

REPORT TITLE: Market Sustainability and Improvement – Workforce Fund

Cabinet Date	22 nd November 2023
Cabinet Member	Cllr Carole Allaway-Martin, Cabinet Member for Adult Social Care Commissioning
Key Decision	Yes
Purpose of Report	To seek Cabinet approval for recommendations to allocate the Market Sustainability and Improvement – Workforce Fund 2023-24.
Recommendations	<p>That Cabinet approves the allocation of the £3.847m Market Sustainability and Improvement – Workforce Fund as follows:</p> <ol style="list-style-type: none"> 1. To allocate £0.5m for the purpose of supplementing, with effect from April 2023, the Market Sustainability and Improvement Fund (already received by the council on 29th September 2023) and then funding therefrom the payment of a one-off 4% annual fee uplift to those providers of bed-based nursing and dementia care with whom Gloucestershire County Council contracts under the Pre-Placement Contract for the Provision of Care (2006). The payment of such uplift shall be made in accordance with the price review provisions of the said contract. 2. To allocate £0.28m retrospectively for the purpose of funding, with effect from April 2023, the payment of a one-off annual fee uplift to those specific providers of residential services for people with disabilities with whom Gloucestershire County Council contracts under the Pre-Placement Contract for the Provision of Care (2006) for the purpose of addressing historical anomalies in fee calculations where fee reviews have indicated a need to do so. The payment of such uplift shall be made in accordance with the price review provisions of the said contract. 3. To allocate £2.057 to enable to the council to commission and purchase additional packages of care from providers of community and bed-based statutory social care services with whom Gloucestershire County Council contracts under the Pre-Placement Contract for the Provision of Care (2006) and the

	<p>Gloucestershire Health and Social Care Community Framework Contract (2020-2024) during the period 1st April 2023 to 31st March 2024 for the purpose of increasing the capacity of the local adult social care market to meet increases in demand in Gloucestershire.</p> <p>4. To allocate £1.01m to enable the council to commission and purchase additional packages of care with providers of statutory domiciliary care services with whom Gloucestershire County Council contracts under the Gloucestershire Health and Social Care Community Framework Contract (2020-2024) during the period 1st December 2023 to 31st March 2024 for the purpose of increasing the existing capacity of the Home First project (described in 2019 and 2022 Cabinet reports under which people will be supported to go home from hospital with appropriate care, support and therapy to facilitate safe discharge) to meet increases in demand in Gloucestershire.</p>
<p>Reasons for Recommendations</p>	<p>The Market Sustainability and Improvement - Workforce Fund was published by the Department of Health and Social Care in July 2023 and is an addition to the Market Sustainability and Improvement Fund announced in the Autumn statement November 2022. The purpose of both funds is to increase social care capacity. There are three criteria for expenditure and the proposals described above have the following rationale for allocation to each:</p> <p>Increasing fee rates:</p> <ul style="list-style-type: none"> a. It is recommended that, in accordance with Recommendation 1 above, £0.5m is allocated to supplement the Market Sustainability and Improvement Fund to facilitate a 4% fee uplift to providers of bed-based nursing and dementia care contracted by Gloucestershire County Council to support stability in this much needed sector of the market. b. It is recommended that, in accordance with Recommendation 2 above, £0.28m is allocated to facilitate uplifts to those specific providers of residential disability services contracted by Gloucestershire County Council where fees reviews have indicated a need to do so due to historic anomalies. <p>Capacity and retention: It is recommended that, in accordance with Recommendation 4 above, £2.057 is allocated to support increased expenditure by the council in the external care market as the market's capacity to provide statutory care services increases.</p> <p>Waiting times: It is recommended that, in accordance with Recommendation 5 above, £1.01m is allocated for an expansion of the domiciliary care Home First project described in the Cabinet paper: Enhanced</p>

	<p>Independence Offer – Reablement Services 19th June 2019, which aims to ensure readily available support for hospital avoidance and timely hospital discharge, (for both acute and community hospitals) throughout Winter 23/24. The additional funds will reduce time spent waiting for a care service.</p>
<p>Resource Implications</p>	<p>The cost of implementing the Recommendations described above will be fully met by the Market Sustainability and Improvement - Workforce Fund allocation of £3.847m.</p> <p>Provision of a 4% permanent fee uplift (Recommendation 1) from 1st April 2023 onwards is subject to approval as part of the Medium-Term Financial Strategy process, to be approved in February 2024 and will be contained within overall Adult Social Care budget allocations.</p>
<p>Background Documents</p>	<p>Market Sustainability and Improvement – Workforce Fund policy statement and guidance can be found here: https://www.gov.uk/government/publications/market-sustainability-and-improvement-fund-workforce-fund</p> <p>Market Sustainability and Improvement Fund policy statement and guidance can be found here: https://www.gov.uk/government/publications/market-sustainability-and-improvement-fund-2023-to-2024</p> <p>Cabinet paper regarding Home First, 19th June 2019, can be found here: AGENDA NO: (gloucestershire.gov.uk)</p> <p>Additional decision regarding Home First, 15th March 2022, can be found here: Issue details - Enhanced Independence Offer (Home First) : Additional Resources to Meet Increased Demand (gloucestershire.gov.uk)</p>
<p>Statutory Authority</p>	<p>Care Act 2014, Part 1 Section 5:</p> <p>Promoting diversity and quality in provision of services</p> <p>(1)A local authority must promote the efficient and effective operation of a market in services for meeting care and support needs with a view to ensuring that any person in its area wishing to access services in the market—</p> <p>(a)has a variety of providers to choose from who (taken together) provide a variety of services;</p>

