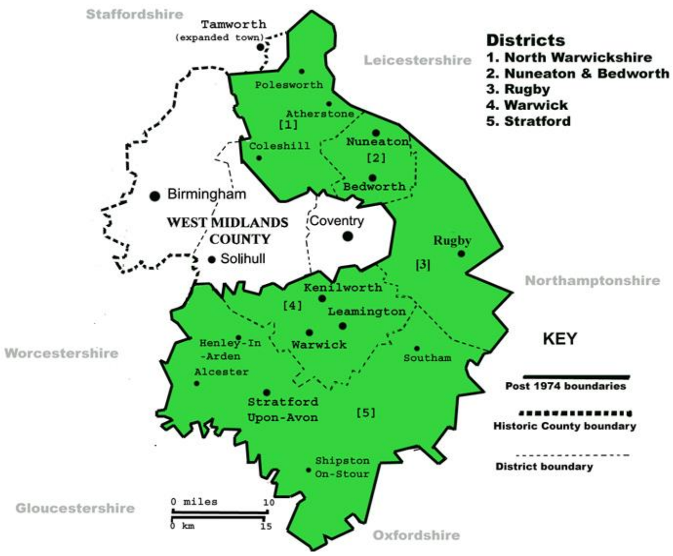
Annex C: Market Sustainability Plan.

Section 1: Revised assessment of the current sustainability of local care markets

a) Assessment of current sustainability of the 65+ care home market

Introduction



Warwickshire has 105 residential and nursing care homes for people aged over 65. Of these homes, 64 are residential care homes and 41 are nursing homes; in total they provide 4670 beds. At the end of December there were 728 bed vacancies (15.6% of capacity). Warwickshire County Council (WCC) and Coventry and Warwickshire Integrated Care Board (CWICB) have a joint framework contract with 89 homes. We spot purchase where the framework providers can't meet need. WCC funded residents occupy around 1440 beds - 30.8% of all beds with 53.5% being occupied by either Health, self-funders or other local authority funded placements.

1. Sufficiency of Supply

Vacancy levels in care homes in Warwickshire increased significantly in 2020 as a result of the COVID-19 pandemic. Occupancy levels are 81.9% for nursing and 83% for residential care homes, as at December 2022.

Chart 1: Percentage OP Care Home Beds Occupied, April 2020 – December 2022

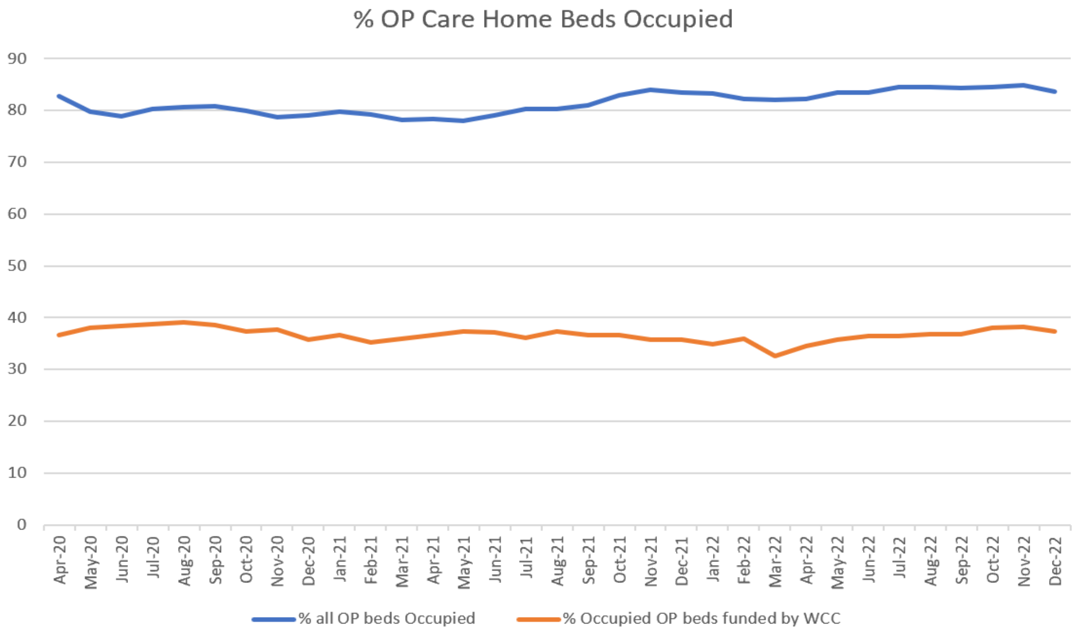


Table 1: OP Care Home Occupancy in each District/Borough area at 31/12/22 - all funding sources

	RESIDENTIAL		NURSING		TOTAL
	% Beds Void	Beds per 1000 65+ age group	% Beds Void	Beds per 1000 65+ age group	% Beds Void
North Warwickshire (NW)	19.3	20.3	8.6	17.9	14.3
Nuneaton & Bedworth (N&B)	14.8	20.9	5.7	12.6	11.4
Rugby	10.1	24.2	17.9	18.4	13.5
Warwick	20.0	21.8	23.5	19.7	21.7
Stratford	15.9	16.1	22.4	24.2	19.8
OP Overall	17.0	20.3	18.1	19.0	16.4

