

Annex C: Market Sustainability Plan

Wiltshire enjoys a mature relationship with the Wiltshire Care Partnership (WCP, the Wiltshire based association of care providers). Two provider workshops have been held to agree the key messages in our Market Sustainability Plan. Further, Wiltshire Council Commissioning team have run a monthly Provider forum with WCP which has an agenda item on market demand, capacity, and social care reform impacts.

Section 1: Assessment of the current sustainability of local care markets

a) Assessment of current sustainability of the 18+ domiciliary care market and 65+ care home market

Levels of diversity in the market

Wiltshire has good diversity of care provision within the domiciliary and older adults care home market. This has in part been an outcome of the commissioning approach which for the last 3 years has developed a provider support and oversight team, easy to access commissioned frameworks and alliances, and close working links with NHS partners. The changes in national hospital discharge policy of 2021 have seen an increase in both demand and complexity of hospital discharge. Health and social care commissioners have worked closely with care provider partners to develop new innovative models of delivery in specialist dementia care, end of life care and discharge to assess. These initiatives need to develop to create more capacity.

There is a lack of supply to meet increased demand for all care, especially for those with more complex needs including dementia, delirium, and behavioural challenges. There remains more to do in terms of opportunities of models of care in extra care, shared lives and co-housing.

Complexity of Care

Over the last two years Wiltshire has experienced marked increases in the volume of people presenting with complex care needs requiring either a domiciliary care package of care (POC) or admission to a care home. There is a large gap within Wiltshire's care market of providers that are able to offer high quality care for those with complex needs for the following reasons:

- Providers struggle to recruit experienced nursing staff who are skilled in the management of specialist dementia and mental health illness in older people.
- There is a shortage of provision of specialist Admiral nurses and training in the management of complex and challenging behaviour.
- A large number of care homes in Wiltshire do not have a suitable physical environment to meet complex needs, including bariatric care, due to the age or layout of buildings e.g. a lack of facilities/floor space to accommodate individuals with complex needs. There are only two care homes in Wiltshire with the appropriate facilities to manage bariatric needs.
- Domiciliary care providers are unable to accommodate the larger packages of care (POC) that people require due to a significant increase in demand from 2020 of people choosing to receive care at home.
- The large proportion of the self-funder market in Wiltshire means that providers are able to be more selective in which people.

Providers have told the Council that the increasing complexity and changing needs of individuals is often impacting occupancy rates, staff recruitment and retention as well as service performance.

Wiltshire Council brokerage service has reported a sharply increased trend in demand of people requiring long term care with delirium, bariatric needs and dementia following hospital discharge.

Inflation

High levels of inflation and the resulting cost of living crisis have added to challenges already being experienced by providers in Wiltshire following the pandemic. Fuel costs and the cost of agency nursing staff are two of the main inflationary pressures.

This is having an impact on their financial viability. A small number of providers have already exited the market due to cost-of-living pressures and being unable to recruit and retain appropriately skilled staff.

Care Workforce

Recruitment and retention of care staff is an ongoing issue within Wiltshire for our providers. There are historic and well cited issues with rurality, cost of affordable housing and proportion of available workforce in Wiltshire.

Providers have told us that staff recruitment is the most difficult it has been. A snapshot audit by the provider oversight and support team (POST) shows a total of 196 care staff (domiciliary, older adults nursing and residential care) left their jobs between 12 September 2022 – 7 October 2022 in Wiltshire, with only 5% leaving for other roles in the care sector. The majority of staff stated that they were either leaving the social care sector completely, leaving due to personal circumstances, or have provided no information as to why they have left.

Domiciliary care providers handed back 95 POCs between 1 May 2022 – 30 September 2022, with providers stating that 56% of all hand backs were due to having insufficient staffing levels to enable them to deliver the care required. Other issues included a breakdown in relationships or changing care need. Whilst the volume of hand backs has reduced between October 2022 and February 2023 to 42 POCs, having insufficient staffing levels accounted for 60% of all hand backs during this period.

Providers tell us that the pool of care staff is reducing and there is significant competition between providers to recruit from the same pool of staff. There has been increased movement within the care sector workforce due to providers offering incentives to attract new recruits. There is also competition from retail companies as well as the health sector, with some care workers exiting the social care workforce entirely for better terms and conditions in the NHS.

Care home providers are using more agency staff and an increasing number of Sponsorship Licenses to bridge the gaps of workforce shortages and supplement their workforce. Providers have advised that it has become harder to recruit registered managers.

