

Meeting:	Health and Wellbeing Board
Meeting date:	28 March 2017
Title of report:	The care market
Report by:	Director of Adults and wellbeing

Classification

Open

Key decision

This is not an executive decision

Wards affected

County-wide

Purpose

To consider an account of the quality of the care market in Herefordshire for adults and children

Recommendation(s)

THAT:

- (a) in light of the information within the report the board provides comments and recommendations to commissioners regarding their approach to market development, to ensure system wide coherence; and**
- (b) gives guidance to commissioners on those areas and aspects of market development/sustainability that should be considered priorities, in order to deliver the outcomes set out in the joint health and wellbeing strategy.**

Alternative options

1. The report is for consideration and assurance in respect of the health and wellbeing strategy.

Reasons for recommendations

2. Delivery of care is increasingly undertaken by external providers from the independent and the voluntary sector. A substantial proportion of this care is funded by individuals, rather than commissioners. A viable and quality market is essential if care goals are to be achieved.

Key considerations

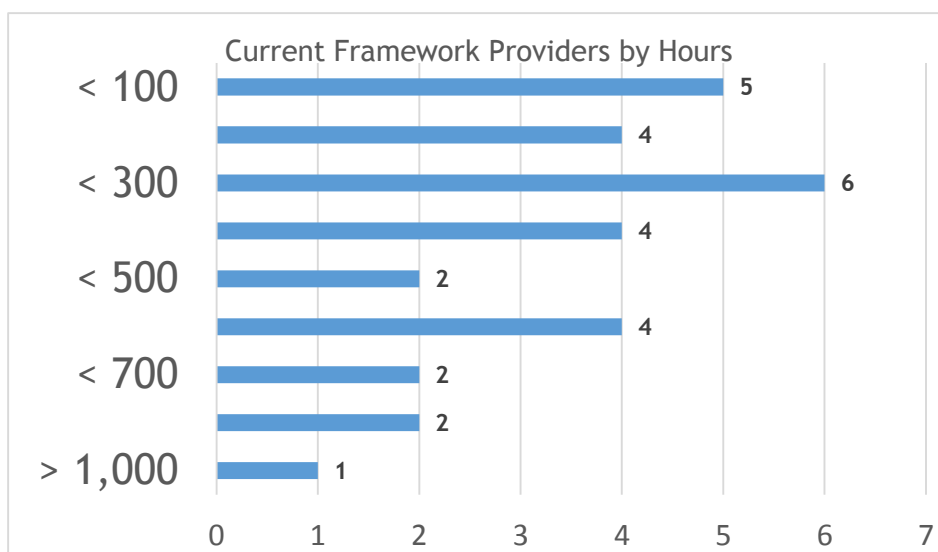
Market summary

Adults and wellbeing – residential and nursing care homes

3. There are currently 2,303 beds available across 88 homes in the county, of which 85 contract with the council for at least some of their capacity. There are just under 800 service users currently receiving services funded by the council. The remainder are funded by the NHS, other councils or (the majority) are self-funders.
4. On average 4-5% of beds are calculated to be available at any one time, which indicates the level of available capacity. However, there is a strong self-funder market which accounts for more than 50% of the occupancy. Consequently, whilst a significant component of care home income, the public sector can only expect to be influential in the market, as opposed to controlling it.

