

Market Sustainability Plan

Revised assessment of the current sustainability of local care markets:

Specifically those in scope of the Fair Cost of Care (FCoC) exercise – 65+ care home market / 18+ home care market

Summary

The Royal Borough of Greenwich has undertaken an analysis of the current sustainability of the local care markets as required. As the report details, the impact of the work already being undertaken evidences a sustainable market, that is managing capacity levels. There are currently no residents awaiting a package of care and there have been no recent provider exits from the market.

Our reliance upon ‘out of borough’ beds is reflective of the limited total bed capacity available within Greenwich. Resident numbers have been at a consistent level for the past three years. Whilst we anticipate there will be additional demand for care home beds over the next few years, we know that length of stay is shorter than previous years and so turnover of residents could be higher. This reflective of reported national trends.

Taking a ‘Home First’ approach, Greenwich provides residents with support at home or intermediate care wherever possible, which is reflective in the increased number of home care service users. Our use of home care providers is limited to seven providers who have contractual obligations under our new framework. Each provider is assigned to a set geographical area and the specified provider is responsible for all new referrals for domiciliary care. In the main, capacity is meeting demand in all neighbourhoods however there are some areas that are experiencing more of a demand for services than others, and capacity is slightly more limited due to workforce availability. There are a number of ‘off contract’ providers delivering home care within the borough.

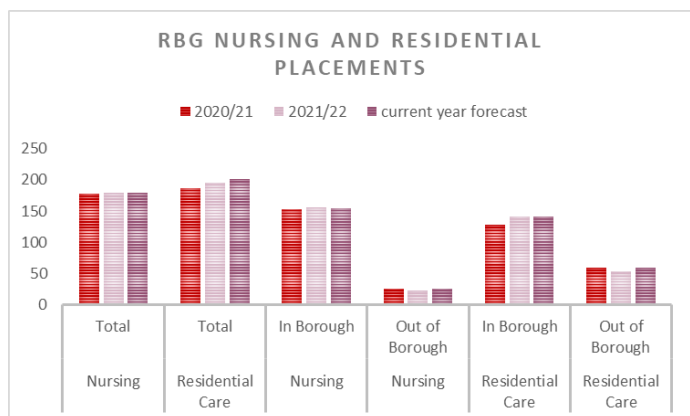
65+ care home market

The Royal Borough of Greenwich (RBG) has eleven older people care homes in the Borough with approximately 650 beds across all categories of care. Three of the eleven older people homes are Private Finance Initiative (PFI). The use of PFI funding allowed RBG investment to increase ‘in borough’ bed capacity using private sources of money to pay for the upfront costs of the design, build and maintenance of the three homes. The costs of this borrowing are repaid annually over many years. This contract started in 2002 and ends in 2032. The homes have evolved over time with variations enabling RBG to re-configure units to better meet the needs of the local population and system. Our PFI homes account for approximately 30% of the local care home market. commissioned by a block contract, with set fees for all beds.

All other older peoples placements are purchased on a ‘spot’ basis, of which approximately 43% are residential beds and 57% nursing beds.

We have seen an increase in commissioned rates, with new placements being purchased at a higher rate than previous years. This has allowed providers to remain sustainable and factor in increased operating costs when setting fees.

Analysis of fees evidences that SPOT purchased beds are being commissioned at an 8% higher cost than the previous year, perhaps in anticipation of the introduction of section 18(3) of the Care Act 2014 in October 2025. Providers will continue to benefit from cross-subsidy of rates during this extended period.



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Spot contract fee negotiations need to consider affordability, sustainability and budgetary impact whilst being aware of provider cost pressures such as Cost, Inflation, Quality, Workforce, Vacancy rates and Staffing ratios. Whilst spot placements are individually negotiated and set following provider discussion; we endeavour to set a ‘range’ in which we work within.

We are currently supporting 153 people in long term residential placements, 10 more than at the beginning of the financial year. We are currently supporting 200 people in long term nursing placements, 8 less than at the beginning of the financial year. Spend on nursing placements has increased by 10% this year. Spend on residential placements has increased by 12%.

In addition to long term placements we are seeing increased short-term activity. 64 older people have been supported in short term residential care so far this year, 17 more people and 543 more weeks of care compared with the same period last year.

The table below outlines the average occupancy in Greenwich care homes for the period 1 April 2021 to 31 March 2022 as required in our draft Market Sustainability Plan, submitted on 14 October 2022. This data was taken from the providers submissions in the Fair Cost of Care exercise, which accounts for 90.90% of the older peoples market and excludes one home who did not submit a response.

2021-22	Total Capacity	Occupancy	Local Authority funded	Joint Funded	Private	CHC Health /	Other
Total capacity	569	491.57	298.72	61.1	63.08	68.67	0
%		86%	61%	12%	13%	14%	0%

At our most recent assessment of the market in March 2023, occupancy levels had increased however the percentage of which were self-funding residents remained unchanged (all providers).