Geographical Challenges

There are currently imbalances of supply of care provision within Wiltshire:

- **Residential Care homes** – There are challenges in placing people that require residential care within the local areas of Warminster, Westbury and Trowbridge, particularly those with dementia. There are either low volumes of homes relative to population sizes in those areas or unsuitable care home environments.
- **Nursing Care homes** – The Integrated Care Board (ICB) currently has issues sourcing nursing care beds in the north of Wiltshire (Calne, Corsham and Box) as there are a limited number of nursing homes in that geographical area.
- **Domiciliary Care** – The Council has experienced difficulties when trying to arrange POCs in Tisbury, Wilton, Marlborough, Southern Wiltshire Local Areas, Cricklade and areas bordering Dorset. This is due to:
 - Rurality
 - Limited public transport links for care staff to use if they do not drive.
 - A relatively low population density (over 65's).
 - Limited main road network

Most recently there have been issues sourcing providers to deliver POCs in Trowbridge and Corsham due to a lack of care workers available.

Hospital Discharge and Admission Avoidance

The Hospital Discharge and Community Support Policy and Operating Model (DHSC) released on 7 July 2021 sets out the aim to embed the Discharge to Assess model (D2A) model actioned during the COVID 19 response. There is an expectation that performance continues to reduce the length of stay for people in acute care, to improve people's outcomes following a period of rehabilitation and recovery and minimise the need for long-term care at the end of a person's rehabilitation.

The majority of this hospital discharge capacity is delivered through Care Homes in Wiltshire. The nature of the demand is often complex, the majority (over 75%) of all bedded hospital discharge referrals meet the criteria for therapy assessment and the opportunity for rehabilitation which is largely not now taking place in hospital. People with end-of-life care needs now only have a criterion to reside in hospital of a few hours, before the national guidance, people could choose to stay in hospital for end-of-life care.

There has been an increase demand for domiciliary care of 38% over the last 2 years drive by hospital discharge and hospital avoidance schemes such as our rapid response service.

Payment to Providers

Providers have reported issues with our payments processes.

Self-Funders

Wiltshire has a large self-funder market. Data submitted by providers as part of the 2022 Cost of Care exercise, shows that the percentage differences between self-funded and local authority funded customers are:

- Domiciliary care: 46.64% self-funders, 53.36% local authority funded customers.
- Care homes: 60% self-funders, 40% local authority funded customers.

The impact of the scale of the self funder market is a reduction of available capacity for local authority funded placements and also competition for capacity driving up cost.

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

Wiltshire has 162 care homes. 87 homes are 'Older Persons' homes providing 3,929 beds (1,455 nursing, 1,629 residential and 845 dual registration care beds). The Council currently funds 1,146 (as of 16 March 2023) older adults in long term residential and nursing care, with the rest purchased by self-funders, other councils, the NHS, or are unoccupied.

- 50 care homes are part of Wiltshire Care Home Alliance (WCHA).
- 26 care homes are contracted to provide either nursing block, framework or complex beds.
- 38 care homes are contracted to provide either residential block, framework, EMI or complex beds.

Block Nursing Care Beds

26% of people are placed into nursing care homes in the Salisbury area between 01/01/2017 and 31/12/2021. There is currently an extremely low volume of contracted block beds in Salisbury and its surrounding local areas meaning that the majority of beds are either framework or spot purchased which is placing a significant budgetary challenge on the Council.

Fee Rates

In comparison to rates paid by other local authorities in the Southwest, Wiltshire has some of the highest fee levels.

The authorities current average weekly fee rates paid are:

- Residential care: £856.23
- Nursing care: £967.00 (excl. FNC)

The biggest issue facing care home providers are staff recruitment and retention, especially of nursing staff.

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

Wiltshire Council's Home Care Alliance was implemented in October 2018. The 'Help to Live at Home' (HTLAH) Alliance is a dynamic purchasing (DPS) arrangement which allows the Council to work in partnership with a broad provider base. The DPS comes to an end in March 2023.

The HTLAH Alliance focuses on service quality and partnership. Only providers offering a good standard of care as determined not only by the CQC inspection, but also by our own internal quality monitoring processes, can become Alliance partners.

There are 108 providers on the HTLAH Alliance that provide care in 3 distinct zones of operation. Providers can join the Alliance on one of 2 tiers – Tier 1 and Tier 2. They can choose to provide care in any or all of 3 zones.

