Public Document Pack

Date:	Wednesday, 12 July 2023
Time:	10.00 am
Venue:	Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate, Shrewsbury, SY2 6ND
Contact:	Ashley Kendrick Democratic Services Officer, Tel: 01743 250893 Email: ashley.kendrick@shropshire.gov.uk

PEOPLE OVERVIEW AND SCRUTINY COMMITTEE

TO FOLLOW REPORT (S)

6 Market Management (Pages 1 - 10)

To consider the development of the Council's Market management approach and identify areas for further action or investigation by the committee, including informing other work programme topic investigations.

Laura Tyler Shropshire Council Assistant Director Joint Commissioning
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Agenda Item 6

Checklist for report writing

NB: these front pages to be removed once the report is signed off at executive directors and before issuing to committee services.

It is it important to ensure all relevant service areas are involved in the production of this report from an early stage. The following approvals checklist must be signed/completed before the report is presented to Executive Directors for sign-off. Failure to do so will result in delays for sign-off and subsequent issuing to Committee Services.

Finance

Report author to liaise with the appropriate Finance Business Partner (listed below) at the beginning of the report writing process.

Finance Business Partner (FBP) to ensure the Strategic Finance Business Partner then reviews and clears the report who in turn will ensure the Assistant Director of Finance & Technology has reviewed and cleared the report before it is uploaded for Executive Director sign-off.

NB: If there any implications for **Capital** then the Finance Business Partners for Capital need to also clear the report.

Service Area	**Finance Business Partner (FBP)**		**Strategic Finance Manager (Cheryl Sedgley)**	**Assistant Director of Finance & Technology (Ben Jay)**
		Signature/Initial and dated	Signature/Initial and dated	Signature/Initial and dated
Adults	Robert Jones			
Children’s	Stephen A Waters			
Place	Gemma Griffiths			
Health, Wellbeing & Prevention	Chris Scott			
Resources	Maggie Price			
Capital Projects	Donna Payne or Michaela Probert			

Legal

Report author to liaise with Tim Collard at the beginning of the report writing process. He can then allocate to a member of his team, as appropriate.

Name	**Signature/Initial and Dated**
Tim Collard	

Risk Management

All reports to be reviewed and cleared by Jane Cooper. Report author to involve them in the process as early as possible.

Name	Signature/Initial and Dated
Jane Cooper	

Workforce Development (HR)

Where applicable, reports to be reviewed and cleared by the Strategic HR Business Partner. Report author to liaise with Workforce Development at the beginning of the report writing process.

Name	Directorate	Signature/Initial and Dated
Debbie Smith		
Laura Jones		
Alison Lawrence		
Lisa Drew		

Climate Change

All reports to be reviewed and cleared by Adrian Cooper. Report author to involve him in the process as early as possible.

Name	Signature/Initial and Dated
Adrian Cooper	

Directorate Sign-off

Relevant Executive Director to review and clear report and confirm all checks above have been done.

Name of Director	Signature/Initial and Dated
Tanya Miles	**T Miles 6/7/23**

Portfolio Holder Sign-off

Report Author/PA to confirm the relevant Portfolio Holder has reviewed the report before publication.

Name of Portfolio Holder	Dated Reviewed
Cllr Cecilia Motley	**7/7/23**

Committee and Date	Item
	Public

Report author – *please enlarge (100%)* the "healthy" icon this reports relates to.*
Only chose the single Healthy icon which predominantly applies to this report.
**Right click on the icon, go to Size & Position, change Height to 100%*

Healthy People | Healthy Economy | Healthy Environment | Healthy Organisation

Market Management

Responsible Officer:	Laura Tyler		
email:	Laura.tyler@shropshire.gov.uk	Tel:	
Cabinet Member (Portfolio Holder):	Cecilia Motley Communities , Adult Social Care and Health		

1. Synopsis

This report details the Councils role under its Care Act 2014 duty for market management and encouraging a good quality market, that offers choice and sufficient provision to meet people's needs now and in the future. This reports focusses on the current context across Shropshire, what we are doing to support the market now and the work underway to look at demand management and early intervention and prevention in supporting people to remain well and independent and have a choice in how their needs are met.

