Skills for Care board briefing December 2017

Skills for Care's Intelligence Monitoring update, prepared by us to give our Board a summary offering some insights into the social care and learning provider markets, as well as the state of the workforce.

1.0 Introduction

1.1 One year ago the Care Quality Commission (CQC) described in their State of Care report how care services had reached "a tipping point". This year's 2016/17 annual assessment of health and social care in England describes health and social care at what they term 'full stretch' which suggests no additional capacity in the system. Full stretch means: a system with relentless year on year increases in attendance at A&E; bed occupancy above the recommended average of 85% (in 2017 bed occupancy was 91.4% for a whole quarter – the highest recorded since 2012); detentions under the Mental Health Act increased by 20% in the last 2 years (this represents an additional 10,000 people); 25% of carers have not received a single day away from caring in the last five years and vacancy rates in social care continue to rise. The CQC estimates that 1.2 million people are not receiving the help they need (which is up 18% on last year).The implications of 'full stretch' mean that the health and social care system is now at or around full capacity and even small changes could result in significant problems. Concerns are being expressed about the impact this winter might bring in terms of more prolonged cold weather and potentially a surge in vulnerable people with flu.

1.2 The CQC report suggests that some local authorities are closer to the tipping point, while others are moving in the opposite direction. Cordis Bright in their October briefing presented an analysis of which are the most vulnerable local authorities which they assessed by analysing CQC ratings for residential care, domiciliary care and nursing home care alongside local authority spending. The conclusions they arrived at were in the North East (Newcastle upon Tyne, South Tyneside and Sunderland), the North West / West Yorkshire (Bradford, Blackpool, Blackburn, Bolton, Rochdale, Wigan, Manchester, Wirral, Liverpool, Knowsley, and Halton), the Midlands (Wolverhampton, Sandwell and Birmingham) and the South East (Portsmouth) are the most vulnerable local authorities.

1.3 CQC reports that in the last 3 years, delays in transfers of care (DTOC) have increased substantially. The most commonly identified cause of DTOC is a lack of available home care services but the second and third most commonly identified causes are awaiting completion of an assessment and access to non-

acute NHS care. The CQC is carrying out 'system reviews' across 20 authority areas, looking at how people move between health and care, with a particular focus on people aged 65 and over with the intention of publishing findings and recommendations in 2018.

1.4 The Health Service Journal (HSJ)[1] has reported that 32 local authorities received a letter from both the Health Secretary and the Communities Secretary warning them that they are at risk of losing funding from the revised Better Care Fund (budgeted at £1.5 bn in 2018-19) if their delayed transfer of care performance does not significantly improve. Over the summer period NHS England ordered clinical commissioning groups to address issues with Continuing Healthcare assessments - which determine if patients are eligible for ongoing NHS care. The number of people assessed as eligible has been growing by 6 percent in recent years, and costs the NHS in excess of £3bn. HSJ reports[2] that the reduction drive is having unintended consequences in some parts of the country. Some NHS organisations are looking for non-acute capacity to meet the target and are rushing into purchasing any type of step-down capacity, rather than what is appropriate for the individuals concerned. This could lead to a vicious circle whereby individuals don't recover and need further treatment or re-admittance to hospital. CQC has expressed concern that fines already applied by NHS trusts and clinical commissioning groups are increasing costs and potentially damaging the relationship between some local authorities and NHS trusts at a time when the focus should be on working together. Andrea Sutcliffe warned at the recent National Children and Adult Services Conference that she was concerned that vulnerable people would be moved into inadequate facilities, in response to the pressures being placed on local authorities and the NHS. On the 10th November the HSJ reports that 92 out of 151 councils have reduced average delayed transfers over the six month review period however 91 councils failed to meet the reduction targets set by the government, with 7 councils seeing their delayed transfers more than double. Izzi Seccombe, chair of the LGA's Community Wellbeing Board, said "we are clear that social care needs a long term sustainable funding solution and we are calling on the chancellor to set out how government will plug the annual £2.3bn funding gap by the end of the decade in the forthcoming autumn budget"[3]

1.5 The Chancellor's budget statement on the 22nd November offered no additional funds for social care, while for the NHS, Phillip Hammond announced £2.5bn of extra revenue funding to be spread over the next two financial years, plus an in-year boost of £335m for winter pressures. NHS leaders have said £8bn was

[1] Health Service Journal "Dozens of councils face funding cuts for poor DTOCs performance" 12th October 2017

[2] Health Service Journal "DTOC reduction drive having 'unintended consequence' " 13th October 2017

[3] HSJ "Analysis: DTOCs fall but councils still miss government targets" 10th November 2017

needed to maintain current services. ADASS promptly issued a statement "The extra funding for the NHS will not be as effective without extra money for adult social care, which remains in a perilously fragile state."[4] The Alzheimer Society responding to the lack of additional social care funding in the budget and referring to the interrelatedness of the two sectors, said in a statement: "The extra money for the NHS is hugely needed, but by neglecting social care the Government is just filling up a bucket with holes in it".[5] Vic Raynor in her blog "No Rabbits for Social Care[6]" also criticised the decision and points out the missed opportunity by the government to invest in the skills and productivity of a sector which by Skills for Care's [7] analysis contributes no less than £41 bn to the English economy.

