



UKHCA Evidence

House of Commons Exiting the EU Committee

UK's negotiating objectives for withdrawal from EU inquiry

January 2017

Introduction

Thank you for the opportunity to submit evidence to this inquiry. United Kingdom Homecare Association (UKHCA) is the professional association for providers of domiciliary care.

This is our written submission. We would be pleased to provide further evidence to the Committee, including oral evidence, if this would be of assistance.

In parts of this submission we refer to statistics relating to England. Similar issues apply in Scotland, Wales, and Northern Ireland.

UKHCA

UKHCA is the national professional and representative association for organisations who provide care, including nursing care, to people in their own homes. As 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.¹

¹ For more information please see www.ukhca.co.uk/aboutukhca.aspx

The homecare sector in brief

Homecare, also known as domiciliary care, is support provided in the home by careworkers to assist someone with their daily life. The service enables people to remain at home and helps maintain personal independence, comfort and contact with their local community. Homecare can vary from half an hour a week, to several hours a day, or 24 hour live-in care, depending on a person's needs. The service may be on a temporary, intermittent or long-term basis.

Importantly, homecare can help avoid hospital admission and support those discharged from hospital so they can return home promptly, with care appropriate to their needs.

Local authorities purchase the majority of homecare (estimated to be around 70% of all hours delivered), with a lesser amount bought by self-funders or family carers. Increasingly health commissioners, like clinical commissioning groups, purchase homecare to enable people's health needs to be managed at home.²

Recruitment and retention of careworkers is challenging for providers. At present there is considerable reliance on non-British nationals to fill the recruitment gap and provide frontline homecare services in parts of the UK and in particular types of homecare, most notably live-in care. This is why we have made a submission to the Exiting the EU Committee.

Executive Summary

The issues for the homecare sector

1. EU nationals play a significant role in the homecare workforce. Worker recruitment is currently challenging and demand is increasing. Whatever negotiating stance is adopted by the UK for withdrawal from the EU, the homecare sector must have a sufficient workforce in the future.

² In Northern Ireland homecare is commissioned by health and social care trusts

2. There is a gap in the homecare workforce which means that particular regions of the UK, and sub-sectors of the homecare sector, such as live-in care, are more reliant on migrant workers to recruit the staff they need, including workers from the EU.
3. Any restriction on providers' ability to recruit from the EU will have a serious impact on older and disabled people using home-based care, unless enough recruits are generated from the domestic workforce or elsewhere, a transition that will take time, training and considerable resources.
4. There are severe risks to the homecare sector, which is already under considerable pressure, if it cannot recruit enough staff to meet the demand for homecare. This demand is increasing rapidly due to the ageing population and an increase in those with complex needs.
5. Acute hospital services are already directly affected by the current challenges in the homecare sector, particularly in relation to the ability to recruit a sufficiently large workforce to meet demand. According to data published by NHS England, 19% of delayed transfers of care from hospitals are attributable to waiting for a homecare package to be arranged³.
6. The adult social care sector in England has been described by the sector's statutory regulator (the Care Quality Commission) as being at a 'tipping point'; the inability to recruit an adequate workforce would exacerbate an already serious situation and further threaten the provision of services and support for people who need care at home, as well as place demands on the healthcare system.
7. Homecare providers are analysing their own reliance on migrant workers and developing workforce strategies to deal with this, in the light of the UK's exit from the EU, but will need support from Government in the form of a cohesive workforce strategy across health and social care.

³ In November 2016, 19% of delayed days were due to waiting for a homecare package: www.england.nhs.uk/statistics/statistical-work-areas/delayed-transfers-of-care/2016-17-data/

What UKHCA asks of Government in EU negotiations

1. To recognise that the homecare workforce is essential to reduce delayed transfers of care, and provide the support people need to live independently at home (who might otherwise be forced into more expensive hospital or residential care against their wishes).
2. To ensure that the UK can continue to recruit and retain the health and social care staff it needs from the EU and elsewhere.
3. To ensure that any immigration system developed in response to the UK leaving the EU enables non-graduate careworkers (those without professional qualifications) to enter the UK social care labour market.
4. To support the development, with the health and social care sectors, of a workforce strategy which will increase domestic supply. This means social care must be made a more appealing employment option for the domestic workforce, including younger workers.
5. To offer certainty to current EEA nationals working in health and social care in the UK by agreeing a 'right to remain', so they can continue to stay and work in the UK.
6. To maintain the attractiveness of the UK as a place to work to encourage non-British EEA nationals already here to stay, and those considering coming to the UK to join our social care workforce, at least until the domestic supply increases to fill the gap.