2. Executive Summary

This report will detail the current context of working within the health and social care system and its challenges. It details the current work the Council is progressing to look at how it manages the demand, facilitates early intervention and prevention so people are supported to live well with a stable and innovative Provider market to ensure we fulfil our duties. The report will include:

- Statutory duties on the Council to manage its market
- Current position of the market
- What we have done to support the market
- Details of the next stage of the plans to oversee the market.

3. Recommendations

3.1. Members consider the contents highlighted in this report to inform focus areas for market management.

Report

4. Risk Assessment and Opportunities Appraisal

4.1 The Care Act 2014 places a duty on Local Authorities to facilitate and shape our care and support market, to ensure sustainability, diversity, and to be continuously improving and innovating services.

4.2 The council have statutory duties to meet the care and support for both adults, children and young people and this document will highlight the opportunities to align resources to support all ages.

4.3 Equalities will be a priority within how we manage the market ensuring that people have equitable access to services when and where they need them.

5. Financial Implications

5.1 This report will inform the work identified within the MTFS and transformation plans within the Shropshire plan. The Peoples Directorate currently spends approx. 77% of the total council budget supporting vulnerable adults; children and young people.

5.2 How the council works with the market on how care and support are delivered in the most cost effective and efficient way as a system will be considered across all commissioning activity.

6. Climate Change Appraisal

6.1 The Council has declared a climate emergency and is committed to achieving ‘net-zero’ carbon impact by 2030. As procured goods and services make up a significant proportion of the Council’s total carbon footprint, it is vital that providers understand the carbon impact of the services they provide and commit to working with the Council to help us achieve ‘net-zero’.

6.2 The Market Position (MPS) statement will clearly outline the Council’s intentions and staged approach to incorporating carbon and GHG reduction in our commissioning and procurement activity and contractors will be supported over time to align themselves with these aims. The MPS describes the elements involved in getting to the point where we are minimising the carbon impact of our procured goods, works and services. Including:

- Understand the carbon impact of existing contracts.

- Understand how contractors propose to manage and reduce their carbon impact.
- Specify environmental / carbon reduction requirements in contracts.
- Use Social Value to seek additional carbon / environmental benefits.
- Mandate minimum environmental standards for all contractors.

7. Background

7.1 The Care Act 2014 sets out the law around market development in adult social care. It enshrines in legislation duties and responsibilities for market-related issues for the Department of Health, CQC and for local authorities.

7.2 The council has a duty to do the following:

- meet needs of people eligible for care, support them and their carers, and fund care for those people with needs who meet financial eligibility criteria
- local market shaping to encourage quality, choice and sufficiency of provision
- local contingency planning in case of provider failures
- ensure care is maintained where provider fails financially and services cease – for everyone, including self-funders, to ensure people's needs continue to be met
- work with NHS to promote integration including integrated commissioning and joined up services
- at national level, Association of Directors of Adult Social Services (ADASS) has a role in supporting contingency planning for provider failure and collaboration on market shaping regional collaboration (via ADASS) on market shaping.

7.3 Shropshire council, partners and the care and support market continue to face significant financial and workforce challenges in ensuring continuity and quality of care is delivered. Putting people first and foremost at the centre of everything we do remains our priority.

7.4 In 2021 Shropshire council combined both children and adults into a People directorate recognising the opportunities this would bring and improve services across all ages. The Shropshire plan highlights the need for healthy people and to support all Shropshire residents of all ages to proving early help and intervention to maximise independence. It is also vital that a system we approach health inequalities working together to enable people to live their best lives; therefore, we must think differently about how we deliver these services across the county.

7.5 In Shropshire we commission social care and support services for children, families, and adults from many different organisations. Many of the organisations are local Providers rather than large national organisations. It is essential the council drive to deliver the key outcomes for Shropshire people detailed within the Shropshire plan in the most efficient, highest quality and financially economical way possible.

7.6 The market has had significant pressures; firstly with Brexit, a pandemic, workforce pressures; complexity of clients and continued inflationary pressure. Whilst the sector had these challenges prior to 2020, it has put additional pressure on a system already under stress.

7.7 Shropshire has additional challenges compared to other councils with a faster growing ageing population for those 65 years and over (29.5%) compared to the rest of England (20.1%) according to the census data. This in addition to its working age population being lower in growth compared to the rest of England puts additional workforce pressure which is then compounded by Shropshire's rurality.

7.8 The Market Position Statement which is currently being developed will evidence how we are managing our market by forming an understanding of, and basis for, necessary change and development of innovative models of care and support that ensure sustainable and diverse services and inclusive communities. It will look at where the demand is and what the commissioning intentions are to inform the market on the direction of travel.