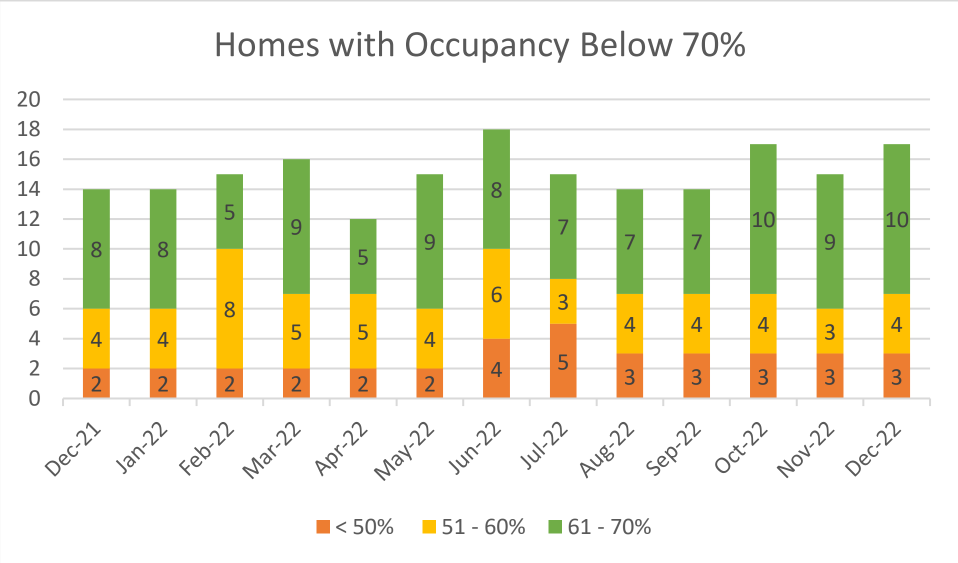
At the end of December 2022, vacancy levels suggest that supply is exceeding demand with variation in bed availability across the county. Areas where there appears to be more pressure on supply include residential beds in Rugby, Nuneaton and Bedworth and Stratford and nursing home beds in Nuneaton and Bedworth and North Warwickshire.

WCC recently surveyed its social care workforce involved in arranging affordable placements; 25% of responders stated they could source placements all/most of the time, 14% could find placements rarely and 61% said they could find placements some of the time. Of those respondents who found sourcing difficult, the main challenges were lack of available placements in specific geographical areas, sourcing placements at affordable rates and lack of provision for specific service users, e.g., people with mental health needs or dementia.

1.2 Occupancy

While average void levels give a useful indication of market financial sustainability, it is also worth focusing on the number of homes which have low occupancy. The table below shows the number of homes which have occupancy below 70% (deemed to be an approximate threshold for viability issues). Homes with occupancy of less than 70% are proactively contacted by the WCC Market Management team to discuss sustainability in detail, to determine risk of failure and develop a recovery plan.

Chart 2: Care Homes with Occupancy below 70%, December 2021 – December 2022



1.3 Market Growth

Table 2 below shows the overall change in bed supply by area from 2017 to 2022. There is a net increase of 181 beds in the total market over this period however this varies by area including an overall decrease of beds in North Warwickshire and Nuneaton and Bedworth areas. When looking at nursing beds only, there is a net increase in all areas.

Table 2: Change in Care Home Bed Supply 2017-2022

		North Warks	Nuneaton & Bedworth	Rugby	Stratford-on-Avon	Warwick	Warwickshire
All Beds	Beds in Homes Opened	91	33	47	191	197	559
	Beds in Homes Closed	-103	-155	-25	-7	-88	-378
	Change	-12	-122	22	184	109	181
Residential Beds	Beds in Homes Opened	0	1	9	38	33	81
	Beds in Homes Closed	-14	-133	-25	-4	-35	-211
	Change	-14	-132	-16	34	-2	-130
Nursing Beds	Beds in Homes Opened	91	32	38	153	164	478
	Beds in Homes Closed	-89	-22	0	-3	-53	-167
	Change	2	10	38	150	111	311

Source: CQC data

There has been, at times, a significant reduction in residential beds in the last 5 years following the closure of two large homes in the Nuneaton and Bedworth area. In both homes, commissioners in WCC and the CWICB decommissioned placements because of quality concerns. New providers have opened new homes on both sites, so while there was a reduction in available beds while the new providers establish the new services, in the longer term the market is sustained.

2. Market Diversity

There is a good range of **residential** care homes by provider size across the county with larger providers more prevalent in the Warwick and Stratford-on-Avon areas. (See table 3, below). Rugby borough has the highest number of residential beds per 1000 of the population (24.2) while Stratford district has the lowest (16.1). While one location currently has an 'Inadequate rating', 23% of all other locations are rated as 'Requires Improvement' with Nuneaton and Bedworth borough having a disproportionately high concentration of these locations.

Table 3 below shows a reasonable range of **nursing** homes by provider size across the county. Again, larger providers are more prevalent in the Warwick and Stratford-on-Avon areas. Stratford on Avon district has the highest number of nursing beds per 1000 of the population (24.2) while Nuneaton and Bedworth borough (12.6) has the lowest.

