

From Rhetoric to Reality

A manifesto for sustainable homecare



Executive Summary

This manifesto sets out actions for central and local government and providers to address the urgent demographic and workforce challenges to the homecare sector and to ensure that people who use services receive genuine choice about their personal care.

We urge local authorities to:

1. Recognise through their commissioning practice that homecare is the preferred option for most people.
2. Ensure that "partnership working" is not just a one-way process.
3. Allocate the Social Care Reform Grant to providers to foster personalisation.
4. Ensure that independent and voluntary sector providers are able to pay fair wages to their workers.
5. Recognise the true cost of regulatory changes.
6. Give independent sector providers necessary access to training funds.
7. Give people who use services genuine choice by enabling them to buy quality regulated homecare.
8. Develop payment systems and contract terms that support the viability of all providers, particularly small and medium enterprises.

We urge central government to:

1. Prevent homecare funding from being disproportionately affected by the current economic downturn.
2. Undertake monitoring of the effect of local authority purchasing on careworkers' wages, as recommended by the Low Pay Commission.
3. Ensure that regulatory burdens are proportionate and fully funded.
4. Make compliance with "Building Capacity and Partnership in Care" a duty on local authorities.
5. Develop safeguards that protect service users from harm when directly employing a personal assistant.

We urge independent and voluntary sector providers to:

1. Engage with the personalisation agenda to the benefit of people who use services.
2. Communicate clearly with commissioners to reduce barriers to innovation and capacity.
3. Keep updated with current developments through national or local associations and business support networks.
4. Respond to reasonable requests for information about the sector to enable policy decisions to be based on evidence.
5. Use and disseminate this manifesto to statutory sector purchasers.

Introduction

Homecare is the essential component of 21st century social care. Independent and voluntary sector providers already deliver 78% of state-funded homecare, making them critical delivery partners. Any social care strategy that does not have these providers at its heart will inevitably fail people who use social care services.

This manifesto sets out the UKHCA's programme of action to support and develop the homecare sector. The ability of the sector to succeed is dependent not only on the capacity and capability of providers, but also on the actions of both central and local government. This manifesto aims to ensure the sector's ability to address the urgent demographic and workforce challenges the country faces, as well as giving service users genuine choice.

We urge local authorities to:

1. Recognise through their commissioning practice that homecare is the preferred option for most people.

Most people who require care want to remain in their own home. The government recognises this and has embraced domiciliary care as a way of ensuring that people manage to maintain their independence and wellbeing within their own communities. As well as a shifting policy emphasis towards more care in the home, demand for homecare has increased because of growing numbers of older and disabled people and in recognition of the needs of carers. It is the duty of Directors of Adult Social Services to ensure services of sufficient quality and quantity to meet the needs of their local population, including self-funders.

2. Ensure that "partnership working" is not just a one-way process.

Despite the efforts of the Change Agent Team and the Care Services Improvement Partnership (CSIP), genuine 'partnership working' between councils and providers is patchy. Providers frequently feel that their issues are heard, but receive little action. We urge commissioners to embrace the concept of a whole-systems approach to commissioning through: "leadership and vision which drives change [and] needs to be reflected in on-the-ground working practices and cultures within organisations, and across them, to remove impediments to more effective service improvement."¹

3. Allocate the Social Care Reform Grant to providers to foster personalisation

Use the Social Care Reform Grant made to local

authorities to ensure that service providers – the key delivery partner – are engaged and resourced to embrace the transformation of existing services. Otherwise, a wholesale shift from block contracting to personal budgets will create substantial challenges to providers.

4. Ensure that independent and voluntary sector providers are able to pay fair wages to their workers.

Pay and conditions for workers in independent sector homecare have generally been poor; certainly substantially less than public service workers. It is therefore not surprising that homecare workers have the highest staff turnover of all care services. The result is a workforce

which is typically pay sensitive, characterised by an undesirable 'churn' as workers change employers for relatively small increases. Cost saving approaches by commissioners, such as only paying for contact time or using short care episodes for personal care, limit the ability of the workforce to

assume a more proactive and enabling role. These approaches also limit providers' ability to reward careworkers adequately for the training they undertake, or the costs of travelling between their users' homes. The practice for councils passing on Gershon-type cost reductions directly to front-line services has never been part of government policy.

5. Recognise the true cost of regulatory changes.

Domiciliary care workers in England are presently preparing to register with the General Social Care Council (GSCC). The cost of their annual fees are likely to fall on employers. In addition, new vetting and barring schemes are estimated to add an additional £18 million cost to the homecare sector in the first five years. UKHCA calls on local authorities to recognise the extra costs of these new regulatory changes in their contract prices in 2009. Unless commissioners

"Cost saving approaches by commissioners, such as only paying for contact time or using short care episodes for personal care, limit the ability of the workforce to assume a more proactive and enabling role."

¹ Crampton J and Rickets S. "A catalyst for change... driving change in the strategic commissioning on non-acute services for older people". Updated edition. London: Department of Health; 2004

do so, the fees can only discourage people from coming into homecare, and have the potential to severely impact on future careworker recruitment and retention.

6. Give independent sector providers necessary access to training funds.

Local authorities have proved themselves an unreliable distributor of national training grants. In 2006-2007, 63% was spent on local authority employees, who make up less than 18% of the workforce. £26 million of the grant was un-spent. These grants are no longer ring-fenced and may be spent outside social care, so there is even less of a guarantee that national money will be used for training the social care workforce. Directors of Adult Social Services have a responsibility to plan strategically. We call on them to ensure equitable access to these funds for independent and voluntary sector providers.

