



Northumberland

County Council

CABINET

DATE: 17 NOVEMBER 2022

TITLE OF REPORT ADULT SOCIAL CARE MARKET POSITION
STATEMENT 2022

Report of Director of Adult Social Services

Cabinet Member: Councillor Wendy Pattison, Adult Wellbeing

Purpose of report

To present the updated Adult Social Care Market Position Statement.

Recommendations

That Cabinet agree to publish the Market Position Statement.

Link to Corporate Plan

This report is relevant to the “Living”, “Enjoying” and “Connecting” priorities in the Corporate Plan.

Key issues

1. The Council has a statutory duty to manage the care market in their area for both the local authority commissioned and the private market.
2. The Market Position Statement helps local authorities to fulfil this duty.
3. The purpose of a Market Position Statement is to provide market intelligence to existing and potential providers. It contains information on current demand and supply, the key issues in the market and what business opportunities may be available.
4. The Market Position Statement was last published in 2019, prior to the Covid Pandemic, and therefore needs to be updated to reflect the current situation. The social care sector was significantly impacted by the pandemic and this is reflected in the updated document.
5. Key messages to the market are highlighted in the document and include:
 - a. There is currently no evidenced demand for any additional residential care home capacity for either older people or people with learning disabilities, autism and/or mental health conditions. This is being monitored due to the pressures on some health and social care services which makes it difficult to confidently predict future demand.
 - b. There has been an increase in the number of Homecare packages, which care providers are having difficulty in fulfilling due to workforce shortages.

- c. Adult Social Care will continue to focus on developing more housing schemes which can support people to remain as independent as possible, particularly older people, and reduce the number of people needing care home accommodation.
- d. The difficulty in recruiting and retaining social care staff is impacting the Council's ability to be able to support our older and vulnerable residents. Cabinet has received proposal on 11 October 2022 for additional measures to assist with some of these issues.
- e. Adult Social Care, in partnership with our care providers, want to explore the use of digital technologies that can play an active role in frontline care delivery.

Background

1. The Care Act 2014 introduced a statutory duty for local authorities to promote the efficient and effective operation of a market in services for meeting care and support needs, aiming to ensure that anyone in its area, whether or not their support is funded by the local authority, has a choice of providers and of high-quality services. Authorities are required to consider current and likely future demand for services, the sustainability of the market and how to foster continuous improvement and innovation.
2. Statutory guidance issued under the Care Act 2014 says that, to fulfil this duty, local authorities should produce a "Market Position Statement", whose functions may include signalling to the market as a whole the likely need to extend or expand services, encouraging new entrants to the market in their area, or if appropriate, signalling likely decrease in needs.
3. The Market Position Statement includes information on the current demand and supply in the care market in Northumberland, it provides analysis on who was using care services and what care services they required. It also provides information on gaps in service provision and Adults Social Care direction of travel. There is some information on how the Council will work with the Integrated Care Board. The purpose is to support care provider in making business decisions about developing, expanding or retracting services and where their investment could be profitable, the opportunity to adapt their delivery model as, and if, required and help to shape their business plans.
4. A Market Position Statement should be updated regularly to reflect the current market in the area. The Market Position Statement was last updated in 2019, The onset of Covid and ensuing global pandemic brought significant pressure and uncertainty into the market, along with uncertainty on the long-term impact Covid will have on the sector. Data included in the statement reflects the impact on the market in Northumberland, brought about by lockdown restrictions and increased mortality, particularly among our elderly residents in care homes. Now is the right time to refresh the Market Position Statement, to incorporate current thinking on the future of the market and how the Council want to work in partnership with Care Providers to develop the market.
5. A report on the Care Homes Market published by Laing and Buisson in 2020/21 states that market demand for care homes has been declining in real terms for the last 2 decades, at a time when the population over 65 years has increased significantly. It is clear that Covid had a significant impact on the care home sector and this could be seen in a further 8% national decline in demand. The report predicts that this trend is expected to continue. The report also identifies that demand for Homecare and supported independent living for older people has significantly increased over the same

period, in correlation with the reduction in demand for care homes and the two together almost track the increase in ageing population, suggesting substitution in the market. It continues to be the view of officers in Adult Social Care that over time an increasing proportion of older people in need of high levels of care and support are likely to prefer alternative models of accommodation with care.

6. Recruitment and retention of social care staff has long been a challenge in the sector and this has been exacerbated by the pandemic which saw staff leaving social care to work in hospitality and retail industries once the reopened. The current cost of living crisis is fuelling a further exodus of staff, particularly Homecare staff, where the cost of fuel has made travel increasingly difficult. The Workforce section of the statement contained detailed information on the current workforce issues in Northumberland.
7. The use of technology increased significantly during the period of lockdowns, including the use of digital and virtual in social care. Developments in technology are fast paced and Adult Social Care want to explore and test the opportunities technology provides to alleviate some of the challenges in delivering services, particularly in maximising the workforce capacity. The pandemic and radical shift in ways of working, has also accelerated the need for alternative solutions to traditional processes.

Implications

Policy	The Market Position Statement complies with guidance issued in conjunction with the Care Act 2014
Finance and value for money	Financial information on the expenditure on and budget available for commissioned services is included in the document.
Legal	The document supports the Council in it's statutory duty under the Care Act 2014
Procurement	All commissioned services included in the document follow appropriate procurement regulations.
Health and Wellbeing	None
Human Resources	None
Property	None
Equalities (Impact Assessment attached)	Equality impacts of specific proposals will be assessed as necessary during detailed planning. N/A

Risk Assessment	None
Crime & Disorder	None
Customer Consideration	The Market Position Statement reflects the needs of Adult Social Care service users and how those needs should be met.
Carbon reduction	None
Wards	All

Background papers:

Market Position Statement

Report sign off.

Authors must ensure that officers and members have agreed the content of the report:

	initials
Monitoring Officer/Legal	SB
Executive Director of Finance & S151 Officer	JW
Relevant Executive Director	NB
Chief Executive	RO
Portfolio Holder(s)	WP

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