The homecare sector in figures

- The homecare sector delivered 318 million hours of social care to a total of 873,500 people in 2014/15.
- The total expenditure on homecare that year was £4.62 billion, with local authorities spending £3.83 billion and people who buy their own care, £713 million.

- The sector employed 629,400 people in 2014/15 and there are 10,176 regulated providers in the UK.⁴

The adult social care workforce as a whole is growing. The number of jobs in England has increased by an estimated 240,000 between 2009 and 2015 (an 18% increase⁵) and is projected to grow in the future, to meet increased demand created by our ageing population.

People are living longer, with more complex and multiple needs, so the demand for adult social care, including homecare, is rising.

Skills for Care predict that if the adult social care workforce grows proportionally to the projected number of people aged 65 and over in the population then the number of adult social care jobs in England will increase by a further 18% (275,000 jobs) to 1.83m jobs by 2025. If the proportion of domiciliary care jobs remains at 42% of the adult social care sector, this could mean an increase of 115,000 jobs in domiciliary care⁶.

In reality the proportion of jobs in domiciliary care is likely to increase because NHS and social care providers are planning to keep more people at home for as long as possible.

Current issues facing the homecare sector

The homecare sector is currently facing a number of serious issues, including national market instability, rising operating costs for homecare providers, a downward pressure on the price paid for domiciliary care by public authority purchasers, an ageing population and challenges with the recruitment and retention of the workforce.

⁴ An Overview of the Domiciliary Care Market in the United Kingdom, UKHCA, May 2016: www.ukhca.co.uk/pdfs/marketoverview_v352016_final.pdf

⁵ The size and structure of the adult social care sector and workforce in England 2016, Skills for Care, 2016: www.skillsforcare.org.uk/NMDS-SC-intelligence/NMDS-SC/Workforce-data-and-publications/State-of-the-adult-social-care-sector.aspx

⁶ The size and structure of the adult social care sector and workforce in England 2016, Skills for Care, 2016, as above.

The adult social care sector in England has been described as being at a 'tipping point' because of the financial and workforce challenges that are affecting the sector.⁷ The knock on effect on hospitals, most notably pressure on A & E departments and delays in discharging patients waiting for adult social care support, are well-documented.

The economic health of the UK and the state of public finances, both during and after exit from the EU, will affect the adult social care sector, including homecare. Public authorities are already facing expenditure cuts and further pressure on their budgets are invariably passed on to providers through price reductions and the withholding of discretionary inflationary price increases. Changes that affect the ability of the public to purchase care would also threaten the support on which people rely.

It will be essential to ensure that the consequences of preparing for, and leaving the EU, do not exacerbate what are already critical issues for healthcare, local authorities, providers and the public who need social care.

Careworker recruitment and retention

The key concern of the homecare sector arising from the UK's exit from the EU concerns the recruitment and retention of workers.

The homecare sector has difficulty recruiting and retaining staff, especially careworkers.

As at September 2015, the vacancy rate in non-residential services in England regulated by the Care Quality Commission (CQC) was 9%. This contrasts with the average UK vacancy rate across sectors of 2.7%. There are approximately 510,000 jobs in CQC-regulated independent and voluntary domiciliary care services in England. With a vacancy rate of 9%, that is 45,900 unfilled jobs. Care homes also face recruitment issues. The vacancy rate for care homes in 2015 was 5%, nearly double the national average of 2.7%.⁸