Total Beds in the home	Current Occupancy	Of which are Private
665	611	73
100%	92%	12%

The delays to ASC Charging reforms are not expected to have a significant impact upon RBG providers. There are 73 self-funded beds across RBG in total, across all older people care home settings. Of our eleven older people’s care homes, self-funding residents account for 35-45% of beds for two homes, and 15-20% of beds for a further two.

At present, bed availability for older people in Greenwich remains consistent however analysis shows that Residential Dementia beds are extremely limited in supply.

As at 22.12.22, within older people homes there were 24 vacant, available beds and 16 people awaiting admission. The position remained unchanged at 27.02.23, with 26 vacant, available beds and 17 people awaiting admission. The Borough is working diligently on demand modelling and data analysis so that services and support can be adjusted to match need variation and market growth which is detailed further below.

The PFI homes contractually have a small number of private beds as it enables RBG to secure capacity in the local market. Over recent years re-configurations have enabled the Council to release a small number of additional beds in these homes for the self-funders to ensure the homes are accessible for all. However, this low level of private beds in each of the three homes impacts the long-term affordability from the local authority and this would not be sustainable or affordable if all homes replicated this balance.

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18+ Home Care

There are a large number of registered home care providers with The Royal Borough of Greenwich (RBG) - 31 at September 2022, and 38 as of 1st March 2023.

At the time of writing our draft submission, we had a contractual arrangement with three providers who operated within a controlled specification linked to various contractual key performance indicators. The three providers had their CQC registration out of borough but delivered care to the entirety of Greenwich, divided into thirds (Woolwich, Greenwich, and Eltham). They accounted for approximately 75% of our home care use for 18+ Home care market. The remaining 25% was supported via spot contractors. This includes the delivery of domiciliary care to our Extra Care settings.

In mid-October 2022, as part of our new home care model (LNCS), we increased the number of contractual providers from three to seven, all of whom will have smaller geographical patches and as part of the new home care contracts we will require providers to re-locate their registered offices to within the Local authority by October 2023. Some of these providers will be classed as medium size (150 – 200 service users per branch).

To ensure consistency in delivery of care and workforce support, the LNCS home care service incorporates the provision of care and support within our Extra Care settings.

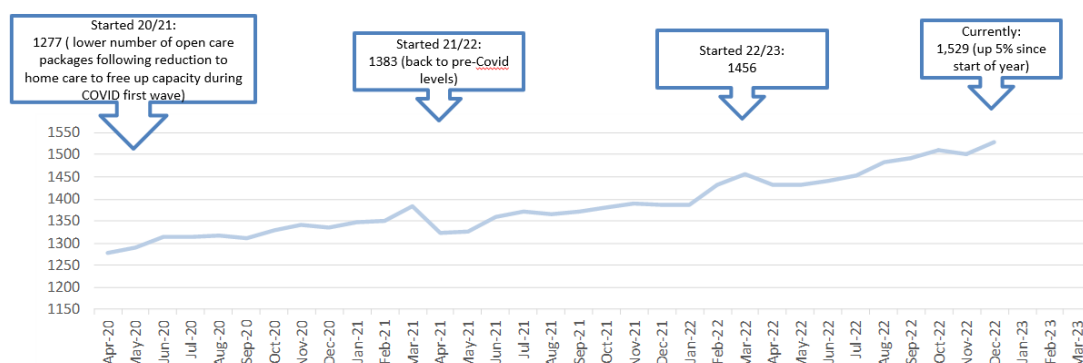
RBG is committed to paying the London Living Wage for care staff working for agencies contracted with the Borough. To facilitate this we work closely with providers to ensure that rates paid by the Borough support this with home care providers paid an average of £19.04 an hour (Annex A of the FCOC).

We work closely with providers to support with recruitment and workforce development. We have incorporated specific elements within the new home care contracts which further support local recruitment incentives, improved conditions for the workforce and increased care staff development and training; all of which we anticipate will improve retention and consistency of care delivery.

To compliment the new model of Home care we have forged greater links, and will continue to do so, to local resources and community assets via localised neighbourhood working and joined up practice with Public health, GPs, nursing and SELICB all of which we hope will improve the sustainability of the local Home care market and ensure we have capacity in all areas alongside a consistent approach to service delivery.

Prior to the Covid-19 pandemic the home care market within RBG increased at a consistent rate of 4% per year. During 2020 the growth of the local market reduced significantly; the table below illustrates the increase in demand experienced since the start of the pandemic, post the initial downturn in home care use. The number of people supported at the end of December is 7% higher compared with the beginning of the financial year, and hours commissioned is 4% higher (around 1000 more hours of care per week compared with April 2022). We are supporting 28 more people with double handed packages, currently 340 people with double handed care compared with 312 at the beginning of the year (up 9%).

Number of people in receipt of home care services at month end:



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Our use of home care spot providers is limited to those registered within the Borough. Our local market is made up of a number of small providers, who predominantly support self-funding residents.

