working

Level 3. For sites which are developing strategic visions of future commissioning and whose planning, commissioning and operational activities are set up in ways that will affect how things are done and set directions for future development

Level 4. For sites that have reached high levels of competency and effectiveness, who wish to sustain high performance and continue to strive for ever higher levels of effectiveness

In scoring, therefore, it is important not to get too focused on the scores; rather, sites should be using them as an indicator of where activity needs to be concentrated in order to achieve some gains, both short and long term, for all system partners – and ultimately for all end-users of commissioned services.

We recommend that individuals work in mixed, multi-agency groups, but that each quickly works through all of the self-assessment sections on pp 13–19. This should not take longer than five minutes per Driver (one minute per element).

Rather more time needs to be set aside for the detailed discussion that will inevitably follow comparison of scores. Agreed group scores will be the sum of individual scores that may have become amended following group discussion.

These scores should be inserted into the table on page 25 and inform the priorities of the action planning process in section 4.

Date completed:

Building partnerships						
Elements	Consolidating the basics > > >	Thinking differently > > >	Developing strategically > > >	Sustaining high performance > > >	Score	More info on page...
Openness of communications with independent providers and other partners	Information is shared via formal routes only when required or requested without any formal information sharing agreements in place	Information is easily accessed and readily shared as required in response to specific needs	Information is shared freely on a 2-way or multi-agency basis and gives rise to ideas and opportunities	Information needs are understood; shared data forms the cornerstone of joint working and service planning		22
Degree of trust within all stakeholder relationships	Working practices assume expectations of relationship including penalties for poor performance	Partners enter into all discussions consistently and with some mutual understanding	High degree of understanding and accommodation of other partners' needs and requirements	Implicit trust and understanding where all commitments are honoured by all partners		23
Degree of inclusion into planning and decision processes	Information only, limited consultation through formal mechanisms	Consultation takes place before key decisions are made	Involvement in main decision-making processes	Decisions are made on a firm consensus basis with all partners		24
Integration with health and other whole system partners including housing, Supporting People, transport, recreation and other community support	Partners operate within their own plans and priorities in an independent, isolated manner	Active seeking of other partners' perspectives, issues and concerns in order to establish links and opportunities	A common frame of reference exists for all partners – we all understand each other's perspectives	Health, housing and others are included in all planning and decision processes as an integral partner		25
Ability to manage and resolve conflict across the system	Transactional, adversarial purchaser–supplier relationship exists focusing on own needs	Conflict management protocol is used to constructive effect to promote win-win solutions	Creative approaches are found for existing problems through a natural dialogue with mutual understanding	Conflicts are resolved to a win-win solution for all stakeholders		26
Total score for this Driver (max 20)						

Encouraging innovation						
Elements	Consolidating the basics > > >	Thinking differently > > >	Developing strategically > > >	Sustaining high performance > > >	Score	More info on page...
Clearly defined purpose to create positive reinforcement	Ideas are generated and evaluated on the basis of their apparent merit based on intuitive reaction	Framework and processes exist to ensure that all innovations have clear objectives that are supported by all system partners	Innovations are continuously monitored and reviewed to ensure continued relevance and fit with desired outcomes Review mechanisms are inbuilt	Clear understanding of what incentives have to achieve in order to ensure a stable market in the future, with processes to ensure optimal allocation of resources to new initiatives		27
Links directly to commissioning plans	Innovative ideas may or may not link to commissioning plans or proposals, with no real clarity of purpose behind them	Clear evaluation of ideas on the basis of whether they fit with and help to deliver a commissioning strategy objective	Using commissioning strategies and whole system partnerships to drive innovation at the system level with partners working collaboratively to generate and implement	Incentives are targeted clearly at desired market changes that will support a commissioning strategy and develop the market for the future		28
Driving innovations to support commissioning	Innovations are sporadic and are born out of ideas that emanate from a stakeholder rather than system perspective	Stakeholders are innovating from a system perspective as a result of clarity of objectives and better whole system working	Performance management activities are stimulating innovations that drive performance improvement and move closer to commissioning outcomes	Effective mix of monetary and non-monetary incentives are used to support and develop a stable, viable and functional market		29
Continuous monitoring of effectiveness of incentives	Incentives are deployed with no specific monitoring or review processes to determine their effectiveness or efficacy	Alignment and tight fit between incentives and desired commissioning/market objectives, supported by all system partners	Mix of incentives used, regularly monitored and updated to ensure that innovation is being stimulated in ways that will develop the system in alignment with commissioning strategies and objectives	Incentives reliably deliver desired market changes to create high standards of care in an efficient manner through a clear process of planning and monitoring strategies and objectives		30
Effectiveness in supporting market development and changes	Innovations have been successful in the past but without a clear basis for evaluation	There is a clear framework and process for determining innovation effectiveness committed to by all system partners	Collaborative review of innovation in terms of market development objectives is a regular feature of whole system activity	Incentives have delivered the planned outcomes and sites manage innovation strategically as a system		31
Total score for this Driver (max 20)						

Maximising use of resources						
Elements	Consolidating the basics > > >	Thinking differently > > >	Developing strategically > > >	Sustaining high performance > > >	Score	More info on page...
Understanding mix of resources available	Resources are only considered at the level of traditional forms of care, i.e. nursing, residential, home care	Physical resources are considered and used on a wider basis by inclusion of housing and health communities into planning	Inclusion of all resources to create initiatives that ensure flexibility and versatility of the key resources to support performance objectives	Creative inter-disciplinary approaches are taken to use staffing, property and financial resources flexibly and efficiently		32
Flexibility of resources – adaptability, versatility	Existing modes of delivery are relied upon with creation of more agile supplies of care	Flexibilities are built into the system by all partners with due consideration of the best use of resources for the system as a whole	Alignment of processes and systems that afford flexibility of all resources to create and support planned outcomes	Resources are able to be deployed at the right time and place for the patient/end user		33
Performance management of resources across the system	Clear planning exists with regard to the efficiency and effectiveness of the use of existing resources	Inclusion of resource utilisation into performance indicators to track performance of key or critical resources	Ongoing monitoring of resource utilisation with suitable reviews and feedback into planning, commissioning and contract management	The use of resources is carefully planned to ensure fit with specific objectives which are then managed through and monitored		34
Developing resources in line with future requirements	Better identification of key resources needed to achieve future planning and market outcomes	All system partners have clarity over and are committed developing their resources to achieve joint outcomes	Resources are proactively developed in anticipation of market need in a collaborative way between system partners	Plans are in place and being executed to build patterns of resources to both deliver existing plans and create future opportunities		35
Facilitating workforce availability and skill levels	Identification and quantification of workforce constraints and availability issues are recognised but little has been done to reduce effects	Actions are being taken by system partners to understand and address workforce skill issues and therefore encouraging availability	Coordinated action across the system to facilitate workforce development including secondments, training, staff group development and joint recruitment	Outstanding workforce issues in the market are managed via well-conceived and delivered workforce development plans, with a highly motivated and skilled workforce delivering outstanding quality of care		36
Total score for this Driver (max 20)						

Understanding the market						
Elements	Consolidating the basics > > >	Thinking differently > > >	Developing strategically > > >	Sustaining high performance > > >	Score	More info on page...
Understanding the state of today's market in terms of capacity	Intuitive and anecdotal evidence is used to determine the state of the market, with no real focus on hard data	Data is collected on a real-time basis to enable informed shorter-term decisions in terms of commissioning and contracting	A model is used with explicit assumptions to understand the impacts of changes in capacity, and contingency plans are in place to deal with changes	Dynamic modelling is used to create a fluid and powerful scenario planning tool that enables us fully to understand market dynamics		37
Market intelligence gathering, lines of communication	Formal communications are relied upon – market intelligence is limited and not used. Use anecdotal and intuitive data	Informal channels of communication are used with a select number of providers to ascertain market condition and mood	There exists an organised method of communication representing the market as a whole, achieving an objective representation of the market	Regular use of formal and informal communications methods to ensure that accurate, useful information is used to assist decision-making		38
Defendable rationale underpinning assumptions made	Planning assumptions are made implicitly without specific exploration of the risks inherent within them	Planning assumptions made more explicit and understanding how they limit our planning for the future	Clear understanding and justification of the risks contained within our assumptions and some attempt at identifying and managing the risks	A shared understanding that planning assumptions may not always be correct and having strategies for coping with disappointing outcomes		39
Forecasting the future state of the market	Gut feelings and personal/anecdotal experience used to ascertain the future condition of the market	Using existing secondary data to view the future prospects for the market and achieving a clear picture to inform commissioning and contracting	Adoption and use of a predictive modelling technique to forecast future market possibilities and their potential implications	Broad range of scenarios and market sensitivities used to plan and create a range of possible futures and the pressures that they will place on system partners		40
Quality of information on the market factors – supply/demand	Broad assumptions made on key drivers of supply and demand, e.g. population growth, market viability, age profile of home-owners	Identification of the key Drivers and influencers of current and future supply and demand	Understanding how these Drivers can impact on the market in the future and looking at the risks to the system as a whole surrounding these drivers	Sophisticated modelling and forecasting used to support clear scenario analysis to identify key risks and dependencies with contingency plans		41
Total score for this Driver (max 20)						

Creating viable market conditions						
Elements	Consolidating the basics > > >	Thinking differently > > >	Developing strategically > > >	Sustaining high performance > > >	Score	More info on page...
Monitoring use of funds to ensure best value	Funds are allocated and used on the basis of known patterns of demand which are historical and assumptive	Budgets are aligned with the commissioning strategy and there is regular value-for-money monitoring by commissioners	Linking non-monetary performance indicators with budget control to ensure that funds are having the desired effect on developing the market and ensuring the best possible user outcomes	Complete understanding of how funds are being performance managed with full involvement in financial planning, monitoring and learning		42
Clear understanding of how finances impact market behaviour	Assumption that fees are the main issue and driver of market behaviour with little or no consideration of other factors	Understanding and categorisation of risks for provider viability – knowing which are the vulnerable parts of the market	Aligning financial resource allocation with desired stability of market behaviour – making sure funds are used to sustain and develop the market	Mature use of resources to influence future care market needs. Market developments are being delivered and are aligned with the commissioning strategy		43
Discussions on fee levels include non-monetary issues such as risk management, quality, etc	Reliance on fees as the main basis for discussions and effecting market behaviour change	Incentives are used to encourage specific responses from independent providers and start to ensure market stability	Mix of reward structures is used to influence market behaviour in a way that supports commissioning targets	Wide range of business impacting factors (including non-monetary) are used to encourage a sustainable and profitable market that delivers quality care		44
Explicit understanding of the costs of providing care	No specific regard is made to the real costs of providing care and support, aside from using standard national statistics	An understanding has been achieved of the local costs of providing care and support, and the main influencing factors for a viable local market	Alignment of fee and cost structures with local cost analysis – independent providers and public sector working together to achieve viability of services (residential, non-residential) and other housing with care options	Mature understanding of the costs of providing care and support and creative ideas on how they can be influenced positively		45
Performance managing the market – plan, monitor, learn	Building a clear understanding of what constitutes a successful and stable market within the local context	Use of a range of performance indicators that reflect the performance of the system as a whole and reflect a range of perspectives, e.g. older people's, providers	Joint monitoring and review of performance indicators by system partners to ensure that continuous improvement is achieved – and this is evidenced by the performance indicators	All key stakeholders are involved and committed to a performance management framework to create, sustain and further develop a successful local market		46
Total score for this Driver (max 20)						

Commissioning and contracting						
Elements	Consolidating the basics > > >	Thinking differently > > >	Developing strategically > > >	Sustaining high performance > > >	Score	More info on page...
Based on clear outcomes and targets that relate to market analysis	Plans and contracts are built on intuitive assessments of what is required based on experience with limited influence from health and the independent sector	Assumptions are made explicit on key market factors, and these are used to inform plans, contracts and decision-making across system partners	A dynamic modelling approach is used to examine scenarios and potential impacts of supply and demand changes	Total clarity exists over market influences and dynamics, and plans are formed from explicit understanding		47
Based on rigorous analysis of the market using a model	Demand and supply factors are understood but not accurately quantified and their impacts factored into commissioning plans	Existing information is used to factor into a simple model to assess current capacity needs, availability and gaps. This then informs the commissioning objectives	Local contingent factors are understood and are used to produce simple local capacity models	Sophisticated modelling is used to predict future needs and inform commissioning strategies		48
Inclusion of key stakeholders in service planning and development	Service planning is done mainly in isolation within agencies and excluding involvement from system partners	System partners (see Definitions on p6) are involved in planning, with final accountability at local authority level	Joint responsibility exists for development of plans and contracts that deliver to local needs	A real whole system approach is used which factors in and takes account of the input from all key stakeholders		49
Uses an appropriate mix of methods to fit local requirements	Standard contracts are used without specific regard to aligning them to deliver local contingent requirements	Volume contracts are used appropriately and to the right extent to afford greater local market stability and viability	Alignment of contracting methods with the commissioning strategy to identify a suitable mix of contracting methods appropriate	A range of contracting methods are used to ensure the effective and efficient delivery of commissioning objectives with due regard to future needs		50
Outputs/outcomes are owned and invested in by all stakeholders	Local authorities are driving and prescribing required market activity and output, based on their own needs	Required market conditions are understood by all partners, but full commitment is not yet achieved	Joint planning on the basis of the exploration and understanding of stakeholder expectations, needs and required outcomes	Commissioning plans define and have gained the necessary level of commitment from all partners in terms of necessary actions and investments		51
Total score for this Driver (max 20)						

The final scores

Now enter the scores in column 2, and identify the levels your system is at for each Driver. This will then help you identify where you need to focus your effort in order to move forward cohesively across the 6 Drivers.