⁷ The state of health care and adult social care in England 2015/16, Care Quality Commission:

www.cqc.org.uk/sites/default/files/20161019_stateofcare1516_web.pdf

⁸ NMDS-SC trend briefing 3, Vacancies, Skills for Care: [www.nmds-sc-online.org.uk/Get.aspx?id=/Research/Briefings/Trend briefing 3 - Vacancies.pdf](http://www.nmds-sc-online.org.uk/Get.aspx?id=/Research/Briefings/Trend%20briefing%203%20-%20Vacancies.pdf)

It is difficult for care providers to retain staff. The turnover rates of social care workers remain one of the biggest issues for the homecare sector today. In 2016 the annual workforce turnover rate in the independent and voluntary sector in England was 39.0%. The rate is even higher for frontline workers at 41.4%.⁹ The constant need to recruit and train new staff places a constant burden on homecare providers, both in financial and management terms, and hinders their ability to provide continuity of care to service users.

The care sector also struggles to recruit and retain younger workers. As a profession, it is often regarded as unattractive, with low pay, a lack of clear career path and requiring people to provide intimate personal care some regard as unpleasant. To counter this, the sector is working hard to develop training opportunities like apprenticeships and to emphasise the positive aspects that derive from caring for people.

The sector has a predominantly older, female workforce. The largest group of careworkers in the domiciliary care sector in England (24.9% of the total workforce) were in the 45-54 age range.¹⁰

Most careworkers in the sector do not have a professional qualification as such. Less than half of careworkers in the independent sector have a care-relevant qualification (48%).¹¹ One of the characteristics of the sector is that it can provide non-graduates with a convenient route into flexible employment.

Despite this, the combination of a rising demand for homecare and difficulties recruiting and retaining staff mean that the sector is facing unprecedented pressures to find enough suitably qualified and experienced recruits to fill the gap and supply the care that people need.

⁹ NMDS-S Dashboards:

www.nmds-sc-online.org.uk/reportengine/GuestDashboard.aspx?type=StaffProfile

¹⁰ An Overview of the Domiciliary Care Market in the United Kingdom, UKHCA, May 2016: www.ukhca.co.uk/pdfs/marketoverview_v352016_final.pdf

¹¹ NMDS-SC trend briefing 3, Vacancies, Skills for Care: [www.nmds-sc-online.org.uk/Get.aspx?id=/Research/Briefings/Trend briefing 3 - Vacancies.pdf](http://www.nmds-sc-online.org.uk/Get.aspx?id=/Research/Briefings/Trend%20briefing%203%20-%20Vacancies.pdf)

The sector is taking steps to increase the attractiveness of care as a career but with financial pressures making pay increases extremely difficult, and demands on the sector that make providing homecare a very stressful job, it is finding it hard to compete with sectors like retail.

Reliance on non-British workers to fill the gap

At present there is considerable reliance on non-British nationals to fill the gap and provide frontline homecare services in parts of England and in particular types of homecare, most notably live-in care.

According to UKHCA's analysis, there are around 329,000 people employed as homecare workers in England.¹² The Association estimates that 6.4% of the homecare workforce is made up of non-British EEA nationals. A further 9.3% of the workforce, are nationals from outside the EU.¹³