Out of the 31 providers registered within the Borough, RBG utilises 21 providers via historic commissioning arrangements. Over the past 18 months there has been a rapid increase in the number of providers registering with CQC In Greenwich, not all of these providers are delivering care.

RBG does not currently have a waiting list, we have no residents awaiting a package of home care to be commissioned and due to the structure of the local market, and the contractual arrangements in place, there is adequate supply to provide continuous care. Capacity in the market has supported increased hospital discharge demands and has positively affected Criteria to Reside targets. We have utilised ASC Discharge Fund to bring in additional home care capacity which includes providers not on the framework.

The Home care market within Greenwich is considered diverse, however the majority of providers are small (Under 50 registered users) there are a number of larger providers situated in the Borough, a number of whom operate region wide contracts from their registered offices within the Borough.

Capacity

Geographically we recognise that Eltham has limited bed-based care provision with people having to move to neighbouring boroughs, or further north of the borough when a care home need is identified. Our future plans will include how we can engage through the Market Position Statement (MPS), planning process and as part of developing housing strategies to support older people in Eltham.

The Greenwich and Woolwich areas of the Borough have more home care capacity due to the compacted number of providers located in those areas; Eltham can prove more challenging due to the geographical makeup of the area; however, this is mitigated in the new home care contracts by dividing the area which will enable better coverage and capacity.

Quality

Quality remains an important aspect of our support and sustainability plans. At present, one provider has been downgraded from 'Good' to 'Requires Improvement.' All the other ten in-borough homes are rated 'Good' with the Care Quality Commission (CQC). RBG have a dedicated Commissioning and Quality team who support the homes, their residents and relatives with localised action plans formulated in partnership with providers and partners following regular 'quality monitoring' visits. The dedicated team work closely with homes to help facilitate good care and achieve consistent good ratings with the CQC.

As a result of the number of home care providers registered in the Borough, quality rated by CQC fluctuates. We work with providers through our internal quality monitoring programs to ensure that services are safe and will cease use of any spot contractors who fail to meet our quality standards. As part of our new home care contracts, we restricted applications to providers who were able to demonstrate a consistent quality standard via CQC ratings.

Quality is monitored using internal alerts generated by social work teams, safeguarding concerns and complaints. We work in collaboration with providers to improve quality and service delivery. Providers are being closely monitored by the Integrated Commissioning Team as we mobilise our new service. Intelligence is gathered and shared with SEL counterparts, CQC and NHS colleagues in order to maintain a helicopter view of delivery of care, allowing proactive management of anticipated service disruptions.

Market Sustainability Plan

Operating Challenges

Some providers have been unable to return to operating at maximum capacity which affects long term sustainability. Staffing issues are the primary reason for inability to facilitate a higher intake of residents. We have committed to support with workforce recruitment and retention challenges and as a result of our discussions, in January 2023 were able to passport additional funds from the ASC BCF Discharge Fund to support in this area. We will continue to passport funds to providers, where permissible within funding conditions, to address ongoing challenges – not just with workforce.

Since the Covid pandemic care providers have experienced higher acuity of people being discharged from hospital which has resulted in managing more complex needs. Traditional categories of care are now showing signs of higher acuity and complexities. This impacts the level of candidate required when navigating the recruitment process and we know that workforce is the main challenge faced by the care sector locally and nationally.

Assessment of the impact of future market changes between now and October

2025: Specifically those in scope of the Fair Cost of Care (FCoC) exercise – 65+ care home market / 18+ home care market

Ongoing, collaborative engagement with providers and stakeholders has allowed the production of a meaningful Market Sustainability Plan, which seeks to address the key challenges within our local care sector. We expect this work to continue and invite providers to remain open and honest with commissioners about the pressures they face and feedback regarding what is working, and areas that could be improved.

Local Authorities have a number of duties under the care and statutory guidance within the Care and Support Act 2014 places on emphasis on the Local Authority leading a shared understanding of supply (our markets) and future demand (people's on-going needs).

Workforce challenges have resulted in capacity being unavailable and we expect this to continue throughout this period. The mixture of higher acuity and workforce recruitment and retention indicate market instability. It is anticipated that the PAMMS tool will enable commissioners and provider to target support to stabilise the market and support the workforce to have the right support to deliver the best outcomes for people.

The covid pandemic has resulted in an increase in workforce turnover. It has been a local priority to support the recruitment and retention of the local workforce during the Pandemic including passporting funding to providers to support workforce retention. The 'turnover' rate for home care staff remains high and presents a challenge for home care providers in the Borough, the impact of this rate is more noticeable in the Eltham area.

We recognise the importance of pay within the care sector and the impact nationally that this has on Care Home recruitment. As a Local Authority we are committed to paying London Living Wage for our Home care providers; we are working closely with Care Home providers to support local recruitment in a competitive recruitment market. We recognise the importance of care worker pay and endeavour to support providers to allow rates to increase in every way possible.

