



Partneriaeth
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West
Glamorgan
Regional
Partnership

WEST GLAMORGAN REGIONAL PARTNERSHIP

MARKET STABILITY REPORT

2022



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1. Introduction

The West Glamorgan Regional Partnership is one of seven 'regional collaboratives' across Wales. Our membership comprises of:

- Swansea Bay University Health Board
- Neath Port Talbot County Borough Council
- Swansea Council
- Third and independent sector partners
- Members of the community and Carers.

The primary purposes of this partnership are:

- To promote prevention and wellbeing from a person-centred perspective, that will support and strengthen both the care delivered and the health and wellbeing benefits to the people of the region.
- To integrate services more effectively for the benefit of service users and carers.
- To focus on the person through an approach committed to personalisation, independence, social inclusion and choice.
- To fulfil a shared responsibility that adults and children at risk of harm are safeguarded against all forms of abuse by working together to keep adults and children safe and to promote their welfare.
- To make service improvements, to avoid service costs increasing and to ensure services are sustainable for the future, in the face of growing demand and the current financial climate.
- To recognise that incremental changes to existing models of care will not be sufficient and that a bolder approach is needed to bring about innovative models that are appropriate to the needs of the population.

2. Partnership and Arrangements

Section 144B of the Social Services and Well-being (Wales) Act 2014 requires local authorities to prepare and publish market stability reports, and make provision for regulations setting out the form these must take. These matters are set out in the Partnership Arrangements (Amendment) and Regulated Services (Market Stability Reports) (Wales) Regulations 2021.¹

In preparing their market stability reports, local authorities are required to consult with the Local Health Board. The preparation and publication of market stability reports must be carried out on a regional footprint.

Market stability reports are a tool to assist RPB's in planning and commissioning quality care and support for their populations. The reports should help RPB's to determine the overall shape and balance of the market for care and support within the region.

¹ Welsh Government: Market stability reports: code of practice. Code of Practice and guidance on the exercise of social services functions and partnership arrangements in relation to market stability reports. 29 March 2021

Partner organisations have completed this document locally and intelligence, feedback and data provided by partners has been received and is included. Contributors to this MSR include Swansea Council Social Services Adults and Children's commissioning teams; Swansea's commissioned Independent Professional Advocacy Provider (IPA); Swansea's commissioned Shared Lives Scheme Provider and Swansea Bay University Health Board, Neath Port Talbot council's internal sections; residential/nursing/secured/ learning disability & mental health care homes; independent professional advocacy provider; shared lives scheme provider and the local health board.

3. Welsh Language

The importance of the Welsh language and bilingualism in its Welsh language strategies and schemes is clear for all partners, providers are required to commit to the delivery of the Welsh language at the procurement stages in their contracts. Commissioners benchmark providers when reviewing compliance of services to contract and regulations. The aim will always be to standardise expectations around the Welsh Language and all Social Care contracts have clauses which require these legal obligations to be met.

4. Equality, Socio-Economic Duty & Human Rights

There is a duty by partners to carry out its functions in line with the Equality Act 2010.

How 'rights' feature in our services are embedded in our contracts and contract monitoring processes. Wales is a land of equality and equal opportunities, where having rights, whether they be rights under the founding principles of the Social Services and Wellbeing (Wales) Act 2014, The Equalities Act 2010, and the principles of human rights under the Human Rights Act 1998 forms the foundation of everything when commissioning services. Partners fully integrate these basic principles in the service design, and work proactively with providers to ensure individuals who experience these services have their rights fully respected under law.

All commissioning decisions are subject to Integrated Impact Assessments, which includes identifying the impact of decisions on equality and socio-economic duties. This helps to ensure that commissioning does not lead to negative equality and socio-economic impacts and to also help identify if there are additional actions we can take to further ensure any activity has a positive impact on these areas.

5. Social Value & Community Benefits

'Social value' is a way of thinking about how scarce resources are allocated and used. It involves looking beyond the price of each individual contract and looking at

what the collective benefit to a community is, when a public body chooses to award a contract. Partners understand that bringing added value to individuals and communities by commissioning services that strengthen communities where they operate and bring 'added value' or additional benefits to people's lives.

Partners continue to find ways in which to fully integrate social value and community benefits in how they deliver services. As part of its ongoing modernisation agenda, service models have been updated and refreshed to be fully consistent with the founding principles of 'The Social Services and Wellbeing (Wales) Act 2014' that embrace areas such as independence, choice and control and aims to give people a real say in how services are designed, tendered, awarded and delivered.

6. Executive Summary

Care Home Services – Older Adults

- There are sufficient number of available residential and dual registered beds in the area, however it is not always possible to place in the beds available
- There are relatively few homes offering specialist/complex dementia nursing care
- There is instability in the sector due to severe workforce issues combined with the current cost of living crisis
- Monitoring visits and Care Inspectorate Wales (CIW) inspection reports demonstrate an overall high quality of care home provider
- There is good partnership working between providers and commissioners
- Demand for care home beds reduced over the pandemic but is now returning to pre-pandemic levels
- More work is required with providers to support them to adapt to be able to meet the needs of the future population of the region, and to gain a better understanding of the type of support that will be required

Care Home Services – Children

- The Children's Social Care Market Study by the Competition and Markets Authority (CMA)'s concluded that the residential (and fostering) market is challenging. This is an issue shared by many local authorities across Wales and England
- Partners will review its strategic and commissioning plans in 2022 and continue to work with regional and national partners to support market wide developments
- The independent residential care market is at risk from the potential implementation of Welsh Government policy commitments. This will need to be monitored closely

Care Home Services – Younger Adults

- The specialist care homes market across the region is considered to be stable
- There have been increases in the number of placements for both learning disability & mental health over the 5-year period
- Monitoring visits and CIW inspection reports demonstrate an overall high quality of care home providers
- Workforce pressures and rising costs present stability risks
- Work is being undertaken by each Local Authority to redevelop the market so that it better reflects the preferred wishes of individuals

Secure Accommodation - Children

- Neath Port Talbot County Borough Council own and operate Hillside Secure Children's Home
- Hillside is the only secure children's home in Wales and has been assessed as providing sufficient levels of provision to meet previous, current, and future local demand
- Hillside is currently reviewing its service model to 'future proof' its service to ensure it is able to accommodate the future demands of the provision as well as being financially sustainable in the long term

Fostering

- Foster carer retention/recruitment is a problem across the region – as it is across Wales and England - as the numbers entering fostering each year is struggling to keep up with demand
- The most notable market gap is the limited availability of local placements for children aged 11+
- Overall, service quality is good across the foster care market

Adult Placement – Shared Lives

- Demand has differed with each Local Authority
- Over the last 5 years there has been only a small number of unsuccessful placements
- Monitoring visits and CIW inspection reports demonstrate an overall high quality of provision
- The number of carers has grown steadily over the period
- Expansion of services to promote use amongst other population groups is being explored

Advocacy - Adults

- There is one provider that covers the region, and provision is currently stable
- Further promotional work is underway to increase use of advocacy services for hard to reach groups
- Demand is expected to increase over the next 5 years
- Monitoring reviews demonstrate an overall high quality of provision

Advocacy - Children

- The Independent Professional Advocacy (IPA) Service is commissioned on a regional basis. It has been assessed as sufficient to meet previous, current and future demand
- Young people have provided positive feedback on the quality of the IPA Service and their achievement of personal advocacy outcomes
- Monitoring reviews demonstrate an overall high quality of providers

Domiciliary Care – Older Adults

- Domiciliary care demand continues to exceed supply
- Future longer-term demand is expected to increase in line with population growth
- Workforce issues, coupled with increased demand, is making it difficult for the region to meet current demand
- Monitoring visits and CIW inspection reports demonstrate an overall high quality of provider
- There is good partnership working between providers and commissioners
- Alternatives to traditional domiciliary care are required to keep pace with demand for services

Domiciliary Care - Children

- The domiciliary care market has seen a substantial growth in demand throughout the COVID-19 pandemic
- In response, the market has demonstrated flexibility and growth to meet levels of demand but at times this has led to maximised market capacity
- Overall, the market is delivering good quality services

Domiciliary Care – Younger Adults

- Services are of a good quality with low incidence of formal contract compliance or breaches in regulatory standards
- Since the pandemic, staffing has become one of the key risks to market to market stability and sufficiency
- Increased future demand for specialist services and care at home is anticipated and more accurate demand forecasting is needed

Adoption

- The Western Bay Adoption Service (WBAS) is a regional service across Swansea, Neath Port Talbot and Bridgend
- The number of children coming through for adoption has reduced
- The number of adopters has increased demonstrating that the process is working effectively
- Working regionally has supported resilience and quality
- Entry to the market is highly regulated and the arrangements are working well

7. Chapters

7.1 Care Home Services – Older Adults

Section A – Market Sufficiency

There is a diverse provider base with the majority of the current 66 care homes being individually owned. A large number of care homes are run by small to medium organisations, many of which are Welsh based, whilst five care homes are owned by larger national corporate operators. Five homes are owned internally by Swansea Council. As of May 2022, the region has a total of 2645 beds which are broken down as follows:

- 26 residential care homes in the region which provides a total of 881 beds for older people that have been assessed as requiring residential care
- 32 dual registration/nursing homes with provides a total of 1498 beds. These are registered to provide care to people requiring either nursing or residential care
- 3 specialist dementia nursing homes which together can provide a total of 110 beds
- 5 services Swansea Local Authority homes which account for 156 beds

Occupancy Rates

	Occupancy Rate %	Total Number of Registered Beds
May 2022	86%	2645
March 2021	79%	2707
March 2020	94%	2844
March 2019	95%	2842
March 2018	94%	2828

During the pandemic the average occupancy rates decreased significantly to 78% however this has now increased to 86% and whilst slowly increasing, it is lower than historical occupancy rates. It has been purported for some time that people want to remain in their own homes and communities for as long as practicable, with admission to care homes being viewed as a 'last resort'.

There is a lack of providers that can provide specialist Dementia nursing care for people with challenging behaviour.

Section B - Market Stability

Care home provision has decreased over the past five years.

Year		Total number of homes
2021/22		66
2020/21		68
2019/20		68
2018/19		69
2017/18		71

Providers have expressed an interest in expanding their services however active development work has stalled during the pandemic and will resume as capacity permits.

Action due to Failure

To support care home providers over the pandemic, emergency staff teams were created to enable a quick response to threats or continuity of service. This involved working across the region to organise staff who were able to be deployed into care homes and provide essential support. This service was used a small number of occasions where COVID depleted staffing levels and threatened safety of services.

Failure, which is anticipated to be time limited, partners in the region will support as necessary. In situations where a care home can no longer operate and is likely to close the Home Operation Support Group (HOSG) toolkit is implemented to support residents in finding a suitable alternative care home placement.

Commissioners adopt a collaborative relationship with care homes and providers are actively encourage to seek support in the early stages if they have any issues that might cause disruption to services.

Section C – Other Market Stability Factors

The Social Services and Wellbeing (Wales) Act 2014 places quality and continuous improvement at the very heart of the delivery of residential and nursing care services in Wales. The Act places a clear statutory duty on service providers to deliver care in a way that meets or exceeds statutory regulations and to self-assess and continually improve the way services are delivered to vulnerable people. The onus under the revised regulations is for providers themselves to identify shortfalls in standards and to be proactive in making improvements so that services can continually improve and progress beyond what is required by regulations.

A Regional Quality Framework (RQF) tool has been created within West Glamorgan so that care homes and commissioners can monitor and review standards in older person's residential and nursing care homes. This tool is used to help commissioners and providers identify the shortfalls in service standards and to help care homes improve how they deliver care. The tool requires input from a number of contributors, including health colleagues, social work colleagues, care home staff, residents and family members so that an assessment of quality and performance is as inclusive and comprehensive as possible.

The RQF continues to be updated to achieve greater consistency with the higher level regulatory domains used by Care Inspectorate Wales in their inspection framework.

Routine Contract Monitoring

Commissioners across the region ensure that regular contract monitoring is carried out to ensure quality is maintained. This is done by:

- Planned Annual Service Provider Reviews
- Unplanned Focused Monitoring
- Service User Reviews
- Regular provider forums
- Individual Provider Meetings

In 2017 a regional Market Position Statement (MPS) was produced setting out the factors impacting on market stability, including current and future demand and level of resources. The pandemic has had a significant impact on the care sector across the region, with a full analysis on its impact to be carried out over the next 12 months.

Current and Projected Trends

The population numbers for over 65's is expected to increase across the region over the next 10 years:

- 2020 – 78,662
- 2025 – 83,211
- 2030 – 89,215

This is combined with an aging population however whilst people are living longer many are also remaining fitter and healthier for longer. Most people tend to enter residential care later in life, often with more complex and multiple care needs. People who enter care homes later in life with multiple needs also tend to occupy beds for shorter durations than in the past.

The growth in the number of people aged over 65 with dementia is also expected across the region:

- 2020 – 5607
- 2025 – 6310

- 2030 – 7098

The most prevalent increase is expected to occur in people aged 85 and over, where the incidence of dementia increases significantly with almost with one quarter of the over 85 population showing some level of dementia. Whilst it is not possible to forecast it is generally accepted that this is likely to lead to increased demand for specialist dementia care.

Combined with the overall trend for individuals in staying at home longer with domiciliary care, people are only moving into care homes when they require 24-hour support, with an increasing amount requiring dementia care. There continues to be a demand for care homes and the current level of beds is sufficient to meet demand, however consideration on the type of support based on population numbers is needed to ensure the market can meet future changes in population needs.

Impact of Commissioning Practices on the Market

Robust monitoring processes means that commissioners are successful in working with providers to maintain good levels of service quality and support providers where issues have been identified. This close partnership working with providers helped support homes face the challenges that arose from the COVID19 pandemic.

Contingency planning and the creation of the emergency response teams sustained services and avoided care home failure during the pandemic. Support to implement other COVID related measures such as distribution of PPE, a regional web page dedicated to care homes ensuring they had access to the most recent COVID related guidance, support to coordinate testing and vaccinations, assessment of financial viability and implementation of hardship subsidies has also played an important part in sustaining sector wide services.

Care homes were awarded an uplift mid-year in 21/22 to support with the additional financial demands placed on them, along with an additional uplift at the beginning of 22/23 in order to help improve staff terms and conditions, including payment of the Real Living Wage.

Sustainability of Provision

COVID has disrupted the care home market and longer-term impacts are not yet clear. Commissioners may need to support care homes to adapt to changing market forces as patterns of demand become clearer. There is concern that some care homes may become financially unsustainable due to the level of voids, however it has been assessed that the market will be able to respond to any potential closures.

Risks to Market Stability

Care home providers continue to experience pressures and influences from a range of sources:

Care Need

Future demand forecasting is suggesting that there is a need for more complex dementia services. Currently the sector continues to be impacted by reduced demand, financial pressures and workforce pressures, and remains fragile.

Occupancy

Since October 2021 the number of vacancies is slowly decreasing within care homes. However, a number of beds are occupied with people placed on extended care rather than long term placements.

Financial

The sustainability of some providers remains fragile due to increased void levels, challenges with accepting new placements, additional unprecedented costs associated with both the COVID19 pandemic (such as insurance) and the cost of living, as well as the rates of pay required to retain and recruit staff. Staff recruitment is a significant problem with care staff leaving to take up jobs in different sectors such as retail. Care home operators may be required to respond to market forces by adapting their services as the pattern of demand changes.

Providers are concerned that people's needs are higher on admission into care homes than previously experienced, which requires higher levels of staffing.

Staff pay is an ongoing issue impacting on retention and recruitment. This is resulting in some care homes being unable to accept admissions due to insufficient staffing levels. Running costs have also increased due to COVID-19 (such as increased insurance) and unprecedented increases in cost of living (such as food and fuel).

Fee rates paid to homes are set each year. The rates are standardised per category of care irrespective of the choice of home. Each home is able to set its own rate for those residents who are self-funders and are able to charge a third party payment for additional services.

Staff

Recruitment and retention of qualified nursing staff and social care staff has been an ongoing concern since 2017 for providers, however competition for workforce is greater than ever. In some cases, shift patterns have become longer to cover sickness and vacancies, leading to speculation that this may be affecting the health and well-being of staff.

Without sufficient staff, care homes have been unable to accept new admissions and there is a risk that care homes may give notice on placements if they assess that they are unable to safely continue delivering care with their current staff levels.

Recruitment of Registered Mental Health Nurses has been especially difficult and is a barrier in extending dementia services.

Section D – Other Considerations Affecting the Market

Resources

Fee setting takes into account the legitimate current and future costs faced by providers as well as the factors that affect those costs, and the potential for improved performance and more cost-effective ways of working. These processes ensure that, in so far as possible, fees set are adequate to enable providers to meet the specifications set by the Commissioners together with regulatory requirements.

The process for establishing a fair price for care is based on consulting with providers and understanding their costs through the use of questionnaires, financial records and consultation. Whilst all providers are strongly encouraged to participate, response is limited.

Third party payments are charged by most of the contracted elderly independent care homes across the region. The difference in cost between funded residential / nursing care and the cost to self-funders is not readily available and may vary from home to home.

There are limited resources available with partners. The funding received from Welsh Government restricts the level of uplift that can be applied. The gap between the cost of implementing Real Living Wage and the level of funding received by Welsh Government which makes only a contribution towards total costs will exacerbate these problems.

Direct Payments

There are facilities in place for people to receive a direct payment to purchase care home services. There are no individuals currently using direct payments to purchase long term care from care homes although direct payments are used to purchase respite care.

Self-funders

All care homes across the region accept privately funded placements. Information regarding the cost and number of placements is not available.

Workforce

The sector is finding it increasingly difficult to recruit care staff and in particular qualified nurses. Care staff are leaving the care sector to work in other areas

Commissioners are considering ways to support providers in regards to their workforce issues with the emphasis on rates of pay. SBUHB are considering ways to recruit nurses as well as providing courses to upskill care staff.

Section E – Summary of the Market

- There are sufficient number of available residential and dual registered beds in the area

- There are relatively few homes offering dementia nursing care
- There is instability in the sector due to severe workforce issues combined with the current cost of living crisis
- Monitoring visits and Care Inspectorate Wales (CIW) inspection reports demonstrate an overall high quality of care home provider.
- There is good partnership working between providers and commissioners.
- Demand for care home beds has reduced over the pandemic and average sector wide occupancy has reduced
- More work is required with providers to support them to adapt to be able to meet the needs of the future population of the region, and to gain a better understanding of the type of support that will be required.

7.2 Care Home Services – Children

Section A – Market Sufficiency

The options for placing a looked after child are set out in section 81 of the Social Services and Wellbeing (Wales) Act 2014. If it is not possible for the child to remain with their parents or a person who has held Parental Responsibility for the child, if there is a friend or family member (connected person) that could potentially care for the child. By doing so it helps to ensure the child continues to be brought up within their family or community environment which is usually what matters to them. Where it has not been possible to place a looked after child either with a parent or connected person, the Local Authorities must consider which of the following is most appropriate:

- placement with an unconnected foster carer registered with a fostering agency
- placement in residential care
- placement in accordance with other arrangements – for example, supporting young people aged 16 or over to live independently or in supported accommodation

Popular Based Demand

In the past year Children Looked After (CLA) population has been steadily falling. However, the number of CLA assessed as needing a placement in residential care has been reasonably consistent since March 2018.

The use of residential provision is determined by the assessed needs of the child and although the overall the council's CLA population is declining, there continues to be a need for specialist residential provision for a small cohort of children.

Residential Placement Accessibility and Gaps

There is technically far more local provision than needed (approximately double), however, in practice, local provision has proven incapable of effectively meeting demand and placements often occur out-of-area. Occasionally it can be a positive decision to place a child further afield – e.g., because of child protection concerns – but more frequently it reflects a lack of appropriate local options. There are multiple factors contributing to this issue, for example:

- local providers are not always capable of supporting children with the most complex needs
- placements locally may be occupied by children placed by other authorities; or
- even where there is a vacancy available locally that might be suitable, the child needing a placement may not be a good match with those already in the home

Occupancy data relating to residential settings located within the region informs us that most placements made with residential care services in this region are from other local authorities in South Wales but there are often placements made by English authorities.

