

Skills for Care board briefing June 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 In response to additional pressures on the government about the crisis in social care the Chancellor announced in the March 2017 budget a commitment of additional grant funding of £2 billion to social care in England over the next three years, with £1 billion available in 2017-18. This funding represents £2 billion over three years; £1,010,000,000 in 2017/18, £674,000,000 in 2018/19, £337,000,000 in 2019/20. An analysis of this funding by Cordis Bright in their April briefing shows on average this is around £13million per authority, however actual distribution is more complex and intended to support authorities in reducing delayed transfers of care. The largest additional funding goes to Kent (£52.2 million over three years) and the smallest additional funding to Wokingham (£338,172 over three years). Around a third of the money is going to 20 of the 152 local authorities. Cordis Bright argue that the extra funding may have bought some time however this needs to be seen in context. ADASS has identified an annual £2.6billion shortfall in social care funding. Payment of sleep-in cover at National Living Wage (NLW) rates will cost around £100 million (10% of the first year's payment). NLW will add around £2.3billion per year by 2020 to the social care wage bill. Costs of NLW for social care funded by local authorities are estimated at £360million. At best around 46% of the money will be needed to pay for existing provision which means that just over 50% is available to pay for 'additional provision'.
- 1.2 In essence, commentators continue to argue that the cost pressures in the system remain unfunded (NLW, the growing population of older people and people with complex disabilities). Furthermore, uncertainty remains in terms of how much money is actually raised through the precept, not all local authorities have chosen to levy the precept and actual levels of demand which might be exacerbated by winter pressures and the actual level of the Better Care Fund as this assumes savings elsewhere in the health and social care system.
- 1.3 The snap election on June 8th meant that the political parties revealed their long term intentions for social care. The Conservative proposals meant that the cost of

people's homes would be included when means testing to decide whether someone should have to pay for domiciliary care as currently happens for residential care. This measure would raise additional funds for social care. There would also be introduced a single capital floor set at £100,000, below which assets will be protected from social care costs up from the current floor which is £23,250. This measure was criticised by Sir Andrew Dilnot for departing from the principle previously accepted by all the political parties of individuals pooling risk to provide for the possibility of huge care costs. The King's Fund¹ believes that these proposals will mean that thousands of people will pay more for home care and will be complex and challenging for councils to implement and risks unintended consequences. These might include discouraging people from seeking help, placing a greater burden on unpaid carers and driving an increase in the use of hospitals for long term care. They also point out that the manifesto does not refer to the care needs of working-age disabled people with less than £100,000 who are wholly dependent on council-funded services. The public furore following the announcement of the Conservative manifesto led the Prime Minister to promise a cap on the amount any person would pay for care, without specifying what the cap would be.

- 1.4 The Labour and Liberal Democrats are pledging more money, moving towards single local integrated services and seeking cross-party consensus on long term funding options. Both parties also share a commitment to implementing a cap on the lifetime care costs faced by individuals in line with the Dilnot reforms. There are differences in where the money will come from, with Labour favouring more taxation of higher earners and companies and the Liberal Democrats proposing a 1 per cent increase in income tax and possibly a dedicated health and care tax in the longer term. The King's Fund point out that it is not clear that the amount of new money offered by either party will be sufficient to deliver their aspirations as well as to address the immediate multiple financial pressures facing councils and care providers.
- 1.5 New research published by the Lancet Public Health medical journal² shows a 25% increase in the number of people who will need care between 2015 and 2025. Disability related to dementia will rise by 40% among people aged 65 to 84, with other forms of disability increasing by about 31%. This research which has been hailed by academics as an advance on previous predictions and

¹ The King's Fund "Social care and the election - a divide in the road?" Richard Humphries, May 2017

² "NHS faces staggering increase in cost of elderly care, academics warn" Sarah Bosley, Guardian 24 May 2017

demonstrates the major financial implications for future health and social care policy faced by whichever government.