7.9 Shropshire Council commission social care and support services for children, families and vulnerable adults from hundreds of registered providers and many other independent organisations. It is essential we drive to deliver the key outcomes for Shropshire people, as set out in The Shropshire Plan, in the most efficient, highest quality and financially economical way possible.

7.10 The Shropshire plan clearly sets out the ambition to support people at home within their own communities and the focus with the market is based around this principle.

7.11 Shropshire currently has approx. 89 domiciliary CQC registered companies covering a very large rural county. It employs in the region of 3250 carers with most providers being small and locally based (75%), 20% are regional to West Midlands and 5% are national companies. Around 45% of care contracted is for Shropshire Council, 35% for self-funders and 20% for Health and other commissioners. The Council commission care for 1500 people over 65 years of age primarily because of age related concerns or disability and for around 600 people under the age of 65

7.12 Shropshire has the highest number of care home beds for a rural authority in the region, and the 5th highest overall in the West Midlands. The only authorities with higher bed numbers have large conurbations, significantly higher population numbers and much greater population densities. Shropshire has 71 CQC registered care homes providing 2987 beds across the county for people over 65. Shropshire has 41 residential homes with/without dementia care and 31 Nursing homes with/ without the provision of dementia care. The care homes employ circa 3900- 4000 permanent staff. Shropshire Council currently utilises 863 beds of the Shropshire over 65 market capacity supporting people with a long term eligible assessed need. The remaining beds are occupied by self-funders, health funded residents, residents placed by another Local Authority or are vacant.

7.13 Supported living we have approx. 40 providers (4 main Providers) supporting in the region of 240 clients at any one time. Supported living predominately supports people with a learning disability and or autism and mental health.

7.14 Shropshire has had significant workforce pressures and we have seen this specifically from mid 2021 when the council struggled to ensure the right domiciliary capacity with at the time estimated to be approx. 200 carers short for what was required at the time to meet demand. A recent report from care sector stated that 66% have described recruitment and retention as difficult or very difficult so this continues to remain a challenge despite seeing an improvement.

7.15 The number of contacts to the council on an annual basis has increased as you can see in the table below:

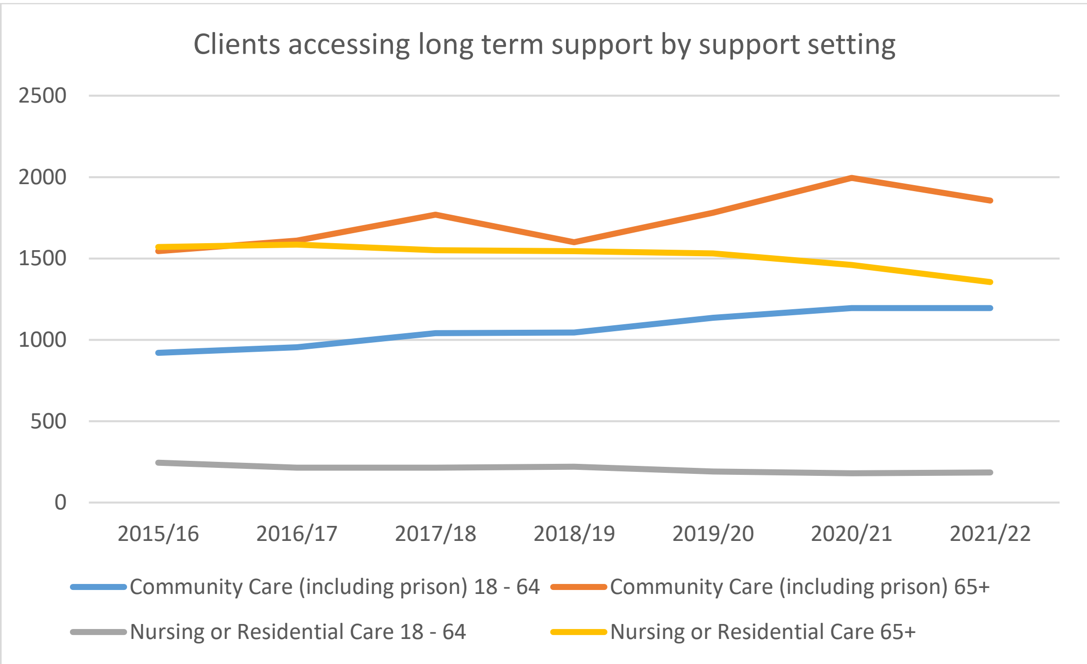
1 Apr 2021 - 31 Mar 2022	1 Apr 2020 - 31 Mar 2021	1 Apr 2019 - 31 Mar 2020
20577	18121	17813

7.16 The quality of the market based on CQC criteria are generally high compared to the rest of the region and for domiciliary care they top in the region for Outstanding Dom care providers.