A summary of the adult social care sector and workforce in Greenwich 2021/22, produced by Skills for Care, reported that the total number of posts in Greenwich was around 6,400. This was comprised of 6,000 filled posts and 400 vacancies. Since the previous year, the total number of posts had decreased by 450 (-7%) the number of filled posts had decreased by 650 (-10%) and the number of vacancies had increased by 225 (110%).

Market Sustainability Plan

Providers listed the top workforce related challenges to be:

- Insufficient suitable applicants – this included the increased skill set they are now looking for, to meet the needs of more complex residents that are being cared for in the community.
- Current workforce are lacking in morale, do not feel they are getting recognition for their work and undervalued in comparison to NHS counterparts. including the inability to match rates of NHS pay. This is not helped by NHS strikes and should pay be increased, providers fear that they will likely see staff leave in favour of working for the NHS.
- Providers state that they are often unable to offer significant career progression and training is fairly limited for those looking to advance their skill set.
- Workforce are burnt out and are leaving the sector for roles with more pay and less responsibility (e.g. hospitality / retail).

Whilst short term funding has been helpful to support the market and workforce, long term investment is needed to deliver a more sustainable provision. Providers also stated that the level of detailed reporting, coupled with the strict conditions attached to grant funding is not always helpful to relieve workforce and financial pressures in the right way, at the right time, which frustrates them.

The Royal Borough of Greenwich (RBG) have commissioned The Access Group's Provider Assessment and Market Management Solution (PAMMS) Social Care landscape tool. The landscape tool will provide detailed analytical data to support our ongoing Strategic Commissioning, including market sustainability planning. The system uses numerous data sources, including: ONS population data, National POPPI & PANSI data, Credit reference data, CQC data and Food Standards data which are drawn together to allow projections to be made. This tool will support in gaining a better understanding of the impact of Section 18(3) of the Care Act 2014 and local market and having more detailed market oversight. This tool will also provide the data for our Market Position Statement and Market Shaping Strategy. We will continue to work collaboratively with other South East London boroughs to support this work, to ensure we have consistent regional approach.

We are already working with our ICS colleagues to develop strategic tools to help manage the commissioning supply and delivery of care in the community which directly affects delays to hospital discharge. The landscape tool will allow us to draw upon a range of data and intelligence regarding our regulated care markets in the Borough boundary, but also service Providers we commission services with nationally.

RBG is in an advantageous position to oversee how changes affect the demand for care and take a deep dive into commissioned spend activity across different client groups and service Providers. The Social Care Landscape Demand Model will further support this oversight as it combines statistical forecasting with artificial intelligence to make accurate predictions about activity levels and help monitor and measure change. The Social Care Landscape Risk Profiler uses risk stratification techniques, data is used to produce dashboards focusing on risk across a number of sectors developed domains

The Borough is working diligently on demand modelling and data analysis whilst we await implementation of this software so that services and support can be adjusted to match need variation and market growth which is detailed further below.

Our older people cohort is anticipated to grow significantly between now and 2025 and continue to impact on the next 15 years, which we are considering as part of our longer-term strategic planning.

Market Sustainability Plan

POPPI and PANSI Greenwich Specific Data published March 2020 population growth percentage

Age group	2022	2023	2024	2025
18-64	2.00%	3.00%	4.00%	4.00%
65+	4.00%	6.00%	9.00%	12.00%

Throughout the Covid pandemic we have seen the fragility of both the care home and home care markets. This system will assist early identification of risk factors that impact provider failure.

We know that the 65+ age group makes up a sizeable portion of our care market, especially in the Care Home and Home Care market. This is likely to impact upon both market stability and sustainability of provision over the next three years as identified in the table below.

Type of Care	% 18-64	% 65+
Residential	28.70%	71.30%
Nursing	6.60%	93.40%
Domiciliary Care	28.73%	71.27%
Total commissioned care (Across all services)	48.58%	51.42%

The Care Home market in Greenwich is currently operating at approximately 92% capacity, and home care operating framework providers at 70% capacity. We have already identified the requirement to increase capacity proportionately and we are mindful that an oversupply of service provision will be detrimental to market. Providers repeatedly voiced concerns about the number of new services to market throughout the engagement sessions.

We began mobilisation of our new home care contract in October 2022. We have incorporated a ‘Progressive change’ element within the model; this will focus on supporting providers to adapt and change the way they work, interact with the Local Authority, and provide independence enhancing care and support to residents. Through progressive change we will work collaboratively with providers to adapt their care delivery in line with our ‘thinking differently’ initiative, focusing on strengths-based assessment, care delivery and improved outcomes.

The expected charging reforms will also impact self-funders currently paying for their own care with providers, and people paying the Local authority the full cost of their care based on their financial assessment. These people will be impacted as the local authority moves towards paying the fair cost of care.