1.6 The analysis of the social care market in the State of Care report shows that little has changed in the residential and nursing home markets. Residential beds have declined by 0.3% in the last two years and nursing beds by 1.7%. There has been a slight uplift in nursing bed numbers since October 2016. These average national shifts hide regional variations in nursing beds with both greater reductions (more than 20%) in some areas but also increases in others. Home care remains a volatile market with around 500 new registrations a year offset by around 400 de-registrations per year. The report explores outcomes following re-inspection of social care provision and identifies that for the most part services get better but there is still a small group which fail to improve or get worse. Community provision performed better than more institutional settings, and learning disabilities provision out performed all other client groups. Corporate providers proved best at successfully responding to 'requires improvement' or 'inadequate'. The CQC's emphasis on leadership as the key determinant of quality validates Skills for Care's current focus on leadership and management and engaging with Registered Managers.

1.7 Cordis Bright in their October briefing shared the outcome of work they have done for the Department of Health on the sustainability of the homecare sector. Interviews were conducted with Directors of Social Services (DASS) as well as third party research. The reality of the current market is defined by 8,400 home care agencies, in the main small businesses operating locally, with an average net worth of around £314k. The vast majority of home care providers still have only a single registered site. There are only six providers with assets of more than £25m. They found that contract 'hand backs' have slowed but still occurred

[4] Budget 2017: ADASS responds to exclusion of social care funding" 22nd November 2017

[5] The Alzheimer Society website: https://www.alzheimers.org.uk/news/article/273/alzheimers_society_responds_to_lack_of_social_care_funding_in_budget 22nd November

[6] Vic Rayner Blog 187 'No Rabbits for Social Care' 22nd November 2017

[7] Skills for Care "The State of the adult social care sector and workforce in England" September 2017

in at least 36% of councils last year, with a further 39% councils seeing providers failing or ceasing to trade. Even within social care, the recruitment and retention of home care staff appears exceptionally difficult, with a vacancy rate running above 11%. They found that consolidation as a result of market forces is very slow and does not necessarily follow the growth of franchises. Their findings back up the information in the CQC report which highlights that there are 500 new agency registrations per quarter and 400 de-registrations in the same time frame. The home care market is far bigger than the council-funded share alone. Interviews with DASS identified the following strategies used to support provider sustainability: forming strategic relationships with a smaller number of providers thereby guaranteeing a secure income stream, moving to five year contracts, setting up schemes to enable home care agency staff to receive some of the same benefits as council staff, joint commissioning with health, through a pooled budget, creating new and enhanced roles for care workers, increasing the level of consultation and engagement with providers, including establishing provider forums and dividing contracts into geographical areas. Interesting ideas which emerged from the research that could help inform Skills for Care's strategy were to consider offering support in business management such as good cash-flow management, compliant employment practices and effective business planning techniques. Also using Local Enterprise Partnerships (LEPs) can be a means of encouraging new entrants into the home care market and supporting those already there. A number of areas are beginning to have some traction in their efforts to engage strategically with local LEPs. London and the South East Skills for Care team has just completed a successful project funded by Thames Valley LEP with a range of activities focussed on building a sustainable workforce, with many of the project activities transferable to other areas. In Yorkshire, Humber and the North East the area team have been working hard with the LEP to raise the profile of the social care workforce and its importance to the local economy and recently Leeds City LEP and Humber have both identified health and care as a priority.

1.8 With reference to quality, home care performs at about the same level as residential care, with around 80% of provision classified as 'Good' and around 18% classified as 'Requires improvement'. Cordis Bright found that variations in quality appear to correlate to the size of the business rather than to pay levels. The relationship between the quality of the service and the size of the business is possibly because smaller businesses are closer to their customers and that this delivers an improved service. They argue that this creates a tension between generating bigger and more stable home care businesses and maintaining quality, which suggests that local authorities should actively encouraging *smaller* home care businesses through more stable contracting and payment arrangements.