Date completed:		Score thresholds				
Driver	Your overall Driver scores	Consolidating the basics	Thinking differently	Developing strategically	Sustaining high performance	Prioritised Improvement Target – what to change (carry through to next step action plan)
Building partnerships		5–10	11–14	15–17	18–20	
Encouraging innovation		5–7	8–12	13–15	16–20	
Maximising use of resources		5–9	10–13	14–17	18–20	
Understanding the market		5–7	8–14	15–17	18–20	
Creating viable market conditions		5–9	10–13	14–16	17–20	
Commissioning and contracting		5–11	12–14	15–17	18–20	

Contained within each of the tables that follow are the details around each element contained within the 6 Driver areas. They should be used to indicate which actions might be taken to move from one rating level to the next. Using them in this way should inform actions to be planned and implemented, although they are not an exhaustive list and sites may have additional areas to modify or improve locally.

To go through this process by itself is not sufficient; there must be a real commitment to act upon the outcomes!

Building partnerships – openness of communications with independent providers and other partners					
	Level 1	Level 2	Level 3	Level 4	Score
	Information is shared via formal routes only when required or requested without any formal information sharing agreements in place	Information is easily accessed and readily shared as required	Information is shared freely on a 2-way or multi-agency basis	Information needs are understood; shared data forms the cornerstone of joint working and service planning	
Indicator	<ul style="list-style-type: none"> ■ Committee reports ■ Minutes of meetings ■ Legislative changes and requirements ■ Independent sector treated as a single homogenous entity 	<ul style="list-style-type: none"> ■ In-house working papers, including statistics, planning data, records of purchasing activity ■ Planning information on purchasing intentions ■ Everyone is aware what information is available ■ Information is provided on a sector-specific basis 	<ul style="list-style-type: none"> ■ Provider organisations also share business information ■ There is a clear information strategy and protocol for sharing and protection of information ■ Communications occur regularly between staff at all levels of partner organisations ■ All partners are able and willing to accept responsibility and constructive criticism 	<ul style="list-style-type: none"> ■ Strategic documents are produced on the basis of the credibility/integrity of shared data ■ New services are developed on the evidence of demand and viability of supply ■ Service providers are evaluated on the basis of data held on activity/service delivery etc. ■ Information and data held on very specific types of service and is accurate and complete 	
Approaches to change	<ul style="list-style-type: none"> ✓ All information distributed directly to providers, not just via a sector representative ✓ Regular publication and distribution of information relevant to all commissioners, providers and service users ✓ Use of a newsletter or bulletin sheet, including items on service developments ✓ Regular announcements or up-dates of policy initiatives that affect purchasing intentions ✓ Consider seconding independent sector members onto contracts unit team to help shape specifications, standards and evaluation criteria 	<ul style="list-style-type: none"> ✓ Establish joint information working groups to establish what data needs to be gathered, how gathered, and how shared ✓ Consider providing funding for independent sector communications ✓ Supportive messages coming from statutory sector (and from political sources) ✓ Facilitate the introduction and close working of independent providers with other purchasers and stakeholders that form a service ✓ Develop a joint information strategy with independent sector providers to which all commissioners/purchasers commit ✓ Develop use of email and website as means of facilitating communication ✓ Facilitate the independent sector keeping itself informed and current in terms of central government guidance by funding information or service development posts 	<ul style="list-style-type: none"> ✓ Open accounting' rules applied to all information relating to service provision and service development ✓ Consider funding an independent representative to generate genuine representation of diverse independent sector groups and to act as 'honest broker' in price negotiations and any other service change ✓ Develop strategy to ensure that all independent sector providers feel truly represented in an inclusive communications policy ✓ Encourage the membership of independent providers with relevant trade associations, including those not exclusively devoted to health and social care (e.g. CBI) ✓ Ensure that local Supporting People Inclusive Forums have an effective communication strategy, including dissemination of information to 'hard to reach' groups 	<ul style="list-style-type: none"> ✓ Information strategies constantly reviewed in order to ensure that everyone is 'in the loop' ✓ Use of Nuffield Partnership Assessment Tool to perform in-depth evaluation of the state of the partnership and to identify development needs ✓ Engage in high-level negotiations with national independent sector trade associations on improving practice and informing policy 	

Building partnerships – degree of trust within all stakeholder relationships					
	Level 1	Level 2	Level 3	Level 4	Score
	Working practices assume expectations of relationship including penalties for poor performance	Partners enter into all discussions consistently and with some mutual understanding	High degree of understanding and accommodation of other partners' needs and requirements	Implicit trust and understanding where all commitments are honoured by all partners	
Indicator	<ul style="list-style-type: none"> ■ Contracts that are complete and robust but issued by commissioners ■ Contract terms and conditions that have the approval of the commissioner's legal advisors and the acceptance of the provider's ■ Contracts that set out the standards and criteria for performance assessment ■ Longer-term, more flexible contracts that enable providers a level of discretion to exert some professional judgement based on their expertise and experience in the service area 	<ul style="list-style-type: none"> ■ Protocols clarifying roles, responsibilities and expectations of all parties ■ Contracts regarded as fair and which form the underpinning of a mature relationship ■ Shared roles and joint initiatives ■ Mutual understanding and acceptance of different stakeholder objectives and outcomes 	<ul style="list-style-type: none"> ■ Cohesive strategies that satisfy the legal and delivery requirements upon each stakeholder organisation ■ Understanding of the Drivers (PAFs) which partner organisations have to meet ■ Understanding of compliance with regulations/legislation etc. ■ Rotation of chair of local system meetings around system partners ■ Shared learning and training opportunities across the partnership 	<ul style="list-style-type: none"> ■ Commitment at senior level to common goals, visions and outcomes ■ Agreement to and mutual accountability in supporting other stakeholders in meeting their own policy objectives as well as meeting those set at regional and national levels ■ Secondments between partner organisations to build mutual understanding ■ Mentoring skills, learning sets, shared learning opportunities 	
Approaches to change	<ul style="list-style-type: none"> ✓ Demonstrable inclusion of service users and stakeholders (democratically elected groups of older people to act as sounding boards for policy development under the BGOP initiatives) ✓ Providers, commissioners and stakeholders setting up groups to ensure that all influence the standards and criteria against which services will be measured. 	<ul style="list-style-type: none"> ✓ Contracts that are based on outcomes rather than inputs/outputs (with the appropriate training and development work to ensure that everyone understands the difference!) ✓ Reflect trust in longer-term contractual arrangements ✓ Identify areas of joint training, learning and practice development across housing, health and social care, e.g. Better Care, Higher Standards ✓ Explore ways in which communication can be improved and better mutual understanding reached 	<ul style="list-style-type: none"> ✓ Work-shadowing for time-limited periods with a view to all sectors having the opportunity to experience work in other sectors ✓ Further develop joint training opportunities ✓ Ensuring all sectors are aware of the policy objectives and guidance on good practice that drive change 	<ul style="list-style-type: none"> ✓ Developing horizontal links between providers and purchasing partners ✓ Developing staff by offering secondment/transferability between partner organisations 	

Building partnerships – degree of inclusion into planning and decision processes					
	Level 1	Level 2	Level 3	Level 4	Score
	Information only, limited consultation through formal mechanisms	Consultation before key decisions are made	Involvement in main decision-making processes when problems are first identified	Decisions are made on a firm consensus basis with all partners	
Indicator	<ul style="list-style-type: none"> ■ Consensus of all partners of the benefits of broadening membership base ■ Briefing sessions for new members, particularly those who, for cultural reasons, are not used to working in bureaucratic groups 	<ul style="list-style-type: none"> ■ Ensuring that there is sufficient opportunity for wider partner membership to be involved ■ Genuine factoring in of stakeholder views into decision-making ■ Recognition is given to the difficulty of independent owners and senior managers attending meetings ■ Independent sector representatives are financially compensated for attending meetings 	<ul style="list-style-type: none"> ■ Full 'place at the table' and the right to be heard ■ Full nomination/voting rights to provide ability to influence decisions ■ Views and opinions actively sought and acted upon ■ Full consideration of independent providers ideas and innovations and with protection of the independent provider who originated them 	<ul style="list-style-type: none"> ■ Partner sign-up to new proposals with all players committed to the priority of the project ■ Partner sign-up to the impact of the new service on existing services ■ Clear understanding of the outcomes sought ■ Clear understanding of how the service will be monitored and evaluated 	
Approaches to change	<ul style="list-style-type: none"> ✓ If independent sector providers are not routinely included, ensure that they are given the opportunity to be part of the planning process ✓ Arrange training to ensure that they are confident about contributing ✓ Consider paying for the direct costs of their attendance at meetings ✓ Arrange briefing meetings by senior managers and/or politicians on the objectives of planning and the desired outcomes of decision-making processes 	<ul style="list-style-type: none"> ✓ Consider paying for the time of their attendance at meetings and any joint work programmes, especially if independent providers are able to demonstrate financial loss for back-filling etc. ✓ Consider allocating the role of chair on a rotating basis to all those involved in planning meetings ✓ Ensure that the independent representation has maximum opportunities to contribute and that the outputs of the meetings are, in turn, made available to other independent provider organisations. ✓ Ensure that independent provider representation is truly representative and personal vested interests do not intervene 	<ul style="list-style-type: none"> ✓ Use of the independent sector representative in a joint health and social care role to promote joint working and planning – using their relative impartiality between these two parties to see and promote the opportunities for greater integration and collaboration. ✓ Independent provider representation on Health Boards, Members' Working Groups, Scrutiny functions, etc. ✓ Appointment of health representative on the local Supporting People Core Strategy Development Group ✓ Respect for the independent originators of ideas, embracing the opportunities that providers may bring to the partnership 	<ul style="list-style-type: none"> ✓ Partners continue to seek service improvement and agree realignment re-provisioning as necessary and as agreed in joint planning forums ✓ Risks shared between partners ✓ Encourage ever closer collaboration between partners at political/board level of involvement 	