Difficulties achieving market sufficiency has been reported as an ongoing concern across Wales. This area of concern is anticipated to continue affecting the sufficiency of the residential care market which, due to the number of out of county placements, can only find resolution when the sufficiency balance is achieved across Wales.

Residential Placement Location

Placements are chosen based on an assessment of their ability to meet the needs of the individual child. Placements made locally offer opportunities to promote the child's identity, promote contact with family and friends, and ensure continuity of access to their local communities, education, and health services. Preference is therefore given to placements in-area. However, the local placement also must be able to suitably meet the child's other needs. There can be times that local placements are not able to meet the child's holistic needs and we therefore must place further away.

Placement Stability and Suitability

The level of placement stability is shaped by many contributing factors and changes of placement for a child can occasionally be for a positive reason, e.g., to be closer to their family or to move to a less supportive environment as part of a transition to independence. All placement decisions are based on the assessed need of the child.

Quality and Outcomes

Care and support plans continue to be co-produced with the child and their progression and achievement of personal outcomes are regularly reviewed and evaluated.

The COVID-19 pandemic had disrupted inspection and monitoring cycles adopted by CIW and the 4C's. Based on the best available data, identified areas of poor service performance across the regions residential care market and commissioned out of county providers have been isolated to specific providers or have been isolated incidents.

Across the regional residential care market and commissioned out of county providers, the most common area of service improvement identified by CIW 4C's and the Local Authorities is linked to the leadership and management of residential care settings.

Current Level of Market Sufficiency

The regional residential care market currently faces key challenges to achieve market sufficiency.

Whilst the region has an 'over-supply' area of residential care provision, the market is not providing the sufficient placement availability, with a key gap in provision relating to placements for children who present complex support needs. Based on numerical placement numbers, there are more residential care placements than is

required, but only a very low percentage of residential care placements are occupied by children of this region. The remaining high percentage are either unavailable or are occupied by children placed by other local authorities (primarily from across South Wales and outside West Glamorgan Region).

Discussions with providers interested in opening new residential provision within the footprint demonstrates that they are happy to operate services that meet the demand of other local authorities rather than focusing on developing models that meet our demands in this region. This is a concern and can be attributed to wider market sufficiency issues. Whilst commissioning and strategic plans are being reviewed, which will explore potential solutions to address gaps in the residential care market, the challenge of achieving local market sufficiency will not be fully resolved until market sufficiency is addressed and improved across Wales and England. Alongside the review of its strategic plans, partners will also work closely both regionally and nationally to support market wide sufficiency developments.

Likely Issues to Affect Market Sufficiency Over Next 5 Years

Population Based Demand

A decreasing child population may result in reduced demand for the residential care market, but there will always be some children for whom residential care is the right option.

Impact from Wales Wide Sufficiency Issues

The sufficiency of the residential care market across Wales is a concern. As local authorities across Wales seek residential care placements in other local authority areas to meet their placement needs, it detracts our capability to influence the shape of the local market to focus on providing placements for our children. Until market sufficiency is improved across Wales, any increased placement demand presented by other local authorities is likely to result in further limitations on local residential care placement availability.

Potential Extension of 'When I'm Ready' Placements to Residential Care

The work of the Children's Residential Care Task and Finish Group (a sub-group of the Improving Outcomes for Children Ministerial Advisory Group) will be closely followed to identify any potential changes in service delivery.

Welsh Government has instigated work exploring the potential of creating an extension of 'When I'm Ready' type placements to children in residential care. This could have a significant impact upon the residential care market, and therefore strategic and operational children's services plans will be reviewed and assessed should the market require delivery of such service models.

Section B - Market Stability

An analysis of the regional residential care market identified several instability characteristics which requires further development.

Balance of Demand and Supply

The sufficiency assessment above identified that demand and supply within the region's residential care market is imbalanced. The market requires further development to meet the future needs of the local population. However, addressing this area of market instability is a challenge on a regional and national scale.

Local Authorities are currently reviewing their commissioning and strategic plans to seek alternative solutions to improve local market sufficiency. Local Authorities will continue to work closely with regional partners and the 4C's to support regional and national market developments.

Local Provider Base Diversity

The residential care market for looked after children consists of several external service providers. Apart from the one home, the others are private, commercial organisations (none are charitable organisations/ from the 3rd sector). Most of the organisations are small to medium enterprises that operate a small number of homes each. There is one larger organisation operating in the area. Already a large provider in Wales supporting individuals with disabilities, in 2021 they acquired another local provider who work with children with social, emotional, and behavioural needs.

Market Wide Shocks

The Children's Social Care Market Study by the Competition and Markets Authority (CMA)'s concluded that the residential (and fostering) market is dysfunctional. This was largely based on an acknowledgment that their insufficient placements available for local authorities at the same time as excessive profits are being made by many providers. Another of the concerns they raised is that there are high levels of debt being carried by some of the largest private providers, which poses a risk of placement disruption for children, should there be a disorderly exit of organisations from the market. This needs to be monitored closely, especially considering further organisation expansion and acquisition.

The risk of market shocks and potential market collapse within the external residential care market could also be subject to shock should the Welsh Government plan to remove profit-making from the provision of care to looked-after children not be managed carefully

Action due to Provider Failure

No action has been applicable by the region in pursuance of its duty under section 189(2) of the Social Services and Well-being (Wales) Act 2014.

Section C – Other Market Stability Factors

Consideration of Market Quality

Children residing in residential care placements have outcomes-based care and support plans which are coproduced with the individual. All commissioned residential care providers regularly review progression and the achievement of personal outcomes.

Alongside CIW and the 4C's contract monitoring role, the quality and performance of commissioned residential care placements are monitored on a regular basis by the Local Authority Commissioning Team. The residential care market and commissioned out of county residential providers deliver reasonable quality care and support.

Where failure does occur, the most common cause is the lack of appropriate management and leadership oversight, and difficulties recruiting and retaining suitable staff.

Current and Projected Trends

The use of early intervention and prevention services aims to further decrease the looked after child population over the next 5 years. Other actions being taken as part of a developing multi-faceted plan to reduce the need to use independent residential care services:

- growth of regional fostering services; and
- expansion in the number of services functioning within the region

Impact of Commissioning Practices on the Market

When it is necessary for a child to become looked after, the preference is to place the child with a suitable foster care placement, provided it meets their assessed needs. Sometimes a residential placement is needed to meet the child's assessed (complex) needs or for a small cohort of children where no suitable match is available with an approved foster carer. The use of residential care for those with the most complex needs has shaped local demand, but local provision is often unable to deliver the level and type of care and support these children need.

Residential placements are sourced and procured in the first instance through the 4C's All Wales Residential Framework, if a suitable framework placement is not found, the placement is alternatively sourced through non framework commissioning arrangements.

Use of the 4C's Framework provides the Local Authorities with support from a national commissioning approach and improves the limited buying power within the region. Whilst the use of the 4C's Framework provides the region with an opportunity to source residential care placements from a wide array of providers, this does not necessarily result in a suitable placement match. Local Authorities will continue to contribute to the commissioning development work led by the 4C's and

will work closely with the 4C's and other partners to support market developments both on a regional and national basis.

Sustainability of Provision

The residential care market contains several service providers, but one provider having a large proportion of the market. In terms of who we place with, there is no over reliance on any one external provider. However, there is a shortage of providers with capacity to care for those with the most complex needs.

Risks to Market Stability

One of the largest risks to market stability is borne from the policy intentions and future actions of the Welsh Government who have expressed an intention to remove profit-making from the provision of care to looked-after children. This will need to be implemented very sensitively to prevent considerable market stability.

Section D – Non Regulated Provision

Supported accommodation services can be an important and appropriate placement option for young people – e.g., to develop further life-skills as part of a planned transition to adulthood.

Section E – Other Considerations Affecting the Market

Resources

Planned reviews of commissioning and strategic plans will explore and consider areas of resource pressures and areas where resources require investment and levelling up.

Section F – Summary of the Market

The Children's Social Care Market Study by the Competition and Markets Authority (CMA)'s concluded that the residential (and fostering) market is challenging. This is an issue shared by many local authorities across Wales and England.

Partners will review its strategic and commissioning plans in 2022 and continue to work with regional and national partners to support market wide developments.

The independent residential care market is at risk from the potential implementation of Welsh Government policy commitments. This will need to be monitored closely.

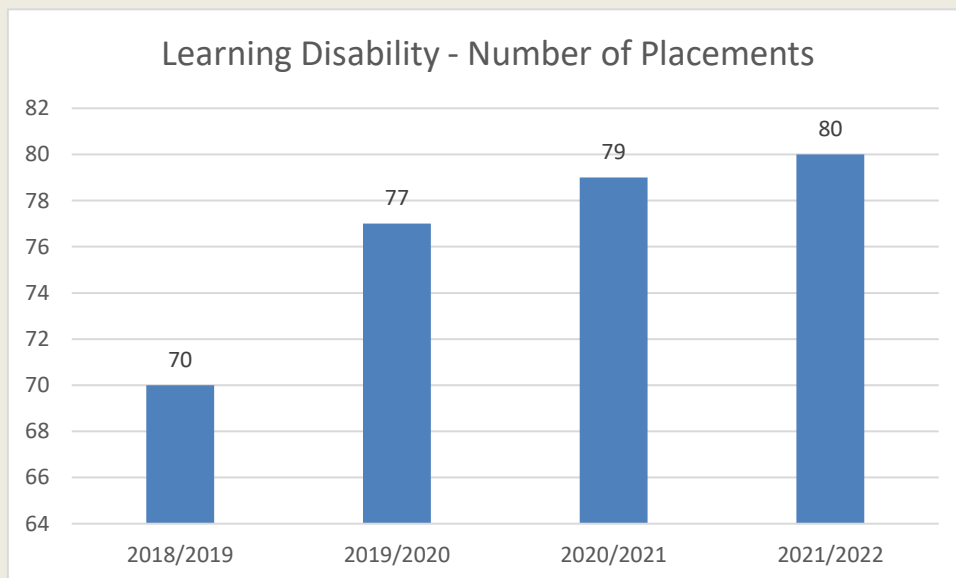
7.3 Care Home Services – Younger Adults

Section A – Market Sufficiency

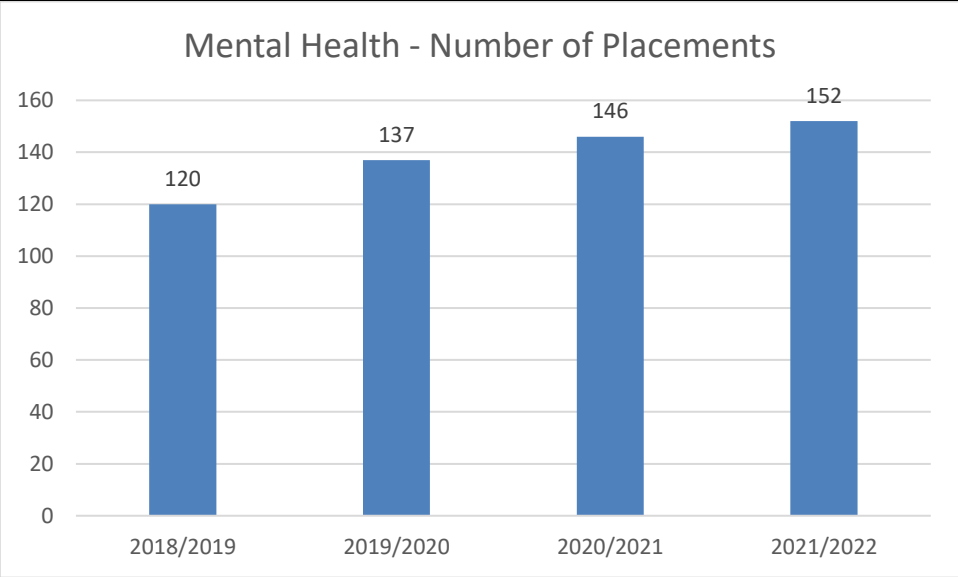
The following number of placements in specialist residential care homes are currently commissioned:

- 80 for Learning Disability placements
- 152 for Mental Health placements

Whilst the majority are placed across Swansea and Neath Port Talbot, due to lack of suitable availability a proportion are placed out of region to meet the needs. Over the previous 4 years demand for placements in residential care has increased.

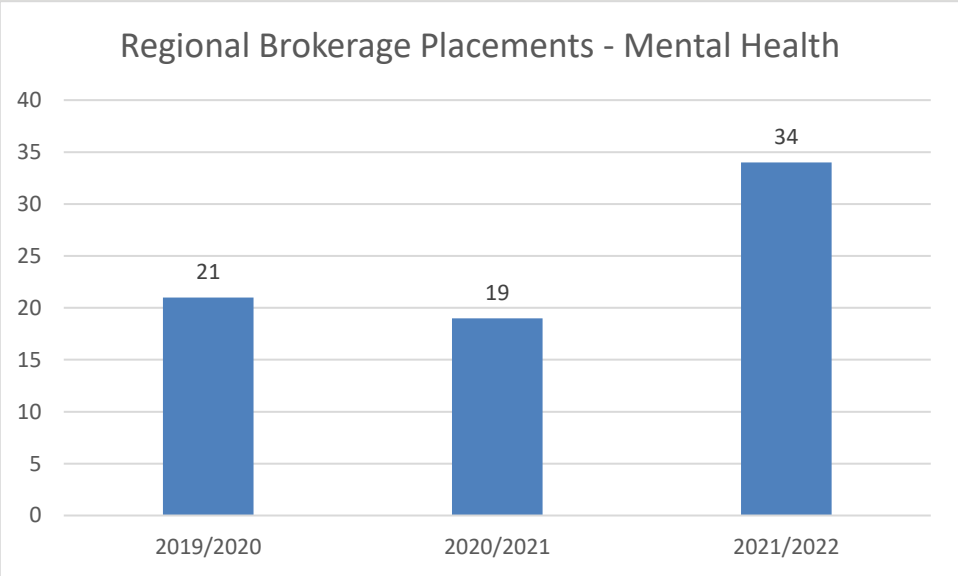


Comparing 2018 to 2021 there has been an increase in the number of placements by 14%. This is inconsistent with the strategic direction to reduce reliance on residential care in favour of options which promote more independent living.

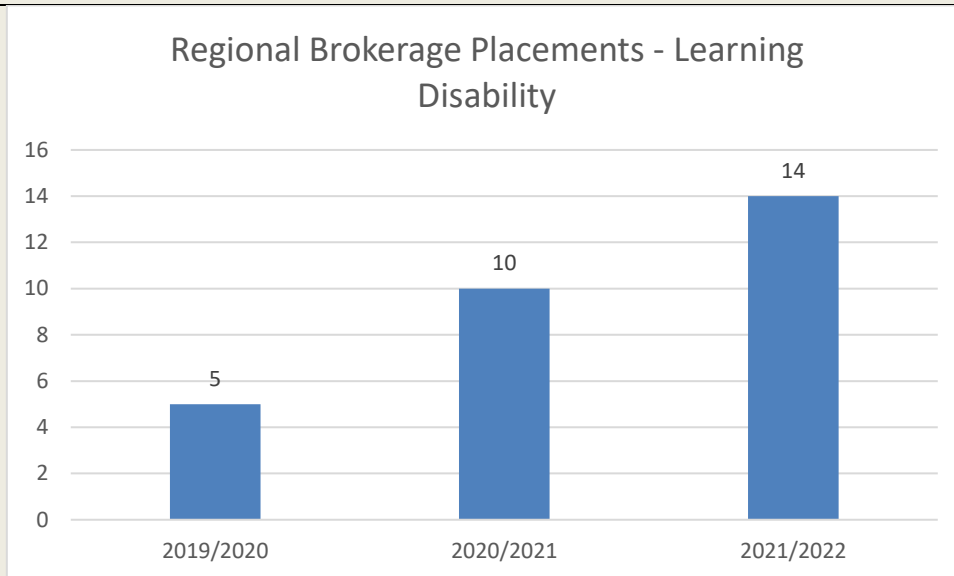


There has been an increase of 27% comparing 2018 and 2021.

The West Glamorgan Regional Brokerage shows an increase in the last 12 months on new residential care home placements made in Mental Health care homes. Regional brokerage source a suitable placement in the location requested by the care manager.



There is an increase year on year for new Learning Disability placements made



Over the past 12 months, demand for residential care in Learning Disabilities and Mental Health placements has increased, which has resulted in more placements going out of region to ensure appropriate placements are sourced that can meet the needs of the individuals. In 2021/22 there were two Learning Disability placements where it was not possible to source anything suitable due to the level of complex needs presented, which resulted in the individuals being admitted to specialist hospital placements, until a suitable placement became available.

Current level of Market Sufficiency

It is not possible to meet the current level of demand within the region. There is also a shortage of mental health nursing beds across the region.

Sufficiency over the next 5 years

The main issues that are likely to affect sufficiency in the next 5 years are:

- A regional shortage of mental health nursing beds
- A regional shortage of beds for complex needs and challenging behaviour
- Recruitment and retention of workforce
- Rising cost of care and limitations on partner resources

Other factors affecting sufficiency

Changing patterns of demand

Fewer people with learning disabilities wish to be placed in residential care and these services are now only commissioned when other options are insufficient to meet need.

Conversely, shortages of supply are leading to a growth in demand for specialist Mental Health nursing placements. Specialist provision for older people with functional mental health is particularly difficult to source. In the longer term this

demand is exacerbated by the projected increase in the number of older people with mental health care and support needs.

Welsh Government policy of not keeping people in a long-term hospital placement has also demonstrated a lack of suitable placements for individuals with complex needs and challenging behaviour.

Challenges, risks and opportunities

The current system of purchasing placements for people with complex needs via national procurement frameworks can lead to costs escalation. These services are in short supply and local authorities have experienced of being outbid for services by other commissioning organisations.

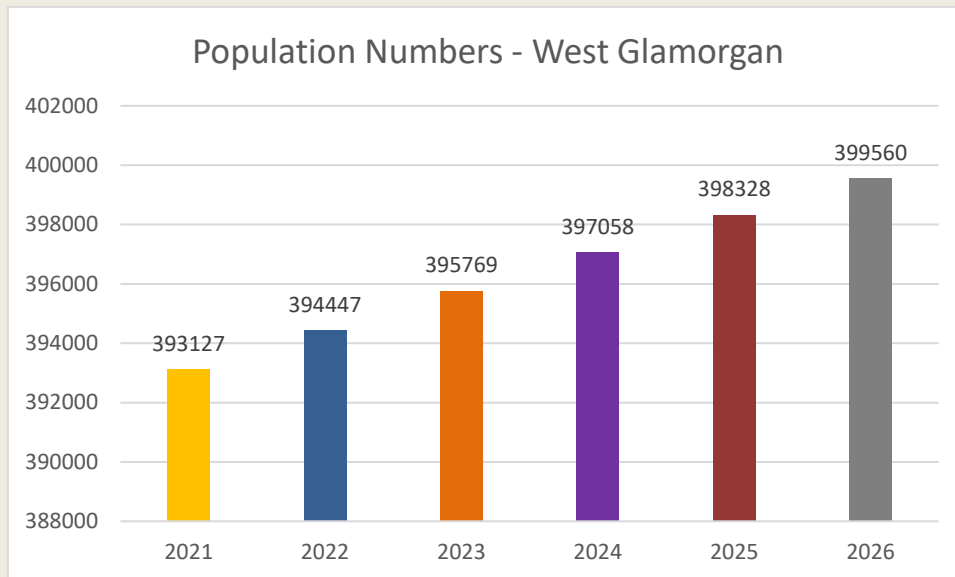
Gaps and areas of concern

There are areas that the region has agreed to look at in order to see if there are gaps and whether these gaps could be mitigated by a regional response. This includes specialist behaviour services, step down from medium secure services, older persons mental health nursing services and specialist physical disability services.

