



**MANCHESTER
CITY COUNCIL**

**Annex C
Market Sustainability Plan (Final)
Care Homes 65+ & Homecare 18+**

Executive Summary

This report comprises information related to the Manchester response to the Fair Cost of Care Exercise and the sustainability of both the Care Home 65+ and Homecare 18+ markets in the City and is formed of four sections

- An assessment of current market sustainability
- The Council's approach to market sustainability in lieu of the originally proposed market reforms
- Plans to address sustainability issues
- Initial approach to implement the Fair Cost of Care 'more slowly'

Key findings highlighted some sustainability issues in the existing market place which are explored throughout the report as well as planned commissioning activities which exist outside of this exercise as part of our transformation programme – Better Outcomes, Better Lives

1. Financial sustainability of providers
2. Workforce recruitment and retention,
3. Capacity issues within certain localities in the City
4. Section 18(3) of Care Act 2014 (Adult Social Care charging reforms)
5. Quality of leadership and management
6. Ability to meet increasingly complex needs and readiness to pilot enhanced models of care
7. Oversight of provider performance in relation to outcomes and strengths-based commissioning.

Alongside Annex B reports, the cost of implementing the Fair Cost of Care exercise findings in Manchester is calculated to be £15.77m with an explanation of the known risks in the market place that could occur due to the pausing of the exercise.

Additionally, the report outlines some of the options associated with the risks of underfunding and the concept of how we might 'move towards' a fair cost of care, given the new guidance from DHSC.

Contents

Section 1: Assessment of the current sustainability of local care markets

Section 2: Assessment of the impact of future market changes (including funding reform) over the next 1-3 years, for each of the service markets

Section 3: Plans for each market to address sustainability issues identified, including how fair cost of care funding will be used to address these issues over the next 1 to 3 years

Section 1: Assessment of the current sustainability of local care markets

Manchester City Council and Manchester Local Care Organisation (MLCO) are currently engaged in a large-scale locality transformation plan, Better Outcomes, Better Lives. The Better Outcomes Better Lives (BOBL) transformation programme is the ASC long-term programme of practice-led change centred on achieving better life outcomes for the citizens of Manchester by working in a strength-based way. The programme aims to enable less dependency on more formal care, whilst also helping us to build a more sustainable future for the people we support. Commissioning is a core part of the programme underpinned by our Commissioning Plan supported by demand analysis and use of our local JSNAs.

The BOBL programme commenced in January 2021 to an existing backdrop of rising demand for Social Care support among the adult population of Manchester, and growing pressures on Social Care funding. Since starting the programme, the unprecedented challenges of the COVID-19 health pandemic have continued to impact, and we are seeing more significant health challenges for our citizens, increases in unemployment, greater usage of food banks, and a rise in loneliness and mental health concerns.

Manchester's residents have been disproportionately adversely affected by the pandemic. Existing inequalities, particularly for our most deprived communities, ethnic minorities and those already living in poverty, have deepened, and we are seeing increasing numbers of new contacts from citizens in need of our support.

In this context, the BOBL programme has continued to focus on embedding a strengths-based approach alongside work to develop our short-term offer, work to enhance our operating model and social work practice, work on how and what we commission and embedding a performance approach across all of our services. Collectively these interventions have been intentionally designed to help our citizens achieve independence and better outcomes wherever possible, whilst preventing, reducing and delaying demand into adult social care services.

The Adult Social Care financial position in Manchester continues to carry a significant amount of risk, particularly with increases in homecare costs, direct payments and mental health citizen numbers. Given the cost of high-end care packages, additional demographics funding can be easily eroded. In addition, the overall financial forecast for the Council 2023-26 and requirement for significant savings and cuts is adding additional risk with the need for the Directorate to develop higher risk proposals to manage demand and costs and redesign how services are commissioned or delivered by in-house services.

Assessment of current sustainability of the 65+ care home market

In Manchester, we have made great strides in improving quality over the last four years. We have dramatically increased the number of good and outstanding beds across the City. As of February 2023, 88.5% of care home beds are rated as Good or Outstanding by CQC, placing Manchester second overall in both Greater Manchester (average for sub-region - 74.8%) and the North West Region (average for region - 70.8%). The biggest improvement has been in large homes, which generally have more robust corporate structures that are

better able to support their local leadership and a greater ability to invest in both the physical environment and more flexible staffing models.

