

Dare to care.....

December 2018

What do you see?



So what we have is an increasing need with a reducing budget and shrinking market.

National Care Association calls on Government to bring forward sustainable plans to stabilise the social care sector. They will get their return on investment as the sector continues to innovate and deliver care to a growing population of frail and vulnerable people.

For the past two decades we have been walking headlong into a crisis in social care.

The delivery of social care has been challenged in a number of ways which we will cover in this briefing, however, it should be noted that the issues we raise were not unexpected. Sector experts and analysts have been voicing concerns about the impact of ignoring the signs, the primary one being that the demographics have been changing. We have an aging population with complex medical conditions, requiring a more robust and sustainable delivery option, which is absolutely funded.

Sadly to date, the government policy responses to the growing challenges have been reactive and lacking in vision or sustainable substance. This has created a lack of direction at both local and national level leaving providers to tackle the challenges against all the odds whilst ensuring that we are meeting the growing needs of some of the most vulnerable members of our society.

The current mood of social care recipients and deliverers is one that reflects a complete lack of confidence in decision makers. Service users have limited support and advice about what they are able to access, whilst providers have no clarity about the fees they are likely to receive and commissioners continue to be challenged by the funding they receive, which they tell us is wholly inadequate. So what we have is an increasing need with a reducing budget and shrinking market.

With that backdrop, it should be noted that providers have not relented on driving up the quality of the services we expect, which creates a complete imbalance in expectations against affordability. We continue to raise expectation based on the growing needs and desires of those accessing the service but we fail to value the contributions of those delivering it.

So the question we pose and challenge government with is 'who dares to care..' as, to date governments of all colours have failed to take the opportunity to respond to the growing crisis, however this has not stopped past ministers telling us how it should be done after they have left office! Despite the fact that the social care sector holds a significant place in the UK economy it is consistently portrayed as a drain rather than a contributor. There are:

- 12,043 providers
- Who collectively operate over 25494 sites
- Employing 1.45 million workers
- Social care contributes £43 billion to the economy

Figures from SfC 2017

This is a sector that has supported the Health agenda since the formation of the NHS and have evolved into a service looking after a generation who were promised healthcare from 'cradle to grave'. This is the generation who have already paid for their care and yet we have government looking at taxing them again and again to cover up their own ineptitudes of creating sustainable solutions.

Social care providers today have taken up the mantle and are delivering that care despite the challenges they face, why? It is **because they care ...**

National Care Association calls on Government to bring forward sustainable plans to stabilise the social care sector. They will get their return on investment as the sector continues to innovate and deliver care to a growing population of frail and vulnerable people.

Our data at a glance

63%

Of members receive less than
£700 in fees

87%

Of members do not receive
fees adequate to sustain their
business

55%

Of members do not regularly
meet with the LA's they
commission with

22%

Of members have had no fee
increase in 3 years

68%

Of members have
recruitment issues

"If I could sell I would"

"I can **only provide care privately** to sustain my business."

"I never imagined I would have to discriminate against local authority supported clients in order to provide a good service"

"Increases in the last 10 years are around 9% when the **cost of living has risen 30%.**"

"their expenses are increasing and their wages are not"

"Locals do not want to do care."

"I am retiring this month due to the state of the profession. It is being strangled and it is breaking my heart."

"staff become **disillusioned with the care system**"

"I would like to pay staff more but **am unable to**"

"unsustainable long term"

"surviving in this market is becoming impossible"

"Residents die whilst waiting for local authorities and the CCG to fight out as to who has the responsibility to fund care"

"Registered Nurses are the most difficult to recruit."

"It is **impossible to provide** care and support required by complex needs at these fees."

CQC inspections are inconsistent.

Potted History

Social Care has been increasingly delivering care to people with multiple and complex health care needs

It is important to note that social care, unlike the NHS, has always been means tested but this is not clearly understood by the general public. The reason for this is that people only concern themselves with the social care services when they are thrust into a crisis situation. Until that point, the general view is that it is a continuation of the services received within the NHS. At the point of realisation that this is an independent service, often families and friends are left to navigate through a maze of information with very little help and support.

Social care is seen as just that; caring for someone's social needs, providing them with the help and support to assist them to maintain their independence. The reality is somewhat different! The reality is that post the 1990's Community Care Act, Social Care has been increasingly delivering care to people with multiple and complex health care needs. Caring for people who were previously cared for in long stay geriatric wards, post-acute interventions, which the NHS received funding for. This funding stream was retained by the NHS at a time when the wards were phased out and the care was commissioned out to the independent sector at a fraction of the cost and limited health care support.

