**Annex C: final market sustainability plan template**

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| **Section 1: Assessment of the current sustainability of local care markets** |
| **General Background to the District**  Since the 2011 Census, the population in Wakefield District has increased by around 22,500 to 351,592 citizens and is anticipated to grow to 385,400 by 2030. Like the UK and many other countries, the population is ageing. By 2030, latest figures show that the number of people aged eighty and over is set to increase from 17,000 to 24,000 (41%). Also, demand for social care could grow by between 23% and 49% from 2019/20 figures by 2030 (54,844-66,438 per year in Wakefield). An ageing population comes with a range of challenges, including the pressure it places on the care system and available budgets. The district has a small but growing ethnic minority population. 2011 Census figures show that 7.2% of our population define their ethnicity as other than White British.  Wakefield District is the 54th most deprived district in England (out of 317 districts), there are parts of the district where more people tend to be poorer, or less healthy, or more likely to be out of work.  It is well known that demographic changes in the population will put pressure on the Council’s ability to deliver care under the Care Act. There are clear demographic projections for the district that tell us over the next 5 years that we can expect to see an increase of around 2.3% per annum in demand for adult social care services for older people with limiting long-term illnesses, and 0.8% for people with moderate to severe learning disabilities. As a result of the COVID 19 pandemic and the subsequent increase in need and pressure on elective activity within the NHS there are more people living with significant health issues and potential care needs.  **Health**  Nationally and locally, there is an increasingly ageing population as people get older, statistics show that much of the extra time is spent suffering with poor health – around 16 years of ill health for men and nineteen for women. In Wakefield, males have over 10 years living with a disability, for females this is over 13 years.  The latest estimated figures for the Wakefield District show that by 2030:   * The number of people injured due to a fall will expand from around 1,300 per year in the district to around 4,000. * The number of people aged seventy-five and over living alone is expected to increase from 12,478 to 15,854. * The number of people aged sixty-five and over living in a care home is expected to increase from 1,861 to 2,387. * The number of people aged 65 and over providing 50+ hours of unpaid care is expected to increase from 4,622 to 5,556. * The number of people aged sixty-five and over predicted to have dementia is expected to increase from 4,548 to 5,808.   **General Numbers - Adult Social Care Long Term Support**  Long Term Support (LTS) encompasses services provided with the intention of maintaining quality of life for an individual on an ongoing basis, and which has been allocated on the basis of eligibility criteria / policies (i.e. an assessment of need has taken place) and are subject to regular review.  The chart below shows the trends over the last 5 years, as reported to NHS Digital via the Adult Social Care Short and Long Term Support (SALT) Data Collection:    The number of people aged 65+ in receipt of LTS is higher than 5 years ago, whereas for those under 65, there is a slight decline. This aligns with an aging population and a move to more preventative support at an earlier stage.  **People aged 65+ with longer term Adult Social Care and support needs**   * Between 1st April 2021 and 31st March 22 3,586 people aged 65+ received longer term support, * 57% of people aged 65+ received support in the community, 43% in residential or nursing care * 2,047 people aged 65+ received long term support in the community * 1,539 people aged 65+ received long term support in a residential or nursing care setting   **Adult Social Care Budget**  The net controllable budget for the Adults and Health directorate in 2022/23 was £114.3m, in 2023/24 this has risen to £130.5m, a substantial increase of £16.2m (14.2%) all the funding streams for Adult Social Care have been considered. The 2023/24 budget includes proposals to ensure that pressures around inflationary demands (especially related to National Living Wage), demography, care sector resilience and other key areas can be met. This will be considered in the rates agreed for residential, domiciliary and all other placements for 2023/24.  The largest expenditure area within Adult Social Care budget is for residential and non-residential placements. Within the budget is the recognition of working towards care market sustainability and fair cost of care.  Whilst the reforms to Adults Social Care have been delayed to October 2025, there is still the potential unknown in terms of the cost of implementing the changes and whether funding will be sufficient for the market.  Outside of the Care Home and Domiciliary Care Sector there is also Working Adult Aged provision – Learning Disability and/or Autism, Mental Health, and Physical Disabilities. This sector equally faces similar inflationary and recruitment pressures but unlike Older People’s 65+ these markets have not had the same focus as the recent FCoC exercise.  In 2023/24 financial year the overall Council’s budget challenge was £24.7m. The Council has a legal duty to set a balanced budget. Faced with a net budget challenge of £24.7m the Council needed to identify additional income and/or savings to the same amount which have been met through a combination of : service efficiencies and savings, additional income from housing and business growth, one-off Council tax balances, a 2% Adult Social Care precept and council tax rises of 2.99%.  