However, we also know that smaller homes are finding it increasingly difficult to sustain a good rating. In Manchester there are a disproportionate number of small and smaller medium homes (75%) in comparison to larger homes (25%) and we know that these homes often have a more commercially challenging business model with generally higher levels of occupancy required for sustainability.

It is our belief from local intelligence that this is due to a number of factors:

- Provider engagement and surveying providers has indicated that it is increasingly difficult to recruit and retain good quality staff, particularly carers, nurses and leaders/managers who are able to sustain improvement
- The increasing amount of oversight required by registered managers with regard to finance, recruitment and other administrative activities
- An older stock of estate, which requires significant investment to bring it up to modern standard (e.g en-suite rooms, effective shared spaces)
- A lack of organisational commercial acumen

Spend with providers of Residential and Nursing for Older People budgets with good or outstanding providers currently sits at 75%. A barrier to increasing this proportion is a small number of homes with a repeated Requires Improvement rating. In addition to this, as of February 2023, 13.3% of care homes are without a registered manager, further increasing the challenge of qualitative improvement.

Current occupancy in Manchester overall seems to suggest that we have an appropriate level of capacity available, however, when this is broken down to standard residential and nursing occupancy, we begin to see a different picture, particularly in relation to nursing availability.

As of March 16 2023, our vacancy tracker indicated there were 123 residential and nursing beds for Older People available in the city. Of these beds, only 44 are registered nursing beds.

Care Type	Total Beds	Available Beds	Occupancy
General Residential	639	54	92%
Dementia Residential	435	25	94%
General Nursing	457	36	92%
Dementia Nursing	264	8	97%

*Source – NHS Capacity Tracker

We also know from closures over the past three years, that these problems are more acute in the Manchester South locality, given the lesser deprivation in this part of the City, increased land and property prices often being more appealing to owners than operating a care setting, evidenced through the loss of 191 beds over the past 12 months.

Providers report that whilst 'available occupancy' is low, many beds in the City are reported as 'unavailable' due to their inability to recruit a suitable number and quality of care and nursing staff. This is more prevalent, the more complex the care required is, with Nursing Dementia wards/units particularly difficult to recruit to.

Whilst our Better Outcomes, Better Lives programme is beginning to evidence effectiveness in reducing overall demand, this is unlikely to have a major impact on the number of commissioned care home placements over 2023/24 and 2024/25, given the amount of time it takes to create new care home capacity.

In addition to some of the locality specific challenges, we are also finding it increasingly difficult to place individuals with complex needs. The Covid pandemic has also increased the number of people being discharged from hospital with a 1:1 requirement, placing further pressure on providers around staffing and significant pressures on the ASC commissioning budget, with the average cost of 1:1 care tripling the care package costs.

In order to address these issues, consultation and engagement with providers has recently taken place through a range of new forums and activities. Our Innovation Labs have been hugely successful and have since been extended beyond core commissioned provision to the VCSE and Housing Providers.

We have, for a number of years, attended provider-led forums, gathered soft-intelligence from contract management and our Performance, Quality & Improvement (PQI) teams as well as information sharing across Greater Manchester and NWADASS plus links to Skills for Care. The opportunity to engage with providers around the Fair Cost of Care exercise was also advantageous and has improved our fee modelling in relation to annual fee reviews.

Governance of provider performance and quality is undertaken between contract managers and Performance, Quality and Improvement officers with relevant escalations through a system-wide Residential, Nursing and Homecare Improvement Group, a Strategic Care Market Board, Commissioning Board and through to the Executive based on the level of escalation. A refinement to this governance structure to focus specifically on Care Homes has since been introduced and is described later in the report.

Collectively these activities ensure that we fulfil our legal duties in relation to section 5 of the Care Act.