Case study:

Mrs Smith was admitted to hospital following a stroke. She was already being treated for high blood pressure and struggled with acute asthma. After stabilising her condition and a period of physiotherapy Mrs. Smith was deemed ready for discharge but would need support with daily tasks. The assessment indicated a period of rehabilitation in a care setting before being sent home would be the best pathway.

The family were given some suitable settings and asked to choose a service asap. The first two they saw and liked had no vacancies. Two were completely unsuitable in their view and the fifth one was okay and had a vacancy. They opted for that.

Only the accommodation will change not the needs and yet what the care provider is offered only one third of the fee paid to the NHS.

Various reports and commissions have produced their findings and put forward recommendations only to be told that the cupboard was bare..!

At the point that the NHS started to close its long stay wards it did not lose the funding attached! The consequence has been that the social care sector has taken on the role of the long stay wards without any of the financial support, as at the time it was viewed as the cheaper option.

What is important to note and acknowledge is that social care is no longer a secondary service as understood by the general public, it is actually the primary service when frail and vulnerable individuals are no longer able to support themselves. We have invited the independent sector to deliver, primarily because the public sector failed in their responsibility to create a sustainable service within the budgets they were given through the public purse.

Clearly the cost of residential care options were a challenge and so the private and voluntary sector were left to support some of the most vulnerable members of our society in a partnership arrangement with local authorities. At this point the NHS was a negligible partner as people being supported in social care seldom had primary health care needs.

Within a decade the face of social care had begun to change and we faced some substantial challenges relating to the funding of long term care. There followed a plethora of independent reports and commissions to identify the issues and put forward sustainable solutions: all called for realistic funding for the sector. The calls were largely unheeded and so the crisis deepened and that's why we are where we are!

Over the years we have had various reports and commissions to reinforce, challenge or confirm the crisis in care. Each has produced their findings and put forward recommendations only to be told that the cupboard was bare..!

Key Points for Information

- There is widespread recognition that social care is underfunded – we would need a 36% increase in current funding in order to keep pace with the commissioning practice of 2009/10.
- There has been a reduction of £6bn in social care funding between 2010 and 2017 and sadly the sticking plaster solutions offered of 2-3% precept and the £2bn in budgets will not fix the issue it merely stems the flow.
- We need an additional 1.6million care workers recruited and trained by 2022 to meet demand.
- There are over 7 million friends and family delivering informal care in the UK. Between 2005 and 2014 there was an increase of 24% in the care hours delivered by these individuals rising to 8.1 billion per annum.
- There is a steady decline in care in the first six months of 2018 - between 2010 and 2016 about 1400 homes were lost in the sector.

The research

With this backdrop we have to consider the impact of the two major issues which impact on the provider's ability to deliver care in a consistent and sustainable way. Every year we carry out a survey of our members to ascertain the challenges that lay ahead as they continue to deliver care to some of the most vulnerable members of our society.

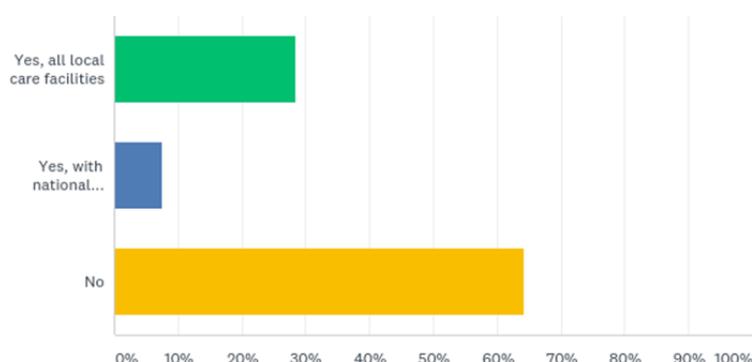
As we look at the future of long term care we are ever conscious that the challenges for services users, providers and commissioners are going to be substantial. 82% of providers who responded to the survey were established in the sector – between 11 and 46 years standing, which goes to demonstrate that the sector has been responsive to the changing environment and continues to deliver good care despite the uncertainties. This demonstrates that there is a stable market in the care delivery arena of the sector amongst the SME's.

