

North Yorkshire County Council

Health and Adult Services

Executive Members Meeting

22nd March 2023

REPORT TO Corporate Director of Health and Adult Services (HAS) in consultation with the Executive Member for Health and Adult Services

Market Sustainability Plan

1.0 Purpose Of Report

To seek approval to publish the Final Market Sustainability Plan (MSP). Completion of the MSP is a condition of the Market Sustainability and Improvement Funding Grant. The deadline for publication is 27 March 2023.

2.0 Executive Summary

The purpose of the market sustainability plan is for local authorities to assess and demonstrate how they will ensure local care markets are sustainable, as they move towards implementing reform.

The plan will assess the impact current fee rates are having on the market and the potential future risks (particularly in the context of adult social care reform). This assessment will enable local authorities to inform the development of mitigating actions, including how much they will need to increase fee rates over the three-year Spending Review period.

Completion of the market sustainability plan is a condition of receiving future funding from Central Government.

The market sustainability plan needs to take into account the results from the cost of care exercises, considers the impact of future market changes over the next three years, particularly in the context of adult social care reform and sets out an outline action plan for addressing the issues identified and the priorities for market sustainability investment.

If the Council agrees an annual inflationary uplift prior to publishing the MSP, the document will be updated to reflect this.

3.0 Background

The completion and publication of a Market Sustainability Plan was a condition of the Fair Cost of Care and Market Sustainability Fund, and remains a condition of any future funding, including the new Market Sustainability and Improvement Funding Grant. The deadline for publication is 27 March 2023.

4.0 Issues

By not having a sustainable care market, risks undermining the local care market in North Yorkshire, creating unfairness, affecting sustainability and, at times, leading to poorer quality outcomes for those who draw on care and support services.

A condition of receiving future funding, local authorities will need to evidence the work they are doing to prepare their markets. The government requires local authorities to start building strong foundations and prepare markets for wider charging reform and thereby increase market sustainability.

5.0 Financial Implications

The completion and publication of the Market Sustainability Plan was a condition of receiving the Market Sustainability and Fair Cost of Care Fund and any future funding. The primary purpose of the fund is to support local authorities to prepare their markets for reform, and to support local authorities to move towards paying providers a fair cost of care. Failure to publish the MSP may risk any future funding allocations.

6.0 Legal Implications

Local Authorities have a statutory duty under section 5 of the Care Act 2014 to facilitate the efficient and effective operation of local care markets. Which includes taking due regard on minimum fee levels necessary to ensure that the Care Market is sustainable, whilst taking account of the local economic environment.

The completion and publication of the Market Sustainability Plan was a condition of receiving the Market Sustainability and Fair Cost of Care Fund, and other future funding.

7.0 Consultation undertaken and responses

The Market Sustainability Plan is based upon the outcomes of the Actual Cost of Care, fair cost of care and APL procurement exercises, all of which involved collaboration with the Independent Care Group and ICBs. The plan also directly reflects the objectives and priorities set out in the Market Position Statement and the Commissioning and Service Development Strategic Plan, both of which were produced in consultation with a broad range of stakeholders.

8.0 Impact on other services/organisations (insert or delete)

The Market Sustainability Plan will provide the care market with support and guidance alongside work already in place, including the Market Position Statement, to show how the local authority will plan and then demonstrate how we will ensure the local care market in North Yorkshire is sustainable as we move towards implementing social care reform.

9.0 Recommendation/s

To agree the Market Sustainability Plan in readiness for publication on 27th March 2023.

Name and title of report author

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