Adults and wellbeing – home care

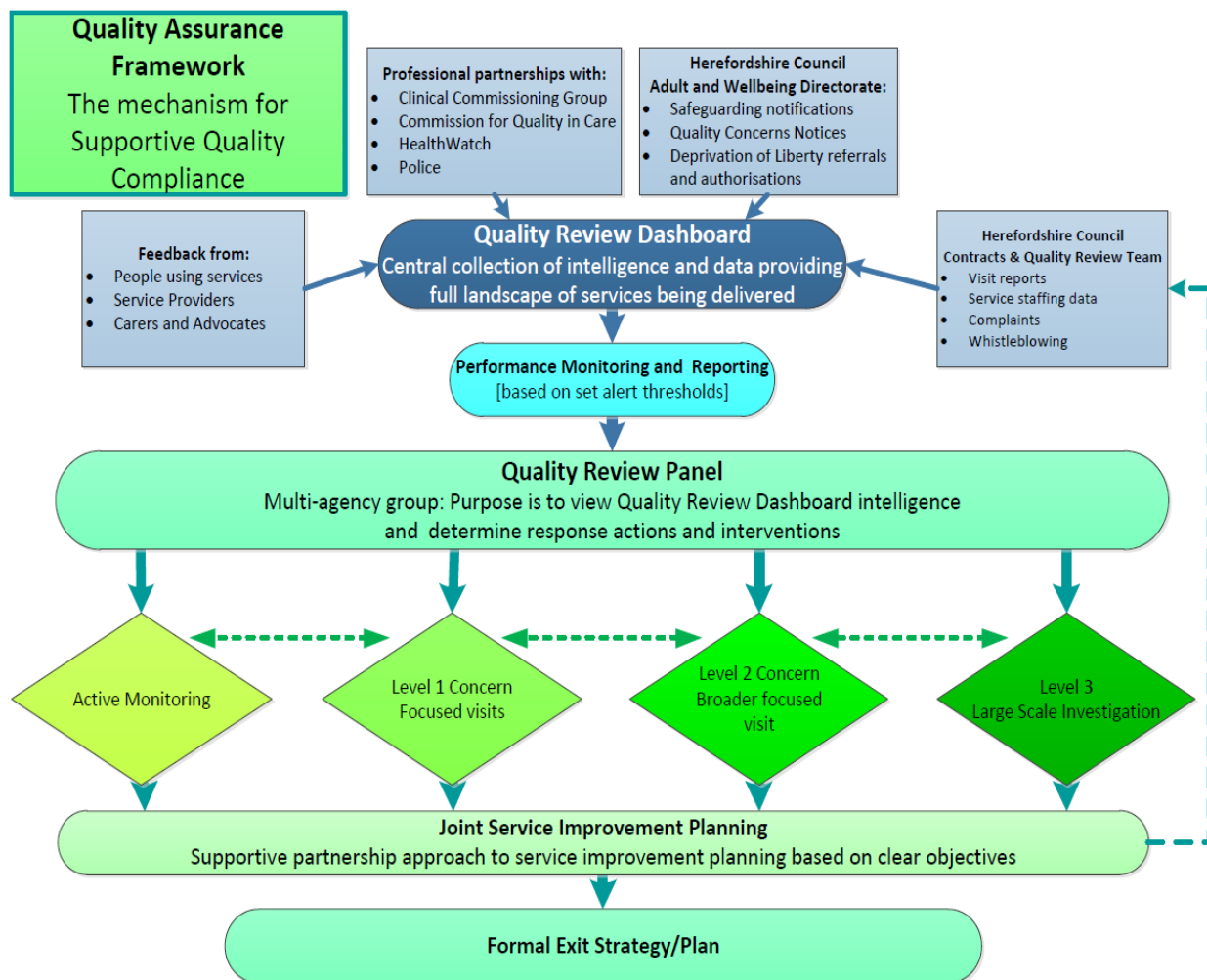
5. The market currently serves approximately 800 service users at any one time, delivering in the region of 11,000 hours per week.
6. A significant proportion of the market provision is delivered by smaller organisations as demonstrated in the table below. A snapshot taken recently showed that 50% of providers delivering services were providing less than 300 hours per week, implying a staffing cohort of perhaps 8 FTE (10-20 headcount).



7. Due to the fluctuating nature of the workforce and its direct impact on availability, it is more difficult to assess total market capacity, particularly as information on the self-funder market is limited.

Quality summary

8. Adult social care services are currently managed in the context of the quality assurance framework set out in the diagram below:



9. The framework provides the context for establishing the critical engagement with stakeholders who are involved in the three stages of the quality assurance process:

- Intelligence gathering;
- Quality monitoring visits; and
- Response and reporting

10. This work is undertaken in conjunction with the Care Quality Commission (CQC) who work and align closely with local quality and review inspectors and the Clinical Commissioning Group (CCG).

11. The quality and review team lead monthly meetings and share information on both care home and domiciliary providers based on the information held on the quality review dashboard and intelligence from key stakeholders such as:

- CQC
- Safeguarding teams
- CCG
- Healthwatch

12. The key focus is about supporting providers to improve their services and that they remain focussed on delivering quality person centred support to their clients.

Adults and wellbeing – residential and nursing care homes

13. In a recent national report Herefordshire was highlighted as having the highest quality ratings

in the county 83% of services are CQC rated as “good” or “outstanding”. The remaining services are a) not yet rated or b) actively monitored for improvement and sustainability through either level 2 strategies or a large scale investigation programme. Two services that are rated as “inadequate” are subject to large scale investigations and have business suspensions in place.

CQC Ratings: 2 Outstanding, 73 Good, 7 Require Improvement, 2 Inadequate, 1 yet to be inspected (85 contracted Homes).

Adults and wellbeing – home care

14. 40 home care providers are currently monitored by CQC and the quality and review team. Of those, 35 providers are currently registered under the HACS (home and community services) framework. 72% of services are CQC rated as “good” or “outstanding”, again the remaining services are a) not yet rated (8%) or b) actively monitored for improvement and sustainability through level 1 or 2 programs. There are no domiciliary care services rated as “inadequate”.

CQC Ratings: 1 Outstanding, 32 Good, 3 Require Improvement 0 inadequate 4 yet to be inspected.