Impact of changing patterns of demand, changing expectations and new emerging trends upon the sufficiency of care and support

In the absence of more specialist provision older people with a mental health diagnosis requiring nursing care may need to be placed in standard older persons care homes. This may represent an opportunity for operators to adapt their services in response to changing market forces. In the alternative, demand which cannot be met locally may lead to increased hospital admissions and higher number of out of county placements.

Section B - Market Stability



The above graph illustrates, over the next 5 years projected population figures will see a consistent year on year increase.

Financial

Providers of specialist Learning Disabilities and Mental Health care home services set their own individual rates for care which take typically take into account the following:

- Hotel Costs
- Premises
- Supplies and services
- Administration and central costs
- Transport
- Staff costs
- Core Care costs
- Profit

The financial viability of homes is monitored and the commissioning teams work with providers to address any issues which suggest a risk to continuity or quality of services. This may involve supporting the service provider to remodel service where this is necessary to achieve financial viability.

Other characteristics which influence Market Stability

Diversity of provider base

Services are commissioned from a fairly diverse range of care home providers ranging from the small single service operators, to a number of large national

companies. Some placements are purchased from social value organisations as defined under s16 of the SSWBA. Residential and nursing care home Providers are able to access the market via the national procurement frameworks. Barriers for new entrants are believed to be low but rising costs and workforce pressures are factors.

Provision of information about the market in order to plan and make investments

Commissioners place importance on developing collaborative working relationships and regularly meet with providers to share information about local and regional commissioning needs. Local commissioning strategies have been developed which have required Provider contributions, and Providers have actively worked with the councils to develop responses needed to meet local needs. Longer term these strategies will form the basis of Market Position Statements which can be used by Providers to inform service planning and development.

Relationship between price and quality

Placement decisions are not based exclusively on price and frequently higher cost options are chosen where there are demonstrable quality benefits. Limitations on resources mean that price considerations are of course key but emphasis on quality is paramount.

Workforce issues

The social care sector is characterised by workforce pressures. Care homes offering specialist services have been impacted to a lesser extent than other service areas, but staffing shortages, skills gaps and difficulties with recruitment and retention are an ongoing problem. Some of these issues are linked to rates of pay and competition from other employment sectors. The larger problem relates to how social care workforce is recognised and valued and how the caring profession can be seen as an appealing option. Moves to implement Real Living Wage will help address concerns relating to rates of pay but this is perhaps only part of the solution.

Managed entry and exit of providers to and from the market

There are systems for commissioning and contracting with services which ensures that this generally occurs in an orderly and managed fashion. This enables necessary due diligence to occur and provides for appropriate evaluation of cost and quality considerations before placement. Occasionally emergency placements may be needed to quickly accommodate people in locations where contracts are not held. Where this happens systems can flex to enable rapid admission without disadvantaging people who need care and support.

Capacity to withstand shocks

The COVID pandemic has shown the market to be capable of withstanding significant disruption. With the support of commissioners, Welsh Government and partner organisations operators have demonstrated their capacity for effective contingency planning in response to significant threats to service continuity.

Commissioners have concerns about the capacity of Providers to withstand long term workforce pressures. This area will be closely monitored.

Whilst specialist care homes have not been as adversely affected by the pandemic as Older Persons Homes, the stability of the current specialist care homes market remains relatively fragile. Occupancy levels have not been significantly impacted, but Government subsidies have ended and workforce recruitment and retention continue to be a problem and competition for workforce from other employment sectors is growing. As are demands placed on carers and other social care workforce.

Action due to Provider Failure

Over the pandemic emergency teams of staff were created to respond quickly to the threats against continuity of service. This service has been used on a small number of occasions where COVID has depleted staffing levels and threatened safety of services. Regional commissioning groups have been established to plan failure responses and promote sector wide contingency planning.

The use of the Welsh Government Hardship Fund to manage financial sustainability risks has been pivotal in preventing sector wide service failure.

In the past 5 years, there have been four homes that have closed down across the region. Residents were supported to move to new suitable placements.

Section C – Other Market Stability Factors

Consideration of Market Quality

Quality Considerations

Based on the assessment of the information available the majority of services are of sufficient quality to meet individual's needs. Where quality expectations are not achieved actions are taken to achieve timely improvements.

Contract Monitoring

Contract monitoring is essential to ensure that commissioners can be confident that services are fit for purpose and that residents receive satisfactory care. Local Commissioning teams have developed positive working relationships with providers and work collaboratively with the sector to develop and improve services. Where services are purchased via the NHS Wales Collaborative National Framework for Younger Adults MH and LD Care Homes, some of the quality assurance responsibilities are shared with other lead commissioners. This provides an additional layer of quality assurance monitoring

Current and Projected Trends

The market is seeing an increasing number of Providers expanding autism and other specialist Learning Disability services. Locally Commissioners have not signalled demand for expansion of services in this area but Providers are seeing

commercial opportunities and are adapting. Costs for these services are set by Providers not commissioners. Longer term shortages of mental health nursing services for older people are possible.

No negative impacts as a result these developments are forecast. Expansion of specialist services compliments existing provision and creates competition on price and quality. Availability of nursing care will be monitored so that requirements can be communicated to the market if service level changes are required.

Citizens and families are becoming less willing to consider long term residential care. Alternatives to residential care, such as supported living services, extra care schemes and specialist domiciliary care provision, are in greater demand.

Solutions which promote independence and avoid reliance on residential care are consistent with local commissioning objectives. These options do more to build on the strengths of people who need care and support and are more likely to achieve the type of outcomes that individuals tell us are important.

Forecasting suggests a future decline in demand for residential services for people with learning disabilities but a possible increase in mental health nursing services to keep pace with an aging population, and an increase for people with challenging behaviour and complex needs.

Impact of Commissioning Practices on the Market

Welsh Government – Statutory Guidance

The Regulated Services (Service Providers and Responsible Individuals) (Wales) Regulations 2017 as amended, came into force in April 2018 and was fully implemented and operational by April 2019. The key change facing providers was the requirement to re-register with CIW to provide a care home service with a 'statement of purpose' providing a full description of the services that could be delivered. The new legislation replaced the 'National Minimum Standards for Care Homes for Younger Adults with a new set of regulations and associated statutory guidance.

Robust monitoring processes means that we have been successful in working with providers to maintain good levels of service quality and to support providers when issues are identified. The close partnership working with providers has helped support care homes face the challenges that arose from the COVID-19 pandemic.

Over the last 10 years the focus has been on supporting people to remain independent within their own homes. Generally placements will only be made in specialist residential care homes when it is not possible to meet a persons assessed needs in the available community accommodation based services.

The trend towards purchasing from national frameworks is having mixed results. Where demand for certain specialist services is high use of frameworks has led to increased costs. Arrangements which allow for local negotiation with local providers tend to achieve better value for money outcomes. The principle that

national frameworks promote access to a wider more diverse market which allows for greater competition on price and quality is not clearly demonstrated in all areas.

Regional approaches to review high cost placements have led to a more informed understanding of cost and quality. Further work is needed to enable these approaches to achieve a more informed shared understanding of outcomes for people, and other shared regional commissioning objectives. Further work to achieve this is underway.

Sustainability of Provision

There are 79 care homes operating across the region, all of which are either privately run or part of larger national organisations. There are no third sector operators of specialist care homes in the region. Confidence in sustainability in the sector is high, however continued development of community accommodation models means that there will be less demand going forward.

Risks to Market Stability

Care Need

Changes to patterns of demand are a risk in the longer term. In the shorter term, demand for existing services is likely to remain fairly consistent. Care homes may have to adapt their models in response to changing demand, and the expectation is that demand will reduce as new care models are developed. Reliance on out county placements is sub-optimal for residents, families and commissioners.

Occupancy

Occupancy levels have not been seriously impacted by COVID. Most specialist care homes have low vacancy levels making it more difficult to find suitable placements for people who need these services. Current patterns relating to occupancy do not present a risk to market stability. Providers are also open to commissioners outside the region.

Financial

Specialist services are able to set their own prices. Where services are purchased via frameworks costs are less transparent. Financial monitoring is undertaken and failure or service disruption linked to financial viability is rare. Increasing costs are an issue for all service types. This is linked to rising staff costs which are necessary to recruit and retain staff and other rapidly increasing inflationary pressures. These pressures are expected to lead to continued costs escalation.

Staff

Workforce recruitment and retention is possibly the biggest risk to sector stability. Pressures have been exacerbated by the COVID pandemic. Workforce migration to other employment sectors is increasing. Pressure on existing workforce has increased. Rates of pay are an issue but other factors such as job satisfaction and recognition for a workforce that can sometimes feel undervalued are also relevant.

These are issues which commissioners and policy makers must grapple with which are not quickly or easily solvable.

Section D – Other Considerations Affecting the Market

Resources

Fee setting takes into account the legitimate current and future costs faced by providers as well as the factors that affect those costs, and the potential for improved performance and more cost-effective ways of working. These processes ensure that, in so far as possible, fees set are adequate to enable providers to meet the specifications set by commissioners and regulators.

Direct Payments

There are facilities in place for people to receive a direct payment to purchase care home services. There are no individuals currently using direct payments to purchase long term care from care homes although direct payments are used to purchase respite care.

Workforce

The sector is finding it increasingly difficult to recruit care staff. Care staff are leaving the sector to work in other areas that are considered less demanding. Commissioners are considering ways to support providers with their workforce issues with the emphasis on pay.

Section E – Summary of the Market

The specialist care homes market across the region is considered to be stable, however there is a lack of providers that can support individuals with challenging behaviour and complex needs, which is resulting in placements being made out of region or being placed on waiting lists with providers that do specialise in this type of support. There is also a severe lack of Mental Health nursing provision across the region.

Services are generally of a satisfactory quality with low incidence of formal contract compliance or breaches in regulatory standards. Instances of service failure have been low. Services have been financially viable. Operators have been keen to invest in developing new services.

COVID-19 has not significantly impacted the shape or the stability of the market. Occupancy levels have not been significantly affected. Operating costs however have, anecdotally at least, risen significantly. Workforce pressures are greater than ever. These factors will continue to present challenges.

The work being undertaken by commissioners within each Local Authority to redevelop the market so that it better reflects the preferred wishes of individuals will directly impact on specialist care home provision.

7.4 Secure Accommodation – Children

Section A – Market Sufficiency

Market Capacity

Neath Port Talbot County Borough Council own and operate Hillside Secure Children's Home. Hillside is the only secure children's home in Wales, which puts Neath Port Talbot CBC in a unique position within Wales of being able to access secure residential placements within its own county boundary.

Hillside accepts children and young people from anywhere in the United Kingdom but is focused on providing placements for Welsh children in line with placement availability and the child's assessed support needs.

Since the 2017 Western Bay Population Assessment was published, Hillside's service model was reviewed and amended, the outcome of which resulted in a reduction of Hillside's overall placement capacity, but this has not negatively impacted upon the council's access to secure residential placements.

Since 2017, the key changes to Hillside's placement capacity are summarised as follows:

	2017	2021	Movement Direction
Total Bed Capacity	22	18	↓ 4 (18%)
Of which, number of beds commissioned by Youth Custody Service	10	6	↓ 4 (40%)
Of which, number of beds commissioned by placing Local Authorities	12	12	—
Age Range Criteria	12-17	10-18	↔

Table 1: Comparison/Bed Capacity/Commissioned YC/LA/Years/Nos

Population Based Demand

	2017	2018	2019	2020	2021
England Admissions	52%	54%	50%	29%	33%
Wales Admissions	48%	46%	50%	71%	67%

Since 2017, the Hillside admissions data (above) demonstrates a trend in which Hillside placements were increasingly being occupied by children from across Wales (with a notable decreasing trend of placements made from England).

Quality and Outcomes

Hillside co-produce care and support plans with the child and their progression and achievement of personal outcomes are regularly reviewed and evaluated.

Hillside closely collaborates with children residing in Hillside to ensure their voice is heard and various mechanisms are in place which enables children to inform service delivery and developments.

Current Level of Market Sufficiency

Hillside is currently reviewing its service model and is exploring future service models which will 'future proof' its service to ensure it is able to accommodate the future demands of the provision as well as being financially sustainable.

Looking ahead, Neath Port Talbot Council and Hillside will work collaboratively with regional partners and Welsh Government to take forward identified outcomes of its service review.

Likely Issues to Affect Market Sufficiency Over Next 5 Years

Accessible Support Services to Meet Future Population Needs

Over the previous 4 years, the cohort of children referred to Hillside has increasingly presented with complex support needs. With this trend predicted to continue over the next 5 years, Hillside requires the input from a range of specialist support services to ensure children residing in Hillside receive the appropriate support based on their assessed needs.

Various specialist support services are commissioned by Hillside, but the availability and funding required to provide such specialist services has been a challenge, which was especially evident during the COVID-19 pandemic. The pandemic resulted in service disruption to specialist support services, which resulted in limited availability of these services to children residing in Hillside.

Hillside is currently reviewing its service model and scope of specialist commissioned to ensure children residing in Hillside access the right services based on their assessed needs.

Depending on the outcome (and subsequent service model reviews/ evaluations over the next 5 years), it is likely that Hillside will require input from a range of specialist health-based services, which will require ongoing resource investment in order to enable Hillside to access to these services.

Section B - Market Stability

Financial Sustainability

Whilst Neath Port Talbot Council own and operate Hillside Secure Children's Home, Hillside is modelled to operate on a zero-base budget, meaning the provision is designed to be financed through income generation such as placement fees. Placement fees have increased over the previous 4 years in line with increasing operating costs. Placement fees are currently subject to review and will align to any developments to the future Hillside service model.

Wales Wide Market Sufficiency

Due to Hillside operating as the only secure children's home in Wales, Neath Port Talbot CBC has a stable access route to securing placements in Hillside. Neath Port Talbot CBC is aware of the difficulties which other placing local authorities experience when sourcing a secure placement. This market awareness has been borne from observing the pressure and high demand placed on the secure estate. In future, should further secure estate provision be developed within Wales, a full assessment will be undertaken to establish the impact such provision would present to the Hillside service model.

Action due to Provider Failure

No action has been applicable by the council in pursuance of its duty under section 189(2) of the Social Services and Well-being (Wales) Act 2014.

Section C – Other Market Stability Factors

Consideration of Market Quality

Children residing in Hillside have outcomes-based care and support plans which are coproduced with the individual and are regularly reviewed and evaluated with regards to the achievement of personal outcomes.

Hillside is inspected and monitored by CIW, Estyn and commissioners such as the Youth Custody Service. Over the previous 4 years, inspection and monitoring reports identified areas for improvement in which have been fully implemented. The largest risk to the achievement of personal outcomes relates to access to

support services commissioned by Hillside. The COVID-19 pandemic led to severe disruptions to the delivery of Hillside's commissioned support services. As part of Hillside's service model review, Hillside's commissioned support services are being analysed and reviewed to ensure they meet current support needs as well as 'future proofing' commissioning arrangements to meet the future support needs of children and young people.

Current and Projected Trends

Changing Support Need Led Demand

Over the previous 4 years, the cohort of children and young people residing in Hillside are presenting more complex based support needs. Whilst Hillside provide trauma informed care and support, children and young people are more frequently requiring specialist health-based support.

This trend is likely to continue. To ensure Hillside and its commissioned specialist support services meet future needs presented by children and young people, the Hillside commissioning plan will be evaluated and updated to ensure appropriate commissioning arrangements are providing the right services in a sustainable way.

Impact of Commissioning Practices on the Market

Over the previous 4 years, children located from the region occupied a small number of placements within Hillside.

Currently, 33% of Hillside bed capacity is commissioned by the Youth Custody Service and 66% is available for Local Authority commissioned placements. Hillside works closely with commissioning organisations to ensure the usage of the bed capacity reflects the demand presented.

Sustainability of Provision

The key challenge faced by Hillside is ensuring the provision achieves and maintains financial sustainability. Over the previous 4 years, increasing operating costs (net of efficiency savings) has resulted in increased placement fees. Dependent on the outcome of the service model review, placement fees will also be reviewed to ensure the Hillside business model is financially sustainable. Should further secure estate provision be developed within Wales, a full assessment will be undertaken to establish the impact such provision would present to the sustainability of the Hillside provision.

Risks to Market Stability

Hillside is a non-profit making organisation, therefore and is a stable provision.

Section D – Non Regulated Provision

Continued investment in specialist support services is required to support step down more effectively from Hillside secure placements. Hillside submitted a funding bid to enhance the range of specialist support services delivered within Hillside but unfortunately this funding bid was unsuccessful.

Section E – Other Considerations Affecting the Market

Resources

The Hillside service model review will explore and consider areas of resource pressure and areas where further areas of resource investment is needed.

Section F – Summary of the Market

The secure estate market is both sufficient and stable. Moving forward, the Hillside service model review will seek to ‘future proof’ the service to ensure it is able to accommodate the future demands of the provision as well as being financially sustainable in the long term.

7.5 Fostering

Section A – Market Sufficiency

In 2021 all local authority fostering services in Wales joined forces to become 'Foster Wales' as part of a national work programme. The aim of this work is to improve the outcomes for looked after children by strengthening fostering services and improving their capacity to meet local placement needs. It is estimated that between the 22 local authorities in Wales we need to recruit an estimated 550 new foster carers and families. This is to keep up with the numbers of children who need care and support, as well as replacing foster carers who retire or are no longer able to provide a permanent home to children.

In this region, like other authorities, the aim is to improve the capacity to meet the demands for foster placements in-house via Foster Wales. Where we cannot provide a good placement internally then we rely on third sector and commercial independent fostering agencies (collectively referred to as IFAs herein).

Having carers with an available space is not the end of the equation. Children need placements which are well matched to meet their needs. The necessity of ensuring that children receive accommodation and care as and when the need arises also places severe constraints. Time pressure can be immense as children may require placements urgently, often in response to a crisis. The requirements can vary considerably from case to case, due to the needs and circumstances of the child, but the Council is often challenged by having to identify the right placement in an emergency.

However, while LAC numbers are falling and Foster Wales is a large provider with a good proportion of the local market, it does not have sufficient capacity to meet local demand. Vacancy rates (the number of placements potentially available with foster Wales carers in this region) is consistently low in recent years and often near to zero for certain groups, e.g., teenagers.

Locally Foster Wales is experiencing difficulties with finding appropriate foster care placements for:

- Children aged over 11
- Children with complex support needs
- Children with disabilities and/ or behaviours which challenge
- Parent and child placements

Most foster carers registered with the Foster Wales are located within this boundary. However, there are limited placement capacity with IFA; the provider with the largest number of placements is a specialist agency offering placements to children with a disability. Having access to these sorts of placements is very important but highlights the shortage of IFA options locally. This means we sometimes must consider placements further away than we like, but even if we

cannot find an IFA placement in the region, we still try to keep children as close to home as possible:

The Covid-19 pandemic has had a significant impact in terms of placement sufficiency:

- The restrictions have impacted our foster carer recruitment activity meaning we have not registered as many new carers as we need or planned.
- Concerns about the risk of transmitting the virus and the impact of lockdowns and closures of key services such as schools has impacted carer retention levels and meant some carers have been reluctant to consider new placements.
- Access to IFA carers and placements has markedly reduced during the pandemic. In recent months there is some evidence that this issue is potentially starting to abate.

In line with the individual child's assessed needs, foster care placements are initially sought locally when it is safe to do so. Placements made locally provide them with continuity of contact with family and friends and continuity of access to their local communities, education and health providers.

The use of IFA placements has been reasonably consistent over the previous 4 years. Third sector providers account for approximately 12% of all IFA placements.