Table 3: Diversity of Residential & Nursing Homes

	Residential Care 65+					Nursing Care 65+				
District / Borough:	North Warks	Nuneaton & Bedworth	Rugby	Warwick	Stratford-on-Avon	North Warks	Nuneaton & Bedworth	Rugby	Warwick	Stratford-on-Avon
Number of locations	9	13	16	13	14	5	5	7	10	15
Number of Beds	324	503	507	602	611	324	503	507	602	611
Beds per 1000 65+ years age group	20.3	20.9	24.2	21.8	16.1	17.9	12.6	18.4	19.7	24.2
CQC rated 'Outstanding'	0	0	1	0	0	0	0	0	0	1
CQC rated 'Good'	6	6	11	11	13	3	2	6	10	13
CQC rated 'RI'	3	7	3	2	0	2	3	1	0	1
CQC rated 'Inadequate'	0	0	1	0	0	0	0	0	0	0
Large Providers	2	7	4	8	8	0	1	1	3	5
Medium Providers	5	2	8	0	1	1	2	3	1	5
Small Providers	2	4	4	5	5	4	2	3	5	5

Source - Beds per 1000 65+ age group. All other data, Care Quality Commission, Care Directory with filters

3. Quality of Residential & Nursing Homes

Between January and December 2022, 12 of the OP care homes had quality concerns at a level that led to referrals to the Service Escalation Panel (SEP). Placement stops were agreed for some homes while quality issues were addressed as part of an agreed Service Improvement Plan (SIP). The most frequently observed quality issues include care planning, environmental issues, infection control, staff/ management turnover and weak risk assessments. Staffing issues include cases where managers are covering care delivery duties and are not able to dedicate as much time to management of the home.

Poor ratings and placement restrictions can have a significant impact on occupancy, income and consequently on business viability/market stability if there is a concentration of affected homes.

4. Fee Levels

WCC has a framework contract covering most older people's care homes in Warwickshire. Spot contracts are in place for care homes that have decided not to join the framework. The contracted fee rates and average actual fee rates paid for placements in these homes are shown below in Table 4:

Table 4: 2022-23 Fee Rates prior to FCOC increase

Contract type	Lowest contract rate	Highest contract rate	Median contract rate	Average contract rate	Average of actual rate paid (All placements)
Residential	£577.71	£594.09	£590.31	£589.34	£696.43
Nursing	£583.03	£593.39	£590.80	£590.59	£735.30

Source – Internal fee rates spreadsheet and internal Care Records System report of current care home placements.

It should be noted that rates WCC pay for placements do not include additional contributions or Funded Nursing Care supplements. Table 4 & 5 suggest that the WCC contracted rates (which the LA considers to be 'affordable') are not always offered by care homes. This is supported by the findings of the Social Care Practitioner survey noted in Section 1, where respondents cited a lack of affordable placements as a challenge in finding placements.

Table 5: 2022-23 Fee Rates post FCOC increase

Contract type	Lowest contract rate	Highest contract rate	Median contract rate	Average contract rate	Average of actual rate paid (All placements)
Residential	£586.39	£602.98	£599.24	£598.23	£717.42
Nursing	£591.78	£602.98	£599.69	£599.45	£811.65

Block contracts are in place for a total of 238 residential beds with 3 providers. These contracts are viewed as beneficial to the provider and to the local authority; there is a reliable income for the provider and the LA purchases at a favourable rate. Table 6 below shows the current distribution of beds around the county. Our commissioning plan is to increase the number of beds purchased under block contract arrangements from April 2023.

Table 6: WCC Block bed purchases

ALL HOMES:	North Warks	Nuneaton & Bedworth	Rugby	Warwick	Stratford on Avon	Warwickshire
No. Block bed homes	2	4	2	4	4	16
No. Block beds (Total)	**5**	**57**	**44**	**71**	**61**	**238**
No. Block Beds (Long term)	0	56	44	69	57	226
No. Block Beds (Respite)	5	1	0	2	4	12
Total beds at Resi Homes	290	526	506	594	542	2458
% of total market Block beds	1.7	10.8	8.7	12.0	11.3	9.7
Total WCC funded beds (31.12.22)	100	256	198	216	183	953
% of WCC funded beds Block beds	5.0	22.3	22.2	32.9	33.3	25.0
% of all Block beds located in this area	2.1	23.9	18.5	29.8	25.6	100

5. Workforce

Staffing vacancies across all job roles in Care Homes (including Nursing Homes) in Coventry & Warwickshire have increased from 10.4% in May 2022 to 11.3%, in December 2022. The National vacancy rate is 10.9%. The staff turnover rate is 40.7% with 48% of those leaving a job but staying in the sector and moving to another organisation. The average sickness rate for is Staff across Care Homes is 10.6-days, compared with the national rate of 8.4 days per year. The workforce is predominately female (85%) with males at 15% (83% and 17% nationally). The average age of a person working in the sector is 43 years old (the national age is 44yrs).

Recruitment to the sector continues to be a challenge due to cost-of-living pressures and the increase in job vacancies in other sectors (including health services) and large retailers/supermarkets which offer higher rates of pay. Care workers tend to be paid minimum wage with a limited career structure so there is little incentive to work in the industry or to attract a new workforce. A recent government report found that care staff were £8,500 under paid compared to their health colleagues with the same skills.