Building partnerships – integration with health and other whole system partners including housing, Supporting People, transport, recreation and other community support					
	Level 1	Level 2	Level 3	Level 4	Score
	Partners operate within their own plans and priorities	Active seeking of other partners' perspectives, issues and concerns	There exists a common frame of reference for all partners	Health are included in all planning and decision processes as an integral partner	
Indicator	<ul style="list-style-type: none"> ■ Single-agency documentation that doesn't take partners' priorities and Drivers into account ■ Single agency commissioning strategies ■ Single agency operational and service development teams/approaches 	<ul style="list-style-type: none"> ■ Joint working ■ Joint planning ■ Jointly funded operational/front-line posts/roles ■ Processes and relationships built up in the production of JIPs/HimPs used to establish new working relationships on commissioning planned services 	<ul style="list-style-type: none"> ■ The creation of joint boards in specific service user areas ■ Appointment of senior managers to joint posts 	<ul style="list-style-type: none"> ■ Formation of care trusts ■ Formation of formal relationships ■ Use of S31 and opportunities set out in Health Act flexibilities etc. 	
Approaches to change	<ul style="list-style-type: none"> ✓ Reflect strategic health priorities in the Community Plan ✓ Consider approaches learnt in working together with Health on production of JIPs/HimPs etc ✓ Early engagement with housing ✓ Early engagement in the Supporting People agenda 	<ul style="list-style-type: none"> ✓ Establish multi-agency local implementation groups etc. ✓ Set up joint training programmes ✓ Set up joint commissioning groups to review, plan and develop new forms of service that play to the strengths of each of the stakeholder organisations 	<ul style="list-style-type: none"> ✓ Opportunities for cross-cutting working groups ✓ Joint work on staff development ✓ Common use of evaluations systems, e.g. EFQM, Balanced Scorecard etc., across organisations ✓ Joint programmes of work undertaken ✓ Involvement at board/elected member level 	<ul style="list-style-type: none"> ✓ Taking work forward to create care trusts ✓ Acknowledge and plan towards overcoming common workforce issues ✓ Develop joint protocols to deal with sharing financial resources ✓ Acknowledge and deal with shared financial and budgetary pressures 	

Building partnerships – ability to manage and resolve conflict across the system					
	Level 1	Level 2	Level 3	Level 4	Score
	Transactional, adversarial purchaser–supplier relationship exists				
Indicator	<ul style="list-style-type: none"> ■ Services awarded by formal tender based on most economically advantageous ■ Contracts contain penalty clauses which are enforced ■ Contract termination clauses are punitive ■ Focus is on quality control not quality assurance ■ Arbitration is used for last resort of dispute resolution 	<ul style="list-style-type: none"> ■ Services are developed in partnership agreements in which risks are identified and shared ■ Service improvement and development the responsibility of all stakeholders ■ Use of dispute procedures rather than arbitration, or use of external independent arbitration ■ Regular operational meetings to share information on service pressures etc. 	<ul style="list-style-type: none"> ■ Development of protocols to clarify relative roles and responsibilities ■ Joint training programmes to ensure that staff groups work together with better understanding 	<ul style="list-style-type: none"> ■ The mutual dependency of purchasers and providers is acknowledged ■ The value and worth of each partner is actively promoted by the others ■ A shared attitude to mutual investment in new service models and delivery ■ Clear leadership from all stakeholder organisations ■ Demonstrable joint working to common objectives at all levels 	
Approaches to change	<ul style="list-style-type: none"> ✓ Ensure that there is an effective customer complaints policy ✓ Ensure that actions arising out of complaints investigation (whether within formal system or not) that affect policy and practice are communicated to all stakeholders ✓ Following through on the joint approaches to conflict resolution learnt through developing Adults at Risk Procedures (Protection of Vulnerable Adults) etc. 	<ul style="list-style-type: none"> ✓ Independent sector to have role in mediating conflicts (especially any that may potentially escalate to termination/cancellation) ✓ Consider use of independent mediation organisations such as AIMS to resolve disputes between residents/providers of retirement housing for rent and/or sale ✓ Continue to review internal mediation processes, and to refine complaints and POVA systems ✓ Ensure that any groups set up have clear remits and terms of reference that are accepted by all in the group 	<ul style="list-style-type: none"> ✓ Formation of joint working groups to establish new ways of inter-disciplinary working ✓ Ensure that the remits and terms of reference are observed by all in the group ✓ Agree protocols for continual review of terms of reference and relevance/applicability of the working group's remit 	<ul style="list-style-type: none"> ✓ All partners and stakeholders feel empowered to continue to challenge without feeling that the system penalises such tests. ✓ Review processes formalised to include a rolling programme of evaluation and monitoring for relevance, effective outcomes and financial soundness 	

Encouraging innovation – clearly defined purpose to create positive reinforcement					
	Level 1	Level 2	Level 3	Level 4	Score
	Ideas are generated and evaluated on the basis of their apparent merit based on intuitive reaction	Framework and process exist to ensure that all innovations have clear objectives that are supported by all system partners	Innovations are continuously monitored and reviewed to ensure continued relevance and fit with desired outcomes. Review mechanisms are inbuilt	Clear understanding of what incentives have to achieve in order to ensure a stable market in the future, with processes to ensure optimal allocation of resources to new initiatives	
Indicator	<ul style="list-style-type: none"> ■ Gut feelings support action ■ Product champions produce pockets of excellence ■ Outcomes tended to be viewed through this prism ■ No professional objectivity or neutrality about evaluation of results 	<ul style="list-style-type: none"> ■ Energies and commitments of key managers are harnessed and channelled into a structured approach to service planning ■ Staff are given incentives to think creatively and to work in new area ■ Project management skills are developed 	<ul style="list-style-type: none"> ■ Project management framework ensures initiatives are on target to meet critical success factors ■ Reporting mechanisms allow for honest feedback and critical appraisal of innovative practice in terms of outcomes and fit with overarching objectives 	<ul style="list-style-type: none"> ■ A proper project plan has been implemented and reviewed ■ Findings are reported to those who decide whether innovation becomes embedded into normal practice or needs to be recast. ■ Stakeholders are sure what identifies success and what must be done to get there 	
Approaches to change	<ul style="list-style-type: none"> ✓ Find ways of empowering the energies of product champions to develop services within agreed frameworks and according to defined objectives ✓ Consider incentives for staff who develop new services or deliver efficiencies on existing service arrangements ✓ Provide staff with the training they need to commission and evaluate services 	<ul style="list-style-type: none"> ✓ Ensure messages from political and statutory agencies reinforce mutuality and valued partnership ✓ Ensure that services work within agreed parameters and that they are monitored against targets set to assure optimum outcomes ✓ Take a longer-term view of new service development to ensure that it meets more than quick-fix needs 	<ul style="list-style-type: none"> ✓ Critically evaluate service outcomes to inform future commissioning practices ✓ Involve elected members and Trust/ Partnership Boards in service promotion, review and realignment ✓ Learn ways of re-providing or re-aligning services to ensure they remain on target without the intrinsic value of the service being lost 	<ul style="list-style-type: none"> ✓ Strategic vision and leadership is underpinned by a more systematic approach to effecting change ✓ Lessons learnt from previous activities inform future service planning and strategic direction ✓ Staff are made to feel that their interests in improving service are central to the overall performance of the commissioning authority 	

Encouraging innovation – links directly to commissioning strategy					
	Level 1	Level 2	Level 3	Level 4	Score
	Innovative ideas may or may not link to commissioning strategies, with no real clarity of purpose behind them	Clear evaluation of ideas on the basis of whether they fit with and help to deliver commissioning objectives	Using commissioning strategies and whole system partnerships to drive innovation at the system level with partners working collaboratively to generate and implement	Incentives are targeted clearly at desired market changes that will ostensibly support the commissioning strategy and develop the market for the future	
Indicator	<ul style="list-style-type: none"> ■ One-off incentives are not part of a systematic and programmed approach ■ 'Shooting from the hip' is endemic in the culture of the organisation without regard for domino effects elsewhere in the system 	<ul style="list-style-type: none"> ■ A coherent strategy with identified milestones to mark successful progress towards commissioning objectives ■ 'Getting most of the ducks in a row' ■ Quality assurance above quality control ■ Monitoring and evaluation based on real data needs, not unrealistic demands for data that will not be used 	<ul style="list-style-type: none"> ■ Securing the market place in order to empower people to think creatively ■ Removing the insecurities which inhibit debate about a map of future services ■ Tackle obstacles and barriers in the system to create effective solutions 	<ul style="list-style-type: none"> ■ Audit of incentives demonstrates effective change ■ Acknowledgement that if change is sought, behaviours have to change too ■ Incentives target weaker areas and strengthen them ■ Incentives foster a sense of win-win ■ Incentives convince providers that commissioners mean business and are investing in future of sector 	
Approaches to change	<ul style="list-style-type: none"> ✓ Innovations are part of mature service planning and not reactive to opportunity ✓ Innovations have clear goals and objectives which will be evaluated to determine continuation ✓ New services are realistic and based on long-term solutions not quick fixes 	<ul style="list-style-type: none"> ✓ Plan future market supply and ensure that all commissioned services are compatible with that strategic direction ✓ Providers are given some reassurances 'to hold the faith' on future service shapes ✓ Commissioning arrangements brought into line in order to remove any anomalies from the system ✓ Use national initiatives (such as NMS) as an opportunity to work closely with multi-agency commissioners and providers 	<ul style="list-style-type: none"> ✓ Get smarter about the ways in which incentives bring about desired change ✓ Confidently use incentives to accelerate change ✓ Target areas of shortfall and devise appropriate incentives to stimulate alternatives or cover the weaknesses 	<ul style="list-style-type: none"> ✓ Reinforce the messages of mutual dependency and future joint working ✓ Give providers the information they need to continue to invest in service development to bring about change ✓ Engender 'feel-good' relationships about partnering arrangements with demonstrable added value 	

Encouraging innovation – driving innovations to support commissioning strategy					
	Level 1	Level 2	Level 3	Level 4	Score
	Innovations are sporadic and are born out of ideas that emanate from a stakeholder rather than system perspective	Stakeholders are innovating from a system perspective as a result of clarity of objectives and better whole system working	Performance management activities are stimulating innovations that drive performance improvement and move closer to commissioning outcomes	Effective mix of monetary and non-monetary incentives are used to support and develop a stable, viable and functional market	
Indicator	<ul style="list-style-type: none"> ■ Negotiation tactics undeveloped ■ Purchasers exploited when in weak bargaining position ■ Providers feel victimised if purchaser power too strong and imbalanced ■ Longer-term impacts of quick fixes not factored into current decisions ■ Self-interest of parties blinkers clear appraisal of worth of others ■ Product champions innovate change 	<ul style="list-style-type: none"> ■ Mutual protection of supply markets to meet known future demand ■ Partners willing to engage creatively in ways in which markets will be stimulated or preserved ■ Contract mechanisms are 'shield not sword' and protect the interests of all parties 	<ul style="list-style-type: none"> ■ Survival not guaranteed without constant collaborative refreshment and revitalisation of services ■ Sight of user perspectives never lost 	<ul style="list-style-type: none"> ■ Apart from fees, this will include realistic calculation of real costs of providing quality care ■ In the spirit of partnership and shared working cost-sharing becomes more the norm ■ Economic regeneration and employment will underpin the main modus vivendi of providing quality care services ■ Use of direct financial incentives such as low or zero interest loans 	
Approaches to change	<ul style="list-style-type: none"> ✓ Supply providers with the information they need on which to base service development ✓ Supply information on purchasing impacts in order to facilitate providers borrowing or raising capital ✓ Link product champions into overall objectives 	<ul style="list-style-type: none"> ✓ Work with other colleagues on providing market with information on economic development ✓ Bring RDA/EDU colleagues to meet and view sector and offer economic opportunities for change ✓ Give product champions context in which to drive forward change ✓ Ensure that equal opportunity exists for all providers to work on new services ✓ Consider selecting preferred providers who meet specific quality criteria to lead on certain areas of service provision 	<ul style="list-style-type: none"> ✓ Explore models of how GPs' financing operates and how these may be used to underwrite the costs of developing new services ✓ Explore how other partners might bring new vision, new perspectives, into planning decisions ✓ Develop new innovative approaches to meet and support diversity ✓ Work with providers on sustaining change ✓ Examine opportunities for financial incentives with financial colleagues ✓ Offer financial incentives to stimulate change 	<ul style="list-style-type: none"> ✓ Be open-minded about the ways in which commissioners can support providers – thinking outside of conventional boxes ✓ Identify the ways in which advantage can be obtained by all parties ✓ Use networking and benchmarking opportunities to learn what incentives programmes have worked well in other areas 	