Figure 1:
How long have you been a care provider?

< 5 years	5-10	11-20	21-45	46+ years
8%	10%	20%	54%	8%

It is also important to note that 64.8% of respondents were sole providers with the corporate services being a minor player in the market at 7.46%. The importance of the SME provider is often lost in debates but this demonstrates the crucial role they have across the country in the deliver end of care services.

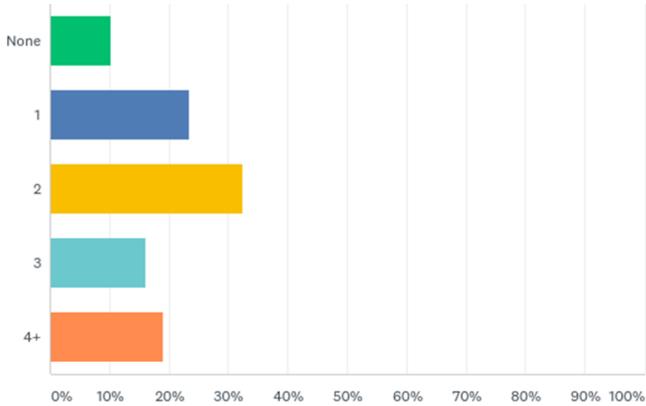
Figure 2:
Do you have multiple care facilities?



Commissioning with Local Authorities

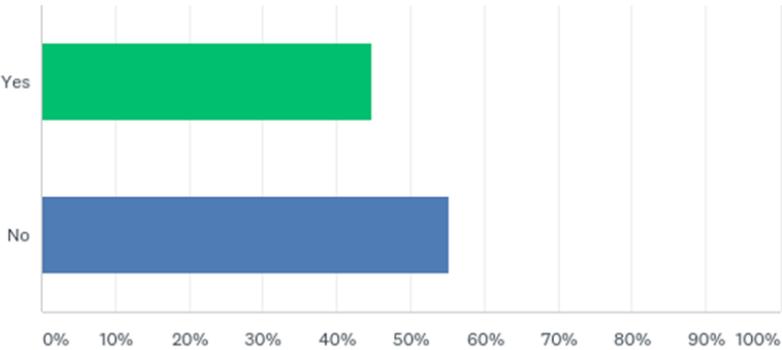
This year we were also able to ascertain the breadth of the authorities' members are working across but what we found interesting is that 10.29% of respondents told us that they do NOT work with any authority. This will be something that we believe is a real risk factor for commissioners as the more confident providers start to move away from relationships with local commissioners.

Figure 3:
How many local authorities do you commission with?



It was also shocking to note that less than half (44.78%) of the providers told us that they had regular meetings with commissioners. This is a remarkable lack of foresight by LA commissioners if they are working on market shaping, transformation plans and provision in the future.

Figure 4:
Do you have regular meetings with the LA's you commission with?

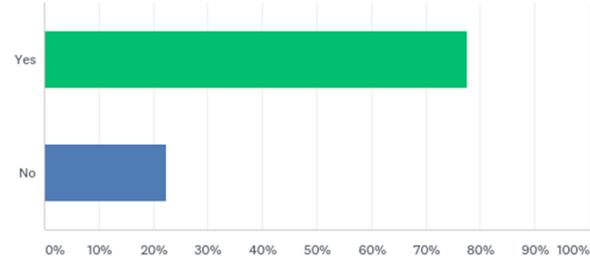


How can this be acceptable in a public service – the resident is being deprived of their funding which put the provision at risk!

When we look at the reasons behind why people are becoming less likely to work with local authorities who commission, 22.39% of respondents told us that they had received no increases in their fees from LA's for the past 3 years. This factor is crucial when we look at the quality and design of services across the country.

Clearly, the cost of delivering care has risen steadily over the years through statutory regulatory increases in wages. Additionally, we see the increases in utilities, regulatory registration, pensions etc. etc. etc. these increases are not optional, they are an obligation of running business, and it is a business, be it a caring one which attracts all the taxes payable, stealth or otherwise. How can this be acceptable in a public service – the resident is being deprived of their funding which put the provision at risk! When commissioners withhold increases in care fees they are refusing to acknowledge the rights of the individual receiving to have an increase in their funding.