Section B - Market Stability

Balance of Demand and Supply

The sufficiency assessment above identified that demand and supply within the region's foster care market is not balanced. The market requires further development to meet the future needs of the local population. However, addressing this area of market instability is a challenge on a local, regional, and national scale.

The shortfall in service sufficiency, which is especially acute for certain cohorts of children and young people, is presenting limited choice and availability of foster care placements.

Access to Local Market Information

In 2022, the region plans to publish a localised market position statement and will work collaboratively to publish a regional market position statement, both are aimed to provide reliable market-based information to external service providers, to help them plan and to effectively meet local market demand. Partners plan to work closely with organisations to undertake market engagement and market shaping activities from 2022 to support local market development.

Price/ Quality Equilibrium

The equilibrium between price and quality is not balanced within the local foster care market. IFAs charge considerably higher average weekly placement rates as compared to comparable placement types delivered in-house but there is no evidence to suggest any increased service quality in relation to the price paid.

Market Wide Shocks

The risk of market shocks and potential market collapse within the external foster care provider market is being closely monitored, especially with regards to the Welsh Government having expressed an intention to remove profit-making from the provision of care to looked-after children. The risk to market instability is high should this policy be poorly implemented.

Action due to Provider Failure

No action has been applicable by the region in pursuance of its duty under section 189(2) of the Social Services and Well-being (Wales) Act 2014.

Section C – Other Market Stability Factors

Consideration of Market Quality

The quality of foster placements is good. Most of our children enjoy safe, stable placements in which they can achieve good outcomes with all providers. There are no systematic concerns about any providers, and the feedback from stakeholders (the Care Inspectorate Wales, commissioners, and social workers) is generally positive.

There are occasional issues and concerns with the quality of individual placements, but no evidence to suggest there is a pattern that they are prevalent in the public or independent sector, or with certain providers. There is some anecdotal information that, amongst IFAs, placements with third sector providers are more resilient and less likely to breakdown, but the third sector has a very small presence locally and the evidence for such claims is therefore limited.

What is potentially more problematic is the increasing average age of the foster carer population in the region. This carries the risk that many are approaching a stage where they may consider 'retiring'. Rates leaving have always been fairly stable but there are concerns that this may grow. As well as retirement, another reason for people leaving the service is because they choose to continue caring for the child on a Special Guardianship basis. This is an excellent outcome for the child(ren) concerned, but it does sometimes reduce the capacity of the service.

Current and Projected Trends

The region continues to have a strategic focus on the reduction of the looked after population over the next five years. It is important to acknowledge that our ability to achieve this goal will be subject to wider societal issues. This is an incredibly

volatile time to make predictions as vulnerable families face a very uncertain time ahead – e.g., what are medium- to long-term implications for our families of the pandemic on mental health and educational attainment, and how will we collectively manage rapidly rising living costs.

At the same time as reducing the looked after population, the Local Authorities are looking to recruit more foster carers to Foster Wales to meet our demand and reduce the reliance on IFA's. Apart from new Foster Carers, we will require more carers to replace those that are leaving. Our foster carer population is, on average, an older group of individuals and we must recruit a sizable number each year just to replace those leaving the service.

Fostering services in the region now have a dedicated website (this went live July 2021) to support the recruitment of foster carers. Ongoing work is being undertaken locally as well as nationally to ensure these websites are highly ranked on internet searches. Fostering services continue to work to ensure high quality content is contained on the website to allow the public to have a clear understanding of the support that is provided.

We have increased our investment in marketing activities in 2021/22 and plan to continue to do the same going forwards.

The region is also looking at how we can improve the core offer of support to foster carers. It is anticipated that improved support will help with placement stability, hoped that this to promote in recruitment campaigns.

Impact of Commissioning Practices on the Market

When it is considered necessary for a child to become looked after, the first consideration will be to place the child with a connected person or in-house foster carer located in or around the region. Sometimes an IFA placement is needed because there is not a suitable one available in-house. This may be due to the child's needs, the needs of other young people already in the foster placement, the skills of the foster carers or the need to keep a sibling group together. IFA vacancies are in short supply are they can fill vacant placements from a wide range of Local Authorities due to widespread insufficient placement availability.

The use of IFA placements is procured through the 4C's All Wales Fostering Framework. Use of the Framework provides the region with the support from a national commissioning approach and improves the limited buying power of the region. Whilst the use of the 4C's All Wales Fostering Framework provides the region with an opportunity to source fostering placements from a wide array of providers, this does not necessarily result in a suitable match due to the lack of available and suitable placements to meet demand.

Providers on the All Wales Fostering Framework have been pre-accredited as part of their application process to join the Framework. Whilst this provides assurance on pre-quality checks, there is no evidence to indicate that placements provided by

IFA's are of a better quality than those provided through Foster Wales in the region

The region will continue to contribute to the commissioning development work led by the 4C's and will work closely with the 4C's and other Local Authorities to support market developments both on a regional and national basis.

Sustainability of Provision

The local foster care market contains several service providers, with no over reliance upon one external provider.

Whilst the foster care market has a diversity in terms of the mix of providers (public, private and third sector organisations form part of the local foster care market), all providers have been unable to collectively address the shortfall in service sufficiency.

Risks to Market Stability

Perhaps the largest identified risk to market sustainability relates to the policy intentions and future actions of the Welsh Government who have expressed an intention to remove profit-making from the provision of care to looked-after children. However, the risks associated with this policy are potentially easier to manage for fostering services than they are for residential.

Section D – Non Regulated Provision

The continued investment into effective early intervention and prevention services, family support services and edge of care services is likely to further decrease the number of children becoming looked after, which is likely to reduce the overall demand placed upon the region's foster care market.

Furthermore, the effectiveness of such support services provided to families at an earlier stage may also reduce the number of looked after children who present complex support needs in the future. This may reduce the gap in service sufficiency for this cohort of children.

The impact of moving on arrangements such as 'When I'm Ready' placements is currently unknown at present. The rate of uptake for this type of placement will determine how service sufficiency is affected going forward. A high uptake of these placements will result in reduced availability of foster care placements, which is a risk to the foster care market achieving service sufficiency over the next 5 years.

Section E – Other Considerations Affecting the Market

Resources

The level of funding and investment available to the in-house Fostering Service is constrained by budgetary challenges faced by each Local Authority. They have joined the Foster Wales brand to attempt to level up the marketing approach to support foster care recruitment.

Planned reviews of fostering plans will explore and consider further opportunities to 'level up' resources in line with the IFA market where possible. This work will aim to improve the competitive position of the Council service in relation to its IFA competitors, the likely impact of which will be to increase foster care recruitment and retention within this service.

Section F – Summary of the Market

The foster care market will continue to face challenges to meet market sufficiency, which is an issue shared across Wales. The Local Authorities will review its fostering plans in 2022 and will continue to work with regional and national partners to support market wide developments. Market stability risks presented by potential Welsh Government policy changes will be monitored closely.

7.6 Adult Placements – Shared Lives

Section A – Market Sufficiency

The latest data for 2020/21 for adult placements and shared lives services shows that in the Region there were 98 carers supported with 33 in NPT and 65 in Swansea.

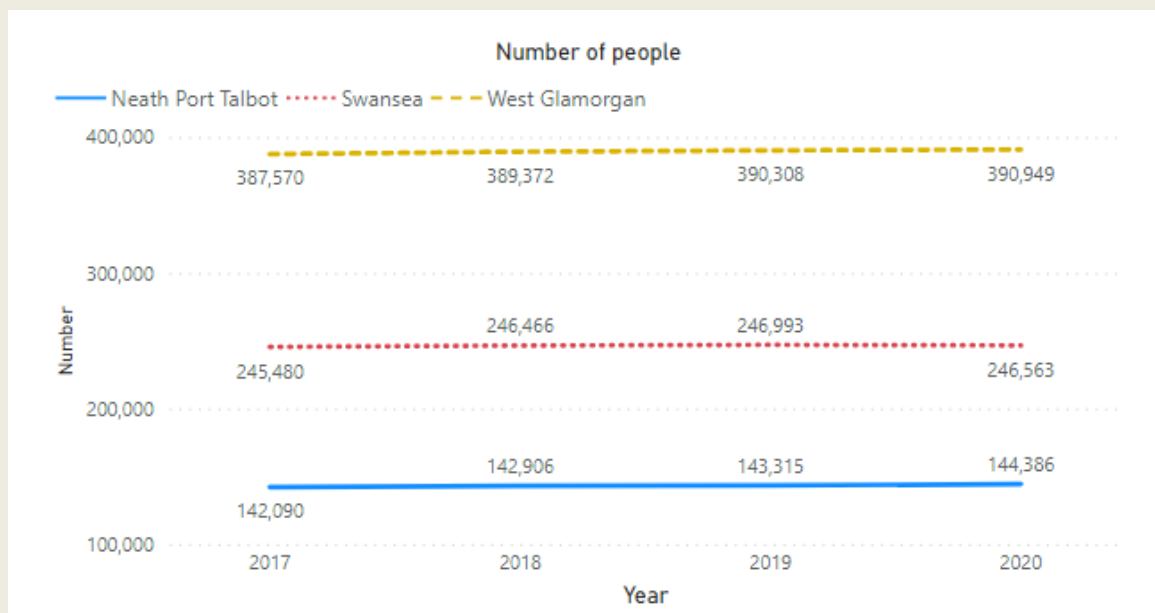
The number of placements in the region total 196 with 72 in NPT and the remainder of 124 in Swansea which includes long term provision and short term/respite care.

Demand for placements between 2018/19 and 2020/21 is slightly different with NPT showing an increase of more than double with a similar increase in the number of carers to cater for the increase in demand. Swansea has remained fairly static over the same period. However, for 202/21, the ratio of placements to carer is 2.18 in NPT whereas it is 1.90 in Swansea.

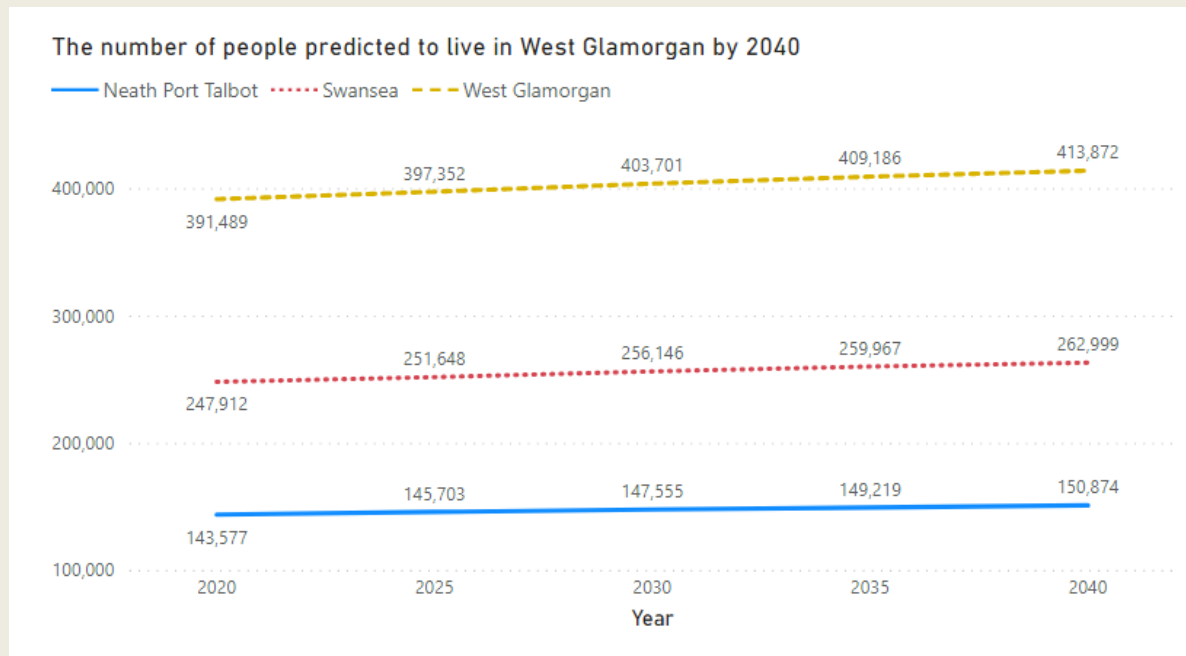
There are differences in the population served in that NPT support young people with a learning disability mainly from transitioning to adulthood whilst Swansea supports people with a learning disability plus older people with mental health needs.

Population

The latest data for the population of West Glamorgan is currently estimated at 390,949. This is made up of 144,386 in Neath Port Talbot and 246,563 in Swansea.



The predicted growth for the region is by 2040 the population will rise to 150,874 in NPT and 262,999 in Swansea. This equates to a 4.8% and 5.7% increase in each.



It is anticipated that the demand for Shared Lives services across the Region will at the very least grow in line with population growth. The growth in demand will also be predicated on the changing behaviours of the population in terms of changing from more traditional methods of support to the newer model as promotion of the Shared lives services takes hold and is more widely accessible.

Across the region, the intent is to widen access to different population groups, and to support other cohorts of people. It is expected that demand for Shared Lives service will increase so resources will have to increase in line with demand.

Section B - Market Stability

There are differences in both LA areas where there has been some capacity in existing number of carers in Swansea, yet there has been the opposite in Neath Port Talbot.

Work is undergoing in both areas to establish a plan of what is required to clearly communicate the needs of the service to encourage additional providers to enter the market and thereby increase the number of carers available to support any increase in demand.

Services are working diligently to establish comparisons with the rest of Wales to ensure a level playing field in terms of price and rates.

Action due to Provider Failure

Both LAs have a support mechanism in place if any placement fails via multi-disciplinary teams using a lesson learned approach where breakdowns occur to feed into future improvements.

To support the failure of placements Neath Port Talbot, provide an emergency respite care service at Trem y Mor whilst Swansea use other means such as finding alternative solutions from another care service.

Section C – Other Market Stability Factors

Consideration of Market Quality

To assess the service quality that users experience, both LA's conduct regular reviews of the placements via various processes for example regular meetings with service users, providers, and carers.

Reports would be prepared on a need's basis but also an annual review would also take place to ensure learning from the reviews is used to inform improvements.

Current and Projected Trends

There are opportunities for both LA's to expand the Shared Lives service into other areas such as older people with dementia and those people who have mental health needs.

By promoting the service to other cohorts, this may mean possible spikes in demand whilst the service becomes more familiar.

There is no evidence to support this anticipated initial increase but with the current market able to cope with the number of placements supported at the moment, both services are confident that the increase will be managed in line with normal expected growth of the population.

Sustainability of Provision

Both Neath Port Talbot and Swansea state there is a low number of providers currently offering a shared lives service. This is a risk that needs to be managed and mitigations brought forward into commissioning strategies. Demand will need to be encouraged to provide this alternative method of care to ensure sustainability.

Broadening the appeal of the Shared lives service to other cohorts will help increase demand.

Risks to Market Stability

The main risk to the Shared Lives services provided is that LAs do not expand the offer to other cohorts of the population.

Demand in both LA's is fairly consistent, but the intelligence gathered shows that more people want to live independently in their communities. By increasing the opportunity for people to be supported by the Shared lives service, this will ease the demand on other services currently offered.

Other risks are that providers will not come into the market and thereby we will not have the capacity to offer to the cohorts who wish to use a shared lives service.

Another risk is that if there is capacity created by encouraging more providers and opportunities and the demand is not there from users, then this may dissuade providers from continuing offering services.

Finally, other risks to the Shared Lives services are financial pressures outside the control of the providers and local authority. Keen financial management will help sustain any provision.

Section D – Summary of the Market

In Summary, both Neath Port Talbot and Swansea are saying that the respective Shared Lives service are stable, and both are working towards increasing the capacity by encouraging more providers into the market and making the services more accessible to other cohorts of the population that are in need of support to ensure their desire of independent living is being addressed.

There is a need to monitor the quality and need via assessments and regular reviews and to ensure the Shared Lives services are fit for purpose.

There are risks that need to be managed especially in terms of the range of providers available for the Shared Lives service and measures need to be in place to support both carers, users and providers to ensure sustainability.

7.7 Advocacy - Adults

Section A – Market Sufficiency

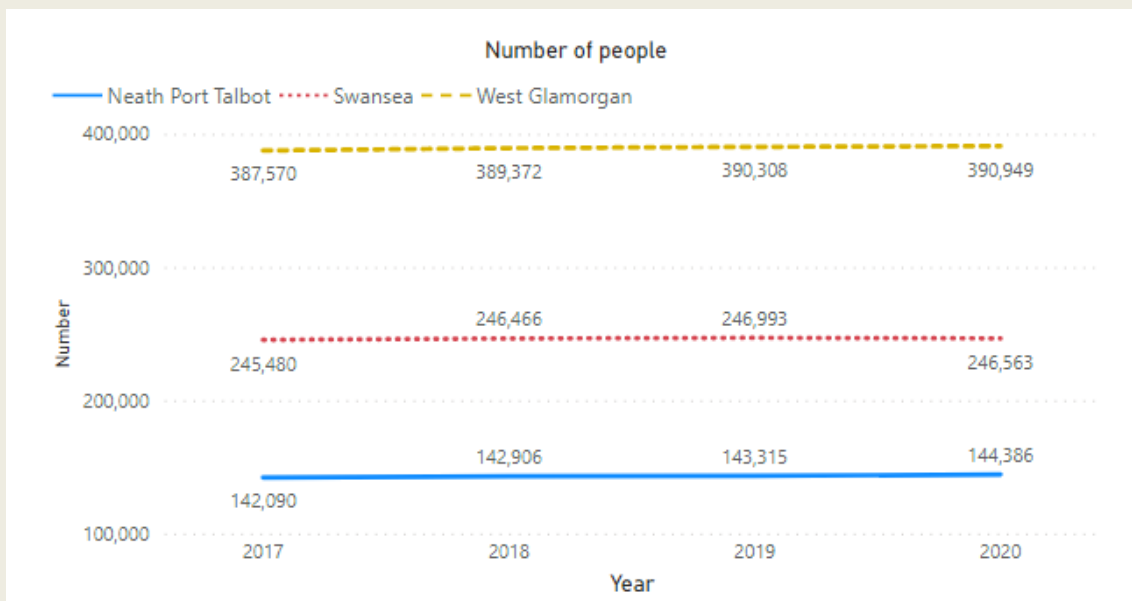
Both Neath Port Talbot and Swansea Councils undertook a tendering process for the Independent Professional Advocacy service that was a legislative requirement of the Social Care and Wellbeing (Wales) Act 2014.

Neath Port Talbot commenced their service provision in May 2020 whilst Swansea commenced in October 2020.