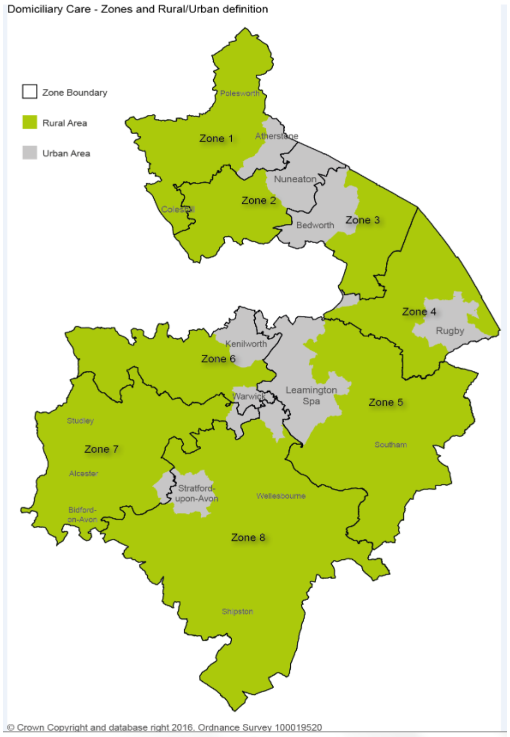
Summary of sufficiency and sustainability issues faced by OP care and nursing homes

- Providers have told us that the levels of cost increases felt by care homes exceed the inflationary uplifts awarded by the LA and the NHS and are having a real impact on the sustainability of care homes.
- Occupancy is currently 6-8% below pre-pandemic levels on average, so income is likely to have reduced. There is significant variation at home level; staff:resident ratio thresholds have an impact on costs and therefore sustainability. Around 10% homes have occupancy of 70% or less.
- Nursing home beds increased by 311 between 2017 and 2022; Residential beds reduced by 130 in the same period.
- Overall, 75% of residential homes are rated Good or Outstanding by CQC and 83% of nursing homes.
- In some cases, quality concerns appear to be precipitated by a shortage of staff and rising costs.
- Poor CQC ratings and placement stops (due to quality) can have a significant impact on occupancy, income and consequently on business viability.
- Recruitment to the sector is a challenge due to the cost-of-living increase and job vacancies in other sectors which often offer higher pay.
- Staffing vacancies across all job roles in the care home sector in Warwickshire have increased from 10.4% in May 2022 to 11.3% in December 2022.
- The delays to the charging reform have created greater uncertainty for the market and present a significant risk to the long-term sustainability of the market.

b) Assessment of current sustainability of the 18+ domiciliary care market

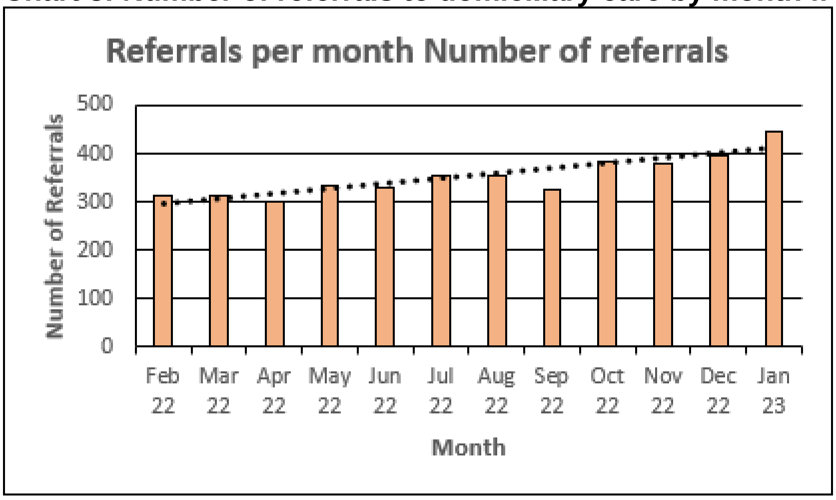
Introduction

Domiciliary care is commissioned across Warwickshire using a geographical zonal model with percentages of activity commissioned with providers per zone. There are eight zones across the county, outlined in the graphic below, each with a proportion of urban and rural coverage. This model endeavours to maximise the time that carers spend with customers, as they will only travel within one zone thus contributing to more targeted and effective sourcing of care.



- **Demand and Sufficiency of Supply**

Chart 3: Number of referrals to domiciliary care by month from Feb 2022 to January 2023.



There has been a gradual increase of referrals into the Domiciliary Care Referral Team (DCRT) who are responsible for sourcing domiciliary care referrals with contracted providers. In January 2023, referral numbers reached a high of 400 within that month for the first time since recording began. During this time, the geographical zones 2,3 and 4; all urban areas of Warwickshire within Nuneaton, Bedworth and Rugby received the highest number of new referrals in total. This does not include restarts of domiciliary care packages (following a hospital stay), increases, or decreases. The geographical zone 1 of Atherstone received the highest number of rural referrals and has by far the highest number of rural referrals of any zone (73% rural referrals compared to the next highest which is 54% for rural referrals in the geographical zone 8 of Stratford). Despite the large number of referrals received, waiting times for packages of care are currently short (on average under 24 hours) and stable. Warwickshire's domiciliary care market picture has not always been so positive and between Autumn 2021 and Spring 2022 waiting times for domiciliary care increased substantially, reaching an all-time high of 200 people waiting at any one time for care in January 2022, with waits, in some cases, being over four weeks. Analysis of referral and sourcing data revealed during this time that the gap between demand and capacity sat between 20-30%. Service capacity was severely compromised due to workforce recruitment/retention issues influenced by the pandemic, coupled with an increased demand.

