



Department of Health & Social Care

For information

Local Authority Chief Executives

Directors of Adult Social Services

Local Government Association

Association of Directors of Adult Social Services

Care Provider Alliance

National Care Forum

Home Care Association

Dear all,

In March 2023, all local authorities in England published Market Sustainability Plans as part of the Market Sustainability and Fair Cost of Care Fund 2022-23. This funding was designed to support local authorities to build more sustainable care markets by working collaboratively with providers to develop a collective understanding of the actual costs of delivering care and the challenges to sustainability in their local area.

Although some time has now passed since the publication of the plans, I want to thank both local authorities for their significant efforts to produce them, and providers for their input and collaboration in the process. These exercises and plans have provided the Department with a wealth of information on the issues within local markets, and insight into the market shaping strategies local authorities are employing to address these.

We have produced The Market Sustainability Insights Report ('Insights Report') to capture those in one place.

The Insights Report collates common shared challenges local authorities highlighted through their Market Sustainability Plans, as well as examples of the types of activities they are adopting to address them. I hope it will be a helpful resource that local authorities can draw on to learn from each other, and to support them to develop future strategies to improve market sustainability and capacity and ensure people who draw on care and support can achieve the things that are most important to them.

The Report highlights the variety of market shaping initiatives local authorities are undertaking to support sustainability. In tandem, the government is supporting local authorities to do this in various ways, including through the Market Sustainability and Improvement Fund (MSIF), and the recently announced MSIF – Workforce Fund which, combined, total nearly £2 billion over two years; investing in workforce retention through better workforce training, recognition and care progression and promoting more streamlined and proportionate assessments for people who draw on care, including the use of digital self-assessment tools where appropriate.



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To transform the quality of care we are also supporting and increasing access to new data and supporting the sector to enable innovation, including through digital transformation.

Thank you to those we consulted with in the drafting process, to help us ensure the Report is of maximum value for the sector. The named examples have been drawn directly from Market Sustainability Plans which referenced activities which demonstrated clear positive outcomes. With a special thanks to those local authorities who agreed to be included, I hope these may serve as further helpful reference points, should local authorities want to explore any of the strategic approaches further.

I recognise the tremendous efforts of local authorities, working with their provider markets, and of course those of the workforce, to provide timely and high-quality care and support for those who draw upon it. The Department will continue to work closely with local government and provider representative bodies to deliver high-quality, personalised care and support, as part of a vibrant, responsive market.

A handwritten signature in blue ink, appearing to read 'Helen Whately'.

Helen Whately MP