

Care and Support Provider Fee Review 2022- 2023

Appendix 3: Legislation and Government Policy which impacts on the 2023 - 2024 Fee Review.

In July 2021, the Health and Care Bill was published. It set out key legislative proposals to reform the delivery and organisation of health services in England and to promote more joined-up services, to ensure more of a focus on improving health rather than simply providing health care services.

The Bill will bring about a legislative framework that supports collaboration rather than competition. The Bill also contains new powers for the Secretary of State over the health and care system, and targets changes to public health, social care, and quality and safety matters. The Bill is expected to be passed in time for changes to come into effect in April 2022.

The Bill also introduces a new duty for the Care Quality Commission to: conduct reviews of each councils' regulated adult social care functions (functions under Part One of the 2014 Care Act): assess the performance of councils following each review; and publish a report of its assessment.

In September 2021, the Prime Minister confirmed the government will provide funding to support local authorities to move towards paying care providers a fair rate of care outlined in the Government policy paper, Market Sustainability and Fair Cost of Care Fund.

This is part of the government's ambition to commit to reform within the adult social care system and ensure people, in future, are protected from unpredictable costs; offers more choice and control over care received; offers outstanding quality; and is accessible to those who need it.

A sustainable care market is fundamental to achieving this ambition.

From October 2023 the Government proposes that more people who fund their own care in care homes will be able to ask their local authority to arrange care on their behalf to secure better value (those in domiciliary care can already do so), by further bringing into effect section 18(3) of the Care Act 2014

To address under investment in local care markets and to ensure that local authorities can move towards paying a fair cost of care, the Government will provide funding over the next three years to prepare external care markets for reform. The market effect of this change will be that some providers over time will need to reduce reliance on subsidising state-funded care from self-funders. Where this has an impact, local authorities will need to ensure their market can be sustained and fee rates are sustainable.

As a condition of receiving grant funding, local authorities will need to submit to the Department of Health and Social Care (DHSC):

1. a cost of care exercise – produced by surveying local providers for 65+ residential and nursing care and 18+ homecare to determine a sustainable fee rate for different care settings.
2. a provisional market sustainability plan setting out local strategy for the next 3 years (2022 to 2025), using the locally produced cost of care exercise as a key input, this provisional plan needs to demonstrate the pace at which the local authority intend to move towards a sustainable fee rate.
3. spend report – this will detail how money has been allocated in line with our expectations in order to achieve a more sustainable local market (as set out in 1 to 4 above)

The City of Wolverhampton Council will undertake these required actions during 2022, the key findings will inform the fee review for 2023/2024.