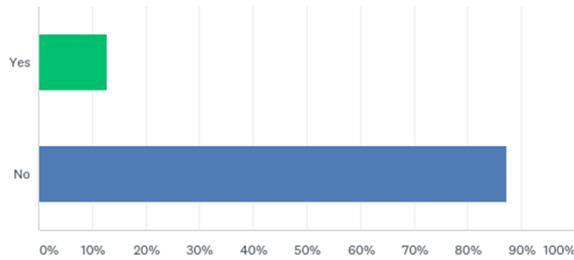
Figure 5:
Do you have regular meetings with the LA's you commission with?



When asked about the sustainability of their businesses based on the fees received only 12.70% of people believed that they had a sustainable business going forward.

Figure 6:

Do you believe the fees you receive are adequate to sustain your business?

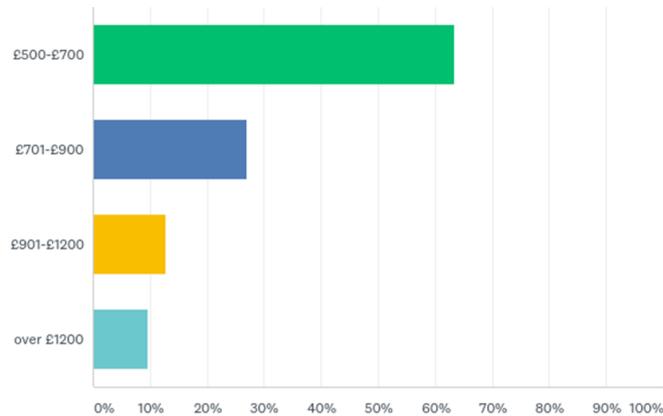


We asked members about the fees they received and it will come as no surprise that the average fee received falls in the band of £500-£900 per week with comments such as:

“I ticked £500-£700 as the nearest amount. The local authority payment is £431 per week which we no longer accept”

Figure 7:

What range of fees do you receive?



Do you believe the fees you receive are adequate to sustain your business?

Comments from our members

As a charity we could **not survive without private clients.**

I can **only provide care privately** to sustain my business.

I have private clients primarily and they pay £800 per week in order to **heavily subsidise council clients.**

Business rates charged by banks, utility providers and others are normally **higher than they should be for care homes.**

Local authority rates are ok for double rooms but are **unsustainable long term.**

We charge £20 per hour and have **not had an increase in 4 years** but now have to **provide pensions** and other things.

Health Education England spends **£100,000 per minute on CPD for NHS professionals.**

LA's don't meet our **minimum bed price.**

We receive **some fees less than £500** they do not always cover our costs.

These fees [less than £500] are far too low. It is **impossible to provide** care and support required by complex needs at these fees.

We charge **less for 24 hour care than it would cost for a B&B** in Canterbury.

Increases in the last 10 years are around 9% when the **cost of living has risen 30%.**

Private fee payers keep our homes afloat. If we took all LA fees we would be out of business.

They want a **5 star service based on 2 star fees.**

Now we **have to pay pensions** and lots of other add ins it is getting more difficult.

I would like to pay staff more but **am unable to.**

Energy costs have gone up, insurance has gone up..... And it is difficult to get residents due to care in the community and care packages, which do **cost more than what the care home charges.**

We only accept self funding residents due to lack of financial support for Dorset County Council.

We care for people with significant dementia. We need **at least £800-900 a week to reflect this.**

We currently have end stage dementia residents paid £450 per week. The LA has refused to raise the fees. **Residents die whilst waiting for local authorities** and the CCG to fight out as to who has the responsibility to fund care. We have had two deaths this year whilst waiting for end of life decision to be made.

The local authority average payment is £431 per week which we no longer accept.

The issue of the funding of long term care is crucial to any debate when we look at the future of care for the elderly and frail. Our survey once again highlights that there has been little movement in addressing this issue in any planned or sustainable way. Our members are predominately single operators with small to medium sized services and they are delivering services despite the fact that they are carrying funding deficits of between 10% - 15% in their businesses. Many are not able to draw a return on their investment.