Encouraging innovation – continuous monitoring of effectiveness of incentives					
	Level 1	Level 2	Level 3	Level 4	Score
	Incentives are deployed with no specific monitoring or review processes to determine their effectiveness or efficacy	Alignment and fit between incentives and desired commissioning/market objectives supported by all system partners	Mix of incentives used, regularly monitored and updated to ensure that innovation is being stimulated in ways that will develop the system in alignment with commissioning strategies and objectives	Incentives reliably deliver desired market changes to create high standards of care in an efficient manner through a clear process of planning and monitoring	
Indicator	<ul style="list-style-type: none"> ■ Quick fix incentives that have temporary impact on market difficulties ■ Short-life projects are not followed through and learnt from ■ Providers won't engage in dialogue to re-engineer service mix ■ Little insight into purchasers' shares of the market and what this may mean in terms of future capacity 	<ul style="list-style-type: none"> ■ Resources targeted to achieve specific goals (e.g. paying premiums to stimulate certain kinds of care provision in short supply or to have first call on limited supply) ■ Knowledge of cross-boundary threats to local supply markets ■ Opportunities encouraged for new entrants to the market place 	<ul style="list-style-type: none"> ■ Sound analysis that stimulation in one sector does not lead to depletion of another ■ Capacity of market to re-invent itself is monitored and not exhausted ■ Protocols developed to ensure that cross-boundary activity does not damage home markets ■ Shared information to ensure that supply markets are not hijacked by other more selfish short-term interests 	<ul style="list-style-type: none"> ■ The correlation between incentive and achieved objective is transparent ■ Shifts in priority are also shared ■ Providers who wish to engage are encouraged and rewarded ■ Conferment of 'preferred provider' status on those who will engage in the debate and be ready to respond ■ Financial health of organisations is apparent ■ Commissioners are prepared to 'rescue' ailing but needed provision ■ Mutual concern for quality enshrines interaction between partners and is rewarded 	
Approaches to change	<ul style="list-style-type: none"> ✓ Cross refer to Best Value findings ✓ Develop ways of incentivising providers into new ways of working ✓ Encourage staff closest to service providers to identify where opportunities for diversification lie ✓ Staff informed of new service areas and how to access them 	<ul style="list-style-type: none"> ✓ Evaluate how effective incentives to change have been ✓ Work with providers to understand what might be offered as incentives to change ✓ Develop ways of working that allow win-win ✓ Involve other agencies and providers in best value or other CPA review 	<ul style="list-style-type: none"> ✓ Develop range of incentives that assure future business viability ✓ Consider making training and in-kind services more freely available ✓ Examine scope for offering interest-free or low-interest loans to cover any capital costs or revenue loss in service re-alignment 	<ul style="list-style-type: none"> ✓ Continue to work with providers on service change and what might be necessary to encourage changes of direction ✓ Facilitate providers through the early fragile stages of new service development until services are bedded-in ✓ Establish a culture of innovation, opportunity and reward amongst all sector providers 	

Encouraging innovation – effectiveness in supporting market development and changes					
	Level 1	Level 2	Level 3	Level 4	Score
	Innovations have been successful in the past but without a clear basis for evaluation	There is a clear framework and process for determining innovation effectiveness committed to by all system partners	Collaborative review of innovation in terms of market development objectives is a regular feature of whole system activity	Incentives in the past have delivered the planned outcomes and systems can manage innovation strategically	
Indicator	<ul style="list-style-type: none"> ■ There has been some reporting of success but this has not been quantified ■ Changes in service provision and make-up have occurred but have not been qualified ■ Feel-good attitudes prevail and there is a general perception that the changes have been for the best 	<ul style="list-style-type: none"> ■ Structures have been adjusted to enable proper support to underpin new and fragile serviced development ■ Sense of investment also leads to nurturing new services into full maturity and effectiveness ■ Changes are monitored and quantified ■ Benefits and improvements claimed from service change are critically evaluated 	<ul style="list-style-type: none"> ■ Quality assurance systems programme review of new services or new ways of working ■ Outcomes are made available to all players with clear action plans for remedy or service improvement ■ Constant practice of re-alignment 	<ul style="list-style-type: none"> ■ Proven outcomes are now stitched into normal behaviours and practice ■ Key players acknowledge benefits; systems and budgets are expanded to repeat the process when and if necessary ■ A culture has been established in which rewards from change become natural incentives 	
Approaches to change	<ul style="list-style-type: none"> ✓ Give new services time to become embedded in normal good practice ✓ Create capacity to support staff who are responsible for nurturing new services into maturity and effectiveness ✓ Learn critical evaluation techniques to monitor the effectiveness of new services in terms of outcomes 	<ul style="list-style-type: none"> ✓ Give staff time to develop new services that are well considered and well planned to quality assure and remove risks of failure ✓ Successful or not, innovatory practice provides fertile learning opportunities informing future actions 	<ul style="list-style-type: none"> ✓ Find opportunities to build strategic alliances with key stakeholders, research and academic institutions to build capacity for research for innovation ✓ Organisational learning influences the culture of the partner organisations across the system 	<ul style="list-style-type: none"> ✓ System partners go forward with confidence into new relationships and the development of new services. ✓ Boundaries between organisations become less apparent and irrelevant to serviced planning ✓ Cultural variances do not impact adversely on decision-making ✓ Ensure that all new services comply with corporate and partner agencies' objectives to ensure their credibility and longevity ✓ Develop a culture of 'embracing' all independent providers and fellow commissioning agencies rather than merely engaging with them 	

Maximising use of resources – understanding mix of resources available					
	Level 1	Level 2	Level 3	Level 4	Score
	Resources are only considered at the level of traditional forms of care i.e. nursing, residential, home care	Physical resources are considered and used on a wider basis by inclusion of housing and health community into planning	Inclusion of all resources into thinking to create initiatives that ensure flexibility and versatility of the key resources to support performance objectives	Creative approaches are taken to use resources flexibly and efficiently	
Indicator	<ul style="list-style-type: none"> ■ No political or strategic vision of change ■ Risk-aversion ■ Unions and other factions inhibit change ■ Willingness to invest in innovative forms of service absent ■ Protection of popular 'flagship' services 	<ul style="list-style-type: none"> ■ Economic arguments have opened minds and budgets to permit new forms of service ■ Increasing skill in leveraging in additional sources of funding ■ Wider partnership base allows access to greater range and value of resources ■ Multi-agency, inter-disciplinary occupancy of buildings for integrated service becomes joint objectives 	<ul style="list-style-type: none"> ■ User perspective paramount ■ Fully integrated services are the stated desires of end-users ■ Drivers exist in NHS Plan and Modernisations agendas to create innovative cross-sector services 	<ul style="list-style-type: none"> ■ Specialist budgets allow some rapid low-risk service developments with specific targets ■ Experience gained from integration service development continually fed back into collective strategic thinking ■ Leaders give permissions for collaboration and joint working at all levels of their organisations 	
Approaches to change	<ul style="list-style-type: none"> ✓ Dialogue opened to explore potential realignment of existing resources ✓ Partners from 'non-traditional' agencies invited to contribute to exploration of service possibilities ✓ Providers are given opportunities to problem-solve and work on creative solutions 	<ul style="list-style-type: none"> ✓ Analysis of all factors of care and understanding the resources available within each, plus considerations of how those resources might be used in alternative ways ✓ Learn the rules of how and where monies must be spent and ensure compliance with timescales and desired outcomes 	<ul style="list-style-type: none"> ✓ Identify opportunities to lever in other funding sources, such as private finance or matched funding from private sector; statutory and charitable grants, and other sources of income into the local health, housing and social care economy ✓ Work closely with other corporate departments and government agencies involved in regional development and economic regeneration schemes ✓ Seek European, lotteries or other advice on how local agencies can best position themselves to attract developmental monies and revenue funding , Review of innovative developments elsewhere 	<ul style="list-style-type: none"> ✓ Networking with other similar health and social care economies to learn from others' experiences ✓ Benchmarking with other similar sites ✓ Ensure that new service developments comply with corporate and other commissioning agencies' objectives ✓ Ensure that financial regulations and standing order are complied with ✓ Negotiate at highest level for change in financial regulations if these appear to mitigate against optimum service outcomes 	

Maximising use of resources – flexibility of resources – adaptability, versatility					
	Level 1	Level 2	Level 3	Level 4	Score
	Existing modes of delivery are relied upon with little opportunity to create more agile supply of care	Flexibilities are built into the system by all partners with due consideration to the best use of resources for the system as a whole	Alignment of processes and systems with whole system outcomes that afford flexibility of all resources to create and support planned outcomes	Resources are able to be deployed at the time and place of need rather than relying on patient flexibility	
Indicator	<ul style="list-style-type: none"> ■ Fixed mindsets on roles and responsibilities ■ Little willingness to 'go out on a limb' ■ Unilateral decision-making 	<ul style="list-style-type: none"> ■ Early identification of common goals and objectives fosters a more trustful, open collaboration ■ Joint planning and joint service development becomes increasingly the norm ■ Respect and appreciation of the contribution of other agencies, all sectors 	<ul style="list-style-type: none"> ■ Use of all mechanisms to enable creative service development ■ Shared information systems ■ Shared client records ■ Compatible or harmonised IT ■ Joint training ■ Shared investment in the cost of information systems 	<ul style="list-style-type: none"> ■ Cascade of resources where they are needed within flexible structures ■ Organisational structures reflect the emphasis given to tailoring services around individual rather than aggregated (or even organisational) needs 	
Approaches to change	<ul style="list-style-type: none"> ✓ Real-time vacancy management and visibility ✓ Dialogue with wide range of partners to ensure 'no stone unturned' to expand range and nature of services ✓ Involve housing colleagues in mapping opportunities for developing housing alternatives to deliver integrated services 	<ul style="list-style-type: none"> ✓ Use of sheltered housing for alternative modes of care ✓ Extra Care and Very-Sheltered services supported by wide range of community social and nursing services ✓ Development of intermediate care using existing health and social care resources 	<ul style="list-style-type: none"> ✓ Local peripatetic teams of nurses deployed flexibly according to need rather than in the employing home, for example ✓ Wider user of community nursing services ✓ Development of GP-led services within preventative agenda ✓ Development/enhancement of community alarm, floating support and handyperson services to support older and vulnerable people in their own homes 	<ul style="list-style-type: none"> ✓ Continue to deliver ethical base of right services at the right time in the right place ✓ Develop user-centred responses to service provision ✓ Establish advocacy and self-advocacy opportunities for all service end users to establish what users want and expect from the service arrangers 	

Maximising use of resources – performance management of resources across the system					
	Level 1	Level 2	Level 3	Level 4	Score
	There exists clear planning with regard to the efficiency and effectiveness of the use of existing resources	Inclusion of resource utilisation into performance indicators to track performance of key or critical resources	Ongoing monitoring of resource utilisation with suitable reviews and feedback into planning, commissioning and contracting	Resources are carefully planned, managed and monitored to ensure best fit with service objectives	
Indicator	<ul style="list-style-type: none"> ■ Single agency focus on meeting PAFs, Pls, targets ■ Resources deployed to influence 'ratings' and league table position ■ Introverted examination of information needs 	<ul style="list-style-type: none"> ■ Clear links made between investment and quality measures ■ More sophisticated approach to service planning ensuring best fit across all elements and requirements of the organisation ■ Engagement with other partner organisations to ensure mutuality 	<ul style="list-style-type: none"> ■ Review and quality appraisal become milestones on work programmes and service project planning timetables ■ The watchword is 'continuous improvement' as a key organisational impulse ■ Staff encouraged to appraise performance critically but constructively ■ Managers given support to influence attainment of targets and high performance standards ■ Greater understanding of the performance imperatives in other organisations 	<ul style="list-style-type: none"> ■ Lessons applied from analysis of the links between levels of investment and quality returns ■ Feedback to all stakeholders, including all levels of staff (internally and externally) whose performance has led to satisfactory attainment of specified service standards 	
Approaches to change	<ul style="list-style-type: none"> ✓ Develop monitoring and evaluation criteria ✓ Train staff to evaluate services in terms of best fit to meeting service users' needs ✓ Make explicit the expectations upon providers to comply and the consequence if service standards are not met 	<ul style="list-style-type: none"> ✓ Manage choice – observe the choice directive and consider local protocols, for instance, offering people a choice of 3 homes depending on availability and affordability ✓ Establish quality criteria and the performance indicators to measure it ✓ Review performance measures in operational meetings ✓ Greater use of market information systems and data to manage supply and demand of care and housing choices 	<ul style="list-style-type: none"> ✓ Be realistic about what is an achievable service by using in-house or other service comparators to establish minimum standards and a baseline for critical evaluation ✓ Use balanced scorecard, EFQM, Best Value Reviews, CPA Reviews, etc. to monitor performance continually ✓ Ensure Performance Management Plans are owned, observed and delivered upon 	<ul style="list-style-type: none"> ✓ Successes continue to be built upon ✓ Critical success factors analysed to see how other services compare in terms of effectiveness ✓ Lessons learnt from reviews locally and elsewhere help to shape future service plans 	