1.9 The transformation and integrated care agenda continues apace and is central to the work of all the areas. As previously reported many locality managers now have a seat at the table of local LWABs and their various subcommittees. They continue to report the difficulties they face in these forums where some are still developing their priorities and where they are often seen as representing the voice of social care. The challenge for these health-led strategic bodies of fully engaging with local authorities and the full range of social care provision remains an issue to be overcome. The number of successful bids made or being worked on by the areas to STP funds suggests that some progress is being made. In July 2017, NHS England published the first ratings for STP areas. The ratings provide a single summary assessment of 'overall progress' in each STP area, measured against a selection of indicators chosen by NHS England. Each STP is placed in one of four categories, ranging from 'outstanding' (category 1) to the lowest rating of 'needs most improvement' (category 4). Bristol, North Somerset, South Gloucestershire, Humber, Coast and Vale, Northamptonshire, Staffordshire and Sussex and East Surrey haver all be placed in the needs most improvement category. Alongside the new ratings NHS England also announced 15 STP areas that would receive a share of the £325 million capital funding promised to the NHS in the Spring Budget. This initial investment was given to what NHS England deemed to be the 'strongest' STP areas.

2.0 Social Care Workforce

2.1 Recruitment and retention of staff with the right values and realistic expectations continues to be the major challenge for all areas, for all parts of the sector and for all kinds of employers. In addition to finding employees with the right values and the right expectations, domiciliary care providers and commissioners of these services also report difficulties in recruiting potential workers who can drive or have access to a vehicle. This difficult situation is made worse because of low rates of unemployment and a consequent diminishing pool of job-ready applicants. In London and other areas where the care sector has a higher representation of workers from the EU and the rest of the world than in other parts of the country, there are increasing concerns about the impact of European workers leaving on recruitment and retention. In Sussex, Registered managers have expressed concerns over the impact of Brexit not just on headcount, but they are also worried about actual hours of care delivered by overseas workers, as they are more likely to do full-time work and overtime. There is also a demand in London for care workers who speak the same language as the person being supported, and this creates additional issues for recruiting people who 'match' the needs of people receiving care.

2.2 There may be a move towards greater collaboration on recruiting local people for local jobs across health and social care. It is necessary to avoid both sectors

competing for the same people from a diminishing pool of applicants. In NE London, the STP has funded a project to develop careers in care work started by Transforming Services Together and to expand it to the whole 8 borough area. This will produce a website, a range of resources, videos of people in health and social care roles. It will be hosted on the STP website and will be the first point of contact for people wanting to work in health and social care from the locality. In the SW the Proud to Care partnership of 16 local authorities, Skills for Care and Health Education England are working together at a regional level to raise the profile of careers in health and social care. Recent management information has demonstrated effective campaign impact, in relation to Google search analytics, Facebook advertising, YouTube pre-role advertising and views of Proud to Care videos, as well as job board and Sound Cloud performance. The Yorkshire, Humber and North East Area have set up executive networks to bring together CEOs and organisational leads to understand and seek solutions to this issue on a local basis. The Midlands are reporting greater use of social media across all localities as an approach to reach potential recruits.

2.3 There is also greater recognition of the need to create good career progression opportunities to get people into roles and keep people who currently can't progress. This is equally true for nurses, social workers and care workers. Not having a clear career structure means that people are leaving the sector. They are gaining valuable transferable skills and moving to other sectors in roles that don't have the same level of responsibility, poor pay or anti-social hours. In NE London the STP are discussing creating enhanced care worker roles not just in care homes but in home care to offer career progression and specialist roles. Trafford are working on an enhanced care worker role which will introduce a career pathway for home carers. Health Education Yorkshire and Humber and each of the STPs in Yorkshire and Humber are wanting to develop a competency framework and career pathway across health and social care to support the development of new and integrated roles. In the same area social care employers have entered into partnership with health to develop the nurse associate role within social care. Newcastle and Gateshead Vanguard have developed a competency framework for staff who work in adult social care across health and social care. They began with care homes and now plan to broaden this to home care.

2.4 The Midlands, Yorkshire, Humber, North East and Eastern are reporting that employers are increasingly interested in recruiting to values and looking to employ this approach in place of existing recruitment practices. Employers and partnerships are commissioning Skills for Care seminars to learn more about this approach. There is a challenge in carrying out reforms to existing recruitment practices when faced with increases in service demands and under-resourced staff teams due to vacancies. There is also interest in the degree apprenticeship

approach for social work as a solution to recruitment challenges in particular areas. In London there are the beginnings of collaboration between local authorities and education providers to support this development.

3.0 Social Care provider market

3.1 Funding continues to be the main driver for change with a high degree of market fluctuation. In Solihull the local authority has moved to zone provider contracting and a number of employers who were unsuccessful in the tendering process are now withdrawing from the market or focusing on self-funding clients. This has also happened in Gloucester where the closure of a large provider may have a significant impact on area provision. In Surrey care home closures are continuing, at a recent meeting with the QA team alarming figures were shared, out of 33 residential homes, 2 are in provider failure. The 3 nursing homes have nearly 175 beds/clients between them and there are currently only 22 beds available in the whole of Surrey. In London the issue of different local authority rates seems to have stabilised, moving in the right direction towards a common costing model. There is a large number of services shutting down, increasingly in the residential market whereas home care continues to grow. However, many home care businesses are going out of business before they are inspected.