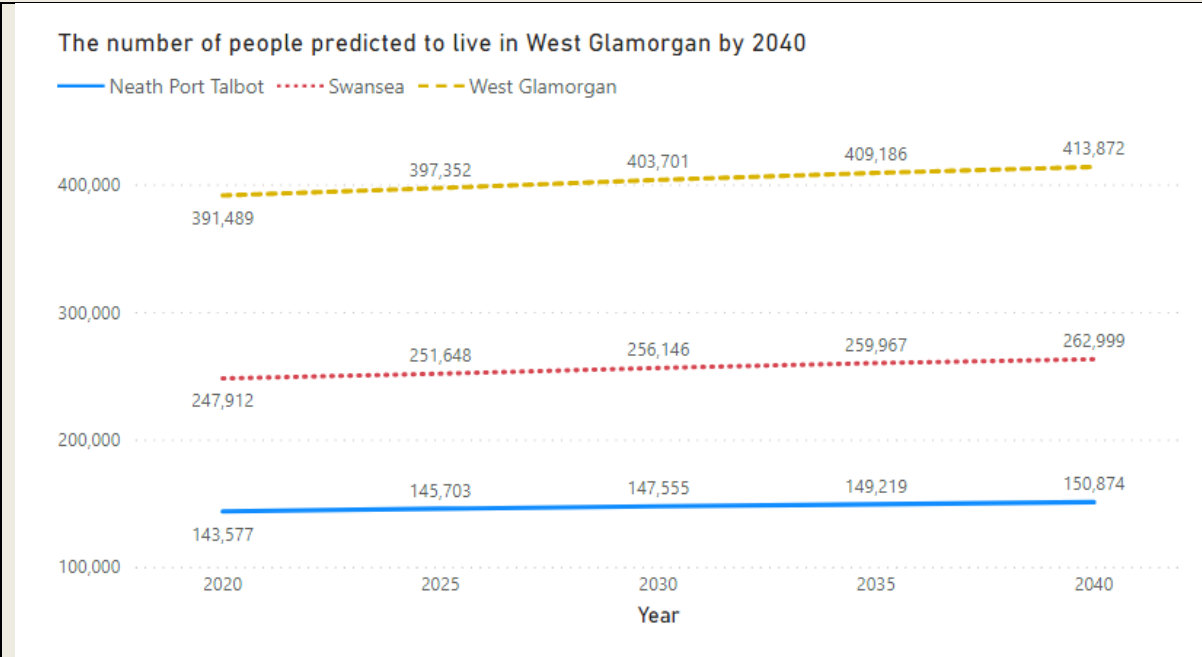
The data captured and used in their own individual market stability reports reflects these differences in data being used and therefore it is difficult to aggregate the information to provide a West Glamorgan Regionally picture.

Population based demand

The latest data for the population of West Glamorgan is currently estimated at 390,949. This is made up of 144,386 in Neath Port Talbot and 246,563 in Swansea.



The predicted growth for the region is by 2040 the population will rise to 150,874 in NPT and 262,999 in Swansea. This equates to a 4.8% and 5.7% increase in each.



Current position for IPA

The number of individuals supported as of March 2021 in Neath Port Talbot is 1,953 across the range of services offered by NPT social services. As of the time of the report being written Swansea currently care manage 5,283 individuals in adult services

The number of referrals experienced at the time of writing each respective reports, given that the timeframes were not the same, the main reason for a person needing advocacy was due to child protection issues.

Demand

There has been a perceived lack of demand from cohorts of the population where it was previously anticipated some demand would arise. There are differences in this anticipated demand but general there wasn't the levels of referrals from older People, physical disability, and sensory impairment.

Reasons for this is largely unknown but there is a consensus from both Local Authorities that the new tenders were administered throughout the COVID pandemic, and this may have played a part in the numbers being lower than expected from those cohorts previously mentioned.

A summary of the position is relayed in both local responses but can be summarised

- Further work on data collection to understand the demand and the effect on supply of IPA contracted hours.
- Promotion of IPA services to increase awareness in lower uptake cohorts of the population

- Consideration of identifying other cohorts such as harder to reach groups and minority groups.

Section B - Market Stability

Supply and Demand

A summary analysis of the tables below indicates to a stable flow of people supported with IPA.

Total numbers of unique individuals supported through IPA Service from May 2020 to March 2021

Area	Q1	Q2	Q3	Q4	Annual
NPT	17	32	36	43	128
Swansea	26	31	35	54	146
Regional	43	63	71	97	274

Total numbers of issues supported through IPA Service from May 2020 to March 2021

Area	Q1	Q2	Q3	Q4	Annual
NPT	23	46	66	56	191
Swansea	40	39	46	97	222
Regional	63	85	112	153	413

Total numbers of issues closed

Area	Q1	Q2	Q3	Q4	Annual
NPT	0	20	32	31	83
Swansea	5	7	16	37	65
Regional	5	27	48	68	148

Total numbers of clients closed					
Area	Q1	Q2	Q3	Q4	Annual
NPT	0	3	9	10	22
Swansea	2	9	11	5	27
Regional	2	12	20	15	49

In each Local Authority, one provider is commissioned to provide the service and future sustainability needs to include a risk assessment to provide actions if that provider fails.

There is a desire to increase the demand of IPA through increased promotion of its availability to population cohorts such as older people and physically disabled and sensory impairment.

Current predictions in Neath Port Talbot suggest that any increases in demand in line with population growth will be absorbed due to the flexible arrangements in place. However, Swansea suggests that any increase in demand outside its flexible arrangements, may mean changes to contractual arrangements to cater for any increase over what is currently administered.

Whilst there is only one provider in each geographical area providing IPA, the providers also connect to a network of other smaller independent providers across Neath Port Talbot and Swansea. The current providers also offer other services in their areas such as Independent Mental Capacity Advocate (IMCA) services.

Factors that could influence the market stability of IPA are changes to statutory legislation and regulations whereby any significant changes will bring its own challenges and may reduce access to services. Another factor is the ongoing impact of COVID on being able to provide services, for example, on a face-to-face offering, where restrictions may hamper the resources being available.

Both local authorities adopted a clear criterion that promoted quality over price in the award of its service contract for IPA. This shows a clear commitment to quality of outcomes for the individuals to provide the right service they need.

Action due to Provider Failure

There are mitigations in place should the one provider in each LA fail. However close monitoring of the provider also gives confidence that the risk of provider failure is low.

Section C – Other Market Stability Factors

Consideration of Market Quality

In Neath Port Talbot, the provider is subject to regular quality meetings and an annual review to discuss how the service is meeting the needs of its population, backed up by a robust service specification and contract.

In Swansea, the provider is subject to a quality assurance standard known as the Quality Performance Mark (QPM) which assesses the services against a framework of good practice.

Through COVID there has been no complaints about service provision and its fair to say that feedback is positive about the quality of services provided.

Further reviews are taking place during 2022/23 to establish any improvements that can be made to service delivery which will then be used to inform future specifications and working arrangements.

Current and Projected Trends

Due to changes in the wider market such as domiciliary care, residential and transition from children to adult services, it is recognised that there will be an effect on the market for regulatory support.

There is a trend to increase the independence of people via new models of care which will in turn increase the demand for IPA services especially as services will be giving more choice and control over the services being offered.

It is anticipated that the future demand will be absorbed by the NPT arrangements currently in place, however Swansea anticipate that in certain areas demand will grow further than expected due to Child protection arrangements necessitating both parents having their own advocates.

Impact of Commissioning Practices on the Market

Neath will undertake a review of its commissioning practices to inform new contact arrangements post 2024.

Swansea have already identified potential practices which may shape the future provision of IPA and will incorporate findings into their contractual arrangements.

Sustainability of Provision

It appears that both Neath Port Talbot and Swansea both procure the same provider as it's the only council approved provider in the local market.

Whilst the service provision remains stable due to the quality of services and stability of the providers workforce not impacted by COVID, commissioners understand there is a need to have plans in place should the provider fail.

Risks to Market Stability

In the short term the failure of the provider could be absorbed locally but there needs to be a risk assessment of how this will have an impact on finances in the

Local Authorities plus the longer-term disruption this may cause to users of the service.

Legislative changes will impact service models and give rise to future increased demand.

COVID and technology may also continue to disrupt services or deliver services that are not compatible for the population cohort to participate. During COVID using technology helped maintain service provision however from the evidence it suggests that numbers were not as expected if circumstances were normal.

Changes to models of care and the increase of people choosing independence may increase uptake of IPA and therefore improved data intelligence will help predict future trends.

Section D – Non-Regulated Provision

There are additional advocacy services provided in both Neath Port Talbot and Swansea by other bodies. The types of advocacies offered are summarised as

- Peer Advocacy – short term support from someone in similar circumstances
- Self-advocacy – possibly from family, friends, own research
- Citizen advocacy – special interest support provided by representative group
- Independent professional advocacy – paid and trained independent advocates where significant barriers exist to the person engaging with a care service.

Section E – Summary of the Market

Neath Port Talbot and Swansea have stated the market is currently stable due to the quality of the provider and the contracts each authority have with the same provider. Both have stated the need to promote the service to the harder to reach populations and those with protected characteristics.

As there is only one provider in the Region the impact of the provider failing in its duty to provide IPA is high whilst its probability is low.

Further work, perhaps collaboratively to encourage other providers into the market, may need to be done to sustain the IPA to those cohorts in need of advocacy.

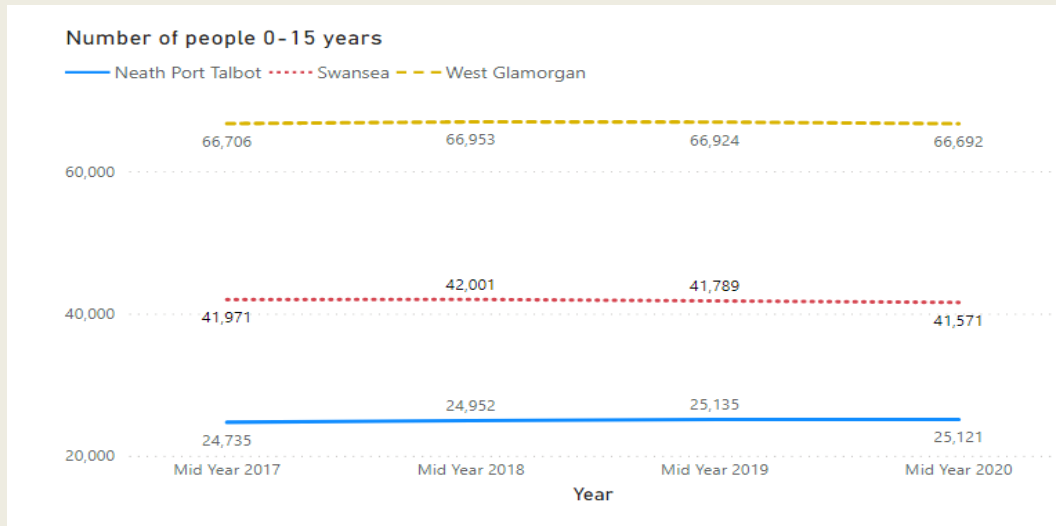
Increased demand will increase the need for IPA services, but this is not quantifiable due to the COVID pandemic disrupting access to services and also data is only available for 1 year. Improved forecasting could be undertaken once data is made available for additional years.

7.8 Advocacy – Children

Section A – Market Sufficiency

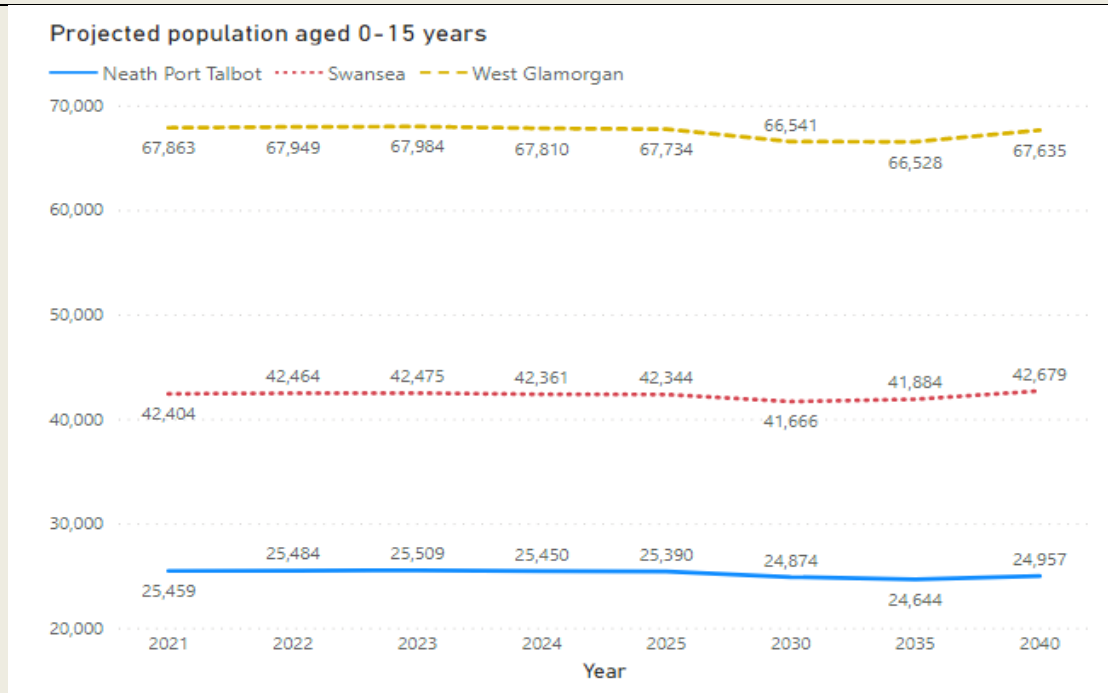
Population Based Demand

The latest data for the population of West Glamorgan for children aged 0-15 years is currently estimated at 66,692. This is made up of 25,141 in Neath Port Talbot and 41,571 in Swansea.



The predicted growth for children for the region by 2040 the population will rise to 24,957 in NPT and 42,679 in Swansea. This equates to a reduction of 2% in NPT and 0.64% increase in Swansea.

Over the next 5 years to 2025, there is gradual decrease in the numbers of children aged 0-15 years in each local authority area.



This reduction in the next 5 years may have an impact on the numbers of children needing IPA.

Neath Port Talbot and Swansea have experienced a steady reduction in the numbers of children receiving IPA due to the numbers of children in receipt of care reducing over the previous years.

It is noted to remember in the analysis which is currently not in either population cohorts is that of care leavers.

Active Offer

There is a consensus in Neath Port Talbot and Swansea where the offer of IPA is child/young person led. There are possible areas of difference in approach, but this is not made clear apart from both NPT and Swansea state it's a multi-factorial approach to take up of an offer of IPA. For example, In Swansea, children accessing independent professional advocacy services are supported on a time-limited basis to support them with one or more specific issues. The service is not intended or designed to provide ongoing and long-term support – albeit some children will be the subject of several referrals as they seek support to address a series of different issues. There was no further explanation for NPT

While much depends on regular promotional activity to raise awareness of the service, it is important to note that children must consent to the service

Issue Based Advocacy

Whilst the uptake of the issue-based advocacy is multi-factorial and is consent led by the child/young person, in NPT in 2020-2021, it was estimated that 7% of the eligible population of children/young people were referred to the IPA service for

issue-based advocacy. Of those, 63% accepted an issue-based advocacy service. Overall, only 4% of the total eligible population in NPT proceeded to access issue-based advocacy through the IPA service.

In Swansea for (2016/17) there were 53 children referred for advocacy across the entire year. This gradually started to increase following the launch of the national approach (in August 2017), and by 2019/20 Swansea were seeing 60-90 children being referred each quarter.

In general, the COVID 19 pandemic has had an impact on the numbers of children/young people accessing and being offered the IPA service and work needs to be done to resume adequate service levels.

Service Supply

Since 2017, the region's IPA services have maintained sufficient levels of resources to comfortably meet local demand. Commissioning arrangements and allocated budgets for IPA services have consistently included contingency plans for the implementation of additional resources in order to meet any increase in demand above budget envelopes.

Service Quality

In NPT and Swansea, the IPA services' performance and service quality have been analysed on a quarterly basis. Service performance data demonstrated children/young people receive a prompt, accessible and professional standard of service from suitably qualified and experienced service providers.

The local authorities have developed mechanisms such as undertaking lessons learnt and quality checking the providers regularly throughout the current contract which has been awarded via a competitive tendering process, to monitor the quality and to ensure the children's outcomes are met.

IPA services in both areas have implemented a hybrid method of working to meet all children/young people's preferred communications methods. Current IPA service providers utilise a range of feedback mechanisms and have an active Young Person's Advisory Group (YPAG) who advise on service development in a co-produced way. Service providers are currently encouraging young people from the region to participate in this group.

Furthermore, throughout the lifetime of the current contract, the commissioning authorities in both areas will conduct annual contract monitoring visits to evidence compliance with contractual requirements and to analyse the quality of key service delivery areas.

Neath Port Talbot and Swansea utilise current commissioning arrangements for the IPA Service that are informed by the Welsh Government's 'Range and Level Assessment mechanism'. The tool was developed in 2015 and relied on a number of predictions and assumptions. The region is presently working with Welsh

Government and other stakeholders to re-examine the tool and decide whether there are any adjustments needed.

Current Level of Market Sufficiency

From the perspective of the West Glamorgan region, there is presently sufficient capacity in the market to meet demand. Demand and usage of the IPA service has consistently been less than what the Welsh Government's 'Range and Level Assessment mechanism' had anticipated.

However, following a low uptake of the IPA service during COVID-19, Swansea is committed to undertake further work to promote advocacy locally to ensure children and young people are aware of their rights and benefits of this service. A task and finish group is presently looking at arrangements in Swansea to help increase the percentage of children accessing the active offer.

In NPT, demand and usage of the IPA service has consistently been less than what the Welsh Government's 'Range and Level Assessment mechanism' had anticipated for the local area. During 2020/2021, the NPT reviewed the usage of the child and young persons' IPA Service, which has resulted in a commitment to greater embedding advocacy services for children and young people in the council to ensure children and young people are aware of their rights and benefits of this service.

Across the region, current commissioning arrangements can sufficiently cover the increased demand based on the current population needs assessment and the projected outcomes of the promotional activity each local authority is doing. Should demand exceed expectations over the next five years, commissioning contingency plans are in place to ensure the IPA service can meet such demand.

Likely Issues to Affect Market Sufficiency Over Next 5 Years

Population Based Demand

Generally, there is a difference in the population demand for each area.

Neath Port Talbot suggest that due to increased awareness the service will experience increased demand on use of advocacy.

Swansea with the use of early intervention and prevention services, family support services and improvements in quality of practice the aim is to further reduce the number of children and young people becoming looked after and subject to child protection processes in the council. A decreasing CLA and child protection population is likely to decrease the overall demand placed upon the IPA service.

However, at the same time, it is anticipated that greater numbers of unaccompanied asylum-seeking children (UASC) will need to be cared for by Swansea council. This will bring additional challenges for providers as these children may have additional communication needs (e.g., translation support) and other issues that may require the support of an advocate. Based on current

projections, the current IPA service provider has the resources to meet these particular changes in demand.

Impact from New/ Developing Services

The impact from the future development of new or enhanced services delivered or commissioned by both councils within the region may result in an increase or decrease in referrals and usage of the IPA service.

It is too early to predict the impact of new/developing services as in NPT the new approaches need time to gather data and evidence while in Swansea services are yet to be brought in house.

When designing and developing new services, both councils will continue to undertake commissioning impact assessments to identify, plan and address any resultant impacts these services may have upon commissioned services such as the IPA service.

Wider Market Sufficiency Issues

Where market sufficiency difficulties are experienced from the wider services market, this is likely to increase demand placed upon the IPA service. For example, market sufficiency difficulties experienced within the foster care market, children's residential care market and other service areas may give rise to children and young people seeking issue-based advocacy support from the IPA service.

Market sufficiency issues and their resultant impact on services such as the IPA service will continue to be monitored closely.

Section B - Market Stability

The regional children and young persons' advocacy market has been analysed as a stable market. Commissioners are confident that the IPA service provider is financially stable and there are robust financial and business continuity checks built in the contract review and evaluation process. Through the competitive tendering process completed in April 2021, the market demonstrated itself as competitive with high quality advocacy organisations able to operate locally.

The current commissioning arrangements allow for fluctuations in demand and commissioners are confident the current IPA service provider has a flexible staff base which can meet current and anticipated demand. Therefore, the increased anticipated demand for the children and young persons' IPA service, as identified through the market sufficiency assessment is not predicted to create any instability within this market.

Advocacy services are procured services which are planned and involve market testing events to engage potential providers in the service development process. This planned and coordinated approach minimises service disruption to children and young people accessing advocacy services.

It must be noted that there is only 2 providers for children’s IPA services, which is a risk to the stability of the market and contingency plans are needed.

