



COUNCIL – 24TH NOVEMBER 2022

SUBJECT: REGIONAL MARKET STABILITY REPORT 2022 - 2025

REPORT BY: CORPORATE DIRECTOR FOR SOCIAL SERVICES AND HOUSING

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1. PURPOSE OF REPORT

- 1.1 Each Regional Partnership Board (RPB) in Wales is required under Section 9 of the Social Services and Wellbeing (Wales) Act 2014 to publish a regional overview of the stability of the commissioned services in that area.
- 1.2 This report takes an overview of the current position of the registered services in Gwent with a specific focus on the relative 'stability' of the services commissioned. This is known as a 'Market Stability Report' (MSR).
- 1.3 This report seeks the views of Council to:
 - a. As required under the Social Services and Wellbeing (Wales) Act 2014 (SSWBA) accept and agree the Market Stability Report for the local authority area.
 - b. The Local Authority continue to engage with Regional Partnership Board (RPB) and support the development of the regional Area Plan, where actions will be identified setting out how priorities will be addressed.

2. SUMMARY

- 2.1 The MSR is a statutory document which each statutory partner is required by Welsh Government to produce on a three yearly cyclical basis. A regional overview report must also be published on the same timescale.
- 2.2 Local Authorities are required under the Social Services and Wellbeing (Wales) Act 2014 to work in partnership with health boards to produce a regional MSR.
- 2.3 The MSR sets out the extent to which the commissioned services are stable within the regional and local footprints to support people in need of care and support.

3. RECOMMENDATIONS

3.1 For Council to endorse:

3.1.1 As required under the Social Services and Wellbeing (Wales) Act 2014 accept and agree the MSR for the local authority area.

3.1.2 The Authority continues to engage with RPB to support the development of the Regional Area Plan which will set out actions that address how priorities will be met.

4. REASONS FOR THE RECOMMENDATIONS

4.1 The MSR has been completed by the RPB and in close consultation with the statutory partners including the 5 local authorities, the Aneurin Bevan University Health Board (ABUHB), third sector organisations and local citizens and service providers.

4.2 To ensure Caerphilly County Borough Council fulfils its duty under the SSWB Act.

5. THE REPORT

Care Homes

The 6 commissioning organisations in Gwent currently commission 106 care homes and 109 domiciliary care providers for older adults across the region. Prior to the COVID-19 pandemic, there were few concerns with regards to care home vacancies and the financial viability of providers. Most providers require at least 90% occupancy to remain financially viable. Care home bed vacancies are monitored on a weekly basis at local and regional levels. However, the COVID-19 pandemic had a significant impact on the provision of care and support in Gwent.

The residential care home market is, however, generally stable, although Gwent currently has elevated vacancies. However, there are growing signs of vacancies beginning to return to levels previously common prior to the pandemic. A significant increase in vacancies occurred due to the effect of COVID-19, prolonged periods of fewer admissions, suspension of admissions due to infection and prevention control measures and some resulting from the advent of escalating concerns/provider performance issues. There was also some anecdotal evidence of a possible change in attitude towards choosing to live in a care home and this may also have been an additional factor. Staff isolation requirements meant that homes also experienced significant staff shortages thus impacting on providers' ability to accept admissions.

Domiciliary Care

Due to the COVID-19 pandemic and staffing shortages, domiciliary care services are currently at critical levels and are at times unable to fully meet demand. Staff continue to leave the sector due to poor pay, terms and conditions and costs of employment (such as driving and registration). In recent months this situation has been further exacerbated by the cost-of-living crisis and particular the rising cost of fuel. Staff shortages have increased delayed transfers of care from local hospitals, creating a bottleneck across the wider system. There is currently a marked increase of individuals requiring care at home and it is unsure as to whether this will continue following the COVID-19 pandemic. There is also concern about the number of packages of care that are returned to commissioners, - over 70 providers returning more than 950 weekly

hours per week. This causes commissioners to prioritise the most vulnerable citizens with complex needs.

Partnership approach with care homes and domiciliary care agencies

Throughout the pandemic regular, often weekly, webinars were held separately with care homes and domiciliary care agencies. This helped to build a positive working relationship with these key organisations to understand and to support them to continue to deliver good quality, responsive services during the pandemic. It also provided a useful platform to engage providers in critical messages about infection and prevention control and to consider business continuity issues. The seminars continue to be held monthly and are much valued by LA's, ABUHB and service providers alike.