Maximising use of resources – developing resources in line with future requirements					
	Level 1	Level 2	Level 3	Level 4	Score
	Identification of key resource developments needed to achieve future planning and market outcomes	All system partners have clarity over and are committed to how they need to develop their resources to achieve joint outcomes	Resources are proactively developed in anticipation of market need in a collaborative way between system partners	Plans are in place and being executed to build patterns of resources to deliver both existing plans and create future opportunities	
Indicator	<ul style="list-style-type: none"> ■ Simplifying budget accounting ■ Removing need for esoteric knowledge of previous budget decisions, virements and knowing 'where the bodies are buried' ■ Training staff to understand and use budgets better 	<ul style="list-style-type: none"> ■ Agencies develop transparent and understandable budget reports ■ Agencies are open about how and where budgets have been committed ■ No-one tries to get 'something for nothing' at the expense of a partner organisation ■ Transactions are open and honourable 	<ul style="list-style-type: none"> ■ Mature decisions taken not to react to short-term ring-fenced resource opportunities that do not progress previously agreed priorities ■ Impact analysis of new service initiatives on staff in terms of both competency and capacity to be effective ■ Training needs analysis and training programmes conducted as a matter of course ■ Staff personal development programmes are aligned to progress alongside the development of new forms of service 	<ul style="list-style-type: none"> ■ Strategic decisions taken on the allocation and apportionment of budgets in order to deliver on jointly agreed priorities ■ Budget monitoring and re-calibration become more sophisticated ■ Financial as well as service gains are evidenced ■ Reinvestment of financial efficiencies lead to more service generation 	
Approaches to change	<ul style="list-style-type: none"> ✓ Realistic assessment of what is needed and what is affordable ✓ Review of planning data on service shortfall and identified service needs ✓ Critical examination of existing services to meet demand 	<ul style="list-style-type: none"> ✓ Need to synchronise mainstream funding cycles across the local health, housing and care economy to maximise resources, e.g. include Housing Corporation grants ✓ Learn to decommission where services cannot satisfy user satisfaction or user needs ✓ Involvement of all stakeholder groups in identifying where services can be realigned to meet new needs 	<ul style="list-style-type: none"> ✓ Creation of resource development plans that tie in with and support commissioning plans and objectives ✓ Commissioning plans under annual review ✓ Best value achieved wherever possible to enable economies to be directed into new service development ✓ Value for money constantly monitored to ensure that service outcomes are assured by adequate underpinning of financial, staffing and contract resources 	<ul style="list-style-type: none"> ✓ Close collaboration with all partners to ensure alignment of service objectives ✓ Widen range of partners and resource opportunities to enable diverse solutions ✓ Be vigilant about new opportunities of working in different ways to achieve different outcomes ✓ Be clear about what constitutes improvement and target resources accordingly 	

Maximising use of resources – facilitating workforce availability and skill levels					
	Level 1	Level 2	Level 3	Level 4	Score
	Identification and quantification of workforce constraints and availability issues are well understood	Actions are being taken by system partners to understand and address workforce skill issues and therefore encouraging availability	Coordinated action across the system to facilitate workforce development including secondments, training/development and joint recruitment	There are few workforce issues in the market due to well-conceived and delivered workforce development plans, with a highly motivated and skilled workforce delivering outstanding quality of care	
Indicator	<ul style="list-style-type: none"> ■ Low profile of social and some healthcare work is acknowledged ■ Joint efforts to raise profile ■ Close monitoring of training budgets and staff development opportunities ■ Training Support Grants targeted at areas of greatest need ■ IIP ■ Staff development and appraisal programmes implemented ■ Attention drawn to recruitment difficulties in other quarters, i.e. Job Centres, Schools, Careers Services, etc. 	<ul style="list-style-type: none"> ■ Compliance with legislation, standards and codes and with the recommendations of NCSC, TOPSS, GSCC and ODPM (and the Housing Corporation – where relevant) on appropriate levels of training ■ Pro-activity in terms of staffing structures and career opportunities ■ Exit interviews held as routine to understand labour movements, especially where these lead to exit from the care sector ■ Staff appraisal programmes promote performance but also identify development opportunities ■ Staff feel valued ■ Staff loyalty is rewarded 	<ul style="list-style-type: none"> ■ Shared recruitment (and cost benefits to provider organisations in consequence) ■ Mutual dependency acknowledged and therefore agreements made not to 'poach' each other's staff ■ Joint training and shared good practice across staff groups ■ Jointly managed and supervised staff groups ■ Generic competencies and skills-based work for health and social care workers ■ Structures are planned and left to 'bed in' to allow stability of workforce and clear understanding of roles and functions 	<ul style="list-style-type: none"> ■ Constant vigilance to prevent leaching of health and social workers to other health and social care communities or other sectors ■ Staff incentives regularly reviewed and kept at 'market' levels ■ Every opportunity maximised to raise staff profile. Acknowledgement made that stability in the workforce is the responsibility of senior managers and leaders ■ 'Good-mouthing' on all possible occasions ■ PR and publicity targeted to heighten public awareness and appreciation of what health and social care workers can achieve 	
Approaches to change	<ul style="list-style-type: none"> ✓ Learn to factor staffing considerations into all service planning discussions ✓ Understand implications for staffing on any new service development ✓ Involve unions and others who represent staff interests in all discussions over service re-direction 	<ul style="list-style-type: none"> ✓ Whole system training needs analysis and training provision/accreditation, supported financially and reinforced by financial incentives ✓ Exploration of options of attracting younger people into the workforce (especially addressing the potential loss of 16-18 year olds to other career paths) 	<ul style="list-style-type: none"> ✓ Joint recruitment processes and initiatives between independent sector and statutory bodies ✓ Investors in people ✓ Encouraging workforce to acquire vocational qualifications to assist in developing a strong care sector workforce 	<ul style="list-style-type: none"> ✓ Reinforce messages that staff are the most valued resource ✓ Continue to develop staff appraisal, reward and incentives ✓ Close working with TOPSS, GSCC, Workforce Confederations, etc. on training and staff development initiatives 	

Understanding the market – understanding the state of today’s market in terms of capacity					
	Level 1	Level 2	Level 3	Level 4	Score
	Anecdotal evidence only on the capacity of the system – using our experience and tacit knowledge	Clear analysis and understanding of the capacity and constraints of the traditional forms of care	Broader definition and view of capacity to include specific resources (such as community nursing or housing services) and consideration of how capacity can be best used	All factors of capacity are used to the greatest effect to achieve maximal outcomes	
Indicator	<ul style="list-style-type: none"> ■ Naïve market data collection ■ No systematic processes for ensuring credible monitoring criteria ■ Breakdown in market intelligence reporting because of interruption of relationships, for instance with NCSC 	<ul style="list-style-type: none"> ■ Open dialogue with providers on the pressures and Drivers affecting their area of service ■ Impact analysis of new initiatives on existing services ■ All partners understand the contribution and value of different care models ■ A mixed economy of care (including housing solutions) is actively promoted and protected ■ A willingness is demonstrated to apply innovation and new practice to existing service delivery 	<ul style="list-style-type: none"> ■ Breaking down the barriers between traditional forms of service and traditional attitudes to provision ■ Develop of generic approaches to service provision ■ Shared training and skills development ■ Flexibility of staff groups in terms of work-sites ■ Thinking outside the box in terms of service solutions ■ Having permission to take risks 	<ul style="list-style-type: none"> ■ A sense of ‘investment’ in future services, including accepting responsibilities and risks ■ Maturity of commissioning organisations to ‘let pass’ short-term opportunism in favour of achieving longer-term goals ■ Broad ‘sign-up’ at most senior levels to deployment of resources to achieve desired aims and outcomes ■ Signals of long-term support and investment in market are clear and explicit 	
Approaches to change	<ul style="list-style-type: none"> ✓ Invest in information gathering ✓ Skill staff to interpret information ✓ Collate returns to government bodies for additional information ✓ Develop basic activity and demographic data to establish demand ✓ Regularly review provider markets to clarify supply 	<ul style="list-style-type: none"> ✓ Explore alternative services with existing providers ✓ Visit examples of the services that might be developed ✓ Establish with providers the risks they face in switching direction ✓ Encourage new entrants to the market-place 	<ul style="list-style-type: none"> ✓ Research contingency and predictive modelling ✓ Attempt to eliminate risks by careful analysis of the impact of new services on existing ones ✓ Study cause-and-effect experiences elsewhere to avoid repeating mistakes ✓ Try to short-circuit routes to success by examination of successes in other areas 	<ul style="list-style-type: none"> ✓ Evince ‘can-do’ approaches and overcoming unwillingness to develop new forms of care ✓ Keep providers ‘on-side’ by transparency of longer-term commissioning intentions ✓ Work together to identify possible service direction 	

Understanding the market – market intelligence gathering, lines of communication					
	Level 1	Level 2	Level 3	Level 4	Score
	Formal, communications are relied upon – limited ability to use intelligence to influence market behaviour	Informal channels of communication are used with a select number of providers to ascertain market condition and mood	There exists an organised method of communication representing the market as a whole, achieving an objective representation of the market	Regular use of formal and informal communications methods to ensure that accurate, useful information is used to assist decision-making	
Indicator	<ul style="list-style-type: none"> ■ Use of information via other statutory bodies ■ Use of unsubstantiated anecdotal data ■ Single-agency approach to data gathering and application 	<ul style="list-style-type: none"> ■ Protocols reached on the appropriateness of information sharing ■ No bad-mouthing or covert misinformation about provider/partner agencies ■ 'Round-the-table' meetings share market data and use it to forward plan ■ Agencies are aware that the integrity of information directly informs the decisions made about future services 	<ul style="list-style-type: none"> ■ Selection of independent sector representatives reflects mix and range of services ■ Independent sector representatives can demonstrate mechanisms for feeding information in 2-way flow without self-interests affecting impartiality 	<ul style="list-style-type: none"> ■ Formal structures should as NSF Local Implementation Groups formally accept a wide range of stakeholders, including provider representatives ■ Cross-cutting working groups agree work programme on behalf of all sectors 	
Approaches to change	<ul style="list-style-type: none"> ✓ Identify minimum data sets and compare with partners' information bases across the system ✓ Develop protocols for sharing information ✓ Work towards culture of regular information exchange 	<ul style="list-style-type: none"> ✓ Develop external influencing strategies to assist other decision-making processes, such as the Community Plan, Supporting People strategies and Community Safety partnerships ✓ Explore wider information and communication sources for additional information to inform service development ✓ Involve all stakeholders in data evaluation and consideration 	<ul style="list-style-type: none"> ✓ Review communication and information strategies to ensure that information is received by those who need to know ✓ Review technology to ensure that access by stakeholder agencies is possible ✓ Regularly review transmission of information by electronic means 	<ul style="list-style-type: none"> ✓ Insist upon openness in all dealings with fellow commissioners and service providers ✓ Make high-level commitment to share information on a regular basis ✓ Investigate technology that permits electronic access to information ✓ Invest in good relationships with NCSC etc. at the highest levels to ensure that information related to the market is communicated to those who need to plan for future supply and demand 	