A) To address the significant challenges in the domiciliary care market, commissioning activity needed to change, and several new initiatives were introduced. The main development was the introduction of a "Micro-Commissioner" to work closely with the care market to problem solve and identify innovative solutions with providers and partners generating capacity to reduce waiting lists and waiting times, and to improve flow out of hospital. The Micro Commissioner introduced the following; New spot providers were appointed alongside the introduction of targeted block runs to domiciliary care providers with small amounts of incentives attached
B) A provider-facing "mapping tool" was developed to support providers clustering calls.
C) A financial subsidy for providers that were keeping packages of care 'open' for 14 days for those customers that had been admitted to hospital. This meant that the carers could continue to be paid during this time
D) A workforce retention subsidy to be paid to front line domiciliary carers to assist with the rise in the cost of living
E) Commissioning presence at the daily MDT calls for all hospital discharge cases

2. Fee Levels

The councils domiciliary care contract is split into eight geographical zones and the postcodes within each zone are classified as being in either an 'urban' or 'rural' setting with increased fee rates for rural to help support additional travel costs. The urban fee rate is the same across all zones whereas the rural fee rates vary by zone.

WCC allocated all available funding from the Cost of Care initiative to award an increase of £0.28 (on average a 1.47% increase) to hourly contracted rates, backdated to April 2022. Furthermore, an additional fuel allowance award of £0.20 to urban hourly rates and £0.40 to rural hourly rates was backdated to take effect from July 2022 and continue until the end of the 2022/23 financial year.

From April 2023, there will be a 10% increase to the hourly rates for domiciliary care and the new domiciliary care rates are detailed below in table 7:

Table 7 - WCC domiciliary care zonal fee rates 23/24:

Urban	Zone 1 Rural	Zone 2 Rural	Zone 3 Rural	Zone 4 Rural	Zone 5 Rural	Zone 6 Rural	Zone 7 Rural	Zone 8 Rural
£20.76	£25.88	£25.40	£23.44	£24.72	£24.56	£23.60	£25.92	£28.28

The Council also commission additional domiciliary care from providers on a spot basis, these providers deliver care when zonal providers are unable to or if a zonal provider exits the market. Spot provider fees align to those in Table 7.

3. Market Diversity

21 WCC contracted domiciliary care providers are based locally across Warwickshire, with 17 being situated in Coventry, 2 in Birmingham, and 1 each in Staffordshire, Worcestershire, Northamptonshire and Leicestershire. Recruitment is undertaken locally, and providers have knowledge of the geography of Warwickshire. This assists when they are developing schedules for carers to deliver customer care.

Since June 2021, 17 new providers have contacted the Council to enquire about becoming a contracted provider. All have a private customer base and only 2 are already working with LA's. As the LA rate is lower than the private rate a provider can charge, it is interesting that these organisations are considering LA customers – providers have cited security of a contract and guaranteed income as key reasons. As the overall market position has now improved WCC are working closely with providers to ensure that contract zonal providers are utilised to their optimum and there is a gradual plan to reduce use of spot provision.

4. Quality of Care
Currently 10% of the councils contracted domiciliary care providers are visible in the Service Escalation Panel (SEP) which oversees quality and contract compliance for all commissioned care provision. One of these, with the largest market share, has reached the highest level of concern and a decision has been made to decommission all activity with this provider. This has resulted in sourcing alternative provision for approximately 2000 hours of care predominately in Warwickshire North and Rugby.

From a domiciliary care market perspective, the most frequently reported quality issues consist of call time and duration; late or missed calls, consistency of carer; communication; and errors with medication. Health colleagues have agreed to support WCC Quality Team with issues of a clinical nature to ensure customers with more complex needs are supported appropriately.

5. Workforce
Staff vacancies across domiciliary care have increased from 7.4% in May 2021 to 14.1% in October 2022. Increases in the cost-of-living and fuel prices has seen more staff leaving their roles including moving to care homes to avoid work travel.

Summary of Sufficiency/Sustainability Issues faced by Domiciliary Care
- Although demand for domiciliary care has increased and staff vacancies have nearly doubled there has been a considerable improvement in market capacity due to continued targeted work with the market since August 2022.
- Close monitoring of provider capacity continues to ensure provision can meet demand, particularly as referral numbers increase and there remains a risk that at times of pressure demand can outstrip supply.
- The longest waiting time for receipt of a domiciliary care referral into DCRT to sourcing the care are in rural areas in both the north and south of Warwickshire.
- 1 domiciliary care provider is on an enforced placement stop due to significant quality and safety issues impacting capacity. There is now a plan to decommission care with this provider resulting in the need to re-source approximately 1,500 hours of care.
- A significant number of packages (approximately 30%) are abandoned, especially at times of pressure which can distort true demand and causes a huge amount of waste.
- Prescribed call times cause a problem, and most referrals want an early morning call and a tea call.
- Some providers are starting to report excess available capacity and for those providers that have recruited staff via the Home Office sponsorship programme they may not be continually securing the number of referrals required to fund the guaranteed full-time wages of their Home Office sponsored staff, which in turn risks a provider's financial stability.
- The guaranteed wages of the Home Office sponsored staff may also precipitate unrest amongst longer serving staff who do not receive a guaranteed weekly income.

c) Assessment of current sustainability of the Working Age Adults Care Market

Supported Living (SL) is for customers that need more than 28 hours of direct support and any night support and who meet the ‘Reach Standards in Supported Living’ principles. The Supported Living services currently operate through a joint WCC and IBC framework contract.