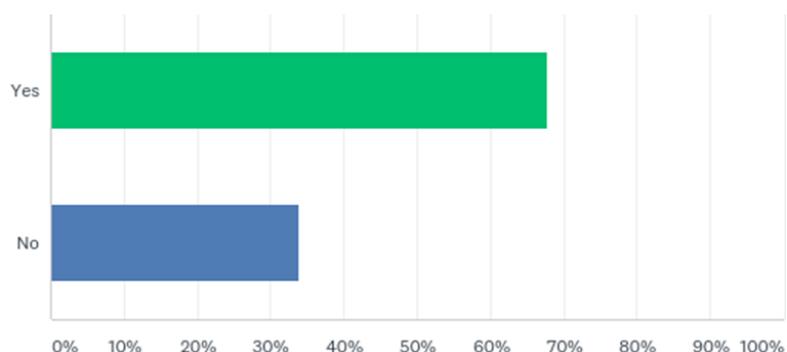
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Recruitment

The issue of equal challenge to the sector now is the inability to successfully recruit. We know from reports published in the past few months that we have, on average 110,000 vacancies in the field of health and social care at any given time. Vacancy rates in homecare services are reported to be running unsustainably high and have recently resulted in the collapse of a major national provider.

We found that 67.69% of respondents told us that they have problems with recruitment. Respondents commented on the lack of understanding of the job and the fact that it was undervalued. Many felt that they would like to offer higher wages but their budgets were too tight to consider it whilst having to ensure that they were providing training and education to recruits to ensure they can meet the needs of the service users.

Figure 8:
Do you have recruitment issues?



Do you have recruitment issues?

Comments from our members

We have several staff who **work reduced hours in order to claim larger benefits**; its almost more financially attractive for them not to work.

Nobody wants to enter care anymore as it's **over regulated and low pay** .

Both our two new recruits from "indeed" **failed to stay**

Majority of our carers come from the European Union. With Brexit, no EU citizens are applying for work. **Locals do not want to do care.**

Applicants do not realise **the training required for the caring workforce.**

Getting more difficult to recruit and retain staff, mainly due to **not being able to compete with other employers due to low fees.**

Care work is **undervalued and not given the recognition** it deserves!

Registered Nurses are the most difficult to recruit.

We advertised at the job centre, sent out application forms and then shortlisted about 15 people, **no one turned up for the interview, not one single person.** A complete and utter waste of time.

We have started to use social media and this is **beginning to show a difference.**

Care staff are becoming **harder to recruit** due to poor rates of pay in the sector.

Minimum wage for a job that has lots of responsibility, staff become **disillusioned with the care system.**

Recruitment issues have been there ever since there has been Care homes and nursing homes. **Immigrants have always filled the health care and other low skills** jobs for the last 50 years. Accepting this fact and taking steps to fill the market with immigrant workers will be the only solution. However, everyone involved will keep talking around the subject and **not take steps to rectify the situation** until services start to collapse.

NHS are also **poaching staff from care and nursing homes.** The solution is to accept that local staff will not ever do care sector work long term. No amount of training, funding on training will change this. Care sector needs immigrant staff who are willing to do the hard and the low paid work. Look at the history of this country. Train drivers, cleaners, carers, nurses are all immigrant workers.

Agencies are taking all staff as they can pay higher.

Further comments from care providers

Comments from our members

I am retiring this month due to the state of the profession. **It is being strangled and it is breaking my heart.**

I am concerned that the Brexit deal should include the opportunity for so called unskilled workers who want to come to the UK to train on NVQ's in care

The industry is becoming even more difficult the main problems being, **funding, workforce training, paperwork.**

Not knowing what CQC are looking for. It now appears they like **gimmicks rather than care.**

Registered Managers are at breaking point with the complex needs of the residents, team building for staff as well as training, and facing inspections from CQC and LA's.

I maintain a stable staff team who **do their job for the love of it** and the Residents but at the end of the day their **expenses are increasing and their wages are not**. Maintaining this in the future will be difficult due to the inability to give salary increases in line with inflation

Seems there is **no progress on integrated health care** and CQC inspections are inconsistent. Large differences in ways the boroughs operate social care in Greater Manchester (supposed to be one devolved area)

Staff costs starting to rise to an **unaffordable level**.

We are over regulated by CQC - Managers do not want the Job “ They are scared of the Inspectorate “ and the rest of the **staff came to CARE** and not to spend 50% of their time doing admin work !! Most Social Services Departments in the Country are inefficient !!

Directors of Social Services cannot see or understand that when a resident in a Nursing Home is ill - **the Heath Authority should pay not the LA**. Monies saved on Nursing could go the Care Homes who are struggling !!

If I could sell I would

When I started my Home in 1984/5 **I never imagined I would have to discriminate against local authority supported clients in order to provide a good service**. The feed in time for placements, assessments, eventual payment of fees makes it too difficult for a small home like mine to carry more than a couple of LA places.