In Greenwich, as demonstrated through continuous assessment of the markets, we anticipate the self-funder percentage of people residing in care homes to be approx. 12%. We do not expect this to change significantly in the period to 2025.

Using data from our case management system, RBG can also anticipate additional impact upon reforms from:

- 185 people living in their own homes paying the full cost of their care provided by a home care agency
- 24 people living in a care home, paying the full cost of their care
- 228 people living in a care home, contributing towards their care
- 21 people living in a care home under a deferred payment paying rates that range within known private minimum and maximum range

Market Sustainability Plan

SEL sub-regional boroughs worked collaboratively on the FCoC exercise; there continues to be regular information sharing meetings to understand the risk/issues on the market sustainability across the sub-region and to share learning and best practice on methodologies used in completing tasks, including some cross borough FCoC market engagement activities to support providers with the exercise.

The impact of Covid has evidenced in an increase for the support required for long term conditions, such as Dementia, which was echoed by providers during our engagement sessions. RBG has a Dementia strategy which is currently being refreshed. This strategy incorporates developing the ‘Dementia Inclusive Greenwich’ initiative, so the borough remains a dementia inclusive place to live, work and visit.

Whilst the FCoC analytical work and the MSPs were developed locally to suit local needs of each borough; there is now a sub-regional agreement to build on the wider understanding developed via the FCoC work in the future to support the care market as a sub region.

Plans for each market to address sustainability issues, including fee rate issues, where identified: Specifically those in scope of the Fair Cost of Care (FCoC) exercise – 65+ care home market / 18+ home care market

MTFS & MSP Funding

Since the start of austerity in 2010, the pressures on scarce revenue resources have grown and over the last few years due to an increasing demand from a growing population, complex need patterns, price increases and reduction in government funding. Since 2010, the council has been faced with pressures of around £150m when you take into account cuts to noncore grants, cash frozen grants and the significant demographic demand growth that the borough has faced coupled with price inflation pressures, with inflation up by around 50% by the beginning of 2022/23. With increasing demand, rising costs and ever decreasing resources – services for vulnerable residents continue to be at risk if this situation continues.

The graphs below demonstrates overall anticipated revenue and considers proportionality of MSP and ASC social care precept funds in relation to total revenue. This is referenced within our Medium Term Financial Strategy.

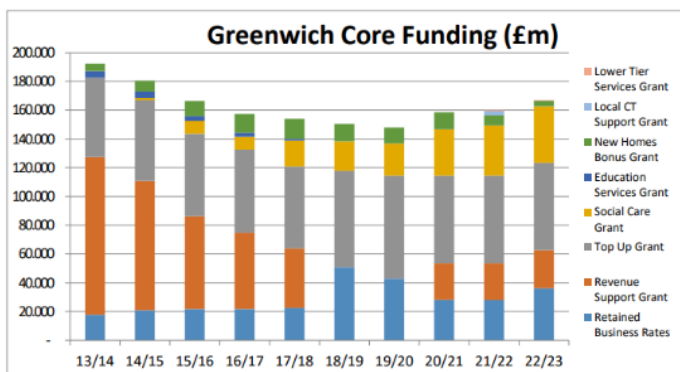
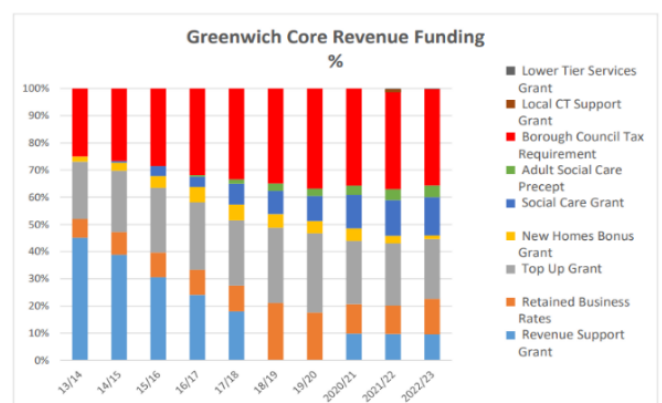


Chart 1: Core Funding 2013/14 to date



Greenwich’s share of the additional Social Care Grant funding is £9.281m. This grant will continue to not be ringfenced and conditions or reporting requirements will not be attached. However, £1.135m of this funding is replacing the 2022/23 Greenwich Independent Living Fund and therefore is not additional funding.

The Royal Borough 2022-23 grant allocation for Fair Cost of Care and Market Sustainability was £897,937. 83.14% was used for provider fee uplifts.

Market Sustainability Plan

65+ care home places with nursing	£100,802.91
65+ care home places with nursing, enhanced needs	£131,837.91
65+ care home places without nursing	£3,398.12
65+ care home places without nursing, enhanced needs	£28,649.14
Spending associated with fee increases for 18+ domiciliary care	£481,820.92

For 2023-24 RBG has been allocated £3.1m. We are currently awaiting grant conditions for the 2023-24 fund and we are therefore unable to give an exact position regarding allocation of spend for the next grant, as it is not likely to be restricted to the 65+ care home and 18+ home care cohorts.

