

REPORT TO: Health Policy and Performance Board
DATE: 27th June 2023
REPORTING OFFICER: Executive Director, Adults
PORTFOLIO: Adult Social Care
SUBJECT: Market Sustainability Plan 2023
WARD(S) Borough Wide

1.0 PURPOSE OF THE REPORT

1.1 Inform the Board of the Market Sustainability Plan for Care Homes for older people (65+) and Domiciliary Care for adults (18+)

2.0 RECOMMENDATION:

RECOMMENDED: That the report be noted.

3.0 SUPPORTING INFORMATION

3.1 The government set out it's vision for adult social care in it's white paper 'People at the Heart of Care' in December 2021. The government proposed a range of reforms and initiatives to improve care and support for vulnerable people.

3.2 In relation to care provided for older people who need a care home admission and vulnerable adults requiring care in their own home the government set out plans for all local authorities with adult social care duties to undertake a 'fair cost of care exercise' (FCOC) with providers of these types of care and to utilise this information to publish a 'market sustainability plan' in March 2023.

3.3 Markey sustainability plans (MSP) were required to:

- Provide an assessment of the current sustainability of local care markets
- Assess the impact of future market changes between now and October 2025
- Show plans to address sustainability issues including fee rates

3.4 Plans to reform how adult social care provision is funded have been delayed for at least 2 years from autumn 2022. This impacts on some of the original intention in care market reform and sustainability plans however both the fair cost of care and market sustainability were mandated to continue and Halton published its MSP in March 2023.

3.5 For Care Homes 65+ the MSP notes:

- There were 13 care homes in the borough by 7 different providers with 4 homes provided by HBC (excluded from the fair cost of care exercise)

- Halton had proportionately a low level of admission to care homes in the North West
- Fee rates were uplifted by 6% in 22/23 and planned a further 12% uplift for 23/24
- Nationally and locally recruitment and retention of staff, fee rates, inflation and energy costs were identified as the key issues making operating in this sector difficult
- Increased capacity will be needed in dementia care
- There is a significant gap between what independent sector providers identified as the FCOC and current fees levels (notwithstanding the noted difficulties with this exercise)

3.6 For Domiciliary Care the MSP notes:

- There was one provider of domiciliary care with 1 sub-contractor
- There were high levels of direct payments in use for care and support compared to the North West
- Fee rates were uplifted by 6% in 22/23 and planned a further 10% uplift for 23/24
- Nationally and locally recruitment and retention of staff, fee rates and inflation were identified as the key issues making operating in this sector difficult – note domiciliary care is somewhat protected against energy prices due to the dispersed nature of the provision
- There remained a gap between the FCOC and current fee levels but significantly less than for care homes

3.7 Key Plans to address market sustainability issues:

- Undertake fee setting exercise annually to include the range of information required and ensure central grant money is used to inflate fee rates
- Continue to work with providers across all care settings to increase pay rates for staff
- Support workforce recruitment and retention programmes
- Development of an Adult Social Care borough workforce plan

4.0 POLICY IMPLICATIONS

4.1 The reforms outlined in 'People at the Heart of Care' set out the future of Adult Social Care for England. Plans are well underway to enable these reforms to take place within the borough. Market sustainability is key to this plan.

5.0 FINANCIAL IMPLICATIONS

5.1 Market sustainability grant money in 22/23 and 23/24 has been used to inflate fee rates in care homes 65+ and domiciliary care 18+. These increases have also been applied to other parts of the care market to ensure equity of approach and avoid workforce disruption. There remains a gap between the submissions under the FCOC exercise and fee rates. Further work will continue to understand cost and council financial settlements.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children & Young People in Halton

None identified

6.2 **Employment, Learning & Skills in Halton**

None identified

6.3 **A Healthy Halton**

Sustainable care and support provision in the borough is key to maintaining the health, wellbeing and independence of vulnerable adults and older people

6.4 **A Safer Halton**

None identified

6.5 **Halton's Urban Renewal**

None identified

7.0 **RISK ANALYSIS**

7.1 Ensuring a sustainable and quality care market forms part of HBC Corporate risk assessment.

8.0 **EQUALITY AND DIVERSITY ISSUES**

8.1 None identified.

9.0 **CLIMATE CHANGE IMPLICATIONS**

9.1 None associated with this report.

10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

10.1 Market Sustainability Plan – Link Below:-

<https://www3.halton.gov.uk/Documents/adult%20social%20care/Final%20Market%20Sustainability%20Plan%20March%202023.pdf>