7.17 Care homes; the quality across the market has remained relatively stable and benchmarks high across the region, however have seen increasing quality concerns. Approx 80% of homes are currently rated as good or outstanding.

7.18 A good quality market is a priority for commissioners and will make sure we have the capacity available across the market.

7.19 Whilst we are seeing increasing contacts to the council we continue to see good performance with people in receipt of long term support which is evidenced below:



7.20 Whilst we have seen good performance in the above, we have seen substantial increases in costs across the market but in particular with care home placements, especially since the covid pandemic. This has been due to many factors including workforce challenges, complexity of the client and wider inflationary pressures which has added to the social care budgets.

7.21 What have we done to support the market?

- Recruitment and retention fayres to encourage people to work within the care sector.

- Increased hourly rates to the domiciliary care market by 12% to reinvigorate the market.

- Piloting technology to support people differently to inform future models of support and embed it as business as usual practice.

- Developed joint contracts with health for 2 carers in a car so they are efficient and cost effective.

- Working with planning colleagues to ensure the right accommodation is built; reducing the need for residential and increasing complex nursing provision and affordable housing for our workforce.

- Place based commissioning for example putting in block contracts in areas such as the south to ensure capacity.

- Focus on reablement and developing our inhouse provision START team to put more people through reablement by providing support for people who need help to get back on their feet.

- Trialled a falls response service with the aim for it to inform a future model

- Fair cost of care review across both care homes and domiciliary care sector

7.22 What are we planning to do?

- Working with Public Health to develop a Prevention Strategy, looking at demand management and how we can support people and divert people to services they need if they do not need formal care. This will include looking at the ‘front door’ to ensure people get access to information and advice when they need it and avoid decisions being made when they are at crisis

- Completion of a Market Position Statement to inform the market on the direction of travel and future commissioning intentions.

- Developing models to predict need and capacity across the care market and domiciliary care; the care home model will inform where we have gaps so we can work to address these gaps.

- A new quality assurance framework to inform risk and actions to address concerns and improve quality across the market.

- Developing the Care at Home offer as part of the transformation work aligned to the Shropshire Plan.

- Redesigning the Supported living model to ensure a sustainable model for both Providers and the council.

- Redesigning the reablement offer across the system to ensure people who need reablement get the support to improve their health and mobility.

- Looking at the information and advice available to people to access and divert them to appropriate services to support them rather than needing formal care.

- Further develop the use of technology and digital solutions to enhance the support for people and reducing the pressure on the workforce whilst giving people continued independence.

- Care home fee review using multiple information including the cost of care exercise, benchmarking and current rates; this is to ensure a sustainable market.

- Jointly commission with health and partners; we have done some joint contracts and just about to go live with a tender for the integrated equipment store across both Shropshire and Telford and Wrekin council and the ICS.

- Developing our co-production framework to inform service redesign around peoples needs.

8. Additional Information

8.1 With the proposed new national changes to social care including ‘charging reform’ delayed until October 2025; and the council and ICB Care Quality Commission (CQC) assurance inspections which came in from April 2023; the council must ensure that it can meet the changes and increased demands and meets needs of our residents.

9. Conclusions

9.1. Managing the market is not only a duty on the council but it is imperative to ensure a choice and good quality services are available to support our most vulnerable residents to remain well and independent. This means supporting our market to grow and develop into a sustainable and innovative market which is person centred, giving them clear direction on commissioning intentions.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Local Member:

***Consultation with Local Member –** Please consider the Local Member Protocol (see page E60 onwards of part 5 of the Constitution) and determine whether it is necessary to consult with the local member over the proposal set out in this report. This may not always be applicable (eg where the proposal affects all of Shropshire) but it should always be a consideration and in some cases a necessity so as to comply with the spirit of the Protocol.*

Appendices [Please list the titles of Appendices]