Understanding the market – defensible rationale underpinning assumptions made					
	Level 1	Level 2	Level 3	Level 4	Score
	Planning assumptions are made implicitly without specific exploration as to the risks inherent within them	Making planning assumptions explicit and understanding how they limit our planning for the future	Clear understanding and justification of the risks contained within our assumptions and some attempt at identifying and managing the risks	Clear understanding of and sensitivities regarding the impact of planning assumptions being incorrect	
Indicator	<ul style="list-style-type: none"> ■ Ad hoc data collection ■ No skills in analysis or interpretation ■ 'Wish list' approach to service planning ■ Insubstantial research/planning data ■ Unilateral decision-making 	<ul style="list-style-type: none"> ■ Academic rigour introduced to planning initiatives and reports ■ Details and forecasts kept simple, manageable and uncontentious ■ Readily shared with interested parties ■ Other parties' need and use of data understood and provided accordingly ■ Undertake analysis to inform business assumptions and predictions (e.g. PESTOL – political, economic, social, technical, organisational and legal analysis of local market conditions) 	<ul style="list-style-type: none"> ■ Shared ownership of planning assumptions based on unified data ■ Specification for key data worked up in inter-agency groups ■ Realistic approach to data, understanding its limitations and the dangers of misinterpretation ■ Ability to learn from mistakes or earlier 'misses' in terms of service outcomes 	<ul style="list-style-type: none"> ■ A willingness to go 'back to the drawing board' to refine the specification ■ Damage limitation in a 'no blame' culture ■ Mutual respect ■ Protective attitude to partners struggling with the effects of earlier planning decisions 	
Approaches to change	<ul style="list-style-type: none"> ✓ Conduct impact analysis ✓ Learn to interpret cause-and-effect ✓ Learn to avoid repeating mistakes or taking wrong directions ✓ Resist short-termism 	<ul style="list-style-type: none"> ✓ Build upon former successes in terms of models of care ✓ Work together with commissioners, providers and end-users to review what services are required ✓ Develop new services specifications, standards and performance measurement criteria in light of review of existing services 	<ul style="list-style-type: none"> ✓ Establish joint working groups across sectors to review existing services and current service assumptions ✓ Develop a 'no-blame' reaction which allows for lessons to be learnt ✓ Develop implementation plans for adjusting strategic direction 	<ul style="list-style-type: none"> ✓ Plan, monitor and learn ✓ Apply evaluation criteria, such as EFQM or best value review ✓ Critical evaluation of achievement against targets ✓ Review and plan remedial action 	

Understanding the market – forecasting the future state of the market					
	Level 1	Level 2	Level 3	Level 4	Score
	Gut feelings and experience used to ascertain the future condition of the market	Using existing secondary data to view the future prospects for the market and achieving a clear picture to inform commissioning and contracting	Adoption and use of a predictive modelling technique being used to examine future market possibilities and their potential implications	Broad range of scenarios and market sensitivities used to plan and create a range of possible future states and the needs that they will place on system partners	
Indicator	<ul style="list-style-type: none"> ■ 'More of the same' attitudes prevalent ■ 'One size fits all' assumptions of service choices ■ 'Services are still resource-led rather than needs-led ■ 'Risk aversion in all parties 	<ul style="list-style-type: none"> ■ 'Research and research methods in active use ■ 'Broader picture obtained by best value reviews and benchmarking ■ 'Greater use of projections and forecasted capacity planning ■ 'Predictive methods restricted to low baseline data ■ 'Lessons learnt from application of data ■ 'Growing confidence and skills to achieve accuracy in modelling assumption 	<ul style="list-style-type: none"> ■ 'Upskilling staff to learn and use predictive modelling ■ 'Jointly commissioned project management ■ 'Jointly commissioned consultancy when necessary ■ 'Longer-term modelling ■ 'Risk-aware assumptions do not prevent future service planning 	<ul style="list-style-type: none"> ■ 'Scope, range and application of predictive modelling increases with use and experience ■ 'Budget allocation based on forecasts and predicted outcomes ■ 'Policy aims and objectives affected and adjusted to accommodate future predictions ■ 'Political approval of models and direction of travel ■ 'Impact of European Directives and likely changes in service users' diverse expectations 	
Approaches to change	<ul style="list-style-type: none"> ✓ Increase market knowledge by systematic appraisal of existing supply against what is known of future demand ✓ Establish systems to improve the quality and range of primary information 	<ul style="list-style-type: none"> ✓ Develop base-line minimum data sets for establishing forecasts for future services ✓ Identify resources needed to gather competent, credible data ✓ Identify skills needed for staff to interpret data to provide information base on which future service assumptions are built 	<ul style="list-style-type: none"> ✓ Test, monitor and evaluate the design and use of new and emerging care technologies and housing products to help shape future service models ✓ Run 'what if' scenarios to prepare for all eventualities ✓ Closely monitor changes on local scene that will impact on provision ✓ Follow national developments and predict local impacts 	<ul style="list-style-type: none"> ✓ Continue to work with providers and public bodies to evaluate the quality of information on which planning assumptions are made ✓ Develop new data as experience dictates ✓ Review current assumptions as data sets change 	

Understanding the market – quality of information on the market factors – supply/demand					
	Level 1	Level 2	Level 3	Level 4	Score
	Broad assumptions made on key Drivers of supply and demand, e.g. population growth, market viability, age profile of home-owners	Identification of the key Drivers and influencers of current and future supply and demand	Understanding how these Drivers can impact on the market in the future and, looking at the risks to the system, as a whole surrounding these Drivers	Sophisticated modelling and forecasting used to support clear scenario analysis to identify key risks and dependencies with contingency plans	
Indicator	<ul style="list-style-type: none"> ■ Data collected at anecdotal level only ■ No benchmarking of local markets to regional/national profiles ■ Inflexible service provision ■ Rigid categorisation affecting more versatile shape of services 	<ul style="list-style-type: none"> ■ Credible data on real state of market ■ Confirmation of information by testing with all stakeholder groups ■ Openness in provision of key data that informs decisions affecting existing and future markets ■ Knowledge of key socio-economic information, trends and impacts, e.g. workforce issues, land, economics 	<ul style="list-style-type: none"> ■ Impact analysis ■ More sophisticated used of intelligence ■ Data more reliable and its interpretation agreed across sectors ■ Examination of experiences in other areas with contingency planning for similar effects in local area ■ Open dialogue on how risks can be ameliorated ■ Assumption of greater proportions of risk by the statutory agencies ■ Defusing risk by shared responsibilities and joint ownership of projects 	<ul style="list-style-type: none"> ■ Predictive modelling supports commissioning strategies and future service planning ■ Assumptions constantly under review ■ All stakeholders input into review process ■ Use of regeneration and other initiatives and funds 	
Approaches to change	<ul style="list-style-type: none"> ✓ Collate key data on geography, demographics, incident analysis, purchasing patterns ✓ Clarify budgets for expenditure in provider markets 	<ul style="list-style-type: none"> ✓ Categorise care provision and provider organisations into terms of risk factors, depending on local environment ✓ Focus attention and resources onto higher risk services to prevent further loss of capacity from the market 	<ul style="list-style-type: none"> ✓ Categorise homes in terms of development potential to provide similar advantages to the point above ✓ Evaluate other services in terms of capacity to provide alternatives to residential/nursing care ✓ Encourage diversification and closer collaborations between different sectors ✓ Clear understanding of the preventative aspects of housing vis-à-vis 'close-care' and support, thereby reducing admissions into hospital or a 'move up' the care ladder 	<ul style="list-style-type: none"> ✓ Continue to invest in information and systems analysis to position the commissioners and their provider markets to take advantage of market capacity ✓ Ensure that forecasts for future service development are predicated on sound data ✓ Ensure that your organisation is not data-rich but information-poor ✓ Provide training for staff in the analysis, interpretation and application of information 	

Creating viable market conditions – monitoring use of funds to ensure best value					
	Level 1	Level 2	Level 3	Level 4	Score
	Funds are allocated and used on the basis of a clear understanding of need	Budgets are clearly aligned with the commissioning strategy and there is regular monitoring by key stakeholders	Linking non-monetary performance indicators with budget control to ensure that funds are having the desired effect on developing the market and ensuring the best possible outcome for service users	There is complete understanding of how funds are being performance managed with full involvement in financial planning, monitoring and learning	
Indicator	<ul style="list-style-type: none"> ■ Service specifications allow for best achievable outcomes for end-users ■ Contract monitoring mechanisms allow for 'bespoke' services ■ Contract monitoring mechanisms allow providers a degree of flexibility over change to service provision to allow for temporary changes in circumstances 	<ul style="list-style-type: none"> ■ The volume and nature of services are planned and not ad hoc ■ Predictive rather than reactive commissioning ■ Budget virements allow for switches in emphasis ■ Commissioning imperatives are regularly reviewed 	<ul style="list-style-type: none"> ■ Cross-cutting work is done involving all stakeholders to identify pressure points ■ Shared understanding of KPIs and critical success factors ■ Agreements reached on where budgets can be directed to achieve performance targets ■ Agreements reached on where budgets can be directed to develop service capacity best ■ Budgets identified for non-direct service costs, raising the profile of care workers to facilitate recruitment ■ Joint marketing/promotional activities 	<ul style="list-style-type: none"> ■ Appointment of lead commissioner with explicit remit to manage establish and monitor performance criteria ■ Demonstrable correlation between performance and budget commitment ■ 'Monitor, Measure and Learn' styles of service evaluation ■ Financial training offered across sectors 	
Approaches to change	<ul style="list-style-type: none"> ✓ Examine current agreements for fit with principle of customer focus and user-centred services ✓ Work with providers to achieve maximum service gain for end-users ✓ Monitor for best value 	<ul style="list-style-type: none"> ✓ Clarify outcome targets in terms of quality and the greatest personal health and social gain for end-users ✓ Critically monitor unit costs to ensure acceptable return on investment ✓ Learn to use benchmarking as a proactive measure and tool for managing service costs 	<ul style="list-style-type: none"> ✓ Monitoring criteria is realistically set to measure principally effectiveness of service ✓ Services regularly monitored for value-for-money ✓ Agreements over areas of added value where additional service costs are justified by higher prices ✓ Understand what constitutes a quality service and what is a realistic price to assure it ✓ Consider banding payments to reflect service inputs 	<ul style="list-style-type: none"> ✓ Effective whole system performance management where all parties share responsibility for market performance, and there is transparency and openness regarding performance of individual system partner organisations against jointly agreed outcomes ✓ Understand staffing constraints and staffing costs and factor them into to all service planning ✓ Use financial resources to buy what you want rather than pay for what you get 	

Creating viable market conditions – clear understanding of how finances impact market behaviour					
	Level 1	Level 2	Level 3	Level 4	Score
	Assumption that fees are the main issue and driver of market behaviour	Understanding and categorisation of risks for the independent provider, e.g. care home viability, knowing which are the vulnerable parts of the market	Taking action to align financial resource allocation with desired stability of the market and market behaviour – making sure our funds are being used to sustain and develop the market	Mature use of financial resources to encourage building of the care market that will be required in the future – market developments and innovations are being delivered and are aligned with the commissioning strategy	
Indicator	<ul style="list-style-type: none"> ■ Suspicion of motives of providers ■ Abhorrence of 'profit from care' ■ Political impediments ■ Meetings allowed to be dominated by price talks without clear sign-up to the quality issues underpinning good service provision ■ Contract monitoring sited in resources sections rather than in policy or strategy sections ■ Contract clauses punitive on price issues ■ Need to ensure the affordability of care and support services 	<ul style="list-style-type: none"> ■ Knowledge of factors impinging on continued provision of service, such as labour markets, competition from other employers ■ Realistic appraisal of the physical attributes of some buildings from which services are delivered in terms of compliance with required space standards ■ Knowledge of money markets and the attitudes of banks/investors towards care services ■ Demographic information supporting assumptions of future service commissioning 	<ul style="list-style-type: none"> ■ Corporate ownership of market management ■ Work done to forecast future service needs ■ Predictions based on analysis of past service trends inform budget planning ■ Predictions based on demographic profiles inform future budget identification ■ Information on costs of service and availability of funds shared openly 	<ul style="list-style-type: none"> ■ Agreed shared budgets with other statutory bodies ■ Use of Health Act Flexibilities and other mechanisms to allow for creation of pooled budgets ■ Medium- and long-term service planning (5–10 years) ■ Use of research and other studies on demographics ■ Keeping networked into new practices, new forms of service ■ Constant re-evaluation of existing provision and involvement of end-users in design of new service developments 	
Approaches to change	<ul style="list-style-type: none"> ✓ Open accounting and discussions between system partners ✓ Willingness of commissioners to understand the financial pressures of providers ✓ Correlation between quality and cost understood and explicit in contract terms 	<ul style="list-style-type: none"> ✓ Close working with all partners, including registration colleagues from NCSC ✓ Resist asking providers to comply with standards that are in conflict with NSCS standards ✓ Supply providers with information on sources of funding outside mainstream budgets 	<ul style="list-style-type: none"> ✓ Mature understanding of financial sensitivities and pressures through research into market behaviour ✓ Local observation of how pricing policies impact on local viability ✓ Management data analysis of future market supply and demand 	<ul style="list-style-type: none"> ✓ Develop ever closer working relationships and understanding of the funding pressures in external markets and how commissioners can relieve these through principled contractual agreements ✓ Develop partnering arrangements that demonstrate commitment to long-term business relationships 	

