

Dr Sarah Wollaston Chair  
Health and Social Care Commons Select Committee

### **Written evidence – Implementing the NHS long-term plan**

Thank you for the opportunity to respond to the above consultation, which I have the pleasure to do on behalf of United Kingdom Homecare Association (UKHCA).

We are a member-led professional association; our mission is to promote high quality, sustainable care services so that people can continue to live at home and in their local community where it is their preferred option. We represent 1,890 homecare providers in England.

Homecare is important to people who need support to stay at home, important to careworkers and an important part of the economy. Over 127 million hours of state-funded homecare were purchased by local authorities in England in 2017/18 at a cost of £2.6 billion, and a further £660 million spent by people purchasing their own homecare. This enables an estimated 850,000 people to be supported to live at home independently each year.

Our comments concern social care in England and in particular homecare services which will be a key element in successful implementation of the NHS long-term plan. In summary, our evidence refers to:

- Addressing unmet need for social care,
- Engaging with homecare providers to prevent avoidable admissions to care homes and hospital, and further reduce delayed transfers of care,

- Ensuring homecare providers can meet their legal responsibilities and allow for investment in quality services.

### **Addressing unmet need for social care**

The current lack of investment in social care means an estimated 1.4m older and disabled people are not receiving the care they need; councils themselves recognise there is a real danger they will be soon be unable to meet their statutory duties. There is a strong argument to suggest that the lack of social care is impacting on the NHS. Figures published by NHS Digital show there were 344,522 emergency admissions involving dementia patients in 2017/18, up from 257,559 cases in 2013/14. The recently published report by the Housing, Communities and Local Government Commons Select Committee refers to analysis by the Local Government Association (LGA) and also independent analysis from PwC on behalf of the County Councils Network. Both assess that the annual funding gap for local government will be around £5 billion in 2020–21. The LGA’s analysis has estimated that by 2024–25 the funding gap will be around £8 billion.

While funds earmarked for the NHS long-term plan cannot hope to fill the social care funding gap, there is a need for a strategic approach which seeks to address unmet need for social care which will not only improve the lives for people who need support at home, but will also reduce the need for emergency admissions to hospital. UKHCA suggests that some of the funding for the NHS long term plan could be used to understand in more depth whether the current estimates of 1.4 million with unmet needs are reliable and what needs to be put in place to avoid all the burdens for care and treatment falling on the NHS.

### **Engaging with homecare providers to prevent avoidable admissions to care homes and hospital, and further reduce delayed transfers of care**

Increasingly we are seeing more collaboration between the NHS and social care, particularly between CCGs and local authorities. However, UKHCA considers



there remains a deficit in understanding the role of homecare providers on the part of NHS Commissioners.

Targeted and properly resourced preventative programmes, involving homecare providers could represent considerable savings for the NHS and improved quality of life for older and disabled people. Taking the example of hip replacements which costs around £6,500 per patient<sup>1</sup>. According to the National Joint Registry, 105,306 hip operations were carried out in the period up to 31/12/2017.<sup>2</sup> If through investment in preventative measures including the provision of homecare, the number of operations could be reduced by 5%, this could represent a potential saving to the NHS of £34,229,000.

It is people over 60 who are most likely to have hip replacements and 35% of all hip replacements are carried out on those aged 70-79. People aged 80+ are most likely to attend A&E,<sup>3</sup> and one in three emergency patients admitted for an overnight stay had five or more health conditions.<sup>4</sup> As well as preventing avoidable hospital admissions, engaging with homecare providers to deliver care for people being discharged home and regaining independence will improve the service overall and reduce the rates of readmission.