Action due to Provider Failure

Not applicable – no action has been taken in this area.

Section C – Other Market Stability Factors

Consideration of Market Quality

The current contract for the children’s and young person’s IPA service was awarded through a competitive tendering process which concluded in April 2021. Service performance data has demonstrated the IPA service provider is a delivering a high-quality service and meets relevant advocacy outcomes frameworks and regulatory standards.

Feedback received from children and young people has been positive relating to the quality of the IPA service and impact the service has had on their achievement of personal advocacy outcomes. Over the lifetime of the agreement, both councils will undertake a series of quality assurance checks which will consist of quarterly performance management meetings, annual service reviews, annual service evaluations, and annual contract monitoring visits to the service.

Current and Projected Trends

Changing Population Based Demand

In line with both councils’ Children’s Services strategic plans, the use of early intervention and prevention services alongside edge of care and family support services aims to prevent children/young people from becoming looked after and prevent children from entering the child protection arena over the next 5 years. The likely impact of these decreasing population cohorts is an overall decrease of demand placed upon the IPA service.

However, the effectiveness of the councils further embedding advocacy into practice will increase referrals and usage of the IPA service.

Current commissioning arrangements will sufficiently cover the projected increased demand from the ‘embedding advocacy’ approach and will be closely monitored should projections prove to be inaccurate.

More in-depth analysis of what children and young people want from advocacy services will mature as the current IPA service is in its infancy of service delivery and will be explored in detail from 2022 to identify potential trends and required service/ commissioning changes when improved data is available.

Impact of Commissioning Practices on the Market

The Children and Young Persons' IPA service is jointly commissioned by Swansea and NPT Councils. There is an inter-agency agreement in place which supports the joint commissioning arrangement. This regional approach has provided many benefits to contracted parties, including better value for money, reduced contract mobilisation resources and shared resources within service delivery.

Sustainability of Provision

An assessment of the advocacy market has demonstrated IPA service-based organisations who can operate locally are all based in the third sector. They appear to be a mix of small, medium-sized, and large organisations. There appears to be no shortage of providers who can operate advocacy services locally. However all but 2 of the providers do not deliver the national model.

Risks to Market Stability

The market assessment identified no significant challenges to the current or future sufficiency, quality, and stability of the provision of IPA services to children and young people within the West Glamorgan region. The IPA service provider utilises a mixed staff base and has reported no difficulties regarding staff recruitment and staff retention. Due to issues presented in other areas of the social care market relating to staff recruitment and staff retention, this will be closely monitored going forward.

Additionally, the risk of the provider procured in the region failing will add funding and financial risks in providing a regional IPA.

Section D – Non-Regulated Provision

Alternative Advocacy Models

Some children are happy and capable of advocating on their own behalf. For others, they can properly use their family members or professionals they are familiar with (e.g., their teacher) to advocate their views.

Alternative forms of formal and informal forms of advocacy support may be a preferred or a more suitable option for children and young people to meet their individual advocacy needs and outcomes. Close monitoring will be needed to analyse effects of this.

Use of Non-Regulated Provision/ Service Changes

Greater levels of in-house residential provision will produce demands on the advocacy service, as will the promotion of the service, but commissioners are reasonably confident that this demand is sufficiently covered within the current contract.

Section E – Other Considerations Affecting the Market

Resources

The current IPA service was awarded following a competitive tendering process. Throughout the lifetime of the contract, demand and usage of the IPA service will be closely monitored to ensure, if the maximum budget envelope was neared or reached, then contingency plans will be implemented to ensure any disruption to service availability and service continuity is prevented.

Workforce

The current advocacy workforce utilises a mix of employed and self-employed staff to meet any fluctuations in demand. There is no reported shortfall in staff in this service area.

All staff working within the IPA service have achieved or are working towards the relevant regulatory required advocacy qualification. The requirement to achieve recognised advocacy qualifications has not presented itself as a barrier to recruitment within the advocacy workforce.

Section F – Summary of the Market

Moving forward, both NPT and Swansea will continue to greater embed advocacy within the locality through increased awareness and understanding of advocacy among children, young people and professionals. The current contract is meeting the current needs but further analysis will be required when changes to demand occur above the anticipated demand.

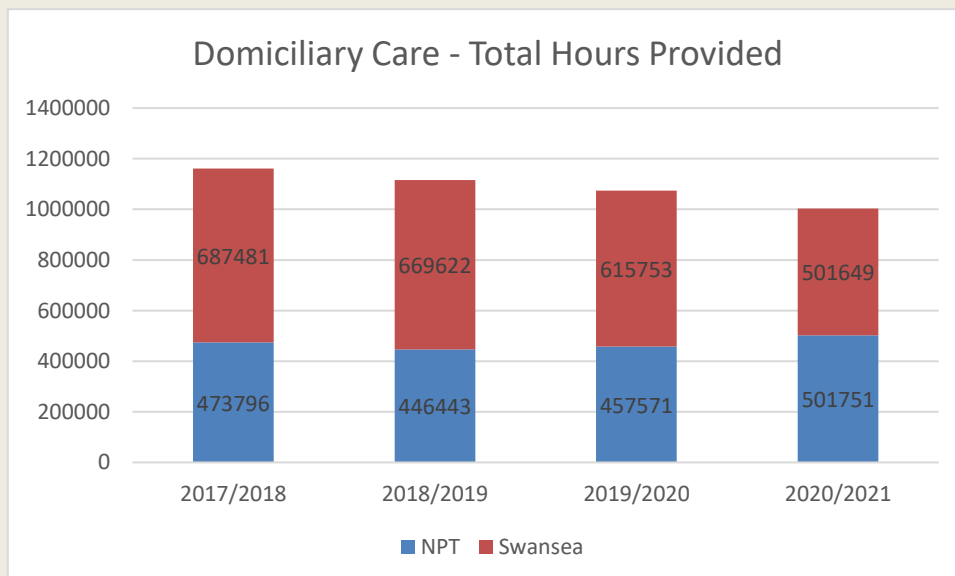
7.9 Domiciliary Care – Older Adults

Section A – Market Sufficiency

Both Local Authorities provide an internally Domiciliary Care Regulated Service to individuals in the community. There is also a total of 29 external domiciliary care companies commissioned across the region – 20 providers are commissioned by Swansea, and 18 by NPT. 7 of these providers work across the region for both Local Authorities. The providers range from small local organisations to large national ones.

Over an average week, approximately 24,000 hours of domiciliary care is delivered across the region to 1,700 individuals. At the time of writing (May 2022), there were 272 individuals on the brokerage lists across the region waiting for care, 39 of which were in hospital awaiting discharge.

The average number of people on the waiting list for 2021/22 across the region was 150. As COVID pressures have eased, demand has grown by 20% since the beginning of 2021. Population needs assessment figures would indicate that this demand is expected to increase further.



Whilst the above graph shows that the overall number of commissioned hours has decreased since 2017/18 by 16% across the region, the picture is different between NPT and Swansea. NPT has increased hours by 17% in comparison to 2017/18 to 2020/21, whilst Swansea has decreased hours by 37% over the same period.

Sufficiency

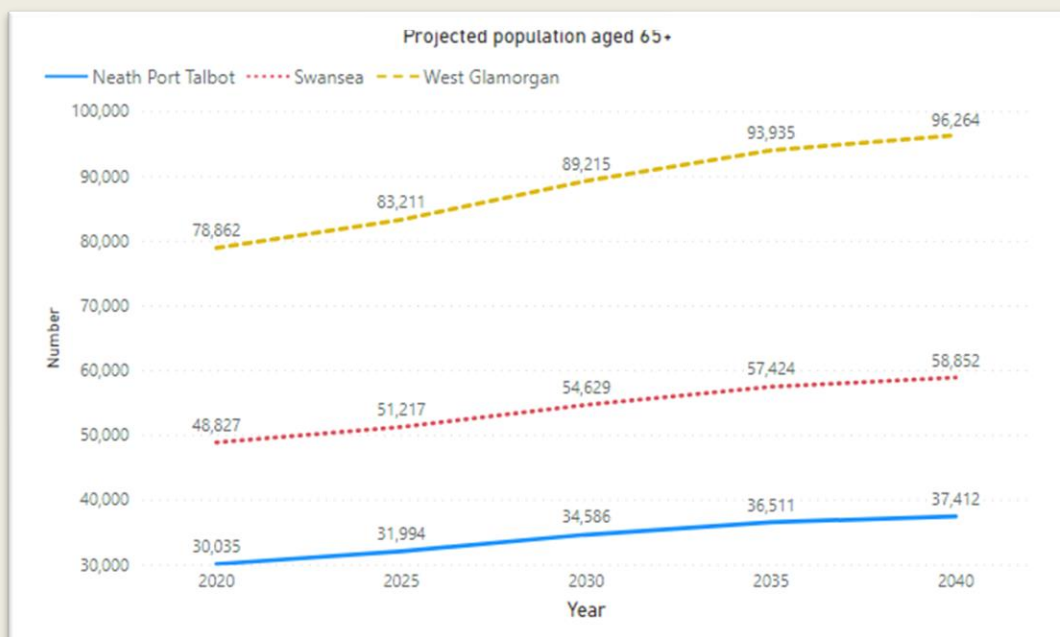
The externally commissioned domiciliary care sector currently has insufficient capacity to meet current demand. The increase in demand alongside the reduction in workforce is a challenge the partners within the region are currently

addressing. Use of internal homecare service has occurred where it has not been possible to meet needs via externally commissioned services. Creation of more informal, local community-based care and support options as an alternative to traditional homecare services is also being explored.

Section B - Market Stability

Population

Across the Swansea Bay area, the 65+ age group accounts for a fifth of the overall population. This age group is expected to increase by approximately 20% by 2040. The 85+ age group (2.5% of the population in 2016) is expected to change by 80% by 2040.



Our working assumption is that demand for services will continue to increase along with population growth. The current homecare market is fragile and COVID has created a greater level of instability. Since March 2021, 7 providers have been temporarily unable to sustain services resulting in people being referred back to the commissioners to make alternative arrangements for ongoing care. The cause of a number of these were due to staffing issues impacting on their ability to deliver safe care, a number of packages were also handed back with less than 48 hours' notice.

Much of the instability arises from staff retention and recruitment difficulties. Significant financial uplifts have been awarded to framework approved providers to alleviate this issue, and further support to address workforce issues is currently being considered.

The overall trend is care staff leaving the sector. Anecdotally this is for a variety of reasons such as "burn out" or levels of pay and working conditions. Migration to

other employment sectors which have re-opened following COVID isolation has offered opportunities for carers to find employment in areas such as retail and hospitality often at higher rates of pay.

Whilst some providers report difficulties relating to levels of funding, and the impact this has on stability and sustainability, the greatest risk to continuity of care is staff leaving the sector.

Financial

There has been year on year increases in the hourly rate generally consistent at 3% - 4% within 2017 to 2020. In the 2021/22 the rate increased by 10%.

Action due to Provider Failure

Where a provider is unable to carry on providing care due to business failure, procedures have been established at a local level to secure alternative care provision, transferring to other operators to ensure continuity of care. Placements at residential care homes may occur as a last resort to ensure care needs can continue to be met.

2021 has seen unprecedented challenges to the market. 263 packages of care were handed back to commissioners in 2021/22, many at short notice. Reasons that have been provided is the inability to recruit staff and also staff not fulfilling their notice term when leaving employment. Alternative provision was put in place to support the people affected. In a small number of cases there was a need to move someone into a care home as a temporary measure whilst a new provider was commissioned

In August 2021, Swansea Local Authority were faced with the unique situation when one of the services were ordered to cease trading. This followed an injunction obtained by the operator's parent company due to a contract dispute between parties. The local authority had some forwarding that this could occur and had developed appropriate contingency arrangements which relied on the cooperation of the provider to implement.

At the moment the injunction was granted however the provider withdrew support for the plan and alternative arrangements were required at extremely short notice. Fortunately the authority was able to rely on support from the external sector to accommodate the care needs of all those impacted by the sudden disruption to services. This was an extremely unique situation and not something Swansea authority expects to experience again.

Section C – Other Market Stability Factors

Consideration of Market Quality

Partners implement their own local contract monitoring processes which are in place to improve the quality of commissioned services.

Current and Projected Trends

At this current time, demand for homecare services exceeds supply in the external market. Continued workforce pressures, difficulty recruiting and retaining staff and competition from other employment sectors, mean that further service disruptions are likely.

Emerging patterns are showing individuals with higher levels of need, wish to stay at home and no longer want to go into care homes, especially with the pandemic impact.

Population increase will also continue to create demand for homecare services. A COVID related reduction in demand for care home services is also likely to result in increases in demand for homecare. This may or may not be a short-term effect.

Impact of Commissioning Practices on the Market

Competitive tendering has brought new entrants to the market and this has seen the number of approved Providers appointed to the locality contract frameworks increase.

Ideas on how to improve the current situation are being considered on a regional basis to avoid negative cross borders or partnership impacts that unilateral decision making may cause.

Provision of services in the Welsh Language

Partners have a duty under Welsh Language Act to provide services in English and Welsh. The requirement to meet the obligations of the Welsh Language offer is specified within our contracts for services.

Sustainability of Provision

Contracted providers are all struggling with recruitment and retention regardless of the size of the organisation, they have described continued financial pressure including ensuring rates of pay for staff are competitive and increasing fuel costs. Providers have reported that retaining staff can be difficult due to staff being attracted to higher rates of pay in other sectors e.g. retail and hospitality, not forgetting that the pandemic has also created more pressures on staff for other reasons e.g. working long hours to cover sickness.

Throughout 2021, a significant number of packages were handed back by providers with very little notice, in the majority of cases with less than 48 hours' notice. This position has now stabilised however it is accepted that the sector is still very fragile and Brokerage waiting lists are still higher than before COVID-19 due to market saturation.

The sustainability risks arising from resourcing, workforce pressures and population growth have been described elsewhere in the report.

Risks to Market Stability

The challenge will be to sustain and if possible, to grow the external sector in the context of recovery from COVID, and in the face of competition for workforce from other sectors which may be present as a more appealing and less onerous option.

Workforce availability and costs escalation linked to workforce and other inflationary pressures may continue to create sustainability risks.

Providers are becoming increasingly aware of the demand for their services and some appear to be demonstrating a willingness to end contractual relationships in favour of selling their services to commissioners willing to pay more elsewhere.

Section D – Other Considerations Affecting the Market

Resources

Funding received from Welsh Government to meet Real Living Wage costs are welcomed but may not be sufficient to resource the sector to recruit and retain staff to meet demand for services. The gap between levels of funding received and the cost of providing sustainable care markets will continue to present sustainability risks and limitations on resources may impact the extent to which the local authority can truly attain sufficient market capacity.

The pandemic has highlighted the fragility of the social care market and has accelerated impetus for change. The support provided by Welsh Government to Local Authorities has significantly helped to address immediate pressures but ongoing financial support will be needed to sustain capacity building and provide for a more stable market.

Workforce

Data gathering exercises on staff vacancy numbers have been undertaken across the region, but due to the inconsistency in responses, it is not possible to give clear indications of staff vacancies. According to weekly data staffing numbers appear to fluctuate significantly from week to week. It is not clear whether this is an accurate reflection of volatility across the workforce or inaccurate reporting. Providers continue to describe difficulty recruiting and retaining and this is reflected in the number of service disruptions and failures referred to elsewhere in the report.

Section E – Summary of the Market

Demand for domiciliary care continues to exceed supply. An approximate 20% additional capacity is required to address current pressures on services.

Future demand projection is difficult since COVID pressures have altered patterns of demand across all services. Population increases over the next 5 years would suggest a likely corresponding increase in demand.

Dementia care and services which cover rural locations are likely areas for further development.

The homecare market has historically been relatively fragile and current pressures have exacerbated these weaknesses. Difficulties recruiting and retaining staff are causing service disruptions. The objective over the next 5 years will be to create more resilient and stable services.

Resourcing will play a significant part in determining future sector stability. Rates of pay which are sufficient to attract and retain staff are critical in a service area where workforce migration to better paid and less onerous jobs in other sectors are significant pull factors.

Alternatives to traditional domiciliary care will likely play an important role in meeting the needs of the population. More creative use of Direct Payment options and creation of more informal community led solutions and social value enterprises may maximise voice, choice and control for citizens and reduce pressure on limited commissioned resources.

The share of the market occupied by the local authority's internal homecare services may need to increase over the next 5 years to meet the external capacity shortfalls.

7.10 Domiciliary Care – Children

Section A – Market Sufficiency

Population Based Demand

Since 2017, the child population receiving care and support has fluctuated but the overall population size has decreased across the region.

In NPT, the cohort of disabled children who receive care and support has been increasing since 2017, and so the population-based demand for children's domiciliary care provision has increased.

For the same period in Swansea, the number has been much more stable: circa. 270. It is amongst this group that demand for domiciliary care is greatest.

Domiciliary Care Usage

In line with the individual child's assessed needs, domiciliary care packages are designed in a personalised way within the region. The number of hours and frequency of domiciliary care support differs between children and frequently changes throughout the lifetime of the support package to meet the changing support needs of the child and their family.

In NPT since 2017, the number of children accessing domiciliary care provision within the area has increased, with a sizeable increase noted during the COVID-19 pandemic. The reason for this increased demand is multi-factorial, but can largely be attributable to two key factors:

- The extended use of domiciliary care provision to deliver support-based packages due to the limited availability of such provision within the local social care market.
- The increased use of domiciliary care provision to provide short breaks to children and their families (which provide parent carers with short breaks from their caring responsibilities whilst providing the child/children with enjoyable experiences within the home or community).

In Swansea, the use of domiciliary care for children is very small compared with adult services where it is often the preferred option to meet social care needs. Unlike many adults, children typically have parents and carers to undertake their basic care tasks. While parents and carers may need support to take a break from their caring responsibilities, there are a range of services available that can meet this need, including those short breaks services commissioned by the Council from the third sector. As well as the universal (e.g., school) and targeted services (e.g. residential short breaks) available for children with a disability, there are a variety of non-regulated family support services operating within the area. The size and shape of those support services can influence the level of demand for domiciliary care services. Similarly, many families in need opt to arrange their own package of care via Personal Assistants paid for via the use of Direct Payments. In recent

years there has been a significant increase in the popularity of Direct Payments by families. This growth suppresses the need for the Swansea Council to commission traditional domiciliary care services.

The numbers of children being provided with a traditional domiciliary care package by Swansea Council has been consistent and low: a handful at any one time. However, it is important to remember that the level of support via Direct Payments has risen considerably, especially during the COVID-19 pandemic. The reasons for this increased demand are varied, but key factors include:

- The entry of a new provider in the marketplace that supports families in receipt of Direct Payments.
- The use of Direct Payments to provide highly tailored short breaks to children and their families.

Domiciliary Care Supply

In NPT, local domiciliary care providers provide care and support to a wide cohort of children who present with various care and support needs. There is no cohort of children to which local providers have reported difficulties in delivering their service to. Over the past 4 years, domiciliary care providers have demonstrated flexibility in their service models to adapt their service offering to meet various support needs. This flexibility and commitment to meeting local need has helped achieve service sufficiency with no key service gaps.

From 2020, the Local Domiciliary Care Market responded to increased demand by increasing their service capacity. However, at times, demand still outstripped supply with local providers reporting they were operating at service capacity. This presented challenges to achieving sufficient levels of service availability. This high level of demand is predicted to correlate with the impact from the COVID-19 pandemic.

In Swansea, the marketplace for domiciliary care services for children is very small and all providers include domiciliary care as part of a wider spectrum of family support services. Swansea Council has one such service. It offers a range of support services and currently provides domiciliary care packages to four families. The service typically focuses on short-term, crisis interventions for children and their families at times of urgent need or stress, however, the lack of capacity in the private market and changes in the service model operated by partners in the Health Board mean the team is supporting some families on a long-term basis. Aside from the in-house service, there is a very limited supply amongst a small number of private providers. The ability of these private providers to deliver domiciliary care services is often impacted by the numbers of families they are supporting in other ways.