This regional approach adopted in Gwent has resulted in developmental work primarily in relation to market stability, and specifically to support workforce recruitment and retention across the social care sector. Commissioners in Gwent currently pay some of the highest rates to providers in Wales. The removal of subsidies from Welsh Government has been a challenge, alongside the rising costs of service provision.

Emotional well-being of the health and social care workforce

Gwent MSR has identified that there is a need to further support the emotional wellbeing of its vulnerable population. The emphasis is now placed on 'what matters' to an individual and commissioning practices will need to change to reflect this. The further development of preventative services is also key to maintaining the independence of individuals.

Mental health and learning disability services

The COVID-19 pandemic has had a significant impact on mental health support for adults and children, with waiting times for the Child & Adolescent Mental Health service (CAMHS) increasing. Early intervention has been identified as an area for improvement, as has supporting people with learning disabilities to live independently in their community alongside earlier diagnosis of Autistic Spectrum Disorder (ASD). In addition, ABUHB are finding it difficult to place complex people with learning disabilities closer to home and therefore this is a growing commissioning issue. Gwent's Shared Lives service is set to expand further with a focus on mental health and learning disability services. Gwent Mental Health and Learning Disabilities Partnership aims to establish what actions are needed to improve the lives of people in Gwent. Finally, a robust action plan has been agreed between all commissioners and the Regional Partnership Team that will pick up commissioning related issues across the piece.

Children's Services

The regional strategic priorities for children and families in Gwent are:

- To improve outcomes for children and young people with complex needs through earlier intervention, community-based support, and placement closer to home.
- There is a need to strengthen services and partnerships around a single front door approach to reduce onward referrals between organisations and establish the right intervention at the right time.

- The RPB will continue to implement the principles of NEST/NYTH across all services. Co-production, integration and seamless transitions to adult services remain a key objective.

Children's services are currently insufficient to meet the needs of the region in terms of residential services and foster placements. Demand for foster services currently outstrips supply and it is often difficult to source the right type of placement. The lack of appropriate residential services results in children being placed out of County and Gwent LA's are now focussing on increasing capacity through in-house and external developments and investing in preventative services.

All 5 LA's work in partnership with providers to develop individualised packages of care for local children, supporting independence and resilience. Excessive profits for some independent providers are considerably higher than expected due to a lack of competition and viable alternatives. However, Welsh Government's policy commitment to 'eliminating profit' in children's residential and foster care could inadvertently act as a deterrent to future investment. The successful transition to a 'not for profit' model will need to be managed appropriately to avoid further pressure on local authority children's services. A robust bid for Integrated Care Funding has been developed and submitted. This focuses on building capacity to develop alternatives to independently provided and commissioned services in line with Welsh Government policy.

5.1 **Conclusion**

In Gwent, individuals have a choice of the services available to meet their needs. However, the stability of the market in adult services is likely to be put to the test during financial year 2022/2023 as increasing cost pressures mount, allied to long running and entrenched recruitment and retention difficulties; and this will further expose the sector to increased levels of risk, this is especially so in the adult domiciliary and residential care markets.

In mental health and learning disability services there is a renewed opportunity for the regional team and commissioning organisations to work closely to develop a framework for action and to take on several key commissioning related activities to further support people at local and regional levels.

In children's services a careful balance will need to be struck between ensuring that the right level of services for looked after children are commissioned close to home and to reduce reliance on high profit organisations often far away from people's homes.

Each of the areas summarised above will be picked up and considered as part of the area planning process and where at all possible mitigating measures will be taken to minimise any associate risks.

6. **ASSUMPTIONS**

- 6.1 None made.

7. **SUMMARY OF INTEGRATED IMPACT ASSESSMENT**

- 7.1 None anticipated.

8. FINANCIAL IMPLICATIONS

- 8.1 There are no financial implications linked to the recommendations of this report. However, future decision-making may have financial implications for statutory organisations within the RPB.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no personnel implications associated with this report.

10. CONSULTATIONS

- 10.1 This report came before the Social Services Scrutiny Committee on Tuesday 11th October 2022. The report was introduced by the Cabinet Member for Social Care.
- 10.2 Following a comprehensive discussion members supported the recommendations unanimously with no amendments requested.

11. STATUTORY POWER

- 11.1 Social Services & Wellbeing (Wales) Act 2014.

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Councillor Julian Simmonds, Cabinet Member for Highways and Transportation
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Gareth Jenkins, Head of Children's Services
Stephen Harris, Head of Financial Services and S151 Officer
Robert Tranter, Head of Legal Services and Monitoring Officer

Appendices:

Appendix 1 Market Stability Report

Other background papers: Gwent Population Needs Assessment