- There are 67 providers on the Supported Living Framework with 10 providers holding the biggest share of the market having 20 or more packages each.
- In April 2022 WCC completed a refresh of the care at home contract, from 29 applicants we appointed 8 new providers to join the supported living framework.

Live-in Care is for customers with moderate needs who require registered support so that they can remain living in their own home. These services are called off currently via a WCC lot-based framework.

- There are currently 13 live-in care providers on the framework supporting 39 customers, with the 3 biggest providers together having a 69% share. The number of customers accessing live-in care remains relatively static with 42 being supported in 21/22.

- Most customers, 33%, receiving the live-in care service reside in the south of the county, with the north of the county, having only 15% of the live-in care market. This may be because of the location of the main providers that are currently on the WCC framework.

Respite & Short Breaks are for eligible customers with a disability. These services are currently called off through a framework model. The framework is split into three individual lots; Residential Respite for adults with a disability, Overnight Community Short Breaks, Community Daytime Short Breaks.

- Data shows that approximately 105 individuals accessed residential respite in 21/22.
- No packages of support for adults have been called off for overnight community short breaks.
- Data shows approximately 45 individuals accessed daytime community short breaks in 21-22 (not taking into account direct payments or self-funders)

Day Opportunities & Complex Needs Services are for customers with a disability and/or autism, aged 18 years and over, where the needs assessment has identified an individual has eligible needs requiring daytime community support. These services provide the required community support service, from a dedicated building base.

- There are approximately 250 customers that access day opportunities on at least a weekly basis from the 11 active providers active on the framework.
- WCC currently commission 4 complex needs day services operated by 2 providers.

WAA Care Homes provide for people with a disability and/or autism, aged 18 years and over, where the needs assessment has identified an individual has eligible needs requiring 24-hour residential care. There are 61 disability care homes in Warwickshire, commissioned from 29 providers. As at 31.12.22 there were 240 residents funded by WCC living across these homes.

2. Quality of care

One supported living provider and two care homes for working age adults are currently on SEP and the Quality Assurance Team is also working closely with another provider who has received a CQC rating of Requires Improvement in all areas.

Summary of sufficiency and sustainability issues faced by the working-age adults market
The WAA market has indicated that they face significant financial pressures with a number indicating they are using reserves to sustain current activity and are having to consider viability moving forward.
WCC has received a number of requests, mainly from Out of County (OOC) packages, for fee uplifts for SL packages when there is no change of need. Providers are stating they will hand back customers if fee rates are not met.
Temporary suspension in packages is providing a huge challenge to providers and is impacting on their income. Reason for suspensions include hospital admission and customers choosing to have breaks away from services.
There is a negative impact on SL providers in respect of them managing the risk of void costs.
Capacity across SL is being compromised due to package hand backs, a provider moving out of our area and one significant quality issue with a CQC notice of proposal.
Providers are not as readily responding to requests for SL packages (6 of 67 framework providers responding to requests in the last 6 months), with packages of below 28hrs being particularly difficult to source as providers feel they are not financially viable.
Spot purchase arrangements continue to be agreed, especially in emergencies, for all service types, where packages cannot be sourced through the framework contract.
Recruitment and retention of staff continues to be a challenge for all WAA providers. Considerable hours and shift work are sited as some of the reasons that people leave.

Providers are advising that the increases in heating and lighting costs are having a major impact on services – especially those that are building based.

Section 2: Assessment of the impact of future market changes between now and October 2025, for each of the service markets

We are currently in the process of updating our Market Position Statements which will bring together information from our JSNA's, (the over 65's JSNA is currently in train) and other data from our Power BI dashboards with our commissioning Intentions to signal to the market areas for further development, considering changing and growing need.

We have worked intensively with providers over the last year, through multiple webinars, drop-in sessions and surveys to ensure that: they were clear about the aspirations of the FCoC exercise, they participated in the data collection, and they voiced their opinions and concerns about Market Sustainability.

In our engagement sessions with providers, they highlighted several issues that they were particularly concerned about both now and in the future:

A) Loss of dedicated, skilled and valued staff to other sectors and challenges with recruitment.
B) Where replacements can be found, as there is a paucity of young people coming into caring professions, they are inexperienced and in need of training.
C) The high numbers of overseas staff whose visas expire in 3 years/potential over supply now and mass exodus in a few years' time.
D) Providing care within the budget of the council is challenging, uplifts are insufficient with rising costs, which results in concerns about sustainability, especially for smaller providers.
E) The processes around hospital discharge and the wasted capacity caused by poor communication and inaccurate information about patients leaving hospital, leading in busy times to a significant percentage of abandoned packages

With regards to our own analysis and horizon-scanning the last year has presented us with challenges that we expect will continue to be features of our markets over the coming years:

1. Competition for staff
We continue to see high levels of turnover of staff and providers grappling with recruitment and retention, especially post Covid where there is competition for workforce on similar wages but with less stressful and intensive jobs. Where they can recruit, often they are replacing long standing skilled and committed workforce with less skilled replacements. Given the high turnover of staff throughout Covid and the relative stability before it, quantification of the ongoing issue and patterns to predict future trends are difficult to extrapolate.