All parts of the Council including Adult Social Care is having to look at ways it can make efficiencies and in the longer-term, the Council’s financial position beyond March 2024 remains uncertain and challenging. The continuing uncertainty of future government funding, the potential impact of the government’s ‘Fair Funding Review,’ changes to business rates retention, as well as uncertainty around a sustainable funding model for health and social care, all together make it extremely difficult for the Council to plan effectively.  [www.wakefield.gov.uk/about-the-council/budget-and-spending/council-budget](http://www.wakefield.gov.uk/about-the-council/budget-and-spending/council-budget)  **Adult Social Care Workforce**  The pressures of the pandemic, alongside longstanding issues with pay and competition for staff from other sectors, lack of feeling valued as a workforce compared to NHS workers, have come to a head, particularly in the context of seasonal workforce recruitment in the retail and hospitality sectors. This is resulting in additional recruitment and retention challenges and further pressure on the health and care sector, which impacts on hospital discharge, community care service delivery and quality of care received by local people.  By 2030, it is anticipated that nationally adult social care will need two million full-time equivalent jobs; this is an increase of 31% from the 2016/17 figures.  Locally, we are committed to recruiting the workforce that we need to deliver adult social care outcomes within an integrated health and care system and promoting adult social care as a career of choice across both the statutory and independent care sector in Wakefield. Working jointly with our place-based partners, we have co-produced the Wakefield ICP People Plan – shaping the future together which aims to provide a road map for workforce transformation to enable the Wakefield partners and commissioners to achieve the vision for person-centred co-ordinated care. [www.wakefieldhealthandcareworkforcehub.co.uk](http://www.wakefieldhealthandcareworkforcehub.co.uk)  We continue to promote adult social care as a career of choice through expanding our Wakefield I Care Ambassador Partnership, Growing Talent Programme, and investing in social care apprenticeships. Led by adult social care, and working in partnership with Wakefield care providers, Job Centre Plus, Wakefield College, Skills for Care, the Council’s Step-Up team, voluntary groups, schools and academies we have developed a Wakefield Cares Careers Hub. A dedicated careers webpage has been set up on the Council’s website to highlight more about social care, the benefits, and the roles available [www.wakefield.gov.uk/WFcarecareers](http://www.wakefield.gov.uk/WFcarecareers)  Staff recruitment and retention continues to be an issue and therefore agency and providers have little option but to use overseas workers to plug gaps all at a greater cost to providers.  **Current Inflationary Pressures**  Providers have reported that they will be unable to sustainably retain and pay their workforce unless they have above NLW wage increases to the rates the Council pays. As aforementioned, there is increasing pressure from other industries which offer higher rates of pay, and they require above inflation fee rates to try to match this.  Care Home providers also report pressures in relation to the running costs of their establishments inclusive of insurance, utility and food costs and increasing mortgage rates, with some citing energy costs of c.400% increase. Smaller independent providers share their risk of being able to survive in the market with the current climate compared to larger more established providers who have more means to keep businesses going and able to spread their overheads better.  **Quality**  Both the Council and ICB want to collaborate with providers to drive up quality across the district and believe that a strong and collaborative relationship with providers will support a higher quality and vibrant market. To do so the Council and ICB have more latterly taken an integrated approach to how we manage quality and provider oversight across the ICB and Adult Social Care. Through this we have invested in strengthening commissioning support to providers through an integrated Quality Team with the Wakefield ICB and to ensure there is a robust quality improvement process. This oversees arising risks and concerns in relation to provider performance and our aim is to work in partnership with providers and CQC to address these.  Wakefield is also one of 14 Yorkshire and Humber Local Authorities who have taken part in implementing the Provider Assessment and Market Management Solutions (PAMMS) system, which enables market intelligence, information on quality, and financial data to be brought together in one real-time place. Wakefield is exploring how best it can use this system to support an understanding of quality of its care market as well as market shaping and oversight responsibilities.  **Local Care Home Market Sustainability – Care Homes 65+ and Domiciliary Care**  For non-residential placements we have a split into two types of provision, domiciliary care, which involves caring for people in their own homes in the community, and support and enablement/supported living which assists people with Learning disabilities and /or autism in the community to live independently.  Care Home placements are also split into two main categories. These are allowable rate placements in residential care homes, in the district or neighbouring authorities, and special needs spot placements. These tend to be specialist placements for Learning Disability/Autism/Mental Health and can be located both internal and external to the district.  While this Market Sustainability Plan focuses on Care Home provision for 65+, recruitment retention, inflationary pressures equally impact on the specialist market. In addition to this there are children that are turning eighteen and transitioning into adult placements each year, that we need to consider as part of our wider market sustainability planning.  **Current Care Home Provision - 65+**  There are a total of 66 residential and nursing homes with 2,549 beds registered with the Care Quality Commission (CQC) in Wakefield District and which cater for older people’s needs (65+).  