Creating viable market conditions – discussions on fee levels include non-monetary issues, e.g. as risk management, quality, etc.					
	Level 1	Level 2	Level 3	Level 4	Score
	Reliance on fees as the main basis for discussions	Incentives are used to encourage specific actions from the independent sector and start to ensure market stability	Mix of reward structures is used to influence market behaviour	Wide range of business-impacting factors (including non-monetary) are used to encourage a sustainable and profitable market that delivers quality care	
Indicator	<ul style="list-style-type: none"> ■ Annual application of fee increases as decided by the purchaser ■ Attempts to keep costs to a rigid formulaic adjustment instead of learning where real cost pressures lie ■ No contingency planning for initiatives that carry cost burdens (minimum wage, national minimum standards, working time regulations, etc.) ■ General assumptions that the price buys quality without any evidence or benchmarking ■ Understanding of the service users' ability to afford their care and support needs 	<ul style="list-style-type: none"> ■ Application of models that allow for the improvement of service through quality initiatives (e.g. the recruitment and induction of staff, retention of staff through on-going training) ■ Effective negotiation takes place on a fair cost of care ■ Agreements reached about realistic timescales to reach acceptable baseline fees ■ Payment arrangements take into account day-to-day operational pressures 	<ul style="list-style-type: none"> ■ Incentives workbook for development of services where need has been identified ■ Premiums workbook for shift to different types of care ■ Longer-term contracts ■ Volume contract arrangements, including block contracts to secure short supply and cost-and-volume ensuring a guaranteed contract value ■ Open discussions about other ways in which the statutory agencies can help share risks and costs with the independent sector to reassure providers and ensure future market ■ Transparency of statutory agencies, purchasing intentions 	<ul style="list-style-type: none"> ■ Partnership arrangements on new service development ■ Service providers involved in forecasting future needs, future demands upon service at early stage ■ Clarity on de-commissioning as well as new commissioning initiatives ■ 'A place at the table' for all stakeholders when new funds/grants become available and mutual agreement on how this is best directed to protect valued supply and create new supply ■ Impact analysis of new service provision undertaken by all stakeholders and outcomes shared ■ Joint working/joint training/joint appointments across all sectors to ensure cross-fertilisation of skills and experience 	
Approaches to change	<ul style="list-style-type: none"> ✓ Need to show value for money within a best value framework ✓ This will include quality standards and a fair assessment of market forces, competition from other providers, etc. ✓ Providers need to be encouraged to widen the discussion base beyond money to offer commissioners a broader negotiation platform 	<ul style="list-style-type: none"> ✓ Incentives to remain in or enter the market ✓ Commissioners acknowledge and respond to financial threats to providers ✓ Commissioners must factor in staffing considerations into service planning ✓ Commissioners need to undertake a risk assessment on impact of service loss on users, providers, staff and wider community ✓ Commissioners take account of users' rights and legal entitlements when re-aligning services ✓ Commissioners and providers to work together to overcome some marketplace difficulties, e.g. the recruitment of staff 	<ul style="list-style-type: none"> ✓ Research into key business impacts and risks, and then factoring these into planning, commissioning, contracting and management processes ✓ Sector specific risk assessments routinely carried out to assure future supply and continuity of service ✓ Joint working on new models of care ✓ Joint development of quality assurance methodologies ✓ Agreement over audit/evaluation criteria 	<ul style="list-style-type: none"> ✓ Establish base-line for future negotiations on price in order to concentrate on developmental issues ✓ Continually strive for open and trustful relationships that are not solely or overly preoccupied with financial considerations ✓ Encourage a culture of 'principled' commissioning and fair contracting in order to protect valued providers and assure future markets 	

Creating viable market conditions – explicit understanding of the costs of providing care					
	Level 1	Level 2	Level 3	Level 4	Score
	No specific regard is made to the real costs of providing care and support, aside from using standard national statistics	An understanding has been achieved of the local costs of providing care and support, and the main influencing factors for a viable local market	Alignment of fee and costs structures with local cost structures – independent homes, independent domiciliary care providers and local authority working together to build towards sustainable viability of a whole range of services, including housing with care options	Mature understanding of the costs of providing care and support and creative ideas on how they can be influenced positively	
Indicator	<ul style="list-style-type: none"> ■ Applying inflation indices to formula prices ■ No comparators agreed between the costs of in-house services and externally provided services ■ Inflexible payment arrangements ■ Year-on-year contracting and budget planning 	<ul style="list-style-type: none"> ■ Understanding reached on real costs in terms of overheads ■ Understanding of real cost of staffing ■ Understanding of real costs involved in complying with the legislation that governs the service provision 	<ul style="list-style-type: none"> ■ Shared information on budgets, overheads, profit/loss ■ Comparators agreed between in-house and externally provided services ■ Recognition that longer-term security needs to be reflected in longer contractual/business arrangements 	<ul style="list-style-type: none"> ■ Costs of services 'owned' corporately ■ Pooled budgets developed to ensure that the costs of service provision are assured over a substantial period of time ■ Agreements over costs involved in continuous improvement and growth of services ■ Use of Health Act Flexibilities ■ Use of S31/64/28a arrangements ■ Use Supporting People funding ■ Use of private finance (for both capital and revenue costs) 	
Approaches to change	<ul style="list-style-type: none"> ✓ Local research into what influences there are locally on the costs of providing care and support – what are the key Drivers, what are the local contingent factors that need special consideration, what is a reasonable level of return for a commercially run home for instance, or the optimum number of contracted hours to support staff recruitment in a domiciliary service? 	<ul style="list-style-type: none"> ✓ Explicit recognition of the qualitative issues of providing care, e.g. prevention strategies ✓ Regular meetings to review current costs and impacts on costings in light of changes to rates/fees or other locally or nationally applied uplifts (e.g. with regard to minimum wage rates) 	<ul style="list-style-type: none"> ✓ Open accounting between statutory bodies and home owners – 2-ways ✓ Accepted and applied costed models ✓ Identify opportunities for leveraging in private finance, e.g. equity release ✓ Think 'outside the box' where costs are concerned – what can be reduced, what can be defrayed, what might be paid 'in kind'? 	<ul style="list-style-type: none"> ✓ Pooled budgets to minimise 'ring-fencing' of funds and maximise financial flexibilities, plus promote joint accountability and planning ✓ Empower staff to think constructively about ways in which service costs can be met or supplemented, including attracting funds from wider sources of supply 	

Creating viable market conditions – performance managing the market – plan, monitor, learn					
	Level 1	Level 2	Level 3	Level 4	Score
	Building a clear understanding of what constitutes a successful and stable market within the local context	Identification and use of a range of performance indicators that reflect the performance of the system as a whole, and reflect a range of perspectives, e.g. older people, providers, local authority	Joint monitoring and review of performance indicators by system partners to ensure that continuous improvement is achieved – and this is evidenced by the performance indicators	All key stakeholders are involved and committed to a performance management framework to create, sustain and further develop a successful local market	
Indicator	<ul style="list-style-type: none"> ■ Evaluation of available supply by end-users and key stakeholders ■ Satisfaction surveys ■ Evidence of popularity and good take-up of service opportunities by end-users 	<ul style="list-style-type: none"> ■ Impact analysis of service commissioning and decommissioning on the whole sector ■ Genuine opportunity for the voice of service users to be heard and to influence service shape and delivery ■ Service users involved in evaluation criteria 	<ul style="list-style-type: none"> ■ Service users and other partners in commissioning agree performance criteria ■ Conference between commissioners and providers on best practice ■ Joint planning of replacement/developed services 	<ul style="list-style-type: none"> ■ Agreements on common goals and objectives ■ Value base underpinning service provision is published, practised and observed ■ 'Whistle-blowing' approach to service deficit which will be followed up ■ Quality assurance systems in place to underpin monitoring and review criteria 	
Approaches to change	<ul style="list-style-type: none"> ✓ Incentives for providers of popular well-respected services ✓ Understanding the climate conditions that may encourage providers to exit the market ✓ Early dialogue with providers who may be considering exiting the market ✓ Develop systems of early identification of ailing provider businesses and have clear parameters on the extent to which rescue packages can be offered 	<ul style="list-style-type: none"> ✓ Use of whole system performance indicators which impact on individual partner organisations, e.g. NSF targets ✓ Locally set targets to meet locally identified needs ✓ Assess the outcomes of local Supporting People scheme and service performance reviews i.e. remodelling sheltered housing or expanding the delivery of Home Improvement Agency Services for older and vulnerable people 	<ul style="list-style-type: none"> ✓ Regular performance reviews with all partners, leading to joint system development plans ✓ Agreement reached on compatible and common objectives ✓ Consultation with service users, their carers and advocates to shape future services and the criteria by which they are managed and monitored 	<ul style="list-style-type: none"> ✓ Consultations with financial institutions on inward investment to services to give confidence amongst independent providers ✓ Working across whole systems to plan, monitor and learn ✓ Implement new service criteria based on above ✓ Increase the range of system partners so that cross-fertilisation of learning is constantly refreshed 	

Commissioning and contracting – based on clear outcomes and targets that relate to market analysis					
	Level 1	Level 2	Level 3	Level 4	Score
	Plans and contracts are built on intuitive/anecdotal assessments of what is required based on experience	Assumptions are made explicit on key market factors, and these are used to inform plans	A dynamic modelling approach is used to examine scenarios and potential impacts of supply and demand changes	There exists total clarity over market influences and dynamics, and plans are formed from explicit understanding	
Indicator	<ul style="list-style-type: none"> ■ Services developed on fragmented, piecemeal basis ■ No coherent joined up planning or commissioning framework ■ New initiatives due to the efforts of 'product champions' ■ Evidence of 'finger-in-the-air' health checks ■ Evidence of 'fag packet' calculations 	<ul style="list-style-type: none"> ■ Information needs identified across all stakeholders ■ All organisations cooperate in the input, collation and interpretation of data ■ Joint use of credible planning data in key strategic documents ■ Planning over 3/5/10 years 	<ul style="list-style-type: none"> ■ A 'can-do' attitude is used to engage all players in future planning ■ Partners agree to share risks ■ Minds are opened to possibilities of major change ■ 'Thinking the unthinkable', thinking 'out of the box' ■ Longer-term plans readily condensed or refocused when based on new data or experience 	<ul style="list-style-type: none"> ■ Sign-up by all agencies to methods of forecasting future demand and supply needs ■ Willingness on all parties to divert energy, staffing and resources into new directions ■ Flexible budgets to channel into new schemes ■ Ability to respond quickly to emerging issues and the systematic evaluation of initiatives which then feeds into policy development 	
Approaches to change	<ul style="list-style-type: none"> ✓ Consider existing contract document and re-draft in terms of the standards and specification ✓ Focus contract monitoring on outcomes and other qualitative measures of achievement rather than quantitative outputs 	<ul style="list-style-type: none"> ✓ Identifying key market factors that affect commissioning needs and performance and estimating their impact ✓ Use of simple modelling techniques to make planning assumptions explicit and determine potential impacts ✓ Working with local housing authorities to demonstrate the impact of housing in need of improvements and tackling local health inequalities, e.g. when producing their Private Sector Housing Renewal Strategies 	<ul style="list-style-type: none"> ✓ Scenario planning to ensure that there are contingency plans in place for high likelihood/severity possibilities ✓ Working together to develop common information basis, including demographic data (for instance such as is used in Public Health) ✓ Agreeing minimum data sets for client information and range of services 	<ul style="list-style-type: none"> ✓ Clear vision of the future and leadership to deliver commonly agreed goals ✓ Ensure that staff involved in commissioning services, those involved in evaluating services and those involved in providing services are aware of the fit between that service and national performance targets and local objectives 	