2. The Cost of Care
Despite cost of care uplifts and generous inflationary awards, due to rising costs relating to staff, energy and fuel in particular providers are still concerned that contract rates still do not cover their costs adequately and certainly doesn't allow for investment in future planning and sustainability.

3. Provider sustainability
Whilst we have seen exits and entrants to our markets the mains threats remain escalating costs, inadequate fees that are felt not to cover costs, and difficulty recruiting and retaining staff. These factors are potentially creating a perfect storm where less efficient businesses will cease to operate, or conversely will deteriorate in quality to the point of placement stops which further threaten stability.

4. Uncertainty about reform
With reforms being pushed back providers are less clear about the future. Further, the trust that we have seen from our markets has been impacted by the reality of the Fair Cost of Care exercise which means that rather than adopting the medians that were a product of the data collection from our providers we are instead moving towards these costs due to the affordability of full adoption.

5. Population Growth
The growing population, especially the aging population is of particular concern and although we know from previous years trends that those customers accessing services doesn't grow at anywhere near the rate of the population there is more work planned around the details of these predictions and potential impact on demand and utilisation of the range of adult social care services in Warwickshire. This data and modelling for the future will help us further develop how our strategic approach to ensure our 'home first' aspirations continue to be realised growing models of care that continue to keep our elderly well and at home for longer.

In addition, early work suggests that there are 1,509 eligible residential care self-funders and a further 1,986 eligible domiciliary care self-funders currently in the Warwickshire care market. This is based on assumptions that only 80% of the self-funder population make themselves known to WCC (20% would rather not have state intervention in their care) and that, of those that make themselves known to us, only 84% of them would have care needs eligible with the Care Act. Further work will be undertaken to also understand these predictions for the coming years.

Section 3: Plans for each market to address sustainability issues, including fee rate issues, where identified.

(a) 65+ care homes market

Financial Support

- In December 2021, the Department of Health and Social Care (DHSC) announced that, as part of the wider adult social care reforms, local authorities were required to complete a Fair Cost of Care exercise and funds were allocated to support this. Approximately 93% (£1.398 million) of the Council's allocation was made available for distribution to its provider market. Because of this the Council was able to award an increase of 1.5% to existing placements where the weekly fees were less than £900, back dated to 3 April 2022.
- All Residential and Nursing (65+ Homes), have been notified of a 10% inflation award for 2023/24 to existing care home placements where the gross fees including third party contributions are less than £900 per week. This approach considers the current pressures on the sustainability of our markets, including the increases to National Living Wage and the effect of rising Consumer Price Index on business running costs and ensures that the providers with the most acute pressures are being provided with the most generous uplifts. In recent years the Council Tax Precept has been used to create additional funding to support this.
- Where funding schemes are available nationally on application (e.g. the current NHS Digital Transformation Fund), the LA, with the ICS as appropriate, is committed to ensuring that such additional funding and support is made available to services in Warwickshire.

Commissioner Activity, Liaison and Support

- Commissioners will continue to maintain close relationships with providers and monitor data to understand how occupancy is affecting the sustainability of individual homes.
- Quarterly provider forums will continue to be held as part of our engagement work.
- The commissioning of short-term and long-term beds has historically been led by different commissioners. To improve co-ordination, efficiency in liaison and clarity of messages to the market these activities will now be led by one Accommodation Based Support Lead Commissioner.
- We will continue to work with both the ICB and ADASS WM to co-ordinate and align commissioning activity where it makes sense to do so.
- We will undertake data analysis to better understand demand on Residential and Nursing beds, including the levels of presenting needs, as opposed to use of beds, to support our commissioning intentions at place. Currently we do not hold this data with social care colleagues brokering placements.
- To improve the stability of income from WCC-funded beds, the LA are progressing activities to increase block bed contracts with the market.

Additional activity to support the sustainability of our entire Adult Social Care Markets is listed at the bottom of this document to minimise on repetition.

(b) 18+ domiciliary care market

Summary of Plans to Support Sustainability Issues faced by Domiciliary Care

Financial Support

- For this year's Fair Cost of Care Grant domiciliary care providers received a 28p increase p/hour backdated to April 2022 plus an additional 20p p/hour for urban rates / 40p p/hour for rural rates, backdated to August 2022, to support with the increase in fuel costs. The approach taken considered the current pressures on the sustainability of our SC markets and ensures that the providers with the most acute pressures are being given the most generous uplifts. It also aligns with the strategic objective of keeping people at home/independent for as long as possible.
- Additionally, from April 2023, there will be a 10% increase to the hourly rates for domiciliary care.