The Council currently commissions its provision through a Framework Agreement. Within this, 49 care homes (2,300 beds, 90%) are contracted under the Framework Agreement; 38 homes providing residential care, and 11 homes providing nursing care. There are three internal Wakefield Council Care Homes and 17 non-contracted care homes. Just under half of all placements in residential homes and nursing homes are placements funded by Wakefield Council, with a third self-funding their placement. There is a spread of Homes across the district however some areas such as to the west of the district there are less homes. Wakefield also benefits from having close borders with a number of other Local Authorities areas, so has contracts with extended boundaries. For some people this will be closer to their home than an in district contracted home.  Table 1 below, illustrates the occupancy levels per type of care. (Care homes are registered for more than one care category so the figures in the table do not total the figures stated above). Some homes have flexible vacancies, for example, a vacant bed may be used for residential or dementia depending on needs. The reasons for unavailable vacancies vary and include outbreaks, insufficient staffing levels, refurbishment, management decisions and voluntary embargos. While our care home sector appears to be recovering fairly well following the pandemic, nursing homes and dementia beds still appear less robust.  *Table 1: care home occupancy (February 2023)*   |  |  |  |  |  | | --- | --- | --- | --- | --- | | 65+ care homes | Vacancies (admittable) | Vacancies (unavailable) | Vacancies (Reserved) | Occupied | | Residential | 13% | 5% | 0% | 81% | | Residential with Dementia | 15% | 4% | 0% | 81% | | Nursing | 16% | 8% | 0% | 77% | | Nursing with Dementia | 11% | 1% | 6% | 82% |   Occupancy rates are circa 80% apart from nursing beds as in Wakefield like many other Local Authorities, we have insufficient capacity for nursing, including nursing dementia and although we have a good number of contracted residential placements, we have still seen a need to spot purchase additional Discharge to Assess beds to support with Hospital Discharges. Some Care Home providers have informed us that this discharge to assess enhancement is supporting them, for the short term anyway, towards sustainability of their business and with them balancing the cost of having voids*.*  We have also needed to use some residential beds as an interim while securing new Dom care packages due to a lack of capacity, at the time, within contracted Dom care providers who were unable to pick packages of care at the time due to lack of staffing.  **Quality**  Table 3 below illustrates the CQC ratings for residential and nursing homes for older people (65+), per home, in Wakefield District.  *Table 3: care home ratings per care type*   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | 65+ Care Homes | Outstanding | Good | Requires Improvement | Inadequate | Not rated | | Residential | 0 | 25 | 10 | 1 | 2 | | Residential with Dementia | 0 | 20 | 10 | 0 | 2 | | Nursing | 0 | 6 | 5 | 0 | 0 | | Nursing with Dementia | 0 | 2 | 4 | 0 | 0 |   At the time of writing this MSP there was one contracted Care Home rated inadequate – previously this was 0. Alongside the ICB we continue to collaborate with providers on supporting quality improvement. Providers have suggested that we explore a Quality Payment or reward model to encourage and recognise providers improvement. This is a suggested model that we will be exploring over 2023/24 as part of our commissioning intentions for a new integrated Care Home/Nursing Framework in the next two years.  **Care Home Rates**  The Council’s current Framework Agreement includes various rates (Allowable Rates) and is calculated using a CIPFA fee model based on a previous cost of care exercise undertaken in 2000. The Council and the local ICB develop the allowable rate together and these rates are the base cost for CHC placements. Consideration is also given to affordability within the scope of the Council’s and local ICB available budgets and with supporting market sustainability.  *Table 2.* Wakefield Council Contracted Provider Allowable Rates for Placements Applicable from 11th April 2022 (Weekly) - Residential Care   |  |  | | --- | --- | | 65+ care homes | Allowable Rate | | Residential | £607.76 | | Residential with Dementia | £630.23 | | Nursing | £607.76 + FNC | | Nursing with Dementia | £630.23 + FNC |   A number of homes also charge a third party top up rate in addition to the allowable rate. Non contracted homes charge a higher rate and tend to have a higher proportion of self-funders reside there.  Outcome of Fair Cost of Care Exercise Full Report ([Microsoft Word - Residential Care Report FCOCAnnexe B final (wakefield.gov.uk)](https://www.wakefield.gov.uk/Documents/health-care-advice/adult-services/residential-care-report-fcoc-annexe-b-final.pdf#search=Fair%20cost%20of%20care)  The suggested rates from the FCoC are higher than what the Council would have expected to see. Some feedback from providers to the difference in rates is that residents who would have typically fallen into the residential care category are now increasingly more complex and this is reflected in the skill and number of staff now needed to safely meet the care needs of these individuals. Providers also feel that Continuing Health Care and Funding Nursing Care (FNC) needs to be reviewed as part of market sustainability.  The Council is committed to work with the sector and recognises that it has more work to do using the FCoC exercise to better understand market costs and pressures and how it and the ICB can collaborate with providers to try to close the gap and agree a way forward for more sustainable market rates.  **Care Home Workforce**  All sectors of the care sector are struggling with workforce retention and recruitment. Within Care Homes we are seeing a high turnover of care home managers, which can impact on the quality of a service, particularly in the CQC safe and well-led domains. There is also a risk in relation to the current age profile of care staff in Wakefield. In 2020/21, 84% of Wakefield’s workforce was female with an average age of 44. Workers aged below 24 made up only 8% of the workforce, and workers over 55 represented 27%. Given this age profile, approximately 2,200 people will be reaching retirement age within the next 10 years.  Providers have reported there is increased competition within the job market for care workers, with the Cost of Living crises many of these staff have been lost to other industries or move within the market to care homes than can afford to offer high rates of pay. In particular, there is an increased used of agency carers and nurses to fill staffing gaps, particularly with the increase in short term residential stays due to hospital discharges. This puts pressure on provider budgets and in turn the ability for providers to accept individuals with complex needs, as the staffing is simply not available or agency staff affordable to enable them to do this. Consequently, this is leading to providers who have nursing registrations, to look to de register as it is not financially viable to continue without appropriate permanent and cost effective nursing staffing in place.  Some providers are hiring care workers from overseas which in turn can be expensive and time consuming in order to fill their staffing gaps. The Council Workforce and Development has worked closely with the sector to understand what recruitment challenges there are and support with recruitment fairs. We have also used the Market Sustainability Grant monies to continue to support an increase to the NLW and are using the Discharge Fund Monies the Government released in December 2022 to support providers with paying additional to staffing assist with timely hospital discharges.  **Delay to the Adult Social Care Reforms**  The Council and the Care Home sector have identified as an impact from the delay to reforms the move to first party top ups. Given the economic climate families or other third parties are finding it harder to pay or are wanting to place only in a home without a Third Party Top Up. Equally some Care Homes are finding that they cannot continue to absorb where there should be a third party Top Up as they may have done, particularly in the current financial climate. |
| 1. **Assessment of current sustainability of the 18+ domiciliary care market** |
| **Local 18+ Domiciliary Care Market Sustainability Current Provision**  Wakefield Councils previous Framework Agreement for the Provision of Domiciliary Care expired on 23 October 2022. This Framework had been in place for a number of years. There was a high number of domiciliary care packages on the waiting list awaiting allocation to a commissioned domiciliary care provider prior to October 2022 and consequently a number of non-commissioned providers were required to deliver some domiciliary care packages on a ‘spot contract’ basis.  Due to this and in order to increase capacity the decision was taken to move from a closed Framework arrangement to a new Pseudo Dynamic Purchasing System (PDPS). The new PDPS enables domiciliary care providers to apply / reapply for inclusion on the PDPS at any point during its duration. The new PDPS will remain in effect up to and including 31 March 2024 and may be extended for up to 1 year beyond to 31 March 2025. The future commissioning intention is to re-procure a new model for Domiciliary care with the ICB.  There are currently forty-seven domiciliary care providers via the Pseudo Dynamic Purchasing System (PDPS) arrangement. Based on the information obtained from Capacity Tracker there are currently 68 CQC registered domiciliary care providers in the Wakefield district. The current 47 commissioned domiciliary care providers undertake service delivery in the Wakefield district from 51 CQC registered locations (some providers undertake service delivery from more than one location) and 22 of these CQC locations are within the Wakefield district and 29 of these sits outside the Wakefield district.  The 47 contracted domiciliary care providers deliver ave.16,703 hours of care per week to 1,171 individual service users consisting of 28,942 visits per week, (not including other non-residential services for Learning Disabilities, Mental health or supported living).  There remain 27 providers delivering care packages on a ‘spot contract’ basis to 187 individual service users and this is reducing week by week as they join the PDPS.  This has placed us in a really positive position for capacity across the district. We are already seeing a difference with speed of acceptance of packages and more people are now being discharged from hospital directly to home with the support of a package of care (see below), rather than the need for an interim bed while a package can be sourced. We are also in a much stronger position to avoid hospital admissions following crisis intervention.  **Dom Care Placements – May 22 – Jan 23**   |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | **May-22** | **Jun-22** | **Jul-22** | **Aug-22** | **Sep-22** | **Oct-22** | **Nov-22** | **Dec-22** | **Jan-23** | | 2618 | 2639 | 2689 | 2734 | 2768 | 2808 | 2808 | 2831 | 2865 |   However, whilst the PDPS approach has meant more providers join (majority former spot providers) and a better geographical spread and so improved care provision across the district, perversely this open framework has led to a much larger than anticipated number of providers wanting to join the PDPS. This has in turn now created a risk of over diluting the market. New providers to the market have the flexibility to be able to quickly pick up packages while their businesses are getting established. The waiting list is now low and existing providers have expressed a concern over destabilising them over the longer term as the ability to retain staff when gaps in runs or not be able to give consistent care runs could see valued and experienced staff leave.  