7. Give people who use services genuine choice by enabling them to buy quality regulated homecare.

A UK-wide survey of direct payments found substantial variation in the rates paid to service users, with many local authorities acknowledging that payment rates were lower than the average costs of homecare providers. This limits the ability of service users to buy care from an independent provider unless they can afford to 'top up' their care: This is inconsistent with the principle of direct payments which are supposed to increase service user choice. Evidence from other EU countries suggests that when personalised budgets are too low it can lead to the development of an unregulated market, leaving both care users and workers at risk.

8. Develop payment systems and contract terms that support the viability of all providers, particularly small and medium enterprises.

Clearly defined obligations are essential to the purchase of homecare by the statutory sector. However, many of the contracts implemented distort the contractual relationship in favour of the purchaser, for example monthly payment dates, delayed payment over minor invoicing disputes and inadequate price review conditions. "A Guide to Fairer Contracting" from CSIP appears to have made little difference in practice. The needs of providers, the vast majority of whom are small and medium enterprises, are effectively ignored by contract terms which lack mutuality, or allow councils to vary contract terms without providers' agreement. In addition, local authority

payment cycles are generally inflexible and fail to acknowledge the cash-flow requirements of independent sector providers.

We urge central government to:

1. Prevent homecare funding from being disproportionately affected by the current economic downturn.

Independent homecare providers meet the needs of over 740,000 people in the UK and have reduced the cost to the public purse by almost 46% compared to council-run services. However, the continuing downward pressure on prices

exerted by councils has exhausted providers' ability to absorb additional inflationary or regulatory costs. We urge central government to protect homecare funding from downward adjustment resulting from the current economic downturn.

2. Undertake monitoring of the effect of local authority purchasing on careworkers' wages, as recommended by the Low Pay Commission.

In 2005, 2007 and 2008 the Low Pay Commission recommended that the commissioning policies of local authorities reflect the legitimate costs of providing care, including the cost of the minimum wage. It also emphasised the need for government to monitor how far local authority practice matched policy. Despite having accepted the Commission's recommendation, the government has not undertaken any monitoring work. UKHCA calls upon the government to undertake an evaluation of local authority purchasing policies as proposed by the Low Pay Commission.

3. Ensure that regulatory burdens are proportionate and fully funded.

The costs of regulatory systems have been passed directly to employers or, in the case of workforce registration, to individual careworkers. There is clear evidence that local government already consistently fails to accommodate these costs in contract price reviews. An approach where regulatory changes are designed to benefit the public, but are not financed by the public purse, is unjustifiable.

4. Make compliance with "Building Capacity and Partnership in Care" a duty on local authorities.

There is little evidence that commissioners have embraced this guidance, the main principle of which is that "fee setting must take into account the legitimate current and future costs faced by

"UKHCA calls upon the government to undertake an evaluation of local authority purchasing policies as proposed by the Low Pay Commission."

providers as well as the factors that affect those costs, and the potential for improved performance and more cost effective ways of working.” To strengthen the importance of these principles, we call for this guidance to be reviewed and re-issued by the Department of Health under section 7(1) of the Local Authority Social Services Act 1970.

5. Develop safeguards that protect service users from harm when directly employing a personal assistant.

Individuals are able to market themselves as personal assistants to be employed directly by the service user, without necessarily having qualifications or training in care. There is no firm indication that personal assistants will have to register with the social care workforce regulators, nor do they have to abide by regulations or standards set out by the UK’s statutory regulators. There is no obligation on the service user employing that person to check their criminal record, or whether they are on current barring lists.

“Working with local commissioners is key to expanding the range and availability of services and to explore issues which can be resolved to enable all users to receive the widest choice possible.”

We urge independent and voluntary sector providers to:

1. Engage with the personalisation agenda to the benefit of people who use services.

Services must respond to the increasingly diverse needs presented by people who use services, a direction that is a major Government objective. Personalisation is a radical departure from established purchasing patterns and requires a whole system change, not just change around the margins. Providers’ responsiveness is key to its success as service users take-up increasing numbers of direct payments and personal budgets.

2. Communicate clearly with commissioners to reduce barriers to innovation and capacity.

Independent and voluntary sector providers have always been the “cradle of innovation” in homecare, with providers responding to demands for new and individualised services, particularly from self-funded users. Working with local commissioners is key to expanding the range and availability of services and to explore issues which

can be resolved to enable all users to receive the widest choice possible.

3. Keep updated with current developments through national or local associations and business support networks.

Social care is a rapidly changing environment with major changes in regulation and service delivery anticipated during the next three years. Professional associations are highly experienced in interpreting what policy changes mean for their member organisations. Independent and

voluntary sector homecare providers face many of the challenges of small and medium enterprises and can benefit from support and information, including Business Link, ACAS and local chambers of commerce. Providers supplying to local authorities are also encouraged to give

regular attendance to meetings convened by their commissioning bodies, and to play an active role in raising matters of concern.

4. Respond to reasonable requests for information about the sector to enable policy decisions to be based on evidence.

There is a dearth of information about the state of the social care sector, which has been described as a “data desert”. Providers are encouraged to share workforce information at the request of their respective sector skills councils and to share information about conditions in the sector with UKHCA. By signing-up to our Code of Practice, our member organisations also agree to “...respond to requests for information to enable UKHCA to represent their views to policy makers and to undertake analysis of the homecare sector”.

5. Use and disseminate this manifesto to statutory sector purchasers.

We encourage homecare providers to table this manifesto for discussion at meetings with their commissioning authorities, and to the Council’s elected member with oversight of social care. UKHCA’s Position Statement “A Fair Price for Care” provides a concise summary of the issues facing homecare providers.²

² See: www.ukhca.co.uk/downloads.aspx?id=114. UKHCA member organisations can also obtain our “Local Action Pack” (www.ukhca.co.uk/downloads.aspx?id=164), which contains further information and advice for engaging with local authority purchasers and important information to avoid anti-competitive trading.

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