Children’s Services

15. The council has a looked after children and complex needs placements commissioning and sufficiency strategy. This is attached in appendix 1. The priorities identified were to:

- Reduce reliance on independent fostering agency placements
- Avoid the need for use of residential placements by improving intensive wrap-around support to children with challenging needs and their carers, including reducing the reliance on residential placements by 50%
- Enable more children with complex needs to remain with their families or, if necessary, be accommodated closer to home
- Improve the quality and availability of local supported living arrangements for looked after children aged 16+

16. Herefordshire’s looked after children rate is comparatively high at 80 per 10,000 compared to comparator councils (50% higher). Our number of looked after children is 296 as at end of December 2016. The primary reason for becoming looked after is due to neglect. This is an area of focus for the children and young people’s partnership, including through the approach to early help, and the Herefordshire Safeguarding Childrens Board.

17. The council has taken steps to develop its use of foster care placements. 81% of placements are now in foster care compared to 74% nationally. The council has also increased the number of foster carers.

18. We now have 173 foster carers. In 2014 the number of Herefordshire foster carers was 131. All of our internal foster carers are regularly supervised and their annual reviews are scrutinised by the fostering panel to provide additional assurance and challenge. Herefordshire has a well-established programme of training and development for foster carers which has been a key factor in our ability to recruit against a national trend.

19. For placements with independent foster carer agencies and residential placements the council aims to place where the provision has been rated good or outstanding by OfSTED. Once placements are made the quality of the placement is regularly reviewed through the independent reviewing officers.

20. The council has also developed the foster care offer, in terms of specialism. This has included supporting foster carer placements through the Herefordshire Intensive Placement Support programme and developing family based overnight short breaks.

21. The core aim of work going forward is to appropriately reduce the number of looked after children to comparator authority levels whilst also ensuring that there was good local specialist provision for those children whose needs cannot be met by our internal carers.
22. Current work includes expanding the range of provision for older looked after children and care leavers through joint planning with the housing commissioner and the development of the vulnerable young adults housing strategy. This also includes developing provision for people with disabilities and unaccompanied asylum seeking children.
23. The council is also working with partners to improve the planning approach for young people who are placed in tier 4 mental health provision and who are then discharged.

Market challenges

24. There are a number of critical challenges facing the care market and our capacity to manage the market.
25. The principal areas of operational difficulty lie around capacity with providers not picking up some packages in a timely manner and the incidence of 'handbacks'.
26. An ageing population resulting in increased pressure on our systems and services. Such growth is set to continue. By 2034, Herefordshire's population is expected to increase by approximately 9%. In the same period over 65's will increase by 45% (to 30.9% of the population) and the over 85's will account for 6.2% of that population, more than doubling in absolute number
27. The success of developing support for individuals in their communities and sustaining their independence at home has led to a situation whereby those eventually entering care home accommodation do so with higher levels of need. This is leading to a shift in demand away from residential care towards nursing care, where there are signs of capacity limits being reached.
28. Taken together with the impact of the national living wage and the resultant cost expectations of providers, the pressure on public sector budgets will not ease for the foreseeable future.
29. The rurality of the county and travelling to the service users' homes increases the operational costs for providers of home care and places additional pressure on budgets.
30. The availability of staffing across the market is a becoming an increasingly significant issue with the competition for available workers affected by those able to offer higher paid jobs and better conditions.
31. This is particularly highlighted in the demand for additional nursing placements which have increased 22% since March 2013, and the availability of skilled staff to meet that demand. Additionally, elements of the health and care system compete with one another to secure workers in some areas of the market. In particular, nursing homes struggle to recruit nurses in the face of active recruitment by the NHS.

Community impact

32. The service contributes to achieving the council's priorities to "Enable residents to live safe, healthy and independent lives" and "Keep children and young people safe and give them a great start in life" by reducing demand on services, targeting care and support and increasing integration to support some of the most vulnerable residents within the community.

Equality duty

33. The council is committed to equality and diversity using the Public Sector Equality Duty (Equality Act 2010) to eliminate unlawful discrimination, advance equality of opportunity and foster good relations. These services are commissioned on that basis.

Financial implications

34. There are no direct financial implications as a consequence of this report. The council spends a significant proportion of its budget on external care providers. A viable market is a big factor in controlling these costs.

Legal implications

35. There are no direct legal implications as a consequence of this report. The Care Act 2014 places a duty on councils to shape the local care market. The health and wellbeing board is responsible for:

- Reviewing whether the commissioning plans and arrangements for the NHS, public health and social care (including Better Care Fund submissions) are in line with and have given due regard to the health and wellbeing strategy
- Reporting formally to the council's executive, the Herefordshire Clinical Commissioning Group and the NHS Commissioning Board if commissioning plans affecting Herefordshire have not had adequate regard to the health & wellbeing strategy

Risk management

36. Key risks in this area include:

- Lack of workforce coming into the care market to meet the increase in demand due to demographic growth. This is compounded by impact of Brexit and competition from other sectors such as retail.

37. Failure to ensure an effective market would involve significant risk, as residents might be unable to access care and costs would increase.

38. Market risks are identified, classified and recorded in the relevant risk register as appropriate.

Consultees

39. None

Appendices

- Appendix 1 Looked After Children and Complex Needs Commissioning and Sufficiency Strategy.

Background papers

None