Commissioning and contracting – based on rigorous analysis of the market using a model					
	Level 1	Level 2	Level 3	Level 4	Score
	Demand and supply factors are understood but not accurately quantified	Existing information is used to factor into a simple model to assess capacity needs	Local contingent factors are understood and used to produce simple local capacity models	Sophisticated modelling is used to predict future needs and inform commissioning strategies	
Indicator	<ul style="list-style-type: none"> ■ No reliable data ■ No systematic methods for gathering market intelligence ■ Lack of clarity over how data can be used ■ Poor skills base in interpreting and analysing data 	<ul style="list-style-type: none"> ■ Work has been done to establish key baseline data ■ A simple specification has been agreed for common/core data ■ Information is shared for verification/ validation purposes ■ Plans made to address skills shortfall 	<ul style="list-style-type: none"> ■ Groups bring key data to planning forums to share and debate ■ Policy objectives are monitored and checked throughout all data analysis to ensure congruency ■ Shared ownership of data ■ Shared acknowledgement of staffing training needs ■ Staff regularly re-trained/skilled in data analysis ■ Investment made in 'state-of-the-art' data-gathering methods 	<ul style="list-style-type: none"> ■ Skills base has been developed to ensure that credible data underpins sound planning decisions 	
Approaches to change	<ul style="list-style-type: none"> ✓ Utilise information from the SP3 returns collated by local Supporting People teams ✓ Conduct an audit of all information available and the purpose for its collection ✓ Learn how information can be used to inform other purposes 	<ul style="list-style-type: none"> ✓ Models need to look at capacity across the whole system, including the availability of housing ✓ Models draw upon information databases from a wide variety of partner agencies ✓ Information is used across and within agencies 	<ul style="list-style-type: none"> ✓ System partners agree on baseline data and set up systems to collate ✓ Systems partners agree a common model of baseline data based on credible and tested data-gathering processes ✓ Partners use the information extrapolated from data sources to common purpose 	<ul style="list-style-type: none"> ✓ Sign up at highest level to use data for common good across agencies and across service user groups ✓ Agreement to invest in projecting future supply and demand through modelling techniques ✓ Staff taught predictive modelling techniques ✓ Investment in modelling software 	

Commissioning and contracting – inclusion of key stakeholders in service planning and development					
	Level 1	Level 2	Level 3	Level 4	Score
	Service planning is done mainly in isolation within agencies and excluding involvement from system partners	System partners (see Definitions p8) are involved in planning, with final accountability at local authority level	Joint responsibility exists for development of plans and contracts that deliver to local needs	A real whole system approach is used which factors in and takes account of the input from all key stakeholders	
Indicator	<ul style="list-style-type: none"> ■ Single agency planning groups ■ Plans circulated for endorsement rather than consultation ■ Budget information not disclosed ■ No links with housing, Supporting People 	<ul style="list-style-type: none"> ■ Joint planning groups ■ Jointly agreed service objectives ■ Jointly agreed success criteria 	<ul style="list-style-type: none"> ■ Pooled budgets ■ Joint responsibility ■ Shared risk 	<ul style="list-style-type: none"> ■ Unified approach from stakeholders so that 'single agency' now connotes true integrated services ■ Different organisations formally and effectively working as one organisation 	
Approaches to change	<ul style="list-style-type: none"> ✓ Inclusion of voluntary sector; independent and not-for-profit organisations, such as Registered Social Landlords ✓ Working with partner agencies to ensure that everyone feels empowered to contribute to planning forums 	<ul style="list-style-type: none"> ✓ Widen the basis of involvement for partner agencies to include closer involvement with customers/end-users ✓ Invite partner agencies to training, conferences, etc. as a matter of course ✓ Develop the culture of their inclusion as 'natural' and 'automatic' ✓ Ensure variety of partner agencies attending all meetings to ensure input of essential information and experience 	<ul style="list-style-type: none"> ✓ Make forward plans for new services using the statutory instruments available to facilitate this ✓ Agree lead commissioning roles and work in trustful partnerships under this direction 	<ul style="list-style-type: none"> ✓ Continue to review existing structures and relationships ✓ Take lead on introducing new ways of working ✓ Promote the benefits of working in a more collaborative way ✓ Lead by example! 	

Commissioning and contracting – uses an appropriate mix of methods to fit local requirements					
	Level 1	Level 2	Level 3	Level 4	Score
	Standard contracts are used without specific regard to aligning them to deliver local contingent requirements	Block contracts are used appropriately and to the right extent to give greater local market stability and viability	Alignment of contracting methods with the commissioning strategy to identify a suitable mix of contracting methods appropriate	A range of contracting methods are used to ensure the effective and efficient delivery of commissioning objectives with due regard to future needs	
Indicator	<ul style="list-style-type: none"> ■ Over-adherence to adversarial methods of contracting ■ Commissioners use contracts as 'sword not shield' ■ Contracts contain punitive penalty clauses ■ Providers are not involved in defining contract terms 	<ul style="list-style-type: none"> ■ A wide range of volume contracts are used to stabilise markets and assure supply ■ Volume contracts are used to achieve best value ■ Prices sought and accepted under block contract arrangements are applied across wider purchasing arrangements 	<ul style="list-style-type: none"> ■ Services decommissioned as well as commissioned ■ Critical evaluation of effectiveness of services ■ Critical consideration of unit costs of service and whether extension is viable or sustainable in the longer term 	<ul style="list-style-type: none"> ■ A repertoire of contracting arrangements that include partnership agreements, such as S31 HAFs ■ 'Shared-risk' arrangements in true spirit of partnership 	
Approaches to change	<ul style="list-style-type: none"> ✓ Consider contracts that are 'light' on contract heads of agreement and 'heavy' on performance measures ✓ Establish joint groups to look at contract terms to ensure that contracts are realistic and deliverable by providers ✓ Review existing tendering processes in order to involve service users in selection of providers 	<ul style="list-style-type: none"> ✓ Develop incentives to guide and encourage diversification ✓ Reward innovation and creativity ✓ Reward providers who demonstrate commitment to closer working ✓ Encourage providers to develop new ways of working 	<ul style="list-style-type: none"> ✓ One-in one-out systems to encourage bed availability being made visible and available to local authority purchasers (supplement workbook for beds that are made available to local authorities on a sustained basis) 	<ul style="list-style-type: none"> ✓ Block contracts used in combination with spot purchasing to ensure correct balance between flexibility and stability ✓ Ask providers what they can 'bring to the table' ✓ Ask providers for help in problem-solving, in meeting service short-fall 	

Commissioning and contracting – outputs/outcomes are owned and invested in by all stakeholders					
	Level 1	Level 2	Level 3	Level 4	Score
	Local authorities are driving and prescribing required market activity and output.	Required market conditions are understood by all partners, but full commitment is not yet achieved	Joint planning on the basis of the exploration and understanding of stakeholder expectations, needs and required outcomes	Commissioning plans define and have gained the necessary level of commitment from all partners in terms of necessary actions and investments	
Indicator	<ul style="list-style-type: none"> ■ Thinking is still in single-agency mode ■ Modernisation agenda has not progressed into working 'across the piece' ■ Highly politicised decision-making not based on empirical evidence ■ Policy objectives have not been modified to incorporate policy needs of other stakeholders 	<ul style="list-style-type: none"> ■ 'Protectionist' attitudes arrest development of new ideas and ways of working ■ Economic or doctrinal arguments hold sway over best service practice ■ Impatience and lack of understanding with the preoccupations of other players ■ Lack of strategic vision ■ Weak leadership ■ Poor communication 	<ul style="list-style-type: none"> ■ Time and space are created for understanding whole system perspectives and individual group needs ■ Prioritisation of system needs over those of any one individual group ■ Joint planning of new services and initiatives ■ Open channels of communication 	<ul style="list-style-type: none"> ■ Complete transparency about revenue/capital streams, budget commitments and available resources ■ Common goals and objectives identified and agreed ■ Sign up to the stated objectives of any new service initiative ■ Shared ownership of both benefits and risks 	
Approaches to change	<ul style="list-style-type: none"> ✓ Share purchasing intentions with other commissioners and with provider markets ✓ Assess the capacity of current markets to respond ✓ Work with providers to increase capacity ✓ Take away some of the risks to commercial businesses changing direction of service provision 	<ul style="list-style-type: none"> ✓ Develop local compacts to ensure joint ownership and sharing of the vision, aims and objectives, and service priorities ✓ Provide opportunities for closer working ✓ Reassure provider markets of commitments to longer-term relationships ✓ Involve end-users in service design 	<ul style="list-style-type: none"> ✓ Work with provider markets to change direction ✓ Work alongside providers to establish service standards, outcome measures and audit criteria ✓ Involve end-users in service evaluation ✓ Establish cross-cutting groups to ensure continued quality of service 	<ul style="list-style-type: none"> ✓ Share political imperatives and develop strategies to enable partners to work together on common fronts ✓ Share national strategies and work together to deliver ✓ Jointly own and understand the basis on which the performance of any of the partner agencies is judged ✓ Respond accordingly in terms of resources, support and mutuality 	

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	Level 1	Level 2	Level 3	Level 4	Score
	Local authorities are driving and prescribing required market activity and output.	Required market conditions are understood by all partners, but full commitment is not yet achieved	Joint planning on the basis of the exploration and understanding of stakeholder expectations, needs and required outcomes	Commissioning plans define and have gained the necessary level of commitment from all partners in terms of necessary actions and investments	
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Keep this section simple and achievable. Smooth progress may not be possible across all fronts simultaneously – in giving priority to some actions, others may need to go on hold in the short term. Repeat the exercise from time to time to re-prioritise and re-focus.

Action planning

We need to achieve...	So that we can...	By doing...	By when...	Involving...	How critical, how well	Resources needed...
		1.				
		2.				
		3.				
		1.				
		2.				
		3.				
		1.				
		2.				
		3.				

Detailed action planning

One of these sheets for each action identified in the above plan

What we are trying to achieve: Clarifying the purpose and outcome of the focus of our activity

Lead person for delivery: Who will be the central owner/coordinator of the outcomes?

Support roles and what is required: Who and how do they need to support?

What will really make the difference? What is really important here? What are the critical dimensions that will ensure successful delivery?

Delivery plan

Review Points	What we expect to have achieved	What we have achieved	Learning points and plan to progress

Methodology and approach

At the inception of this project, the intention was to find and share established examples of innovative thinking and best practice across six nominated local sites to provide the basis on which good experiences could be shared more widely. The number of sites was later expanded to eight health and social care communities in London, the South East and the South West. What was found, however, is that though many sites are able to demonstrate innovative ideas, many were not sufficiently well developed or mature to serve as exemplars that other sites might adopt.

What was also very clear from our visits to the sites is that much hard work to raise performance levels within very complex environments is evidenced by all of them. Many expressed frustration that they not only felt deprived of the autonomy they need to drive strategic changes, but that there was still a sense of fragility in some working relationships and practices that is effectively undermining a quicker rate of progress. For instance, although all sites demonstrated a closer working involvement with their independent sector colleagues, many were not as well advanced in this essential area of working as they needed to be. Many of the partner relationships were immature, caused by the creation of new organisations, and few of these had got beyond a 'forming' stage. Many were being severely tested because of market, budget and demographic pressures. In many sites there was a real sense that urgent reform of old practices and behaviours was necessary to effectively drive progress towards envisioned change.

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