3.2 Intelligence shared with Skills for Care from the CQC regarding the number of providers that register and close before becoming operational suggests that highly rated home care providers often win larger commissions as a result, and perform relatively poorly at their following inspection. Also there is anecdotal evidence from new residential care services that they perform badly in their first inspection. All of this indicates a gap in the skills and knowledge to set up new businesses and expand existing ones. The London ADASS commissioner group may adopt an idea put forward by the Locality Manager to run drop in sessions for new providers as part of their market development to ensure that they know what is needed locally. Concerns have also been expressed that further instability in the market will be caused by the requirement to back pay £400m for sleep-ins and dire consequences for vulnerable individuals needing care.

3.3 HEE, STPs and CCGs are the main strategic bodies driving change looking at how services across health and social care can be delivered differently. There are a number of examples of initiatives taking place across the country which are about delivering placed-based care around the person. In West Berkshire there is a CCG-led quality in care homes project looking to decrease hospital admissions, streamline admission and discharge processes, link GPs to care homes and agree protocols for support. They have produced processes to streamline information sharing and are likely to produce a ‘yellow bag’ scheme similar to the one developed in Sutton. In South Tyneside service delivery is from GP hubs

with different professionals working in a team and the lead professional identified on the basis of the primary need of the individual receiving care and support. In the SE, social care providers in one CCG have been provided with nhs.net email addresses to facilitate sharing of patient information between GP practices and other health and social care professionals. Other forms of organisation are emerging; in Sussex all the local authorities and health organisations are developing various forms of accountable care structures, ranging from partnerships to full ACO status. There is accompanied by a move to locality teams across the patch with a lot more focus on community assets as part of locality planning. Concerns have been expressed however that these changes are not including the PVI sector in the design and planning of provision.

3.4 Other initiatives with the same aim, focus on up skilling the workforce, such as the level 5 Commissioning qualification, leadership and management training and improving literacy, numeracy and communication skills. There are other initiatives which aim to reduce hospital admissions and increases discharges from hospital by enabling care workers to spot deterioration key signs and symptoms. The SW team has recently been successful in bidding for STP funds for a project which focusses on up skilling the workforce and includes the level 5 Commissioning qualification. London ADASS are supporting a London wide roll-out of the qualification, working with Skills for Care to ensure due emphasis on workforce commissioning.

4.0 Developing Leaders

4.1 Registered Managers continue to find networks a supportive, safe place to share concerns and good practice. Key themes remain the impact of the lack of funding on recruitment and retention, CPD and morale, CQC and ensuring their service is accurately portrayed by the full inspection regime including local authorities, changes to learning and development including the RQF and Apprenticeships, understanding the Mental Capacity Act and Deprivation of Liberty Safeguards including understanding the signs and symptoms of human trafficking, exploitation and financial scamming and hospital discharge and transition. A more recent issue that has emerged is understanding the new data protection requirements, GDPR.

5.0 Capability of the workforce

5.1 The move to the RQF and Apprenticeship standard has the potential to impact on the learning provider market. Learning providers and employers including nationals are reporting that they will struggle with the 20% requirement of paid learning time within the period of the apprenticeship. In Sussex and Surrey, employers are not yet embracing apprenticeships in the way that they have done

in the past. In other areas there is a general lack of understanding of the new system. Some levy-paying employers are saying they will not be able to support this and one provider has reported that they are considering bringing several hundred learners off the Apprenticeship programme as they are unable to find a way of managing this and bearing the cost.

5.2 The move to the RQF will mean that smaller specialist qualifications will no longer be available. These CPD programmes will no longer be accredited or standardised, which will mean that they are less portable. The impact of this change over time will need to be monitored.

5.3 Greater Manchester Combined Authority is developing a strong overall Apprenticeship strategy and social care is part of this. The decision that was reported in the last report that they were planning on using the health standards for social care has been effectively challenged and they are now working with Skills for Care staff on an integrated apprenticeship model.

5.4 In the SE we have been trying to build capacity in the learning provider market to deliver the level 5 commissioning qualification as they are insufficient providers registered with the Awarding Organisation. There are also concerns about the assessor capacity for the qualification. The SW have secured a provider for the area and London and SE team are working with the learning provider to build capacity to assess the qualification.

6.0 Conclusion

6.1 The current period under consideration continues to reflect a picture of a sector under extreme stress. The focus of development within defined localities can mean there is duplication and a failure to share and learn lessons from ‘what works’ to ensure some consistency of practice. There remains a role for Skills for Care to play in service improvement via the workforce with a focus on personalisation and the sharing of good practice across geographical boundaries.