Providers have also raised concerns over quality in the market due to the number of new, less experienced providers into the market and also added competition for staff and a reducing pool from which to recruit.  While we have not seen any providers at the time of writing withdraw from the market as a consequence, we need to build any learning from the PDPS for when we next go out to procure this provision and we are monitoring quality closely.  **Quality**  Table 5 below illustrates the CQC ratings for commissioned domiciliary providers, for people 18+, operating within Wakefield District. The majority of providers are rated Good, and the number of reported delivery issues remains low.  Table 6: domiciliary care ratings  CQC ratings (number of commissioned domiciliary providers)   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | 18+ domiciliary care | Outstanding | Good | Requires Improvement | Inadequate | Not yet rated | | Total | 1 | 32 | 10 | 2 | 6 |   **Current Rates**  Table 4 below illustrates the current rates for domiciliary care. There was an increased offer to the rates only made possible through the Market Sustainability Grant and was made in order to support this sector with recruiting and retaining staff.  *Table 4:* domiciliary care rates 22/23   |  |  |  | | --- | --- | --- | | 18+ domiciliary care | Urban | Rural | | Hourly rate (average) | £21.50 (£18.50 hour rate plus \*£1.50 travel payment per visit; average two payments an hour) | £21.50 | |  |  |  |   \*Includes a temporary increase to travel from £1.50 to £1.78p. The MS Grant funds the additional £0.28p.  We are in current discussions with the sector re the rates for financial year April 2023 to March 2024 however the additional payment from the Market Sustainability Grant is planned to be continued for 23/24. This leaves us little extra to use on top of this towards meeting the FCoC gap.  The current rates the Council pays do not appear to be deterring new providers from joining the PDPS and at the current time supply is exceeding demand.  The suggested FCoC rate is higher than we would have anticipated. Results of FCoC Exercise [Microsoft Word - Dom Care report Annexe B Dom Care (wakefield.gov.uk)](https://www.wakefield.gov.uk/Documents/health-care-advice/adult-services/dom-care-report-annexe-b-dom-care.pdf#search=Fair%20cost%20of%20care)  When we looked at the breakdown of the median costs it was noticeable that Wakefield had a high ratio of returns, 50% from smaller and non-contracted providers and that Wakefield providers have a higher back office cost median. There could be many reasons for this such as due to them not benefiting from economies of scale as much larger local and national organisations could. Non contracted providers also adversely affect this cost header. They may need additional resources for income/debt collection for example, where-as contracted providers, paid via the Council, would be less impacted by this.  The provider market has indicated to the Council that they think the FCoC rates are a fair reflection and have cited challenges with recruitment, retention and a need to pay their staff more. They have asked that when we consider increasing rates that we look higher than NLW and given the uncertainty re cost of inflation and impact this is having to providers staff. While there is an appreciation of the financial difficulties the Council is also under, long established providers have also shared their concerns re exiting the market if more sustainable rates cannot be reached and that some providers may need to rely on or turn to self-funders to help sustain their business and that could impact on capacity to pick up Council packages.  The Council will work with this sector to better understand the results of the FCoC exercise and as part of rate setting and for the new model to be commissioned in 2024.  **Dom Care Workforce**  Providers have stressed a need to bring parity to their staff as compared to Council and NHS health workers pay and conditions and in order to recognise, value, retain and develop the workforce in this sector. Pay rates, terms and conditions, shifts, cost of living and petrol costs are all cited as causes for lack of recruitment.    From the FCoC exercise the Care Worker costs are significantly impacted by the basic hourly rate paid to care workers. From the submitted returns, all providers pay a minimum of £9.50 as a basic hourly rate rising to a maximum of £13.00 with a median value of £10.59. This could indicate that some providers do pay the Real Living Wage to staff however there will be providers who pay a higher rate but do not pay for travel time. The pay cost per hour of direct care will be higher than the basic hourly rate as this will encompass some care provided by more senior staff at higher rates.  **Impact of Inflationary Pressures**  Due to the Cost of Living impact, providers are struggling to retain care staff who are leaving to work in industries with higher rates of pay. Providers warn that without substantial and necessary increases in the rates of pay for the care staff they will be unable to sustain their current operating models. |
| **Section 2: Assessment of the impact of future market changes between now and October 2025, for each of the service markets** |
| **General Future Market Changes to Adult Social Care Market**  **Population**  In Wakefield District, the total population size has increased by 8.4% since 2011 to 353,300 in 2021, the 2nd highest % change of LA areas in the region, and higher than the increase for Y&H (3.7%).  Since 2011 there has been an increase of 20.8% in people aged 65 years and over. We have to find ways of providing care to this ageing population with finite resources available. The Population projections produced every two years and are important for planning community services provision and ensuring that the needs of the local population can be met. Implications of an ageing population are wide in terms of people living longer into older age, with an increased demand for health and well-being services. The latest published projections predict a 10% increase in the 65+ population by 2025, 21% by 2023 and 40% by 2040   * The number of people aged between 80-84 is estimated to increase 46% by 2030 and 58% by 2040 * The number of people aged between 85-89 is estimated to increase 35% by 2030 and 63% by 2040 * The number of people aged between 90+ is estimated to increase 31% by 2030 and 107% by 2040   Applying these population projections to the number of people currently receiving Adult Social Care Services provides some indication of future care needs.  