Fair Cost of Care & Market Sustainability Fund

The completion and reporting of local cost of care exercises for 65+ care homes and 18+ domiciliary care was a mandatory requirement of the [fund](#).

Local authorities were required to survey a range of providers (representative of the local market) as part of the cost of care exercise, to improve their understanding of the actual costs of delivering care in their area. Local authorities were required to use the exercise to determine and report the median actual operating costs for the above categories, plus evidence and values for return on capital and return on operations. Together these made up the fair cost of care. The FCoC exercise presented significant and fundamental constraints, including issues with data quality, lack of clarity in the structure and guidance for the exercise and unreliable results being produced by the mathematical median calculation method.

These limitations are such that the results produced by this exercise cannot be treated as wholly reliable or accurate. In practice, and as many local authorities move towards paying the 'fair cost of care', it is expected that actual fee rates paid may differ due to such factors as rurality, personalisation of care, quality of provision and wider market circumstances. Please see our published [Annex Bs](#) for more information.

We recognise that there are disparities in rates presently paid by Greenwich verses the rates calculated through the FCoC exercise. A further analysis exercise has been undertaken to support the transition between these rates and a move towards paying a fairer cost of care, and we will work with our Finance team to identify and plan for the impact and offset against income.

Some providers in Greenwich have started to advise that they will restrict Local Authority access to available beds, favouring higher paid self-funding residents. This has been taken into consideration when reviewing fees noting that overall, self-funding residents make up 12% of the market in Greenwich.

The new home care tender process focused on quality service delivery, progressive change, and new models of support. Within the tender pricing accounted for 30% of the scoring methodology compared to previously 60% of our score to focus on pricing submission. RBG adopted the ADASS pricing tool to underpin sustainable market pricing and adapted the use to ensure geographical changes were accounted for. The ADASS tool is similar to the LGA tool which was utilised for the FCOC data collection. Therefore, our new rates for providers under the new home care contract are more aligned to the outcome of the FCOC process.

As set out in the Care Act 2014, there is a duty on local authorities to assure themselves and have evidence that fee levels are both affordable and appropriate to provide the agreed quality of care, and enable providers to effectively support people who draw on care and invest in staff development, innovation and improvement. This has also been factored in to review discussions.

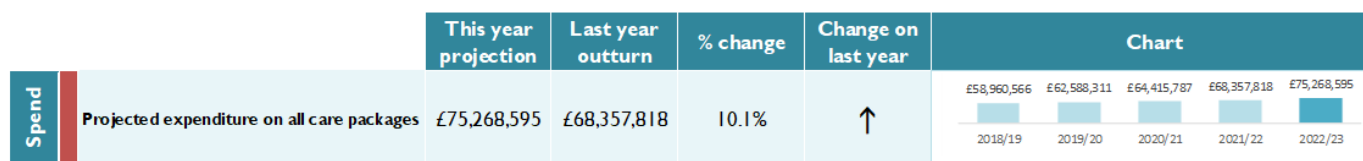
This is further reflected in the [Managing Public Money](#) guidance, which sets out the main principles for dealing with resources in UK public sector organisations. Specifically: 4.5.2 Each public sector organisation should run efficient systems for managing payments. It should also keep its use of public resources within the agreed budgets, take the limits into account when entering into commitments, and generally ensure that its spending profile is sustainable.

Market Sustainability Plan

Current level of spend, affordability and supply for additional future demand has been considered and we have undertaken projection modelling based upon ONS, POPPI and PANSI data. The below table shows the anticipated additional number of 65+ placements expected to be required by RBG until 2025. We also consider the year on year spend across all care packages and how this affects our 2023-24 budget.

Type of bed	% 65+	2023 Additional Clients 65+	2024 Additional Clients 65+	2025 Additional Clients 65+
Residential	71.30%	10	16	23
Nursing	93.40%	11	18	26
Totals:		21	34	49

	Current Total	% 18-64	% 65+	2023 Additional Clients 18-64	2023 Additional Clients 65+	2024 Additional Clients 18-64	2024 Additional Clients 65+	2025 Additional Clients 18-64	2025 Additional Clients 65+
Home Care combined	1386	26.84%	73.16%	11	61	15	97	16	141



Uplift to fees

DHSC Guidance is clear that the ‘Cost of Care’ figures produced by this exercise are not intended to define what any specific care provider is entitled to be paid, advising that “as many local authorities move towards paying the fair cost of care, it is expected that actual fee rates paid may differ due to such factors as rurality, personalisation of care, quality of provision and wider market circumstances”.