The rurality of Wiltshire means that home care can be difficult to source in defined parts of the county.

Fee Rates

The UKHCA recommends that £23.20 (for 2022-23) is the minimum hourly rate which Local Authorities need to pay to ensure that home care professionals are paid at or above minimum wage, providers can meet oncosts and running costs, and deliver an acceptable level of profit. On average, English Councils were paying £19.01 per hour. Wiltshire pays on average £22.86 per hour. In the South West, only 3 authorities pay more. Despite the Council paying an average of £22.86, the market is still not sustainable.

Sufficiency of supply to ensure continuity of care.

With the fragility of the market currently, providers are handing back packages for customers that they consider too complex or have challenging behaviour.

This may be further exacerbated by the number of customers with predominantly health-related needs (e.g. IPAP and CPAP ventilation, manual bowel evacuation, tracheostomy care and PEG feeding) who are presented as needing home care, without being assessed as continuing healthcare eligible.

Complexity of packages and the changes to the discharge model mean that customers who would previously have been cared for in a care home are now managed at home. This has the dual effect of requiring highly skilled care workers (e.g., for moving and handling) but also of utilising large quantities of care per package.

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

Hospital discharge

We will continue to see an increased demand and complexity as all three acute trusts have agreed their bed capacity plans for 2023/2024. This includes increased demand for domiciliary care following a period of reablement.

As part of the ICB we have planned a reduction in D2A beds and an increase in capacity for long term complex and mental health needs beds over the next 2 years.

Domiciliary Care

Market Change	Impact of Change
Aim to increase Extra Care provision in Wilts	<p>Efficiencies from domiciliary care as could care for more people in one setting.</p> <p>Reduce demand for residential beds and enable people to live in their own homes for longer.</p>
More people to remain in their own homes and receive care	<p>The local authority will require either a greater number of providers or increased levels of staff who have the skills to meet the diversity of need/care required.</p> <p>POCs may be longer, require double handed care.</p> <p>Training will be required to ensure staff have skills to meet need.</p> <p>Local authority will review its own delivery models e.g., its in-house domiciliary care provider, Wiltshire Support at Home, to meet increased demand and complexity of need.</p> <p>The Council will need to look at more innovative care delivery models e.g., the use of micro enterprises and the Voluntary and Community sector.</p>
Increased use of Technology Enabled Care	<p>Increase knowledge and skills of professionals (social care, care homes etc) to work with TEC.</p> <p>Manage demand and supply issues in home care better through increased use of TEC.</p>
Improved support for Carers	<p>The joint Carers strategy is in development which proposes speedier and more equitable access to assessment and support</p>

65+ Care Home Market

Market Change	Impact of Change
Complex care and dementia	<p>May result in smaller providers not being sustainable as they will not have the physical environment to manage complex and high-level dementia needs.</p> <p>Skills gap and training need so that people can care for those with complex care needs – co-morbidities, frailties, and challenging behaviour.</p> <p>The Council will need to review its own delivery models to ensure sufficiency of supply.</p>
Workforce/training	<p>Lack of high-quality training available to providers and can be expensive.</p> <p>The Council will work with the Integrated Care Board (ICB) to identify training opportunities.</p>

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Key Strategic Risks

The following key strategic risks have been cited by Wiltshire's providers, ICB colleagues and Council brokerage, operational and commissioning teams. Despite the return asking the Council to detail one singular key strategic risk, we believe that the following are all of equal importance and merit noting.

Workforce

- Providers are competing for the same workforce.
- There are increasing numbers of care staff choosing to leave the sector.
- Significant staff shortages (particularly in domiciliary care) that are the biggest threat to sufficiency. This will further impact not only on customer / staff experience but also on service provider performance. A wide range of factors can drive social care staff to leave, including:
 - Pay and terms and conditions.
 - Career progression
 - Training opportunities
 - Work-life balance
 - Motivation and morale
 - Flexibility at work
 - Organisational culture
 - Leadership

Inflation

Annual contractual uplifts will be applied in April 2023. Uplift mechanisms take into account current inflationary pressures and market factors. We believe this will work towards maintaining the sustainability of the market. Inflation is anticipated to fall by the end of 2023 therefore we don't see this as a significant strategic risk going forward.