Assessment of current sustainability of the 18+ domiciliary care market

Manchester currently commission circa 1.716 million hours of homecare which meet the criteria of this exercise. Homecare was last formally contracted in Manchester in 2018, along with a contractual responsibility for all providers to pay carers a minimum of the Foundation Living Wage. Homecare is due to be recommissioned in 2023/24.

Homecare commissioning in Manchester is organised by 12 neighbourhoods (across three localities) with a prime contracted provider for each neighbourhood. Each provider covers community sourcing and hospital discharge pathways. Where the prime provider is unable to pick up a care package in the allotted timescales, a tiered process exists to engage other contracted providers

Currently 8 separate care providers are formally contracted across the 12 neighbourhoods, known as Our Manchester Homecare Providers. Since the initial contract with the homecare market in 2018, merger and acquisition activity within the sector means that all of the providers in Manchester are now part of large national organisations, with one provider having acquired four of our contracted providers in the last 18 months. An additional safety net of three providers was more recently contracted to add resilience to this provider group and this was expanded to another five during winter 22/23. Concerns remain as to whether the 'national' providers we are commissioning are able to respond to the local demography and geography.

The same consultation and engagement activity as well as governance arrangements described for care homes takes place across our entire care market in Manchester, with the addition of a Homecare Leadership Group which brings social work, brokerage, strategic

commissioning and finance together to ensure robust management decisions are made and recorded in relation to the homecare market.

Recent engagement with providers has suggested the single biggest risk to market sustainability in homecare, as for care homes, is workforce recruitment and retention. With a carer attrition rate across Greater Manchester of 32.7%, homecare companies are permanently engaged in recruitment activity, carrying vacancies and the associated cost of doing so, through direct recruitment costs, higher agency bills than the business model supports and extended lead times for sourcing packages. Recruitment activity rarely leads to real terms increases in workforce capacity with new entrants to the workforce and appears to mostly encourage care staff to swap organisations for better pay, conditions and shift patterns.

The number of clients over 65years in receipt of homecare and the number of hours commissioned has increased steadily since 2021/22 as seen in the table below. Total commissioned hours for all homecare also included in table below:

	April 22	June 22 (P3)	September 22 (P6)	February 23 (P11)	+/-
OP Homecare Clients	1,261	1,321	1,361	1,424	+163
OP Weekly Comm. Hours	18,177	19,547	20,133	21,670	+3,493
Total Comm hours – all services	28,389	30,120	31,073	33,002	+4,613

Feedback from practitioners through our Communities of Practice¹ highlighted some key areas of challenge within the Homecare Market.

- Provider staffing / capacity
- Quality of care concerns
- Complaints arising due to issues with available capacity and calls being later than scheduled
- Challenge of adopting and embedding strength-based practice e.g. trusted assessor to reduce or increase calls as required
- Providers struggling to respond to the diversity of demographics
- Minute by minute approach to contracts, not supporting positive outcomes

Relevance of these issues were tested with Team Managers over Sept 22¹ and solutions to these issues will be sought through our new homecare commission in 2023/24.

Additionally, commissioners, working with providers have identified some key areas of risk:

- Poor pay for carers and the way in which their employer pays them, e.g. travel costs and travel time, pay by the call rather than by the shift

¹ Communities of Practice (CoP) provide a weekly space for practitioners to learn, reflect, share experiences on strengths-based approaches, to get peer support and challenge and contribute to personal development. Attendance is made up of Locality health and social care LD Teams, or multiagency practitioners in each Neighbourhood, joined by citywide or specialist teams aligning with the session it makes most sense to, (for example those they interact with most). Note the Cops have been renamed MyViews since the FCoC exercise was undertaken.

- Calls to customers being crammed together or rostered at the same time, creating slippage and shrinkage across commissioned care
- Over commissioning care packages at the beginning of the arrangements, creating issues to get it changed later
- Alternative employment opportunities, e.g. Amazon, Manchester Airport, Supermarkets.