RBG has completed a review of residential and nursing spot purchase rates for older people’s services for 2023-24 (non PFI). The review included benchmarking our rates across London and with our local South East London neighbours. Consideration was given to the outcome of the FCoc exercise and intention to move towards paying a ‘fairer’ rate.

A considerable proportion of the available funds to uplift rates is absorbed by the mechanism in the block contract linked to RPI, for our PFI homes. In addition to this the Council is liable for additional costs such as utilities, which does place further financial pressure on the local authority as these costs also rise in line with RPI which as we know has been significant in 2022-23.

The outcome of the review is a decision to take a bespoke approach to uplift spot placements and focus initially on commissioned beds that currently have the lowest rates paid. This will ensure a greater level of consistency in spot commissioned rates. We have analysed current fees and have identified those which are most below maximum rates and will be applying an enhanced uplift to these beds to bring them in line.

We understand the financial pressures currently faced by care providers and therefore we will also be applying a further uplift in 2024/25 on the same basis in principle, subject to factors which are yet unknown and may require us to review our offer. We anticipate that by taking this approach, it will provide some stability in the local market and allow our care partners to plan expenditure and manage cost.

Market Sustainability Plan

RBG has committed to a new model of home care delivery and has recently completed a re-design of services. As a local authority we are committed to ensuring the payment of London living wage to all home care carers; in addition, we plan to decrease use of zero-hour contracts to ensure a stable and committed local workforce and focus of local recruitment to reduce staff turnover within the local market. This contract began in October 2022 and therefore, fees will not be uplifted at this time.

The key sustainability challenge faced by Local Authorities is supporting providers to be thriving businesses, with services funded at appropriate fee levels which give them the ability to pay staff well and deliver good quality care, with sufficient margin for profit.

This challenge is further complicated by some providers utilising the reduction of available capacity and increased demand to push rates higher than the true cost of delivering care. In some cases, supplementary charges are being added to fees which are not related to increased care needs nor evidenced by way of a revised needs assessment. This continues to be a problem faced by both commissioners and self-funders alike.

Just as we do now, we will continue to identify additional funding grants and opportunities for funding to be passported to providers, outside of the uplift process. We want to ensure stability in the market as well continued development and investment. We will continue to work in partnership with Providers and transparently engage, communicate and develop plans to address the disparities.

Provider Engagement

As part of the Fair Cost of Care (FCoC) exercise and Market Sustainability work undertaken by RBG, we have completed a significant amount of engagement with providers. This included further work with colleagues from SEL ICB and has allowed us all to gain a deeper understanding of challenges faced as a joint commissioning unit in the market at present and heading in to the 2023-24 and 2024-25 financial years.

Providers expressed concerns that the FCoC figures collated were not representative of current market conditions and we provided reassurance that inflation rates and the financial effects of cost-of-living crisis would be factored into our fee setting process. We utilised the engagement sessions to discuss the outcomes of our impact modelling and population projections as detailed within this report and the potential impact of future market changes, gaining a valuable provider perspective. This included discussions around a requirement for increasing capacity to meet expected increased demand, whilst maintaining quality levels, and mitigating an oversupply of capacity and the challenges that come with too many providers in the market.

As above, workforce challenges were the forefront of discussions, with providers stating concern for ability to deliver additional demand for capacity unless they were able to recruit. This continues to be one of the key focus areas of ongoing sustainability planning for Greenwich.

We conducted our engagement using virtual sessions via our integrated commissioning team. Providers also had the opportunity to provide feedback via web forms (which remain open) and have been given direct contact details for the Market Sustainability and Fair Cost of Care programme lead. We also gave the opportunity to provide feedback anonymously. We have subsequently published and shared the outcome of our FCoC exercise and our Annex Bs with providers and provided a summary of the challenges discussed during our market engagement events and encouraged feedback should providers feel that there was anything we had missed. This has been positively received by providers.

Market Sustainability and Fair Cost of Care exercises were the first part of ongoing provider engagement and future market sustainability planning. Further engagement and events will be planned as we continue to learn from the outcomes of this exercise and set our future commissioning intentions.

Market Sustainability Plan

Commissioning Priorities

As a joint commissioning team, and as part of the SEL ICS we have determined our [cross system priorities for health and social care](#).

We will bring together professions and services to deliver joined-up, team-based care. In our system, people rely on separate, disconnected teams for support with different physical health, mental health, and social needs, rather than joined-up, responsive services that can help with all the issues that matter to them at the right time. We will invest in more joined-up and effective preventative health services and intervene earlier to avoid serious illness.

We will continue to support providers to maintain and / or improve their market sustainability, capacity and / or quality where relevant via increased levels of investment or linking to alternative models of care and support. This support will also target internal social work teams to focus on the use of alternatives services of care and delivery, such as extra care, reablement support or enhanced home care services to improve and increase market capacity.