Quality and Outcomes

Care and support plans continue to be co-produced with the child and their progression and achievement of personal outcomes are regularly reviewed and

evaluated. Overall, the region's domiciliary care market sufficiently met required service quality standards and effectively supported children to achieve their personal wellbeing outcomes.

Based on the best available data, identified areas of poor performance across the domiciliary care market had been isolated incidents and were not indicative of market wide quality issues.

Current Level of Market Sufficiency

The children's domiciliary care market is operating at close to capacity levels and is facing market-based pressures to sustain capacity. Current issues include service disruption based on staff sickness (largely associated with the COVID-19 pandemic) and challenges in attracting new staff to enter the market, which is an issue across the social care workforce.

In NPT, domiciliary care provision is largely commissioned from one provider. Whilst this provision provides a good quality service, this is a high-risk commissioning approach due to the potential risks presented relating to future service stability and sufficiency. Several domiciliary providers have demonstrated an interest to become part of the council's commissioned service over recent years, but they have sighted barriers to enter the market, including the small number of support packages the council needs to commission the need for a very flexible workforce to sustain flexible packages of support.

To further develop the domiciliary care market, NPT council is reviewing and revising the strategic Children's Services plans and commissioning plans, which includes a focus on domiciliary and short breaks demand profiling.

In Swansea, the children's domiciliary market is operating at, or very close to, maximum capacity levels and is facing market-based pressures to sustain capacity. Current issues include service disruption based on staff sickness (largely associated with the COVID-19 pandemic) and challenges in attracting new staff to enter the market, which is an issue across the social care workforce.

Demand for domiciliary care provision is interdependent on the ability of other family support services (short breaks projects and Direct Payments) to meet the needs of families. This effectiveness of these services depends to a large degree on a small number of providers and the sufficiency of the services they provide is under strain. Whilst the provision provides a good quality service, this is a high-risk commissioning approach due to the potential risks presented relating to future service stability and sufficiency. We would benefit from a growth in the capacity of these services and in the capacity to commission domiciliary care packages when this is the right option.

Several domiciliary providers have expressed an interest to become a Swansea commissioned service over recent years, but they have cited barriers to enter the market, including the small number of support packages commissioned and the need for a very flexible workforce to sustain flexible packages of support.

To further develop the Swansea domiciliary care market, Swansea is reviewing and revising its strategic plans to determine the shape needed from its own in-house service (and wider family support services) and those delivered from independent providers.

Likely Issues to Affect Market Sufficiency Over Next 5 Years

COVID-19 Pandemic Impact

Since 2020, the COVID-19 pandemic has brought much disruption to the lives of children and their families. School and support service closures/ disruptions contributed to increased demand for care and support services.

Over the next 5 years, the continuing COVID-19 pandemic will be closely monitored as it is most likely to continue to affect market sufficiency in the short term.

Population Based Demand

In line with Welsh Government population projections, the population of children who live with a disability is projected to remain stable over the next 5-10 years, therefore there is no correlation between the projected population size and demand placed upon domiciliary care provision.

Accessible Suite of Support Services

Domiciliary care provision is one of many support services children and families may access, which can also include support services from other organisations.

Many of these other support services are currently overwhelmed and are providing limited-service availability. The knock-on effect frequently results in an increased demand on community services.

The councils are working closely with commissioned services and partner organisations to highlight and support service sufficiency developments which present this knock-on effect upon the area's domiciliary care market. Without effective developments in this area, it is likely that demand placed on domiciliary care provision will continue to increase.

Impact from Wales Wide Workforce Sufficiency Issues

The sufficiency of the social care workforce across Wales is a concern. The sufficiency and quality of the region's children's domiciliary care market relies on providers achieving suitable levels of staff recruitment and retention.

This area will be closely monitored as workforce sufficiency issues present a key risk to achieving market sufficiency over the next five years.

Section B - Market Stability

Balance of Demand and Supply

The sufficiency assessment identified that in NPT, demand and supply within the council's domiciliary care market has increased since 2020. The market has successfully grown to meet levels of demand but as COVID-19 related impacts decrease, any significant drop in domiciliary care demand may destabilise the local market and its workforce. The council will work closely with commissioned providers to monitor service stability on an ongoing basis.

In Swansea, the sufficiency assessment identified that potential demand for domiciliary care has been offset by a growth in the use of Direct Payments.

Provider Base Diversity

In NPT, the composition of the local children's domiciliary care market has changed quite considerably since 2017, with a decreasing number of domiciliary care providers commissioned by the council. The reasons for this decrease are multi factorial but have been attributed to providers moving away from this market, providers operating limited local availability or experience of poor service quality. The way in which the council select, and commission domiciliary care provision has impacted upon the distribution of market share associated with the council commissioned support packages.

The market leader during 2017/18 and 2018/19 had a declining market share, which was absorbed by a growing local based provider since 2019 which emerged as a new local market leader since 2019.

Whilst the current market leader provides a good quality service, the council's reliance on this provider for 99% of local domiciliary care provision is a high-risk approach due to the potential risks this arrangement presents upon future service stability and sufficiency. Domiciliary providers have expressed an interest in growing or diversifying their business models to enter the council's Children's Domiciliary Care Market. However, such providers sighted barriers to enter the market including the small number of support packages the council commission and the need for a very flexible workforce to sustain flexible packages of support.

The composition of the Swansea children's domiciliary care market has changed since 2017 but remains very small. Whilst the current providers deliver a good quality service, our reliance on such a small number of providers is a high-risk approach due to the potential risks this arrangement presents upon future service stability and sufficiency. Adult domiciliary providers have expressed an interest in growing or diversifying their business models to enter the children's domiciliary care market, however, such providers sighted barriers to enter the market including the small number of support packages Swansea commission and the need for a very flexible workforce to sustain highly individualised packages of support.

Both councils are currently reviewing their strategic and commissioning plans, which will include a review of commissioning arrangements and market development work relating to the children's domiciliary care market.

Access to Local Market Information

In 2022, both NPT and Swansea plan to publish a localised market position statement and will work collaboratively to publish a regional market position statement, both are aimed to provide reliable market-based information to external service providers, in order to help them plan for the future and to effectively meet local market demand. The plan is to work closely with partner organisations to undertake market engagement and market shaping activities from 2022 to support local market development.

Financial Viability

NPT council accredits domiciliary care providers before commissioning activity takes place. Accreditation and annual service reviews have not identified risks to the financial viability of commissioned domiciliary care providers.

There are no known risks to the financial viability of commissioned domiciliary care providers in Swansea.

Price/Quality Equilibrium

The equilibrium between price and quality is not balanced within the NPT domiciliary care market. Prices charged by domiciliary care providers vary quite considerably with a price difference of up to 30% between providers, but there is no evidence to suggest any increased service quality in relation to the price paid.

Over the previous 4 years, some providers have expressed a requirement to only provide support packages of a minimum number of hours, which has presented issues relating to delivering personalised support packages and achieving value for money. The planned market engagement activities in 2022 will signal and clarify the position on how it commissions support packages to enable providers to understand the council's commissioning approach.

There are no known risks to the financial viability of commissioned domiciliary care providers in Swansea.

Market Wide Shocks

The risk of market shocks within the region's Children's Domiciliary Care Market is being closely monitored.

Action due to Provider Failure

No action has been applicable in pursuance of the duty under section 189(2) of the Social Services and Well-being (Wales) Act 2014.

Section C – Other Market Stability Factors

Consideration of Market Quality

Children and young people accessing domiciliary care provision have outcome-based care and support plans, which are coproduced with the individual. Commissioned domiciliary care providers regularly review progression and the achievement of personal outcomes. All commissioned domiciliary care providers deliver a package of training and support to their workforce in line with regulatory requirements.

Alongside CIW, the quality and performance of commissioned domiciliary care providers are monitored by each council. From analysing the quality of care and support provided, overall, the domiciliary care market delivers good quality care and support provision. Incidents of poor performance have been largely isolated incidents and are not indicative of market wide quality issues.

Current and Projected Trends

COVID-19 Impact

The level of demand has outstripped supply during Covid-19 because of disruptions such as school closures which have placed additional pressures on families. As the impact of the pandemic gradually declines, it is anticipated that demand and supply will become more aligned.

Impact of Commissioning Practices on the Market

In NPT, the council have several spot purchasing contracts with Domiciliary Care Providers. Providers are selected by care managers and this decision-making process is not currently underpinned by any formal commissioning arrangement. Decisions are largely based on experience of service quality and availability of service. This decision-making process has led to an informal ‘preferred provider’ approach which has resulted in a reliance upon one domiciliary care provider. This has created a situation where the local domiciliary care market is not providing a diverse provider base from which to commission.

The current commissioning arrangements will be reviewed as part of NPT council’s commissioning plan review, which will conclude in 2022. The use of formal commissioning arrangements such as framework agreements will be considered as part of this review.

In Swansea, most packages delivered by the private sector are funded via Direct Payments, with the council facilitating the arrangements between the family and the provider. Where the council commissions the provider directly, then it is on a spot purchase basis. As with NPT, the local domiciliary care market is not providing a diverse provider base.

Current commissioning arrangements will also be reviewed in 2022/23 alongside a review of internal domiciliary care and wider family support services. The use of formal commissioning arrangements will be considered as part of this review.

Sustainability of Provision

The largest identified risk to future market sustainability relates to the future stability of the local market leader.

Risks to Market Stability

In NPT, the largest identified risk to market stability relates to how demand for future domiciliary care will be managed once the impact from the COVID-19 pandemic has been reduced or resolved. Any significant decrease in future demand for domiciliary care may destabilise the market.

Swansea states that there are risks relating to the sustainability of the domiciliary care workforce. This risk is not a provider specific risk, rather, it is associated with the overall challenges experienced across the wider social care workforce.

Section D – Non-Regulated Provision

In NPT, the council's Domiciliary Care Market delivers packages of support which includes both care and support, as well as support only packages. Non-regulated support services operate within the area, which have been used over the previous four years.

Should the capacity of the non-regulated support sector grow locally, this may decrease demand placed upon local domiciliary providers for support only packages. As part of the council's market development activities planned for 2022, engagement will take place with the non-regulated support sector to further understand this sector and their local operating service models in more detail.

The Swansea domiciliary care market delivers some packages which include both care and support, as well as others which are support only. As well as local domiciliary care services, there are several other non-regulated family support services operating within the area. The size and shape of those support services can influence the level of demand for domiciliary care services. As is the case with NPT, should the capacity of the non-regulated support sector grow locally, this may decrease demand placed upon local domiciliary providers for support only packages.

As part of Swansea's strategic plans for 2022, decisions will be taken regarding how community family care and support services need to look.

Section E – Other Considerations Affecting the Market

Resources

Planned reviews of commissioning and strategic plans will explore and consider areas of resource pressures, and areas where resources require investment and levelling up.

Direct Payments

Many families choose to use a direct payment for the delivery of personal care and support, however, many reported difficulties in recruiting and retaining personal assistants. The impact of which has led to some families accessing commissioned domiciliary care providers, rather than utilising a direct payment.

Unfortunately, the recruitment and retention of personal assistants is a sector wide concern and is not unique to the region.

Self-funders

Little information is held on those who choose to self-fund services in addition to what is provided through care and support assessments. This is a gap in the council's data sets, which will be considered for future review.

Section F – Summary of the Market

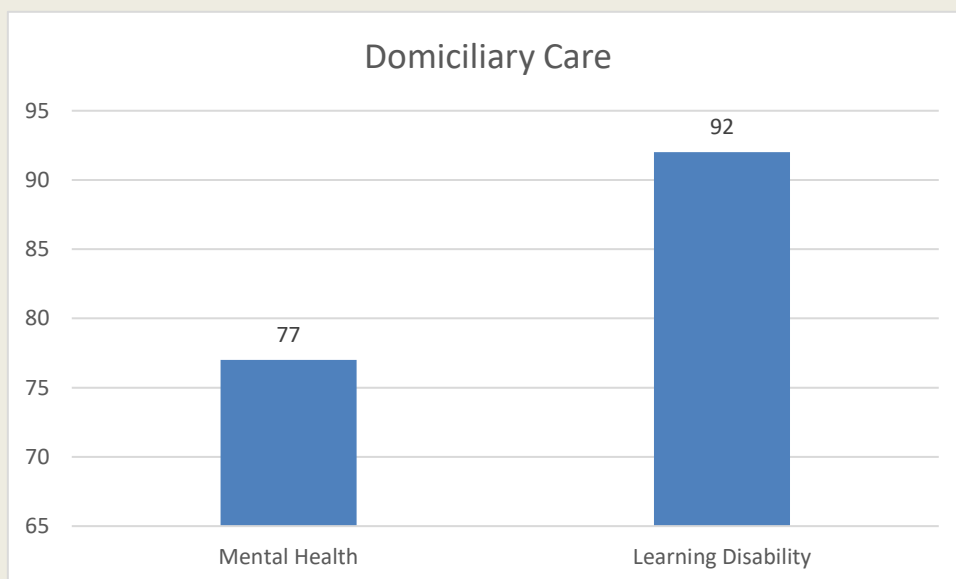
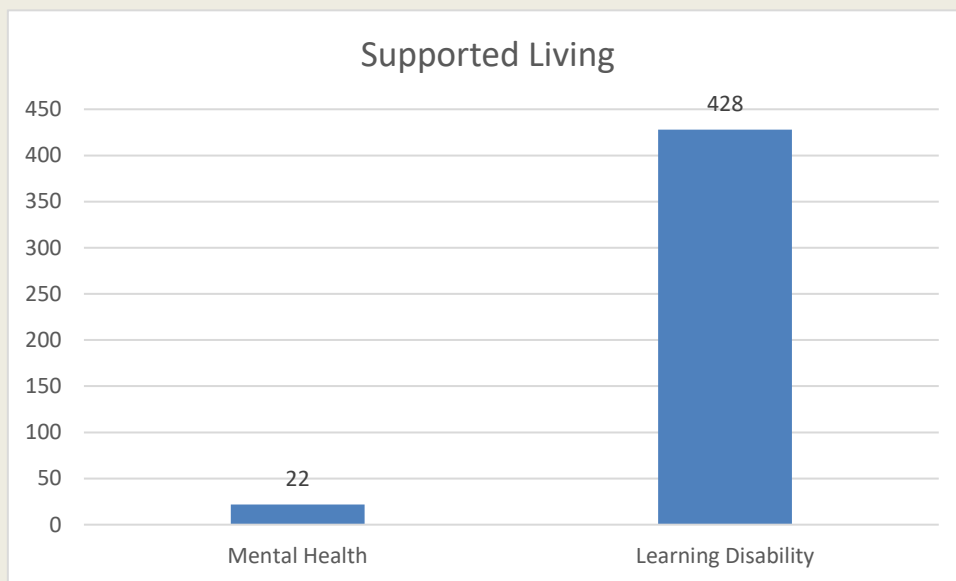
The Domiciliary Care Market has faced considerable pressure during the COVID-19 pandemic, and responded with market growth and flexibility. Moving forward, commissioning arrangements will be reviewed, and decisions will be made regarding how future needs can be met.

7.11 Domiciliary Care - Younger Adults

Section A – Market Sufficiency

Domiciliary care for younger adults is provided in two ways; 1 within supported accommodation setting whereby individuals have their own tenancies with 24 hour support and 2, spot purchasing of individual packages of support delivered within a person's home

The breakdown of numbers of individuals receiving support can be seen in the graphs below:



There have been a number of successful new Learning Disability supported living schemes developed over the past 5 years across the region. These are done in

conjunction with RSL's (Registered Social Landlords) with frameworks in place with each partner to ensure the appropriate care is provided. There are also clear and consistent methods with partners on agreement of placements for individuals who require supported living.

Compared to Learning Disabilities, there are far fewer individuals with a Mental Health illness living in supported living across the region. Neath Port Talbot have recently developed a new supported living scheme for Mental Health, with plans in place for a scheme for those with Mental Ill Health who are at risk of repeat homelessness. This is an area which is being developed further across the region.

The number of people receiving floating domiciliary care in their own home is comparatively low. The complex needs domiciliary care market has been operating close to capacity levels. Issues have included service disruption due to workforce pressures in recruiting and retaining staff. Work is being undertaken to review how to increase market sufficiency in this area as it is a growing demand.

Changing patterns of demand shows that there is a greater need for supported living services for younger adults. This is due to changing expectations of individuals who prefer options that optimise capacity to live independently. The model promotes greater independence compared to residential models of care.

There has been an increase in the number of individuals with complex needs and challenging behaviour accessing supported living, which is resulting in a requirement to ensure there is suitable housing available to support appropriately. It can however take up to two years for a new supported living property to be completed, future planning is an essential component in ensuring the needs of those that require accommodation in the future is undertaken three to four years in advance, especially for young people coming through transition.

Section B - Market Stability

Workforce

The market is fairly stable, however the sector has been impacted by workforce pressures, with particular pressures in domiciliary care provided at home. Difficulty in recruiting and retaining staff has impacted services, with high staff turnover leading to a reduction in skills and quality of support. Rising costs and competition from other employment. Workforce pressures is also resulting in not all services operating at full capacity. This has not seriously threatened stability of services but staffing shortages do compromise performance and may have an impact on availability of some services.

Through the pandemic, providers supported each other to address capacity issues to ensure the individuals they supported were safe. Contingency plans were put in place by commissioners, with staff ready to deploy if necessary.

Financial

Providers have seen increased cost pressures since the pandemic, mainly relating to the workforce. Partners have provided increased uplifts in October 2021, and further uplift in April 2022 to support the sector.

Commissioners are in regular contact with providers ensuring due diligence is undertaken to support providers should issues arise.

Action due to Provider Failure

There are comprehensive procedures in place to support provider failure. There has been no provider failure over the last three years. However, restoring staffing to pre-covid levels will be a challenge. Joint working with other commissioners along with local and regional information sharing has been key in monitoring risks and coordinating responses. Ensuring that Providers are equal partners in terms of identifying risks and planning responses is key. Systems which enable early warning and timely response are essential.

Section C – Other Market Stability Factors**Consideration of Market Quality**

Robust contract monitoring is in place with partners to help improve the quality of the commissioned services. This is ensured via contract monitoring visits, service user consultation, regular provider forums, unplanned visits and staff consultation.

Due to COVID, on-site monitoring was not possible, and was therefore changed to desktop monitoring and required the inclusion of new areas including compliance with the latest COVID guidance, use of PPE, testing, vaccination, staffing levels, safety and recruitment retention. Support to manage financial concerns has also featured more strongly.

Regional and national learning has commenced to share good practice and develop a homecare quality assurance programme. A range of inter-agency working will continue to be undertaken to ensure that services are fit for purpose.

Current and Projected Trends

The market is evolving and current evidence is demonstrating a required increase in:

- Specialist services for higher level health needs
- Challenging behaviour services
- Step down for people moving from residential care
- Step down for people moving from shared support to independent living
- Floating domiciliary care delivered in a person's home
- Better planning for young people coming through transition to support with their accommodation needs

Demand for services which promotes independence and reduce reliance on residential and institutional forms of care is expected to grow. Cost increases and workforce pressures are expected to remain challenging. These factors may impact capacity to expand the market to meet changing patterns of demand.

Use of direct payments to enable citizens to take charge of procuring their own independent living services is an area that is also expected to grow.

Impact of Commissioning Practices on the Market

Competitive tendering has brought new entrants to the market and has led to a more even distribution of learning disability services. A more equal distribution of market share has reduced risks associated with individual provider failure.

Regional programmes have been created to help shape and influence the market. Brokerage process for facilitating access to high cost services and regional rightsizing programmes have been created to ensure high cost services are fit for purpose. These arrangements have led to a more informed understanding of cost and quality. Further work is needed to enable these approaches to achieve a more informed shared understanding of outcomes for people, and other shared regional commissioning objectives. Further work to achieve this is underway.