- 1.6 The HSJ reports³ that Jeremy Hunt has indicated that the Conservatives, if elected, again would consider new legislation to implement the Forward View plans. These would reform the internal market which can militate against integrating health and care because of its overly bureaucratic and transactional approach. Over the past year senior NHS people including NHS England chief executive Simon Stevens has stated that parts of current legislation, including the 2012 Health and Social Care Act can make it more difficult to develop integrated care and new contracting and organisational models. Potential options range from merging NHS England and NHS Improvement and other quangos and changing competition and procurement law to creating new types of NHS structures such as accountable care systems. NHS England is expected to announce the first accountable care systems shortly after the general election within nine areas of the country if they receive the go ahead. It is critical that Skills for Care area teams engage with these emerging new structures to ensure that the focus remains on delivering high quality person-centred care.
- 1.7 Other measures announced in the Conservative manifesto that will have a significant impact on social care are the commitment to cut net migration to below 100,000 and increase the amount levied on firms employing non-EU migrant workers. This along with the impact of Brexit will do nothing to ease the recruitment crisis in the sector. Currently around 90,000 EU nationals work in the sector, 7% of the adult social care workforce. In regulated professional roles they account for 11%. In some areas where it is particularly difficult to recruit, for example in areas of low unemployment and rural areas, EU nationals have gone into those services. The impact of Brexit on health and social care workers has yet to be fully measured. However considerable anxiety has been expressed that the uncertainty faced by EU staff about their future status, as well as the falling value of the pound, are leading many to feel undervalued and consider their long term plans. The Cavendish Coalition, a body comprised of 30 health and social care organisations including Skills for Care which has formed to raise awareness about health and social care workforce issues has pointed out although there are opportunities for increasing the domestic supply of labour in the long term there are areas of the country where employers are unlikely to meet their workforce supply requirements now and in the future without having access to labour and

³ HSJ “ Manifesto: Tories open to legislation to curb internal market” 18th May 2017 Dave West

skills from outside of the UK⁴. They also point out that the existing immigration system is characterised by bureaucratic and financial barriers to recruitment from outside the EU which does not currently exist for those from inside the EU. If such a system was extended after Brexit it would create serious problems for the health and social care sector.⁵ Other risks identified by the Cavendish Coalition include patient/client safety as a result of particularly acute nurse shortages in residential care and undermining the work of the local sustainability and transformation plans (STPs) in delivering on plans for greater collaboration between health and social care.

1.8 The Health Foundation⁶ also points to the current recruitment, retention and morale crisis in social care and health which they argue is jeopardising the ambitions of the Five Year Forward View to transform services. They point to a lack of workforce planning in the NHS and the challenges of workforce planning in social care where there are around 14,000 care homes and almost 9,000 providers of services in people's homes and no statutory body responsible for ensuring that England has a social care workforce with the skills needed to provide a high quality service. They state that the need for joint working which in turn requires new roles that bridge traditional health and care boundaries point to the need for one overarching body to oversee integrated workforce planning. Intelligence from engagement activities in the areas continues to emphasise the principal workforce challenges of recruitment and retention, highlighted to the board in all previous reports and on many occasions.

1.9 The transformation and integrated care agenda continues to dominate our locality teams time: engagement with Sustainability and Transformation Plans (STPs), Transforming Care Partnerships (TCPs) and Local Workforce Action Boards (LWABs) are all health-led strategic forums and continue to be a priority and a challenge for our teams. As a result of strategic conversations with Health Education England (HEE) this agenda is now moving in the right direction and many locality managers now have a seat at the table of local LWABs. The need to understand and engage with the breadth and diversity of the social care sector has been identified by us as a priority to support effective joint working and collaboration with 'health'.