Future plans will not be limited to financial uplifts but also include targeted support most significant challenges identified including:

1. **Workforce**

To address some of the issues faced around workforce, we have worked with external organisations to source potential solutions to help providers and are currently in discussions with an organisation called Care Friends. As a recruitment channel, Care Friends is unique in both creating long term recruitment infrastructure which continues to deliver year after year, as well as reaching out to those many high potential candidates in the local community who are not actively job seeking. We know our workforce are best placed to identify prospective care staff with the values employers seek. Care Friends empowers them to do just that - and earn meaningful, regular bonuses for both recruiting and achievements at work.

We will support the workforce through initiatives such as a health and well-being coaching service for Health & Social Care staff living /working in the Greenwich Borough. Training and development for managers and increasing the skill set of clinical staff.

We also recognise that there is a need to support the workforce to deliver more integrated care, and this reflect within their pay scales. It remains a priority to support providers with external development opportunities such as training and development opportunities with the Health Innovation Network and Skills for Care.

As part of the new tender and model of home care services we have expanded our reablement criteria and eligibility as well providing workforce development opportunities for the new home care providers via the Reablement team and joint training. The Reablement service has moved to be therapy led, focusing on supporting residents to regain independence within the home and delay Care Home placements and increased home care use by supporting people post hospital discharge or acute need change. This is linked closely with the Reablement rotation and expand this ethos and skill set in the community.

We will continue to work with our London wide and SEL colleagues to identify and develop opportunities for recruitment and retention, which may include access to the national £15m adult social care international recruitment fund, announced in September 2022.

Market Sustainability Plan

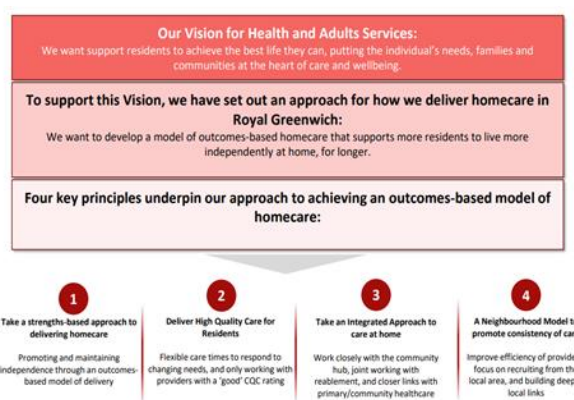
2. Home First & Evolving a new home care and community-based support model

The Home First initiative is a three- year transformation programme across local systems that allows residents to receive the highest quality care in the most independent environment and wherever possible, this should be the person’s home. Our vision is that our Home First services will enable system partners to provide flexible, holistic, and rapid interventions which provide a real alternative to hospital care, underpinned by our approach to achieving an outcomes-based model of homecare.

We recognise that our homecare market will be affected by the mobilisation of our new framework. We are undertaking the development of an individual service fund offer (ISF) model to support choice and continuity of care for our residents and allow smaller providers, who may not on be our framework, an opportunity to deliver a superior quality, local service.

The community based support model will also include:

- The development of a community micro-enterprise model including support to smaller enterprises around quality and business sustainability.
- A neighbourhood pilot in collaboration with public and other health and community based partners
- The development of cooperative models including support to smaller enterprises around quality and business sustainability



3. Carers Strategy

During 2022/23 Royal Greenwich launched its [Joint Adult Carers Strategy](#). The strategy was developed with the support of a stakeholder group that included a number of people with lived experience. That group has now been formally constituted as a Carers Partnership Board, co-chaired by our Lead Member and an unpaid carer. The Board will have responsibility for monitoring the implementation of the strategy.

Going in to 2023-24, RBG have set aside funding to invest in innovation projects to support the strategies implementation and have agreed to fund five separate proposals including engagement with BAME carers, raising awareness amongst local employers and digital support tools, which has been attracting carers that may have otherwise not made themselves known to the Council.

The carers strategy links closely with the Home First / community care initiatives.

4. Extra Care Housing

The development of more extra care housing links closely to the [Royal Greenwich Housing and Homelessness Strategy](#). At present, there are 160 units, of which 85% are older people and 15% LD residents. There are 22 applicants currently on the waiting list. A further 109 people have been referred for Extra Care housing and are awaiting assessment for either sheltered housing or extra care sheltered housing, 81 have been waiting since 2022 and 28 since 2023. Our housing strategy for people with LD predicted a need for 20 – 30 extra care units.

We are working jointly with SEL commissioning and Housing colleagues, and the Greater London Authority / Housing Learning and Improvement Network (LIN) capital programme team.

Market Sustainability Plan

Additional workstreams

We have identified other projects and workstreams that are being undertaken throughout the council.

Where relevant to providers, we will continue to promote opportunities such as:

- Going Further for Winter Plans – working with our system partners to identify and target support to reduce the number of care home hospital admissions which impacts hospital capacity.
- Assistance with Social Care Section 106 funds where possible to facilitate improvements to settings where available / relevant.
- RBG work currently being undertaken with external partners to assess and improve borough wide digital care technology offering.