Demand for Homecare services in the City are not spread evenly through the localities and neighbourhoods. An exercise conducted between April – August 22 shows the split of need by locality:

Locality	Commissioned Proportion (363 packages)
North	18%
Central	37%
South	45%

Further, the Wythenshawe and surrounding Integrated Neighbourhood Teams have a disproportionately higher level of commissioned care packages. South Manchester is generally considered the most affluent locality in the City and recruitment to 'low-paid' roles is significantly more difficult than those in North and Central Localities with competition in the labour market for workforce from the Airport and associated employment opportunities being a feature of the South of the city. The constrained geography, and in particular the road network, in the south of the city also makes delivery of homecare more challenging.

Our Performance, Quality and Improvement Team report that management of homecare services in general are considerably more time intensive than that of Care Homes. At any given time over the last three years at least two providers are in a state of 'escalation' leading to increases in safeguarding alerts, citizen complaints, demand for greater oversight and the enactment of the Provider Escalation Policy. In addition, our regular and detailed activity monitoring ensures that we can provide appropriate and targeted support, with detailed analysis of areas of interest also ensuring that we are working together with the market to support our wider strategy to maximise independence.

CQC meet with the Performance and Quality Improvement Team (PQI) on a regular basis. It has been confirmed that CQC plan to catch up on their comprehensive inspections across the city, since the pandemic, meaning services that may not have been inspected since 2018, are now being prioritised to get an up to date position on providers meeting the key lines of enquiry over the next 12 months. Whilst our PQI team have considerable oversight of providers, this may, depending on performance on the day, have a negative impact on the current providers ratings across the City, this of course would include all regulated services and not just homecare.

Section 2: Assessment of the impact of future market changes (including funding reform) over the next 1-3 years, for each of the service markets

Adult Social Care in Manchester is dynamically operating within an integrated health and social care system. Delivery of Adult Social Care, including commissioning, is managed within the Manchester Local Care Organisation (MLCO). A key benefit of these arrangements is care and health teams working together to provide a holistic approach to Manchester's residents, coordinating care around a person's aspirations and needs.

Our work is also greatly influenced by policy development at Greater Manchester NHS Integrated Care (and previously Greater Manchester Health and Social Care Partnership), and through the Association of Directors of Social Services (ADASS) at Greater Manchester and North-West levels. We seek to play an active part in health and social care developments across the region and beyond.

There are a number of projects across Manchester that will improve outcomes by supporting citizens to live more independently. This will result in less restrictive support packages, more innovative support options and reduced costs. Manchester has been on a positive change journey for the last two years and has made clear investments which have created solid foundations. We want to support Manchester citizens to have the best outcomes and be as independent as possible in their communities, living their best lives.

A key part of Better Outcomes, Better Lives, is the Responsive Commissioning² workstream. Historically, 'commissioning' has been how we work to arrange and buy services for people who need adult social care in Manchester. We want commissioning to be much more than that.

Effective, strategic, compassionate commissioning is how we work with system-wide partners to respond to local needs in a truly place-based way. Citizens are at the heart of everything we do. We are relentlessly focused on cross-cutting, inclusive outcomes that matter to local people, from all backgrounds and walks of life.

Our approach to commissioning will support integration between health and social care services in the coming years – in whatever form that may take as the GM ICS arrangements are embedded, and the role of MLCO in health commissioning at a local level develops.

Our vision and priorities for commissioning in Manchester, with a focus on Adult Social Care were described in our [MLCO Commissioning Plan](#):

² [Commissioning Plan \(manchesterlco.org\)](#)



Our Responsive Commissioning Plan refresh is currently in draft and is due to be published in Spring 2023. The focus on Market Development and Contract Management remains and it is in these two key areas that the direct outputs of the Fair Cost of Care Exercise are contextualised below. Indirect benefits from putting prevention into practice, community led commissioning and flagship commissioning activities are not speculated within this document.

Given the continued priority across our Better Outcomes, Better Lives programme to embed technology-enabled care into our social care approach in Manchester and strengths-based practice more generally, a key focus of our work will be on continuing to work with the care market to support and deliver these aspirations. We also know that as we further develop our discharge arrangements in Manchester through our system-wide Resilient Discharge Programme we will need to continue to work with the care providers to ensure the right supply is in place.

Adult Social Care Charging Reforms

The Fair Cost of Care formed a fundamental part of the wider Section 18(3) Charging reforms under the Care Act 2014 nationally and a programme of work was being undertaken in Manchester to ensure readiness for implementation.