2.0 Social Care Workforce

⁴ "Submission to the House of Lords Select Committee on Economic Affairs on Brexit and the Labour Markets" Cavendish Coalition Staffing the Health and Social Care System After Brexit

⁵ "Brexit and health and social care people and process- Eighth Report of Session 2016-17" House of Commons Health Committee, Page 23

⁶ Election briefing: "A sustainable workforce- the lifeblood of the NHS and social care", May 2017

- 2.1 Employers particularly in domiciliary care continue to report difficulties in recruiting suitable staff. This issue is exacerbated in rural areas and where the number of job seekers has been reduced. There is also an acute recruitment issue for nursing staff and anecdotally there is growing evidence of nursing homes re-registering as care homes.
- 2.2 The recruitment of social workers is also an ongoing challenge. Employers report the most challenging area is recruiting suitably experienced social workers for the more senior roles. There is some optimism that the impact of changes to agency staff pay may lead to an increase in the number of permanent staff.
- 2.3 Demographics in all our areas point to the need to recruit more staff just to maintain the same level of service. Health faces the same demographic challenge and both sectors are now competing for the same people from a diminishing pool of applicants. The need to attract new applicants to the sector is clearly a priority as well as the need to challenge some of the myths that employers hold about the level and kind of work that under 18s can undertake.
- 2.4 Despite reporting recruitment problems, some employers seem inflexible in terms of the person type they want to recruit; there appears to be a resistance from many managers to recruit younger people and an unwillingness to invest in this group for example by offering work experience opportunities. In the North West, large and small employers are seeking guidance on targeting new groups, for example the possibility of recruiting individuals with prior convictions; in East London the locality manager is working with JobCentre Plus (JCP) to look at targeted recruitment for the over 50s and people who have been made redundant. Feedback from JCP is that more is needed on pre-employment and core skills development to help people become job ready. In the West Midlands, Skills for Care and HEE colleagues are collaborating on a workstream to develop a means of monitoring changes in the profile of the social care workforce in the region and at local authority level. Across Shropshire, Telford and Wrekin and Birmingham, our locality managers are working with JCP employer teams as well as the newly established school/college support advisors. Activity includes dispelling the myths about social care and raising the profile of *I Care... Ambassadors* to employers and job brokers.
- 2.5 Retention is a key aspect of the overall challenge. Large employers continue to report high attrition rates in the first few weeks and months. If staff stay for one year then retention beyond is much more likely. Poor retention rates lead to a lack of capacity to enable staff to complete additional learning, restricted time for

supervision and a consequent low morale for all staff. Employers have also reported that pressure on staffing levels is likely to mean that they will struggle to meet the 20% of the job training requirement linked to apprenticeships. Our National Minimum Dataset for Social Care (NMDS-SC) data and feedback from employers in Registered Managers Networks supports the contention that over 40% of leavers actually remain in the sector. While on the positive side this means that the sector has retained the skills and experience of these staff, a key research question is why people are moving from one employer to another. Anecdotally this is linked to leadership and management, which supports and validates the current focus of our work on the importance of leadership and management.

- 2.6 There is a range of different approaches being developed by employers and strategic agencies to meet future demand for the workforce. As a result of research undertaken with the Transforming Services Together Pioneer in London into the attitudes of young people and their advisors to careers in social care, recommendations for action are being taken up by the North East London (NEL) STP and which hopefully will be funded by Health Education North Central and East London (HENCEL) to develop a care careers website with roles and pathways in each borough, developing champions within schools and colleges to build an understanding of available roles and career pathways, a single work experience policy across North East London and the development of an integrated care ambassador scheme. In Greater Manchester as part of the devolution strategy the Career and Engagement Hub will now include social care. It is also developing an apprenticeship strategy and a workforce plan with a focus on urgent care which includes workforce considerations of preventing hospital admissions.
- 2.7 Some progress has been achieved in raising the profile of adult social care and its strategic importance to local economies with Local Economic Partnerships (LEPs). Leeds City Region LEP and Humber have both identified health and care as priorities. Marches LEP, Shropshire Chamber of Commerce and the care partnership are supporting an initiative to look at how the local area can redesign and integrate services with a focus on harnessing community services. Thames Valley LEP have funded the Berkshire Cares programme which is currently very successful in generating a lot of interest in *I Care... Ambassadors* (ICAs) and working with JCP. Information sessions run by ICAs for JCP advisors during May and all 5 JCP offices in Berkshire will have a 'Care' focus month in June. The project is also working on increasing the pool of work experience opportunities to enhance this activity.