Commissioning Activity, Support and Liaison

- WCC working together with Health and Voluntary Sector partners are confirmed by NHS England as 1 of 6 national discharge Front Runner sites for intermediate care which includes funding to introduce a hospital discharge rapid response service (Community Recovery Service). The service will ensure more people leaving hospital will have access to therapy and reabling care input for the first six weeks, with the aim of reducing long term care packages and readmissions. The care element of this service will be provided via WCC's existing commissioned domiciliary care market and will help to respond to the need for additional activity required by some providers to support sustainability.
- We plan to increase the availability of training available to domiciliary care workers, aligned to the anticipated requirements of the Community Recovery Service.
- We will be retendering the domiciliary care service in 2024 when we will take into account the outcomes of the Cost of Care exercise, learning and recovery following Covid-19, learning from the Community Recovery Service pilot and staffing pressures to inform distribution of providers across Warwickshire and flexibilities that may be employed in times of pressure. We will continue to offer providers block purchasing of packages with an added financial incentive that is ongoing for a fixed amount of time to support sustainability.
- We will continue to work with the domiciliary care market in a targeted way to encourage their use of available intelligence such as the mapping tool.
- We will focus on supporting our commissioned zonal providers to maximise their % of activity provided per zone and will continue to bolster any deficits in capacity with spot provision.
- We will continue to collaborate with our domiciliary care market in understanding the pressures they face and working together to seek solutions.
- We will be improving the intelligence we receive from the market with regards to care delivery and call times via the introduction of a centralised monitoring system. This together with other sources of intelligence will be used to monitor the overall performance of the market.

Additional activity to support the sustainability of our entire Adult Social Care Markets is listed at the bottom of this document to minimise on repetition.

(c)Working Age Adults Care Market

Summary of plans to support sustainability issues faced by the Working Age Adults' market which includes supported living, live in care, respite and short breaks day opportunities and complex needs services

Financial Support

- There was no FCoC uplift for these providers as the FCOC grant did not apply to this sector.
- All WAA providers have been notified of a 10% inflation award for 2023/24.

Commissioning Activity, Support and Liaison

- Commissioners continue to engage with the market via monthly 'mutual aid calls' and quarterly provider forums which support the understanding of the market and the challenges it faces. The relationship between commissioners and providers in the WAA market remains strong with communication processes embedded.

- The re-commissioning of community services for working age adults with learning disabilities, autism, mental health or physical disabilities is taking place and has provided new floor and ceiling prices with the opportunity for many providers to increase their rates. The re-commissioning process provides the opportunity for new providers to join the framework.
- A review of LD & Autism hospital admission and discharge processes is underway.
- A review of the brokerage system is taking place which aims to streamline the referral process and result in improved responses from providers.
- The Individual Service Fund pilot is being evaluated with the likely recommendation that this be further rolled out across the county offering customers and providers more flexibility in care delivery.
- Increased use of Direct Payments and Individual Service Funds (ISFs) for those customers who wish to have more flexibility of services, maybe away from home or who cancel services at short notice remains a priority.
- Work is planned to analyse the impact of void costs and to take associated action with housing providers and district and borough councils.

Additional activity to support the sustainability of our entire Adult Social Care Markets is listed at the bottom of this document to minimise on repetition.

(d) WCC support to all of our Adult Social Care Markets

Market Management

- The LA will regularly share its commissioning intentions with the market through Market Position Statements. This will share key information with providers that will support their business planning.
- In reviewing the market position statements and signalling commissioning intentions to the market, commissioners will consider needs and supply at place level. This includes short-term provision that may be required especially during the winter months to support with hospital discharge flow.
- The Market Management team continue to be vigilant in identifying viability concerns and provide support and access to advisory resources should providers face sustainability risks.

Quality Assurance

- The Quality Assurance team will continue to work closely with our Social Care Providers to drive quality improvement through their 'See, Hear and Act' approach through which they gather and triangulate intelligence from multiple sources to identify any quality issues. Where concerns are identified they undertake provider visits to validate their intelligence and where necessary support improvements through Service Improvement Plans (SIP). Significant concerns are escalated through the SEP (Service Escalation Panel) where remedial actions are monitored.

Learning and Development

- The WCC Learning and Development (L and D) team will continue to work closely with providers to support the training and development of the provider workforce. They offer training assessments to identify training needs amongst staff and work with providers to access the identified and required training. They both commission and deliver training for providers and operate a web-based Learning and Development platform (Scils). This supports transferability of training, reduces re-training and concentrates on personal development needs.
- WCC L and D also co-ordinate the multi-faceted local response to support workforce challenges within the sector. A central Social Care Recruitment website has been set up https://www.warwickshire.gov.uk/carejobs. This site is linked to the national social care recruitment campaign, DWP and the Economy Team site. This is coupled with 'Working in Social Care' presentations and recruitment events taking place across Warwickshire to encourage young people and the unemployed to consider social care employment. WCC also work closely with our partners in health to expand recruitment from overseas, including pastoral support, enabling staff to feel settled and wanting to stay in the service.

Communications/ Engagement

- Monthly newsletters now go out to the market to convey items of interest to providers. These commenced during Covid and have continued as a robust way of sharing key messages that impact upon their services.
- We will continue to hold a market sustainability Webinars and plan to hold a further event in September to elicit updates from the market.

Maximising Technology

- We will continue to work with partners and providers to consider how assistive technology and digital solutions can support the efficiency of adult social care delivery. The roll out of Docobo across Warwickshire care homes, pilot of new apps and platforms to support individuals to achieve outcomes in the community and progressing automated payment solutions within domiciliary care are examples of work we are doing in this area. Some of our providers and homes have made great advances in the use of technology in enabling provision and we want to learn from and share this across our market.