

# ***Market Sustainability Plan***

***2023-2025***

**Supporting adult social care in Warwickshire**



**Warwickshire  
County Council**

# Challenges faced by the market

## Workforce challenges

There is high turnover of staff and providers are struggling with recruitment and retention, particularly of knowledgeable and experienced staff. There is increased competition for staff on similar wages but with less demanding jobs. Where providers can recruit, often they are replacing long standing skilled and committed staff with less skilled replacements.

## Cost of care

Despite cost of care uplifts and generous inflationary awards, providers are still concerned that contract rates do not cover their costs adequately or allow for investment in future planning and sustainability. This is due to rising costs relating to staff, energy and fuel.

## Provider sustainability

Whilst there have been providers both entering and leaving the local market, the main threats remain; escalating costs, fees that are felt not to cover costs, and difficulty recruiting and retaining staff.

## Uncertainty about reform

With reforms being pushed back providers are less clear about the future and whether reforms will in fact be introduced at all. Further, the trust seen from 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 providers we are instead moving towards the medians due to the affordability of full adoption.

## Specific challenges:

### Care homes 65+

- Sufficiency of supply with many homes operating under capacity with supply exceeding demand. Occupancy is down 6-8% pre-pandemic
- Day to day operational cost increases exceed inflationary uplifts
- Workforce instability as the sector experiences high level staff vacancies and turnover of staff
- Recruitment to the sector is problematic due to cost-of-living pressures. Care workers attract minimum wage and vacancies in other sectors are more appealing
- Charging reform delays have created uncertainty

### Domiciliary Care 18+

- Increased referrals and demand for domiciliary care poses a risk that demand could outstrip supply
- Most customers want time specific calls
- Longer waiting times in rural areas for care to be sourced
- A significant number of care packages are abandoned at times of pressure
- Staff vacancies have nearly doubled in the sector. Recruitment to the sector is problematic due to cost-of-living pressures
- Care workers attract minimum wage and vacancies in other sectors are more appealing

### Working age adults

- Providers face significant financial pressures with a number indicating that they are using reserves to sustain current activity
- Suspending care packages for reasons including hospital admission and respite impacts on provider income
- Recruitment and retention of staff continues to be a challenge for the sector
- Rising living costs is a factor along with long hours and shift work
- Increases in energy costs has a negative impact on building based services

# Warwickshire County Council support

## General support

- Allocating funding and inflation support to providers to mitigate against cost pressures
- Sharing commissioning intentions and information through Market Position Statements to support provider business planning
- Continuing to be vigilant in identifying viability concerns and providing support and access to advisory resources should providers face sustainability risks
- Supporting providers with recruitment campaigns to attract new staff to the sector, alongside initiatives to boost staff retention for providers
- Promoting See, Hear and Act quality assurance activity, triangulating intelligence and working with providers where necessary
- Supporting training and development of the provider workforce and helping identify training needs and opportunities
- Ongoing engagement with providers and sharing information through monthly newsletters to social care providers. A market sustainability webinar will take place in September 2023
- Considering how assistive technology and digital solutions can support the efficiency of adult social care delivery
- Supporting providers by maintaining relationships, hosting forums and making the most of opportunities to engage

## Care homes 65+

- Commissioning of short-term and long-term beds will now be led by one Accommodation Based Support Lead Commissioner
- Monitoring data to understand how occupancy is affecting the sustainability of individual homes
- Undertaking further data analysis to better understand demand and presenting need to support commissioning intentions at place
- Continuing to work with both the Integrated Care Board and the Association of Directors of Adult Social Services West Midlands to co-ordinate and align commissioning activity where it makes sense to do so

## Domiciliary care 18+

- Working with Health and Voluntary Sector partners as one of six NHS England national discharge Front Runner sites for intermediate care, including a hospital discharge rapid response service (Community Recovery Service)
- Taking account of the outcomes of the Cost of Care exercise, learning and recovery following COVID-19, and staffing pressures in future commissioning
- Seeking to enhance market intelligence with regards to care delivery and call times via the introduction of a centralised monitoring system
- Supporting commissioned zonal providers to maximise their % of activity provided per zone

## Working age adults

- Re-commissioning community services for working age adults with learning disabilities, autism, mental health or physical disabilities enabling review of pricing
- Reviewing Learning Disabilities & Autism hospital admission and discharge processes
- Increasing the use of Direct Payments and Individual Service Funds (ISFs) for those customers who wish to have more flexibility of services, may be away from home or who cancel services at short notice
- Analysing the impact of void costs and to take associated action with relevant agencies

# ***Further information***

## **Market Management**

[marketmanagement@warwickshire.gov.uk](mailto:marketmanagement@warwickshire.gov.uk)

## **Quality Assurance**

[qualityassurance@warwickshire.gov.uk](mailto:qualityassurance@warwickshire.gov.uk)

## **Learning and Development**

[www.warwickshire.gov.uk/learninganddevelopment](http://www.warwickshire.gov.uk/learninganddevelopment)

## **Workforce**

[www.warwickshire.gov.uk/carejobs](http://www.warwickshire.gov.uk/carejobs)