Based on current service use trends we have projected the below increases to demands and that will impact on future market changes:   * During 2021-22 3,586 people aged 65+ received longer term support. Applying only the ONS Population Projections for people aged 65+ predicts this could be approx. 4,339 by 2030 and 5,020 by 2040 * 2,047 people aged 65+ received longer term support in the community. Using the same methodology this could be expected to rise to 2,477 by 2030 and 2,966 by 2040 * 1,539 people aged 65+ received longer term support in a residential or nursing care setting. This could be expected to increase to 1,862 by 2030 and to 2,155 by 2040     **65+ Care Homes**  The Care Home market is changing. Over the past 4 years, 39% of contracted nursing homes in Wakefield have ceased to provide nursing care. Providers inform us that the main reason for this is the lack of nurses in the sector, cost of employing nurses to match NHS wages and an over-reliance on agency nurses that is costing more and the additional work required for CQC registration and inspection. Sustaining this segment of the market is becoming harder and we need to collaborate with those providers still registered for nursing for how we can best support them to remain in the local market.  There is also the consideration of the increasing complexity of individual needs that providers are meeting. Individuals are presenting with increasingly complex dementia and behaviours as well as increasing issues related to health needs and mobility, which providers are then required to ensure there are skilled staff who are able to safely meet these care support needs. Providers have also reported an increase in individuals with more progressive dementias than ever before, consequently, there has been an increase in the request for 1-1’s from providers to the meet the needs of these individuals and this in turn has put pressure on Local Authority budgets to ensure service provision. We are looking at other ways including use of Assistive Technology and falls management to aide us with this going forward.  We can also see changes to occupancy rates from taking a Home First Approach. Our data is telling us that we are seeing a trend in the increase to numbers of domiciliary care in people’s own homes and for longer. This is good in that it supports our Home First Approach but it impacts on our traditional 65+ Care Home placements that the market relied upon. We need to think about the types of care home beds needed in future and how best we develop this with the market.  In addition we are also seeing a growing number of younger people - so those under 65 and with for example early onset dementia, who need a safe residential placement. This cohort may be more mobile and independent and need a different environment to that of a traditional Care Home model that tends to be tailored more to meet older or less mobile needs. This trend is likely to continue and we recognise that this is a real gap in our current market.  **18+ Domiciliary Care Sector**  The current PDPS Dom Care model has been in place for many years and needs transforming. During the period of this new PDPS the Council is to work with service providers, service users and the ICB to develop a new model for commissioning domiciliary care. It is intended that this will be a joint commissioning arrangement between Wakefield Council and the ICB.  The new model will explore moving away from a traditional ‘time and task’ model, which describes for Service Providers in detail how many calls they will make each day, for how long, and lists the tasks they will perform. This new Home Care and Support Service model will also explore how we can support re-ablement as part of the wider health and care system Home First Approach and is underpinned by the key principles below:   * The promotion of independence through continued re-ablement. All providers to be trained in a re-ablement ethos. * A recovery ethos for all people accessing the service. * Home Care and Support Workers are entrusted to manage the envelopes of time for people they work with. * Home Care and Support Workers are seen as part of a multidisciplinary team and trusted assessors. * Trust and therefore reduced monitoring. * Continuity of care for people whose outcomes are initially met with social care provision and whose needs escalate to require a low level of health care such as end of life care.   The new model will aim to better align how services are commissioned and the personalisation and prevention agenda (reduce, prevent, delay) contained within the Care Act 2014 making best use of people’s strengths and circles of support. It is hoped that over time we will change the way that Community Services, Domiciliary Care, Reablement and Support and third sector and voluntary organisations all work together to both diversify and increase the market and it is anticipated that the level of demand will reduce as the principles of strength-based assessment becomes the standard operational practice.  In addition to sustaining the 65+ Care Home and Domiciliary Care, Extra Care there needs to be consideration to the sustainability of other provider such as mental health and learning disabilities services, and the impact on that sector. It is essential there is consideration to moving towards a sustainable rate for these providers as there are the same concerns, challenges and risks to the financial viability of these services if we do not ensure there is a competitive, robust and safe service delivery within this sector.  