- 2.8 STPs, Better Care Fund, Pioneer sites and Vanguard are looking at different methods of delivery of health and social care services to reduce the impact of future demand on health and care and meet it in a different way. Northeast London STP is focussing on employing people in roles that support the primary care and social care interface. Newcastle and Gateshead Vanguard have developed a competence framework for staff who work in adult social care across health and care. HEE 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 integrated roles and services.
- 2.9 There is evidence that local recruitment campaigns are being launched jointly where possible. In HEE Kent Surrey and Sussex, pre-employment co-ordinators are supporting both sectors, as the fluidity of movement between them is increasingly recognised. New roles are becoming standard such as Assistant Practitioners in health, Care Co-ordinators, Care Navigators, Trusted Assessors and a new role, Wellbeing Assessors. The pre-employment co-ordinator for Surrey has a monthly job bulletin that is shared across networks for them to add any vacancies. Meanwhile, the introduction of the Apprenticeship Levy is a major focus for health and local authority colleagues. However there does not appear to be the same commitment from social care employers.
- 2.10 In response to the shortage of Personal Assistants (PAs) a number of PA/care worker agencies are entering the market. In many cases the care workers are engaged on a self-employed basis and as such sit outside of the regulatory framework. In addition co-operatives and partnerships between care workers and PAs are also becoming more prevalent and are also a response to the increase of self-funded service users who want choice and control without employer responsibilities.

3.0 Social Care provider market

- 3.1 Intelligence from the Care Quality Commission (CQC) seems to support this ongoing trend; the biggest providers are getting bigger and absorbing a greater share of the market. National employers report that much of this growth is through acquisition of sites which are single owned or part of a small group, although there are regular 'multi-site sales' between the larger providers. The significant pressure on smaller providers in particular nursing homes, seems to be driving them to sell and the larger providers have the benefits of economies of scale necessary to make the business viable. There are regional variations to this picture, our area teams are regularly reporting that providers in particular

domiciliary care are frequently handing back local authority contracts as they are no longer financially viable. In the West Midlands providers are moving to a point where they do not have to rely on local authority contracts and can focus on self-funders only. In London the different rates offered by neighbouring local authorities is causing difficulties and providers are moving their services. There is even variation of costs in the same local authority area. In Surrey the recent closure by the CQC of 8 services in the East and NW of the area is placing significant strain on other services who are taking on residents. The closure of further services would be a major issue. In West Sussex where continuing health care funding only increased by 0.1% this year the local care association had a meeting about what this means for domiciliary care revealing real concerns about the capacity to meet demand.

- 3.2 The integration agenda is continuing at a pace. An Accountable Care Organisation (ACO) is being established in East Sussex and other counties are watching with interest. Interest in ACOs has also been expressed in the NW where poor CQC ratings, particularly in Greater Manchester and Liverpool City Region are of concern. These new organisational structures have an impact on the relevance of NMDS-SC and other Skills for Care products. Their intention is to use a Workforce Repository and Planning Tool (WRaPT) as their main approach to workforce capacity and service activity. Areas familiar with WRaPT have expressed concerns about its utility with regard to social care.
- 3.3 New models of care are emerging for example through the Better Care Fund in South Tyneside where service delivery is from GP hubs with different professionals working in a team and sharing knowledge on the basis of a personalised model of health and care. The Surrey Heartlands STP is also setting up integrated hubs that will have a GP, Community Matron, Social Worker and Care Co-ordinator all placed in the Hub to support locally-based care delivery. The STP in NE London is looking at new ways to support the interface between primary care and health to take pressure off GPs. This is leading to the development and use of care navigators, physician associates, social prescribers and different types of nurses who can perform different roles.
- 3.4 An enhanced role development group is being supported in East Sussex as well as an integration fund covering Kent, Surrey and Sussex that Skills for Care are dispersing to support the development of roles and creative solutions for the integration agenda. In Kent and the NW, the Association of Directors of Adult Social Care (ADASS) are looking at Buutzorg and Esther models of community nursing. In Kent the STP is looking at new and enhanced roles such as advanced care practitioners.