Sustainability of Provision

Contracted providers are all struggling with recruitment and retention regardless of the size of the organisation. Providers have described continued financial pressure including ensuring rates of pay for staff are competitive and increasing fuel costs. Providers have reported that retaining staff can be difficult due to staff being attracted to higher rates of pay in other sectors e.g., retail and hospitality, not forgetting that the pandemic has also created more pressures on staff for other reasons e.g. working long hours to cover sickness. In addition, there has been a higher than normal use of agency staff, which also negatively impacts on a providers financial position.

The overreliance on a small number of providers to deliver floating domiciliary care in a person's home is a potential risk if one of those providers left the market.

As mentioned, there are robust processes in place to assess the potential risk and manage provider failure.

Risks to Market Stability

The challenge will be to sustain and if possible, to grow the external sector in the context of recovery from COVID, and in the face of competition for workforce from other sectors which may be present as a more appealing and less onerous option.

Workforce availability and costs escalation linked to workforce and other inflationary pressures may continue to create sustainability risks.

Section D – Summary of the Market

Services are of generally satisfactory quality with low incidence of formal contract compliance or breaches in regulatory standards.

Since the pandemic, staffing has now become one of the key risks to -market stability and sufficiency.

Increased future demand for specialist services and care at home is anticipated and more accurate demand forecasting is needed. Some services may have to adapt or remodel to remain sustainable.

7.12 Adoption

Section A – Market Sufficiency

Western Bay Adoption Service (WBAS) co-located in February 2015 and formally began operating as a regional service in April 2015. With Swansea as the host local authority and based in a venue provided by Neath Port Talbot County Borough Council, the service continues to develop and establish itself within the wider National Adoption Service Community.

The service is divided into a 'functional' model with three distinct operational teams, and one Business Support team namely:

- (1) Recruitment and Assessment
- (2) Twin Tracking and Family Finding
- (3) Adoption Support
- (4) Business Support Team

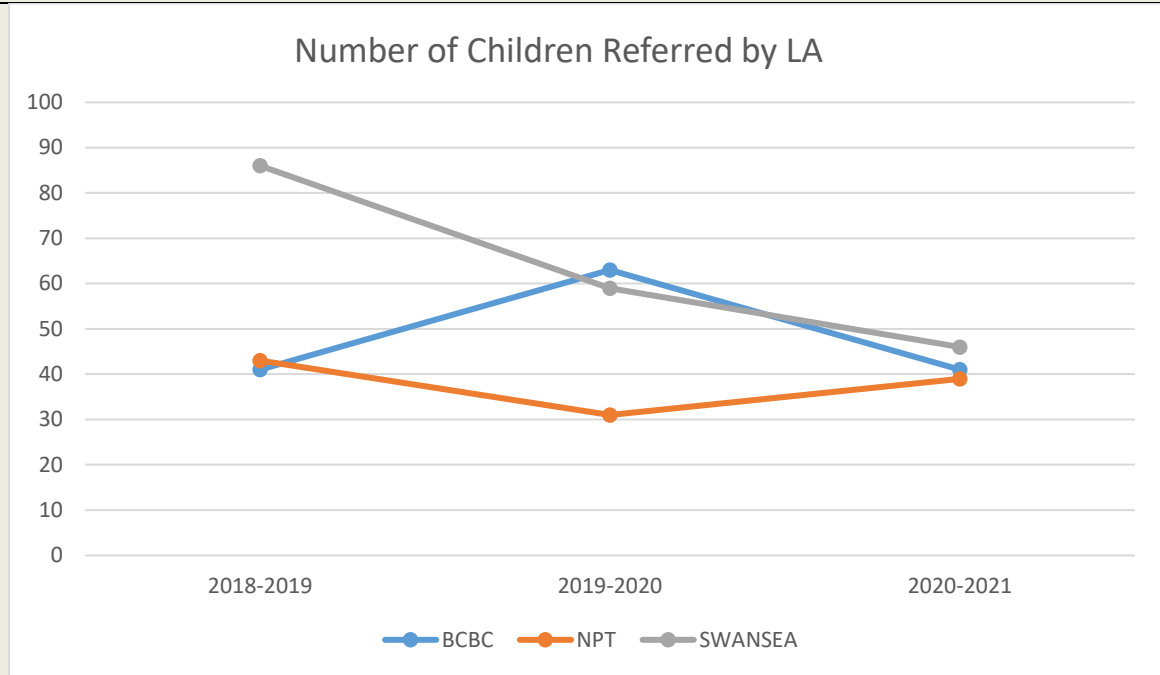
The teams within the model are made up of workers from each of the three local authorities: Swansea, Neath Port Talbot and Bridgend.

Population Based Demand

There is, overall, a reduction in the numbers of children being considered by the adoption service. However, this trend is not universal to all authorities, and is primarily based by a significant change (reduction) in the numbers coming from Swansea.

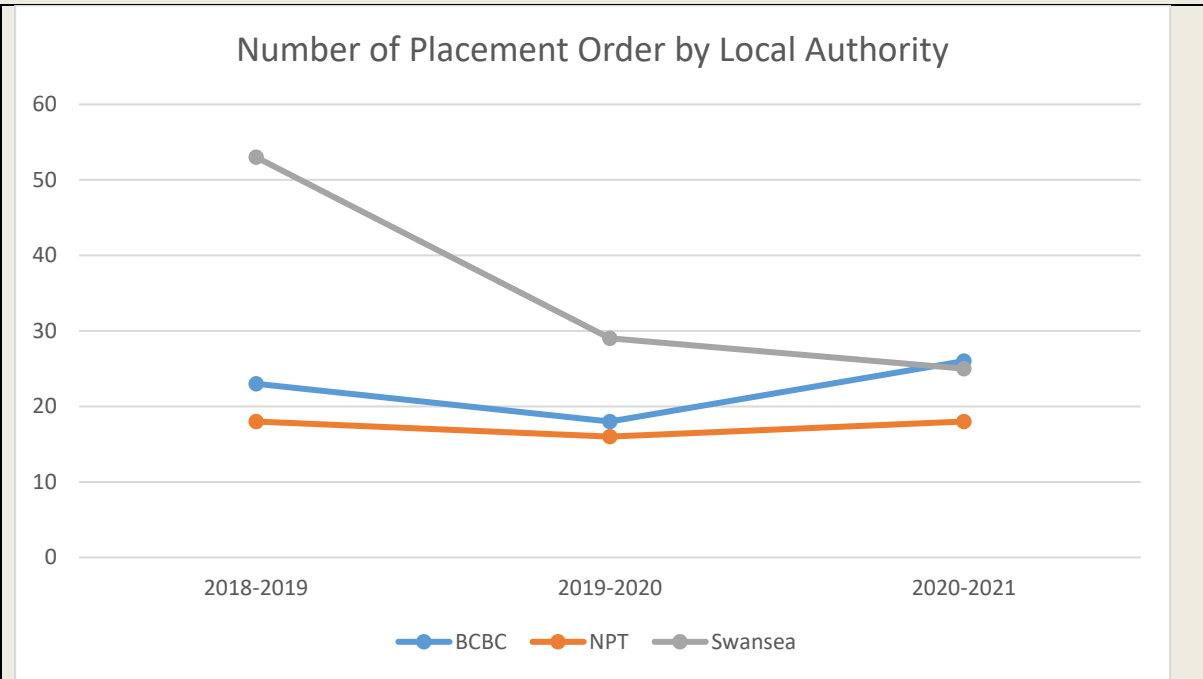
Twin tracking is a process where plans for possible adoption are progressed at the same time as other options for permanence. This approach to care planning aims to reduce harmful delays for the child. The table below demonstrates the falling number of children being twin tracked in the region in recent years whereas the chart illustrates the authority making the referral.

Number of children referred to adoption for twin tracking	Regional Total
2020/2021	129
2019/2020	153
2018/2019	170

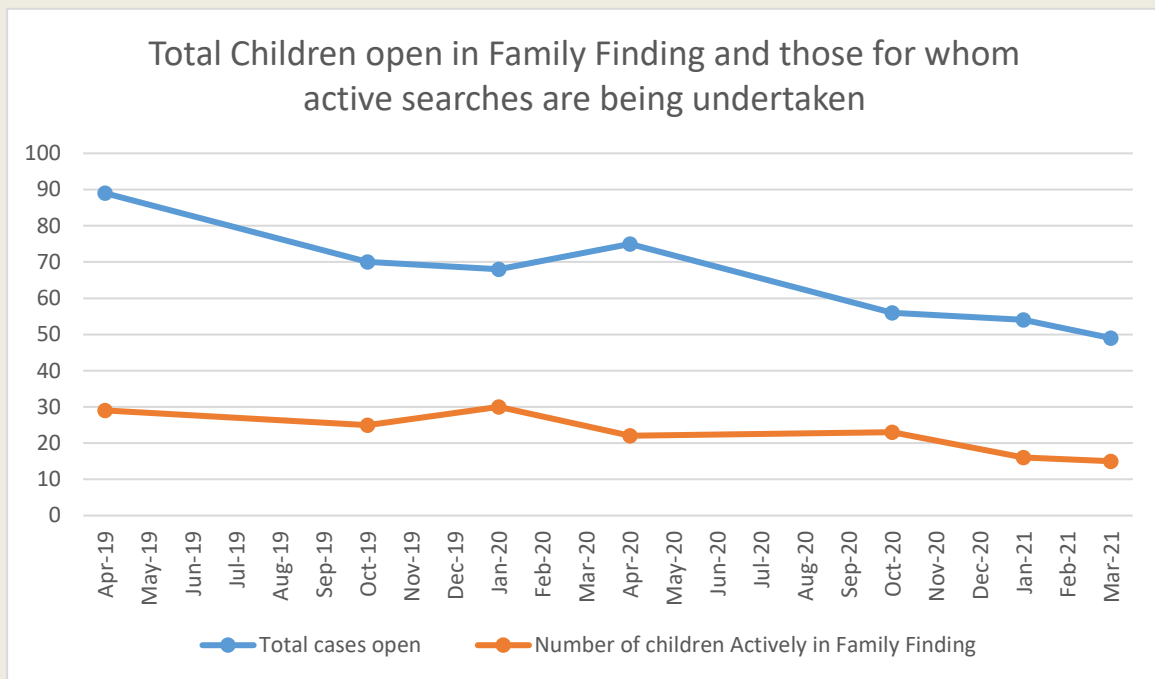


Another illustration of the changing demand is the number of Court Orders granted to allow the Council to search for an adoptive family (Placement Orders). Again, the table demonstrates the total numbers and the chart provides the breakdown by authority.

Number of children made subject to a Placement order	Regional Total
2020/2021	69
2019/2020	63
2018/2019	94



The number of children open to family finding has also reduced considerably over the last two years:



Falling numbers of children being considered for adoption is thought to reflect positively on the wider services, and greater success at ensuring children remain with their birth families where safe and appropriate.

Furthermore, while the numbers in the above charts demonstrate falling numbers going through the service overall, the number of children actually matched with adoptive families has been much more stable, even in Swansea. This potentially

indicates that the service is more consistently being asked to work with the children for whom adoption is the right route to achieve permanence.

Number of children placed for adoption	BCBC	NPT	Swansea	Regional Total
2020/2021	23	19	37	79
2019/2020	22	22	36	80
2018/2019	26	13	31	71

Similarly, the number of Adoption Order's granted has also been reasonably consistent.

Number of AOG	BCBC	NPT	Swansea	Regional Total
2020/2021	20	14	29	63
2019/2020	17	14	31	62
2018/2019	24	18	30	72

Current Level of Market Sufficiency

The recruitment and assessment side of the Service has seen the numbers of potential adopters making enquiries increase significantly in recent years, and this has translated into more approvals and placements being generated.

	2018/19	2019/20	2020/21
Number of adopter enquiries	134	166	257
Number of adopter approvals	42	54	53
Number of Placements Generated	44	62	64

An analysis of the 53 approved adopters has been undertaken and nearly half come from Swansea:-

Locality	Total Number of Adopters
Bridgend	9
Swansea	25
Neath Port Talbot	8
Cardiff and Valley areas	7
Carmarthenshire and Tenby	3
England (adopters originally from Wales)	1

In addition to those adopters recruited and assessed by the regional service, the service can also access potential adopters recruited by other regions / local authority adoption services or from the small number of Voluntary Adoption Agencies (VAA) run by third sector organisations.

There are a couple of VAA operating in the market place in Wales. They bring additional capacity to the market and work closely with regional adoption services to align their business model. For example, they are supported to run a dedicated scheme for the recruitment of carers for harder to place children with more complex needs.

Falling numbers of children potentially needing to be considered for adoption coupled with healthy recruitment levels mean the market is presently providing sufficient capacity overall.

Likely Issues To Affect Market Sufficiency Over Next 5 Years

The local authorities in the region are committed to the investment in early intervention and prevention services, as well as social work practice improvements, and family support services for those children on the edge of care. If these strategic priorities continue to achieve their goals then we can expect the size of the CLA population to fall over the next 5 years and, therefore, a corresponding reduction in the number of children needing a plan of adoption.

The Western Bay Adoption Service (WBAS) recently took part in a workshop with the National Adoption Team to decide the likely needs of the service and how to respond to those needs. The table below indicates what was discussed.

What can we project by 2025?



Service need

- Fewer PO's / More complex children
- Increased expectations / demand (quicker matching, placement & support)
- ? some reduction in long term demand for due to better early support
- ?potential for ongoing higher level support demands due to residual legacy of historical resourcing & practice
- Greater demand for Access to Records & services to adopted adults
- Things that deter applicants –modernising (contact) & search for certainty (genetics)
- Still experiencing the legacy of Covid.....

Service supply

- Workforce issues but limits to adoption tasks that can be done by other staff
- Pressures on existing funding – fewer PO's / reluctance to fund support
- Early stages of managed mixed economy of LA & Welsh VAA's for adopter recruitment (current pilot rolled out)
- Still have too narrow a range of support services / approaches to meet need
- Ongoing challenges to influence development of, or access to, services being planned on a regional or LA basis e.g emotional wellbeing

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Whether the Region will continue to fewer children conclude with a plan of adoption in the long-term is hard to predict but certainly the intention of the local authorities. Those children we do have come through have increasingly complex needs, e.g., exposure to significant drug and alcohol use during pregnancy, genetic conditions and sadly disability issues as a result of non-accidental injury. These children are likely to have ongoing adoption support needs which when identified early in placement are likely to reduce the need for long term crisis type support services and long-term therapy. Narrowing the gap between the children we have coming through and the matches that adopters hope to achieve will ensure that the service can place more of these complex children and continue to offer regional adoption support to them until they reach adulthood.

Section B - Market Stability

It is difficult to equate the adoption of children to the machinations of normal market forces. Aside from the small (but not insignificant) contribution made by a couple of VAAs, it is local authorities that have oversight of both supply and demand. It is a highly regulated and protected market that is, to a large degree, protected from the risks of competition and provider instability.

While the market forces are limited, the adoption system process is working effectively. Falling levels of demand has meant that the balance of demand and supply is now in a healthy position. This equilibrium will be closely monitored to ensure this remains the case.

Action due to Failure

No action has been applicable by Swansea in pursuance of its duty under section 189(2) of the Social Services and Well-being (Wales) Act 2014.

Section C – Other Market Stability Factors

Consideration of Market Quality

The CIW (Care Inspectorate Wales) are the independent regulator of social care and childcare in Wales. They register, inspect and take action to improve the quality and safety of services for the well-being of the people of Wales. Their core values ensure people are at the heart of everything they do.

Working regionally has supported service resilience and quality. A regional service makes it easier to “tap in” to a wealth of skills and experience from the wider social services departments in 3 local authorities. A larger team enables a more flexible approach that support the movement of the very skilled and experienced staff and resources to whichever team or function needs resources at a given time. This in turn enables staff to maintain their skills across all aspects of adoption or can enable the development of skills for members who are less confident in some areas. This flexible and proactive approach can be used for either short- or longer-term solutions to workload pressures.

The quality of the Adoption Team provision is monitored in 3 ways: locally, regionally and nationally.

There will be input at all these levels to maintain robust quality systems, with Team Meetings, Quarterly quality meetings regionally and National workshops providing learning and support with both issues and new best practice / legislation.

2020 saw significant changes to the adoption support function with considerable efforts to design, develop and implement a strong adoption support provision. Supporting adopters to access the support at key points of need in their child’s life rather than creating long term dependency is crucial to a functioning adoption support team.

We have good practice guides launched in respect of post adoption contact, working with birth parents, transitioning children to adoption, and adoption support and we will need to fully embed these over the next few years.

The agenda is to modernise post adoption contact with use of video messaging, and direct contact between adopted children and their birth families.

Current and Projected Trends

Aside from changes in levels of demand and greater numbers of more complex children which are trends discussed above, it should be noted that we are seeing greater resources being required to support adult adoptees to access information from their file.

It is anticipated that as practice has changed in more recent years, in terms of the life journey work done with adopted children, and they now receive far greater amounts of information, we will, in theory, see these requests for information decline.

Impact of Commissioning Practices on the Market

Children placed with adoptive parents recruited by other agencies (inter-agency placements) are traditionally done on a spot purchase basis via a standard national contract and fee framework. This generally works smoothly. However, in 2021/22, the Region entered a contract with the VAAs in Wales to block purchase in advance a certain number of adoptive placements.

One of the primary goals of this approach being to promote the financial sustainability of VAAs who would have greater confidence of their financial resources. This pilot contract has continued into 2022/23. The merits of continuing to commission in this way will be reviewed later in the year and other stakeholders (the National Adoption Service and other regions) are keen to understand the lessons learnt.

Sustainability of Provision

Local authorities have a legal duty to deliver an adoption agency. This is an important responsibility that means services must exist and be resourced appropriately. While it is possible to assert that there are contingent risks regarding a sudden drop off in numbers of putative adopters, this is not a significant risk based on the history of adoption.

Risks to Market Stability

As the Adoption process as previously outlined, is not subject to market pressures and that adoption is a socially responsible and benevolent service, it should carry on into perpetuity.

Adoption, as a legal entity came in to being in 1926, reformed in 1975 and these reforms gradually enacted up to 1988. During this time, there has been no problems associated with risk of the global process, only those that effect any organisation that delivers a public service funding or change of government, for instance.

Section D – Other Considerations Affecting the Market

Resources

The financial resources required for the WBAS are provided by the partner local authorities. They are overseen by a management board with senior officers from each authority. It is submitted that the performance of the service (as demonstrated above) indicates they are appropriately supported.

Some of the funding of the service has been provided by discrete Welsh Government grants. Changes to the levels of Welsh Government support for the service will need to be monitored to avoid any negative implications.

The service is able to access specialist support e.g. I.T. and commissioning from the one of the constituent local authorities.

Section E – Summary of the Market

Entry to the market is highly regulated but the arrangements are working well, and the Councils are increasingly able to source local placements for children needing an adoptive family to realise permanence.

8. Conclusion

The sector across the region is currently under severe pressure. The lack of available staffing is at crisis point across both health and social care. This coupled with the cost of living crisis is compounding the situation for external providers. Health and Social Care have historically worked in isolation, however now more than ever, a joint response and closer working together is required.

Throughout the COVID pandemic, partners within the West Glamorgan Region demonstrated that when working together with the same goals, it was possible to overcome the challenges presented. New models of care now need to be considered to support individuals and communities, and working as a region will enable this challenge to be met, avoiding the impact of working in isolation making unilateral decisions can unwittingly impact on the other partners.

Under the West Glamorgan Region, there are programmes of work that can take responsibility for their areas of work to look at where having a regional response would be beneficial. This work will be started as a matter of urgency, with the aim of establishing a sufficient and stable market that promotes outcomes for individuals and communities.