Whilst this activity is paused, Manchester, along with all Local Authorities, are now carrying the risks of increased provider expectation in relation to fees, the detail of how 'moving towards' a fair cost of care is managed and for some providers a level of opportunism having been given the direction to look more closely at their costs.

In Manchester, we have seen providers approach the Council to renegotiate contracts at a level not seen before, armed with detailed costing breakdowns from the exercise. Whilst the Council supports the ambition to move toward the fair cost of care, the lack of national funding to fully support this is placing considerable strain on commissioners and budgets in order to manage the increase in activity.

Key Market Risks

Using analysis of data and intelligence, Innovation Labs, Provider Forums (in consultation with providers who lead these) and Communities of Practice (Practitioners views) we have identified the following immediate six key market risks:

- Workforce recruitment and retention – impacts of the ongoing lack of recognition of the social care workforce, their employment terms and conditions
- Overall financial sustainability of providers (and a lack of ability to invest in volume services)
- Uncertainty pertaining to the pausing of Section 18(3) of Care Act 2014 (Adult Social Care charging reforms)
- Quality of leadership and management
- Ability to meet increasingly complex needs and readiness to pilot enhanced models of care
- Oversight of provider performance in relation to outcomes.
- Ongoing CQC ratings of services

Our work to respond to these key risks is outlined below.

Costs of implementing the Fair Cost of Care

Based on assumptions contained within Annex A, the cost of implementing the Fair Cost of Care findings contained within Annex B are £10.8m for all care homes 65+ and £4.97m for 18+ homecare, giving a total funding envelope requirement of £15.77m.

The main risk associated would be the seismic shift in funding required for Local Authorities to meet the Fair Cost of Care outcomes and the ability for the Local Authority to be able to formalise rate increases substantively as opposed through a non-recurrent grant arrangement and the risks this will introduce to the market.

We know that Manchester has a lower than average self-funder element in our marketplace as well as those in receipt of Direct Payments when compared nationally. The impact of the self-funding element will be further explored in advance of the wider charging reforms programme(18(3)) restarting. There is also the consideration of the interaction with the future charging reform, whereby if self-funders can expect to pay the LA rate, yet we haven't moved the rate to the FCoC there is a risk that any cross-subsidisation that does exist won't be there anymore which may further destabilise the market. As a consequence, the full funding for the FCoC is a critical dependency for the successful implementation of the future Charging Reforms and ensuring provider sustainability once the cross subsidisation is removed.

Section 3: Plans for each market to address sustainability issues identified, including how fair cost of care funding will be used to address these issues over the next 1 to 3 years

Many of the key risk challenges in Section 2 are being approached strategically and these are outlined below, with specific market references made in the relevant sections. However, the basis for change remains in our demand management work within Better Outcomes, Better Lives and the aligned work of the Responsive Commissioning Plan.

Our key overall market development aims for 2023/24 are:

Ensure an element of 'move toward' in line with the findings of the Fair Cost of Care Exercise for 23/24 fee uplifts	Develop a new costing model and fee structure for Supported Living
Develop and publish a Market Sustainability Plan to 2025	Continue to embed the Foundation Living Wage
Recruit and secure sufficient and stable Discharge to Assess (D2A) provision to support hospital discharge in line with the business case	Further embed the use of Innovation Labs and other Collaborative forums across Adult Social Care
Continue to develop performance metrics for key strategic commissions (D2A, Homecare, Supported Living and refine existing Care Homes Dashboard)	Fully implement CareCubed for all new high cost-care packages to evidence value for money.
Bring together multiple data sources on assessed need requirement to improve commissioning intelligence	Continued increase in extra care, as part of the D2A model to reduce dependence on long term 24 hour care
Engage the care home market to deliver improved provision and availability (with a focus on nursing and complex needs)	Further develop our local neighbourhood model of homecare, addressing pinch points in existing commissioning arrangements
Address area of nursing bed under supply in the south and central localities	Strategically support providers with workforce recruitment and retention challenges
Recommission Homecare with a focus on local employment and social value, carer recognition and the role they play.	Develop a 10 year Care Home Strategy which will attract new entrants to the market and an investment in existing infrastructure