I don't see how anything would change. CQC and families demand more and more from providers. Local authorities refuse to fund for the level of care needed. Without adequate funding, covering staff costs when as a small business who try to take care of your own staff by paying a decent wage, **surviving in this market is become impossible**.

The UK went through a period about 20 years ago that having large scale care facilities was deemed impersonal and institutionalised. Now everyone involved— CQC and LA's favour large corporations and investment. The small providers are not in a position to carry favour with CQC, local authorities and CCG like the large conglomerates can.

Nothing will change. It's been the same conversation for the last few years.

In Summary

National Care Association calls for the regulatory framework to be consistently applied across the country

It is important to look at the evidence within this paper which highlights the state of the sector from the provider perspective. This is a true reflection of what the people working at the coalface are feeling and the challenges they face on a daily basis. It is clear that the recruitment crisis is of equal standing as the shortfall in fees and the two combined are creating the instability.

The regulator has spoken about the 'fragility' of the sector and the fact that it is at a 'tipping point' and yet it continues to increase its fees to unsustainable levels delivering variable services across the country. It is always interesting to note that the expectation from the regulator is based on a strict guideline which is implemented inconsistently by their own inspectors and yet when we look at the 'inspection on the day' scenario of care services there is an expectation that all staff will deliver in a consistent manner.

National Care Association calls for the regulatory framework to be consistently applied across the country.

The provider who accepts Local Authority (LA) funding is providing care services on behalf of the public sector be it in a private setting – what that means is that they have a responsibility to ensure that the care required is appropriately funded. The fact that LA's have sys-

National Care Association calls for Local Authorities to engage with providers in a meaningful way to recognise the partnership model required to ensure service users are funded based on their assessed care needs.

tematically used their dominant position as commissioners to manage the market is the root cause of the underfunding we face.

The fact that we have Authorities with fixed ceilings for care home funding demonstrates the point, for example:

- Blackpool - £476 per week
- Bury - £460 per week
- Hartlepool - £521 per week maximum

Other Authorities will breach their ceiling as they just cannot find places if they don't, for example:

- Oxfordshire - £493 per week but breach this in 94% of cases
- Poole - £490 per week but breach this in 84% of cases
- Solihull - £549 per week but breach this in 74% of cases
- Sandwell - - £408 per week (£459 for dementia) but breach in 56% of cases

(SOLLA in Investment Insight from Later Life asset management)

National Care Association calls for Local Authorities to engage with providers in a meaningful way to recognise the partnership model required to ensure service users are funded based on their assessed care needs.

Colleagues continue to highlight the issues that face the Home Care elements of Social Care where the funding does not match the needs as assessed to deliver care which promotes independence. We have heard the latest strategy which looks at Prevention from the Secretary of State and we welcome it as that has always been the most efficient way to respond to need. If we could assess and create prevention strategies which are properly funded jointly with Health – now that would kick off integration!

The Green Paper promises much but will it actually deliver anything? Is it not time to start to take action rather than work out strategies? We have wasted three decades on not being able to address what was predicted following numerous reports so I think it's time to work on the action plan...we can only challenge government to Dare to Care...

**Written by Nadra Ahmed OBE
On behalf of National Care Association
December 2018**



National Care Association remains the most respected and established of the trade bodies due to our strong ethos of putting members at the heart of all that we do. Our reasons for engagement at any level with national associations including CQC is to ensure that our member's views are heard. The voluntary Board who govern the Association are primarily care providers and specialists in their fields, giving up their time to ensure that the challenges providers face individually are supported by our team in Head Office.

One of our greatest strengths is the ability to respond to members queries within 24 hours with an on-call contact which goes directly through to our Executive Chairman. Our primary aim is to be the support our members need when they need it!

Amongst the many services provided by the Association are preferential rates for services and products through our partners, as well as support with toolkits and specialist advice. Members tell us that savings through our partners cover the costs of their individual membership many times over.

National Care Association is a hub for care providers to access all services which will enable you to recruit safely through our DBS service, access support and advice when needed, personalised toolkits to support your service, keep up to date on developments nationally and locally, attend our national and local conferences and seminars, receive discounts on products and services and much, much more...

Being part of an Association like ours only matters when it matters, and when it matters our members know that we will stand with them with help, advice and support.



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