We know that we have further work to do on understanding our trends and how this will change our market over the next few years as we implement our strategic system changes to support for example hospital discharges and prevention and the Home First Approach.  **The Impact of the Delay of the Reforms**  There was expectation built around the Fair Cost of Care exercise for providers that would bring them increased and sustained rates of pay would occur within year 2023/2034 and onwards. However the FCOC has highlighted the gap in outcome from that exercise and current Council budgets. Consequently, there is huge pressure for the Council to meet the rates outlined in the FCOC alongside the continued need to make efficiencies towards the Council budget overall position.  In order to prepare for the implementation of the reforms around charging, a number of actions have already been undertaken. These include undertaking modelling to calculate the number of self-funders in residential and domiciliary care. This modelling enables estimates of the number of additional assessments for eligibility under the Care Act 2014, and financial (means-testing) assessments which may be required as a result of the changes, and the staffing resources likely to be required to undertake these.  Modelling has also commenced on the likely impact on increased placement numbers and adjustments to income as a result of the charging reforms particularly as Wakefield is a deprived area and so is likely to have more of its long term social care users who are or would be self-funding become Local Authority funded responsibility.  On top of this we also know like most Council’s that the impact of future market changes between now and October 2025, for each of the service markets will be a financial challenge and that we will need to work closely with our providers on how to make best use of any extra funding that we receive towards meeting market sustainability, particularly given the FCOC exercise. |
| **Section 3: Plans for each market to address sustainability issues.** |
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| **General**  The Council and the ICB are committed to collaborating more closely with our providers and we have already developed joint strategies with all partners to how we can meet current and future challenges. This also includes having more transparent conversations with our Independent Sector and their groups. These, and other approaches, will enable us to better understand and support the independent care sector to deliver the high-quality care that we want for Wakefield people within a diverse and sustainable market.  Our services have undergone innovative change through the last few years based on our strategic aims and we are now looking how we can further join up Adult Social Care and Health services. This will include for Hospital discharges through reduced reliance on Discharge to Assess beds or interim packages of care and to increase the support to individuals so that they can return to a level of independence to return home where this is safe to do so. All this will need to be reflected link into our Market Position Statement that we know we need to review and update to reflect our plan regarding the number and variety of provider types (Residential, Domiciliary, Supported Living and Extra Care) required to meet local need and for future commissioning intentions.  The following strategic activities are key to us being able to address market sustainability issues in Wakefield and determining how future funding will be best utilised:   * The Adult Social Care Strategy * The Market Position Statement (currently being reviewed) * The Better Care Fund Programme * New Care Commissioning Models * The Make a Difference Programme   We have a clear and have a detailed plan setting out how our ambitions will be achieved within our Adult Social Care Strategy. This clearly outlines how we will collaborate with partners, placing our people and communities at the heart of decision-making, raising aspirations, and creating career opportunities to enable an effective workforce, commissioning and delivering high-quality services, and providing integrated care and support that meet the needs of our residents.  **Additional Support Provided to the Sector as part of Market Sustainability**  We are fully aware of the current market position as part of our market shaping responsibilities and in Wakefield. We have been supporting the sector through a number of initiatives put in place for 2022/23 using the Market Sustainability and Winter monies to support market sustainability.  Some of the incentives we have offered include:  **Care homes 18+**   * Additional £250 weekly payment for Discharge to Assess beds * £200 same day admission * To uplift the Care Home Framework Allowable Rate by 7% for 22/23 rates * Additional £22.50 per week for dementia placements to allow for the increase in National Living Wage (NLW) and associated cost pressures.   More recently we have worked with the ICB to block purchase 29 beds to support bed flow and hospital discharge, when individuals are medically fit for discharge but need a period of time for assessment.  **Dom Care**  For Domiciliary Care we have:   * Paying additional monies based on the greater of 90% commissioned service versus actuals delivered * Recognising the current pressure in domiciliary care for framework providers we also increased the hourly rate by 9.86% back on April 22 * to offer an additional £0.28p per hour to support care staff with meeting travel costs   In addition to this, we have used the £500 million discharge funding announced by the Government in December 2022 to put a range of initiatives in place for providers to assist with picking up discharges from hospital in a timelier manner.  