Workforce recruitment and retention

Given the scale of the workforce issues nationally, pay and benefits is an important area to address. In 2022/23, funding was set aside to allow all care providers the opportunity to implement the Foundation Living Wage. In year one we saw a positive uptake, with further work being undertaken to continually increase the number of providers paying FLW at the start of the new financial year. A specific process has been developed to support decision making for providers who insist that their fee structure does not allow for all staff to be paid a minimum of FLW, with further engagement with providers who do not wish to operate more flexible national pay arrangements to aid in allowing for payment of FLW in Manchester.

On Friday 30th September 2022, we hosted the first citywide recruitment event for commissioned care providers at the Etihad Stadium. The event was extremely well attended, with over 150 potential recruits and the ability for providers to interview on the day

as well as meet training providers who would support people with stepping into a career in care.

A review of the event highlighted a number of positive outcomes and opportunities to improve attempts to attract new entrants to care. Further events are being planned for 2023/24, with a more localised approach. Our first hyper-local recruitment event will be held at Wythenshawe Forum in April 2023 and we aim to undertake more of this strategic support to providers over the next three years.

More effective recruitment and retention will undoubtedly have an impact on the overall financial sustainability of providers as described below. It can not be under-estimated that a key driver of successful outcomes in this area is the ability to offer employees a more attractive salary and benefits package which is directly linked to how far and how quickly local authorities are able to move toward the fair cost of care.

Overall financial sustainability of providers

The Fair Cost of Care exercise has given us greater insight to costs for providers across the City. Although the exercise is now paused, it has provided the opportunity to revise the annual fee uplift modelling, particularly in relation to non-staffing costs.

As part of the commitment to 'move toward' our fair cost of care outcome the Council has committed an **additional nearly £1m of funding**, which has been layered on top of the uplift for Older Peoples Care Home and Homecare Placements. There remains a significant risk surrounding medium-term provider financial sustainability without clear guidance on what support will come from government to reach the Fair Cost of Care and the transparency for providers as to how long Council's are able to sustain the 'move towards' as recurrent funding.

Additionally, when exploring costs, it is clear that the increase in use of agency staff is placing enormous pressures on provider budgets and therefore Local Authority fee expectations. One key aim is to begin to explore local collaborative solutions that can drive down agency use and margins, improve the quality of agency staff provided and increase the proportion of fees paid to providers that are directed toward actual care costs, creating some additional headroom in provider budgets.

At this embryonic stage, it is difficult to model potential benefits, but by working on the assumption that the increasing use of agency is directly attributable to the workforce recruitment and retention challenges and by proxy, the pay and benefits package. By exploring this avenue of enquiry alongside improved recruitment and retention it is sensible to expect outcomes that would see reduction in agency use through more effective recruitment, and improved use of resources for the provider.

Quality of leadership and management

Work to explore a care leadership qualification is currently being considered and this would likely be linked to the recruitment and retention support activity described above with the opportunity for existing and aspiring care leaders to have access to both practical and formal learning opportunities as well as additional support from experts with experience of leading and sustaining good and outstanding services.

Oversight of provider performance in relation to outcomes.

In addition to our demand management work through Better Outcomes, Better Lives we are currently developing better methods of reporting, analysing and using data as intelligence

through our ASC and ICB BI colleagues working more closely with commissioners. We are doing this by building new reports, evolving the existing report portfolio, increased use of GM tableau and specifically the recently developed Market Quality and Insights tool developed and supported by NWADASS.

We will further improve feedback from practitioners through our Communities of Practice / My Views arrangements, which has proved to be an extremely valuable source of soft intelligence.

In addition to the recent expansion of the Contract Management function with clearer alignment to commissioning priorities, we will continue to invest in the development of the existing team and, where possible, seek to secure further investment to enhance our overall ability to manage provider performance and our ability to secure assurance that commissions are effective, value for money and improving outcomes.

Finally, from a strategic perspective, we are working toward improving our Adults Strategic Performance Report (ASPR) to improve intelligence around the care market and to more easily see the impact of change across Social Work, Commissioning, In-house provision and external provision.