Insurance

Care providers have told us that a lack of choice in care sector insurance is causing instability. Insurers are requiring more assurance and demanding a higher premium which could result in providers exiting the market.

New CQC Assessment Process

The CQC are initiating a new assessment process in 2023. Providers are concerned that this that may be time consuming and an additional burden. There is a risk that the rating landscape is changing.

Fees and cost of care

- There was a significant discrepancy between the data submitted in the cost of care exercise by providers and the fees the Council pays as a fair and affordable cost of care. However, there were some flaws with the 2022 Cost of Care exercise as detailed in the published Annex B Cost of Care reports.
- Calculations of fee increases – some historical contracts have fee uplift mechanisms that are no longer fit for purpose. The Council has already reviewed its Home Care uplift mechanism for the new contract and will continue to review its uplift mechanisms on other contracts. In 2023-24, where a contractual uplift mechanism hasn't been deemed suitable by the council, an additional uplift has been awarded.

Pay

- Current pay levels are insufficient to recruit and retain people within the care sector-providers report that support workers are exiting the workforce to seek employment in other sectors.
- Domiciliary care workers may be on zero hours contracts-whilest that may be attractive to people who need flexibility for childcare responsibilities it may be a barrier to others.

Payment to Providers

Our current payment processes are a disincentive to current and prospective providers when offering capacity to the council.

Current Wiltshire Home Care Commissioning Model

- It is time and task rather than outcome focused.
- Although the Council pays on average £22.86 per hour there is no clear expectation regarding the amount that staff should be paid per hour.
- Current home care contract reflects pre COVID arrangements rather than the current environment.

Perception of Care as a Career

- No clear career pathway/progression within the care sector

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

Note: As part of these plans local authorities should also demonstrate how they complement other strategic documents, such as, but not limited to their Market Position Statements and demonstrate how they have worked with local providers to develop the plans in this section.

(a) 65+ care homes market & 18+ domiciliary care market

Expenditure for 2022/23

The Market Sustainability Grant for 2022-23 of £1,230,568 was allocated as follows:

22.99% - Care Home (residential and nursing) uplifts

73.14% - Home care uplifts

3.87% - Spend on resourcing and implementation activities to support market sustainability.

Plans for funding – 2023/24 & 2024/25

Wiltshire Council will receive £4.269m. There are two elements to funding plans. A proportion of this will continue the progress made in 2022/23 on fees and the additional funding to address discharge delays, social care waiting times, low fee rates, workforce pressures, and to promote technological innovation in the sector.

In addition, this funding will be used to bring all Home Care packages on the Home Care Flexible Framework up to £25.95 per hour in line with The Homecare Associations minimum rate for 2023/24. This will be a significant increase for around 90% of packages. The new Home Care contract that will start in April 2023 will also use this hourly rate as its base rate.

The remainder of the 2023/24 funding will be used in line with the grant conditions to address the items detailed by the DHSC to address the plans detailed in the section below.

(b) Further actions Wiltshire Council plans to take to support market sustainability

During August 2022, the local authority invited home care and care home providers to attend two workshops focused on the Market Sustainability Plan. The workshops were facilitated by the Institute of Public Care (IPC). In addition, monthly Provider forums and Home Care market engagement events have helped us to shape the narrative below to support market sustainability. The Council also has an ambitious transformation programme for Adult Social Care with Market Development as one of the key strands.

Fee Setting

- We will continue to engage with the market through our work on Market Sustainability to better understand what the Fair Cost of Care should be on the basis of what is a suitable rate for providers to cover the cost of delivery and make a reasonable return on operations and what is affordable for the local authority, recognising our responsibility to steward public money and will be influenced by the amount of funding made available by government and its conditions.
- We want to work towards a fair cost of care that is built on sound judgement, evidence and negotiation and critically one that is affordable through the funding provided by Government to implement and manage the Adult Social Care reforms, which have now been delayed until October 2025.

Recruitment and Retention

The Council, in conjunction with other South West ADASS authorities will relaunch its Proud to Care initiative. Working with Health Education England and our providers, we will focus on making social care careers more attractive, rewarding and sustainable.