This has included:-   * £800,000 to Care Homes and Domiciliary Care contracted providers for workforce retention to support discharges * Urgent Community Response Service - on a block hour basis to bridge hospital discharge packages * Same day incentives for providers to accept packages of care to assist same day hospital discharges   Over the next financial year we will be working with the sector on reviewing our current rates with regard to market sustainability. Recent conversations with providers with regard to paying fair rates has raised a number of challenges mentioned earlier in this Plan that we need to consider. For Care Homes this will be looking to condense our current rates to develop a fair enhanced rate that reflects the changing market to more individuals with complex needs including CHC/nursing funding. We will use the FCoC exercise to help shape these discussions and as part of the FCoC exercise we have developed a new sandbox to help us with future market sustainability fee setting.  **Future Intentions to Support Market Sustainability**  Over the next three years (2023 – 2025) we plan:   * To work with our 65+ Residential Care and 18+ Dom Care sector to evaluate the results of our FCOC exercise and what we can realistically work towards achieving to meet the reforms and to support market sustainability. * To understand the holistic picture across all care and support markets. This includes undertaking an exercise to look at cohorts outside the FCOC scope, e.g., services for Learning Disabilities and Mental Health. All care markets need to be understood in order to identify a suitable way forward. * To continue to fund the Wakefield Caresrecruitment and retention initiative; to identify training gaps; to co-design the criteria and framework with Providers. * To investigate synergies with Wakefield priorities on climate change in order to support energy efficiency and manage costs for our care sector. * To make best use of assistive technology and digital interventions. * To re-tender the Domiciliary Care Service, with the aim to go to market with a joint procurement exercise by April 2024 with a new more sustainable outcome based model and to reduce reliance on more expensive spot placements and working with the market towards the outcomes from the FCOC Exercise for agreeing local sustainable market rates. * To fully embed a Home First model. * To improve the hospital discharge process, for example, to reduce the high numbers of spot purchase Discharge to Assess beds from private residential and nursing providers for a more sustainable model. * To re-tender the Care Home Framework to reflect the Social Care Reforms, the Home First model and how we can better sustain the Care Home sector including exploration of an Enhanced rate. * Commitment to achieving fair and sustainable rates for our sector through additional support and incentives in the interim period. * To work with the sector to review and update the Market Position Statement to identify future trends and changes so that we can both develop and sustain the market.   **Provider Engagement**  We are already engaging providers as key partners in our Discharge to Assess Improvement Boards and Working Groups and we will continue to engage with the wider sector using existing mechanisms such as our regular provider forums, Independent Sector Liaison Group (ISLG) and various forums.  We have engaged with Providers through :-   * Provider engagement events taken place on the 17th January 2023, 19th January 2023 and the 7th February 2023 to discuss the main priorities and challenges in sustaining the care market over the next 1-3 years. * We have also met with the Independent Sector Liaison Group when negotiating fee discussions. This has included discussing the outcome of the FCOC exercise and provider feedback on the outcome of this. We have used this feedback and the FCOC to develop the uplift in fees for 2023/2024, with a view to developing an integrated framework with the ICB in 2024. * Providers have outlined challenges in the complexity of the residents they are caring for, and increased numbers of SPOT purchasing to support hospital discharges. We are looking to address these issues by supporting appropriate long term placements, use a home first model and reablement wherever possible to ensure Care Homes are not placed under pressure to accept SPOT placements which is not best placed to serve a person centred model. * We have commenced discussions with ICB to assess the numbers of individuals in nursing/nursing dementia placements, to scope out any gaps where they would be a need for specialist units to manage more complex behaviour. We have been approached by providers that have facilities to meet this need, therefore this is potential scope to commission a specialist unit in the future to meet the increasing complexity that care homes are managing at the current time.   For Domiciliary Care we are already started on the new framework to be procured and we need to work with the sector on how we can change this to be more sustainable and flexible and to support our Home First Approach ambition. To support this we have commissioned a consultant via use of the Market Sustainability Grant to:   * Review the existing model and specification of both Wakefield Council and Wakefield ICB domiciliary care contracts * Highlight the legal /cultural/other challenges that may occur with the integration of a Council/ICB model, and how to mitigate/resolve those issues. * Explore alternative models for an integrated Domiciliary Care delivery and assess the feasibility of these models * Provide an understanding of the challenges of the market and suggest initiatives along with the final specification report that can aid the Council and ICB’s joint approach to domiciliary care in promoting sustainability through recruitment and retention of a stable workforce * Engage with stakeholders in developing a locally place-based model, for the Health and Social care system * Incorporate within the proposed new model of service delivery a reablement focus to ensure that people’s independence is at the heart of all our care and support provision * Propose an integrated new model/specification, which can be collaboratively used operationally by both Wakefield Council and Wakefield ICB. The model/specification will be required to encourage market sustainability, promote quality, choice and wellbeing of service users across the Health and Care System in Wakefield. |