Responsive Commissioning

We are currently refreshing our commissioning priorities and the City's Commissioning Plan for Adult Social Care, for publication in Spring 2023. These priorities will form the core focus of our work in 2023/24 with many of them described earlier in this report. Additionally, we will articulate our medium term market priorities through this Market Sustainability Plan, further engagement through our Innovation Lab provider engagement activity and our 10 year Care Home Strategy due to be published in April 2024.

Manchester has embarked on an incredibly successful expansion in extra care. We will continue to monitor the impact of this service offer as an opportunity to step down citizens from 24/7 residential care and encourage a longer connection with the local community.

In addition we will continue to monitor and explore the outputs of our demand management work, which has seen a particular shift in use of 24 hour residential care toward extra care homecare and enhanced reablement.

65+ care homes market

All of our improvement activity in relation to Care Homes is aligned to our Commissioning Plan and projects. Some are more strategic and straddle all areas of commissioning (see above) and some are sector specific.

For care homes, these are:

An ability to meet increasingly complex needs

Our increased D2A provision, suitably sized means that many complex cases are initially triaged through our D2A arrangements with the intention of maximising independence over a 28 day period. The principle of this approach will be to see the effect of this on overall demand management and outcomes over the next two years. We are currently engaged in developing a complex D2A pathway in the City, with the ambition to similarly reflect the improvement in outcomes seen through the significant work undertaken on developing our core D2A pathway.

We aim to complete out current work around End of Life Care project to ensure a sufficient supply of providers able to support this pathway and to help develop skills associated with this specialist area of provision. This work may result in the recommissioning of end of life services and an encouragement for specialists to work with us in Manchester.

Hospital Resilient Discharge Programme

Our existing D2A pathway has resulted in streamlined support for hospital discharge activity with an improvement in outcomes from the additional targeted offer, which includes therapeutic interventions and advanced care planning. Our aim is to use data and intelligence gained from the pilot to further refine the model and ensure our provision is right sized and has increased efficiencies and effectiveness of interventions.

Financial Prudence

In order to ensure financial prudence and consider the most effective use of public money, we have recently invested in CareCubed, a well-established costing model for care home packages. The aim of this software is to aid negotiation with providers around costs of care, particularly those related to more complex and high-cost packages.

Capacity Issues

Given the capacity issues highlighted in this report and through commissioning and market development activities, we aim to enhance our capacity through engagement with our existing care home market, identifying those providers with the capacity and skill to increase the availability of nursing beds through estate expansion or acquisition of new sites. We have also begun to engage providers not currently providing care in Manchester to understand their appetite for investment in the City.

18+ domiciliary care market

Our primary commissioning activity for homecare in the near future is the commission of a new homecare contract aimed at addressing known issues around demand and capacity, building on our existing neighbourhood model. This is a key priority for commissioners in 2023/24 and will likely involve the expansion of the number of providers we access through contracted arrangements (short term / longer term)

Our Homecare Leadership Group are currently looking at how we respond to the issues raised via My Views. We know there is a greater place based opportunity around improving connection of Home Care with local assets and improving care navigation in conjunction with social work teams, health development co-ordinators and district nurses to better maintain connections with local communities.

Options for implementation of Fair Cost of Care funding

The approach to care fee setting for 2023/24 in the absence of clear guidance in relation to the fair cost of care exercise has been described above and we will continue to work with finance colleagues to continue 'moving towards' a local fair cost of care.

Further, the Council has been proactive with sectors not covered by the Fair Cost of Care exercise, instigating a similar exercise as part of an overall review of Supported Accommodation in the City. The outcome of this review is due to be finalised throughout 2023/24 with implementation of phase one from April 2024.

The annual consultation with providers will also look to gain an understanding of the latest inflationary and other cost pressures. In setting the 2023/24 fees, the Council have also placed due regard to the requirements of the Care Act

Whilst we understand the complexity of both DHSC and Local Authority funding, it is difficult to plan with no knowledge of the approximate funding envelope for any future restarting of the Fair Cost of Care exercise and this presents significant financial and reputational risk for all Local Authorities.