	<p>(b)has a variety of high-quality services to choose from;</p> <p>(c)has sufficient information to make an informed decision about how to meet the needs in question.</p> <p>(2)In performing that duty, a local authority must have regard to the following matters in particular—</p> <p>...</p> <p>(d)the importance of ensuring the sustainability of the market (in circumstances where it is operating effectively as well as in circumstances where it is not);</p>
Divisional Councillor(s)	All
Officer	<p>Name: Sarah Scott</p> <p>Telephone: 01452 328497</p> <p>Email: Sarah.Scott@gloucestershire.gov.uk</p>
Timeline	If approved all funds are to have been utilised by April 2024. Reporting to DHSC will occur on 22 May 2024.

Background

1. The purpose of the Market Sustainability and Improvement – Workforce Fund is to provide additional support to local authorities in England towards expenditure lawfully incurred or to be incurred by them. It is intended to enable local authorities to make tangible improvements to adult social care, to increase social care capacity through increasing social care workforce capacity and retention, reducing social care waiting times and increasing fee rates paid to social care providers.
2. The first condition is that the recipient authority must allocate its full funding allocation from the grant on adult social care, as part of a substantial increase in planned adult social care spending. Recipient authorities must confirm through reporting that they have allocated their full funding allocation from the grant on adult social care (ASC), and that this has been added to their existing ASC budgets.
3. The second condition is that the grant must be used to make improvements in at least one of the 3 target areas set out below:
 - increasing fee rates paid to adult social care providers in local areas
 - increasing adult social care workforce capacity and retention
 - reducing adult social care waiting times
4. The third condition is that recipient authorities must provide a fully completed final report required under the third condition of the MSIF by 11:59pm on 22 May 2024.

This must provide assurance that performance of any areas not chosen as target areas have not worsened.

5. Guidance given by the Local Government Association and Association of Directors of Adult Social Services as Partners in Care and Health (PCH) indicates that “some councils (are) using this to cover investment already made – going on bottom line”.
6. Proposals for the use of the fund in Gloucestershire cover all three target areas for improvement and will also support additional expenditure because of increased capacity.

Options

7. Option 1:

That Cabinet approves the recommendations set out in the “Recommendations” section of this report. It is recommended that Cabinet approves Option 1.

8. Option 2:

The total allocation of £3.847m could be allocated to increased expenditure in the external market to accommodate increased capacity.

Risks

9. There is a risk of setting market expectation with ongoing support being subject to approval of MTFs proposals. Implementing a fee increase with funds that are not confirmed as permanent risks future budgetary pressures. However, fee increases are expected by Government:

“The second condition is that the grant must be used to make improvements in at least one of the 3 target areas set out below. The target areas are the priority areas, as specified by the department, to improve through use of the grant. They are the same target areas as defined in the Market Sustainability and Improvement Fund. The department will monitor these areas through specified performance metrics, in line with the initial Market Sustainability and Improvement Fund, to assess levels of improvement.

The target areas are:

- increasing fee rates paid to adult social care providers in local areas
- increasing adult social care workforce capacity and retention
- reducing adult social care waiting times”

Many elements of social care are dependent on notionally temporary funding streams, such as the Better Care Fund, which are, of necessity, recurring. We therefore assess the risk of funds being terminated in future years to be low.

10. There is a risk that if recommendations are not followed, and if the authority fails to comply with the conditions of the grant the minister may reduce, suspend, or withhold grant payments. These recommendations are in line with grant conditions and will enable the authority to make tangible improvements to adult social care in the county.

Financial implications

11. The cost of recommendations will be fully met by the Market Sustainability and Improvement - Workforce Fund allocation of £3.847m.
12. The use of this fund to support increased external expenditure will assist with reducing ASC budget pressures.

Climate change implications

13. Not affected

Ecological implications

14. Has an Ecological Impact Assessment (EclA) been produced, or will one be undertaken at a later stage? No

Equality implications

15. Has an Equalities Impact Assessment (EIA) been completed? Yes

Cabinet Members should read and consider the Equalities Impact Assessment in order to satisfy themselves as decision makers that due regard has been given.

Data Protection Impact Assessment (DPIA) implications

16. There are no additional DPIA implications from this paper.

Social value implications

17. N/A

Consultation feedback

18. A conversation has been had with Gloucestershire Care Providers Association and the broad spending intentions will be shared with the market via Provider Forums.

Officer recommendations:

19. That Cabinet approves the proposals set out in Option 1. **Option 1** is the recommended option because whilst Option 2 would support financial pressures within the council and meet the criteria of increasing capacity of the market, it would

do little to recognise pressures in the market or address waiting times. Moreover, this option allows some investment in each of the three improvement areas set out in the Market Sustainability and Improvement – Workforce Fund grant conditions and supports both providers and the council with current financial pressures.

Performance Management/Follow-up

20. A fully completed final report to the Department of Health and Social Care is required by 11:59pm on 22 May 2024.