CCGs can also take practical steps to ensure homecare providers can operate sustainably. These include:

- Avoid spot purchasing one-off packages of care,
- Commission home visits of at least 30 minutes - shorter visits carry potential risks to quality of care and are uneconomic to deliver,
- Contract with providers on a long-term basis to ensure the provider can make the appropriate investment in recruitment, training of staff and technology which can help deliver high quality responsive care,

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<sup>1</sup> NHS Improvement, 2017/18 reference cost data

<sup>2</sup> National Joint Registry, <https://bit.ly/2J6OwKL>

<sup>3</sup> House of Commons briefing paper 6964, 2017, *Accident and Emergency Statistics: Demand, Performance and Pressure*

<sup>4</sup> Health Foundation, 2018, *Briefing: Emergency hospital admissions in England: which may be avoidable and how?*

- Make sure homecare providers are part of the discharge process when patients need care at home and ensure they are notified about changes to medication and care routines prescribed by clinicians,
- Pay invoices to homecare providers within the specified time limit.

### **Ensuring homecare providers can meet their legal responsibilities and allow for investment in quality services**

Without sufficient investment in homecare, and unless there is a credible plan to deliver a health and social care workforce that has the right skills, pressures on the NHS are likely to continue growing.

UKHCA's report, "The Homecare Deficit 2018"<sup>5</sup> showed that in 2018-19 the UK's homecare sector needed £402 million to guarantee that homecare workers receive the Government's statutory National Living Wage, whilst also enabling homecare workers to meet their statutory obligations. To ensure that homecare services are financially stable, an additional £921 million is needed which would allow the entire workforce to be remunerated at the rate of the (voluntary) Living Wage, as independently calculated by the Living Wage Commission. However, this would do nothing to enable additional services to be delivered to the 1.4 million people currently believed to be living with unmet needs, many of whom would benefit from home-based care.

Since we published "The Homecare Deficit 2018", we have re-calculated the size of the funding gap to reflect the increase the NMW/NLW and the increase in employers' contributions in workplace pensions, as follows:

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<sup>5</sup> Angel, C. 2018, *The Homecare Deficit 2018, a report on the funding of older people's homecare across the United Kingdom*

<b>Administration</b>	<b>Size of Deficit to meet UKHCA's Minimum Price of £18.93 / hour</b>	<b>Size of deficit to meet the (voluntary) UK and London Living Wage</b>
England	£411,000,000	£778,017,645
Wales	£29,399,201	£54,285,967
Scotland	£86,811,287	£152,918,627
Northern Ireland	£71,354,369	£96,185,144
<b>UK</b>	<b>£598,564,858</b>	<b>£1,081,407,383</b>

Without adequate funding the care market will remain economically unsustainable and more people will be affected by providers who are forced to hand-back contracts or cease trading.

In November 2018, concerns arose about Allied Healthcare's financial sustainability. This meant that up to 9,300 elderly and vulnerable people were at risk of losing their home care services after 30 November 2018. Although the majority of Allied Healthcare's services were subsequently transferred to another provider, CRG, the fact that a major supplier of homecare was within days of ceasing business shows the fragility of the homecare market, and the risks to older and disabled people who rely on state funded services for their care and support in order to live independently at home.

The Association of Directors of Adult Social Services survey of 2018 reported that 48 directors have seen home care providers closing or ceasing to trade in the previous six months (impacting on 3,290 people) and 44 directors had contracts handed back by home care providers (impacting on 2,679 people) in the same period.<sup>6</sup> Homecare providers are increasingly unwilling to accept the low fee rates and the consequent risks of financial failure. As a result, increasing numbers of care packages are being handed back, and the numbers of people affected is increasing.

<sup>6</sup> <https://www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf>

Homecare providers cannot continue to deliver services at below cost levels. Low prices paid for homecare services create unacceptable risks, including poor terms and conditions for the workforce, insufficient resources to organise the service and insufficient training for the complex work that supports increasingly frail and disabled people. Even at a minimum rate, a person needing four hours of care at home would cost £75.72<sup>7</sup> a day, whereas a stay in a hospital bed could cost in the region of £350 a day.

The NHS, in implementing its plan should not regard homecare provision as a cheap option, or underestimate the skills needed by careworkers to support people with complex needs. To meet its goals of helping people avoid lengthy spells in hospital, and avoiding admission in the first place, requires investment in homecare that meets the needs of growing numbers of older people and younger disabled people of working age.

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<sup>7</sup> Angel. C 2019, A Minimum Price for Homecare