- We will work with the ICB to develop training opportunities for care sector workers across BANES, Swindon & Wiltshire Council
- We will promote the BSW Academy, an inclusive initiative that will help to unite and develop the BSW Partnership's entire 34,000 strong workforce by investing in leadership, learning, innovation, improvement and inclusion across the ICS.
- We will continue to promote and support the Joint Wiltshire Care Partnership and BSW Care Workforce recruitment and retention scheme.
- We will continue to promote the Bath and North East Somerset, Swindon & Wiltshire Care Skills Partnership (BSWCSP) to
 - Support Independent, Voluntary and Private sector (IVP) adult care employers and Registered Managers (RMs) to access learning and development for RMs and their staff.
 - Provide advice and support on adult training courses with regard to grants and funding which may be available to staff.
 - Provide advice and support to anyone who would like a career in adult social care regarding traineeships and apprenticeships.

Working Together with Providers

- We will continue effective, regular and transparent dialogue with our providers, especially in challenging times.
- We will continue to provide a single 'one stop shop' for providers through the Provider Oversight Team
- We will work with providers to develop value based commissioning models and will implement the Provider Assessment & Market Management Solution (PAMMS) in partnership with them to allow regional Quality assurance.
- We will move from paying net to gross and implement a new provider payment portal to ensure timely and accurate payments.
- We will continue to deliver our Trusted Assessor Model which is managed by Wiltshire Care Partnership and look at its possible expansion.
- We will continue to develop our information services and integrated brokerage service to include a service for self funded customers to support section 18(3) of the Care Act 2014

Strategic Plans

- **Accommodation Strategy** - We will develop an Accommodation Strategy which will outline Wiltshire Council's older adults' future accommodation aspirations, our future approach, demand and gaps in the market.

- **Carers Strategy** -we have developed a draft strategy which addresses the needs all age carers.
- **Dementia Strategy** - We will develop a joint dementia strategy, which will outline how we will ensure we will have high-quality and equitable services to support people with dementia and carers of all ages through their dementia journey.
- **Technology Enabled Care Strategy** – This strategy is being developed in tandem with carers., housing and operational teams.
- **Aging Well Strategy** – We will develop an Aging Well Strategy which will enable us to understand and respond to localised need and interests of older people.
- **Older Adults Market Position Statement (MPS)** – We will refresh our current MPS.

Home Care Flexible Framework

- On the 1 April 2023 the Council's Home Care Flexible Framework will come into effect, replacing Wiltshire's current Help to Live at Home model. The introduction of the Flexible Framework will see the transition from 3 large zones to 15 smaller more manageable zones that will reduce provider travel time, address issues in rural hard to reach areas and enable providers to better plan their recruitment within geographical areas.
- The Flexible Framework will run for a period of 3 years and will enable us to pilot new and innovative approaches within Wiltshire.
- Due to the increased fragility of the home care market the Flexible Framework will enable the Council to take a revised approach to support and stabilise the market. This will give additional time to co-produce with communities, providers, and voluntary and health sector partners and pilot different concepts in a planned way, taking into consideration the challenges and informed by the 2022 Cost of Care exercise.
- We will explore inhouse provision of domiciliary care to support and sustain the market.

Block and Framework Beds

Under the Wiltshire Care Home Alliance, we will go out to tender during 2023-24 for

- Block Nursing Care beds
- Framework Residential and Nursing beds

To address the identified shortage of contracted block bed capacity in Salisbury and its surrounding local areas to reduce the volume of spot beds the council.

Payments to Providers

- A high level project group has been established which will continue to develop timely, consistent processes to improve payments. Good progress has already been made, and the Council continues to work with providers on this important issue.

Community & Voluntary Sector (CVS)

- We will map out the services that Wiltshire's VCS provide which could potentially reduce the volume of non-regulated care and support that our current home care providers are delivering to free up capacity within the home care market.
- We will look to micro providers and small enterprises to offer a more diverse range of care and support in the community in order to maximise capacity and increase choice and control.
- We will pilot a strengths-based approach that will take a different approach to how we review people's care and support.

- We will review our use of Direct Payments and PAs to give people more choice and personalisation and will seek to pilot things such as Individual Service Funds (ISF) and Prepayment cards to provide people with greater choice.
- We will explore alternative models of care and support. By utilising Technology Enabled Care (TEC) services, we will seek to replace elements of POCs through the use of TECs, and in turn reduce demand on more traditional services, such as home care and residential placements to promote independence and enabling us to target our workforce resources more effectively over the coming years.

Incentives and New Delivery Models

The Council and ICB are currently exploring several incentives and options for new delivery models that could help alleviate pressures on the domiciliary care and care home market.

The Council is also looking at non-fee-based incentives to encourage care workers to Wiltshire.