3.5 There have been discussions in a number of forums about how apprenticeships can be used to improve integration. This can be through shared learning and rotational placements. The requirement for apprenticeship standards to be based on known recognisable occupations is a complicating factor which could mitigate against the inclusion of new and emerging roles in apprenticeship standards.

4.0 Developing Leaders

4.1 Registered Managers Networks remain a safe place to share concerns and good practice. All areas of concern link to Skills for Care's business priorities.

4.2 Recruitment and retention remains one of the overriding concerns of Registered Managers Networks. There is still an interest in values-based recruitment. The impact of terms and conditions on staff morale is being discussed. One network in the SE has shared practice around what works and what hasn't. Those who have adopted successful strategies have found a decrease in agency use and consequently encouraged others to adopt those strategies. There is also an interest in training and linking this to career progression for support workers.

4.3 CQC is also a key area of interest linked to service improvement. There is a backlog as some providers have still not been inspected under the new system. Also discussions have focused on how to achieve 'outstanding'. Registered Managers Networks tell us that compliance monitoring requirements are very different to CQC requirements, leading to concerns about which should be prioritised.

4.4 Networks in London have discussed how to challenge contracts and systems that don't support person-centred care, decreasing funding of care packages along with increasing expectations and the impact of this including the need for diversification, service innovation, changing staff rotas and work patterns as well as supporting the resilience of staff. Other areas of interest include:

- Changes to learning and development – the Regulated Qualifications Framework (RQF) and Apprenticeships
- Meeting the requirements of local commissioners frameworks
- Leadership
- How to stay ahead of all the current changes and updates and how to communicate with health and integration agenda
- Immigration

5.0 Capability of the workforce

- 5.1 In Yorkshire, Humber and the NE the number of training providers engaged in the provision of social care remains stable while in the NW one of the top four learning providers has closed due to financial pressures and there is evidence that smaller providers are also closing. In the SE two large colleges have merged with an emphasis on apprenticeships. We are setting up a learning provider network in the Southampton, Hampshire, Isle of Wight and Portsmouth (SHIP) area in response to a request from Portsmouth and Hampshire local authorities with a focus on the apprenticeship agenda.
- 5.2 The developing apprenticeship agenda is raising a number of issues and concerns from employers such as the availability of assessors and the need to evidence the 20% off-the-job training element of the new standards. Also one area has reported that learning providers are promoting the full range of services for employers who wish to engage apprentices from recruitment, application and placement. The Midlands report on the establishment of end-point assessment partnerships across the region as well as providers withdrawing from the apprenticeship market.
- 5.3 East Surrey College is working with HEE Surrey's pre-employment coordinator to set up a Care Academy, with involvement across health and social care, looking at a range of pre-employment programmes. The issue of insufficient work experience opportunities for all age groups continues to be a problem. A new NW Coast Academic Science Network which has been established to support innovation and technical education, has developed a new health and care programme for 14-18 year olds. Wigan College is looking to establish a partnership within NHS and care providers to support opportunities for work experience.
- 5.4 There is some concern expressed by employers that the changes to apprenticeships and the RQF will have a negative impact on the availability of continuing professional development (CPD) within the sector due to the loss of smaller qualifications. In London employers are reporting that it is difficult to find learning providers who offer specialist awards which are deemed to be more useful. The expectation is that CPD in the future is likely to be unaccredited and may lead to a growth of 'in-house' trainers. There remains a challenge to see how informal unaccredited learning such as reading articles and being part of online forums might be recorded to show that the individual is taking part and learning from activities which are enhancing care.

6.0 Any other issues

6.1 In Kingston (SW London) GPs have started informing homes that they are going to stop prescribing medicines that can be bought over the counter. This will have huge ramifications for care services.

7.0 Conclusion

7.1 Social care in this latest period under consideration continues to receive prominent coverage in the media. Skills for Care has an important role to play to ensure a measured and informed focus remains on the role of the workforce in ensuring a high standard of personal care.