The data shows that:-

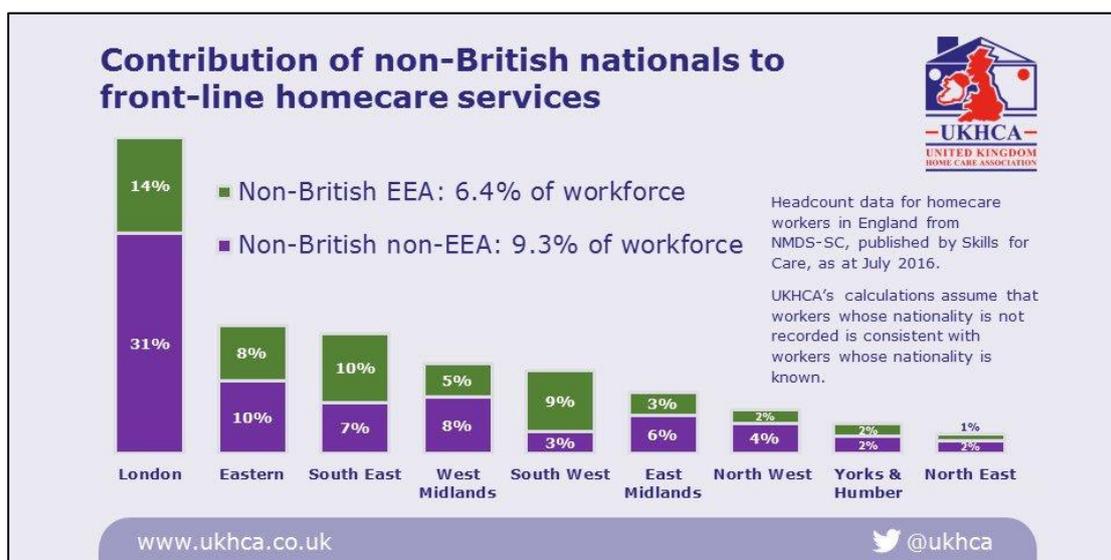
- In London almost a third (31%) of frontline homecare employees are non-British non-EEA nationals and 14% are non-British EEA nationals.
- In the East of England region, 10% are non-British non-EEA with 8% non-British EEA.
- In the South East 7% of the frontline homecare workforce are non-British non-EEA employees, with 10% non-British EEA.
- In the South West region, 3% of the careworkers are Non-British non-EEA and 9% are non-British EEA.

¹² Figures released in 2014/15 are taken from UKHCA's 'An Overview of the Domiciliary Care Market in the United Kingdom': www.ukhca.co.uk/downloads.aspx?ID=109.

¹³ Headcount data for homecare workers in England was taken from the National Minimum Data Set for Social Care (NMDS-SC) and the 'The size and structure of the adult social care sector and workforce in England' which was published by Skills for Care, July 2016: www.nmds-sc-online.org.uk/Get.aspx?id=971293.

Headcount data for homecare workers suggests that the impact of losing these workers, if this happens when the UK leaves the EU, or being unable to recruit from the EU, would be felt most acutely in London and the South East, the South West and East of England.

The following image illustrates the national picture in England (equivalent data is not available for the other UK administrations)¹⁴:



The care home sector would face similar issues.

1 in 5 of the social care workforce (18.4%) in England was born outside the UK, including 81,000 working in adult domiciliary care and 150,000 working in residential care homes.¹⁵

¹⁴ This graphic is part of a presentation by UKHCA Policy and Campaigns Director Colin Angel to the All Party Parliamentary Group on Housing and Care for Older People, 18 July 2016:

www.ukhca.co.uk/pdfs/brexit_and_homecare_appg_web_20161118.pdf

¹⁵ Brexit and the future of migrants in the social care workforce, Independent Age and ILC, September 2016: www.ilcuk.org.uk/images/uploads/publication-pdfs/Brexit_and_the_future_of_migrants_in_the_social_care_workforce.pdf

Live-in care

Live-in care providers provide 24 hour care for people with high care needs in their own homes. Typically this might be a person with advanced dementia or at end of life, for example with end-stage renal failure, who needs constant care and supervision.

Live-in care providers are heavily dependent on non-British workers. A recent survey of 40 specialist live-in care providers showed that over half recruited careworkers from EU countries outside the UK.¹⁶

What should be the UK's objectives in negotiating its future economic and political relationship with the EU, looking at both risks and opportunities?

Both health and social care must have a clear and coherent workforce strategy for social care and a supply chain for future workforce demand that provides an adequate workforce.

Health and social care are linked, with pressures on one adversely affecting the other's ability to deliver services efficiently and in a timely manner. From December 2015 to November 2016 patients were delayed more than 2.1 million days in hospital because of delayed discharge¹⁷, with the most common reason a lack of homecare to provide essential support. 19% of total delayed days were awaiting a homecare package.

UKHCA believes the UK's objectives in negotiating its future relationship with the EU should focus on the following priorities:

1. To recognise that the homecare workforce is essential to reduce delayed transfers of care, and provide the support people need to live independently at home (who might otherwise be forced into more expensive hospital or residential care against their wishes).

¹⁶ Unpublished survey by Live-in Care Hub, a consortium of live-in care providers who are UKHCA members. See: www.liveincarehub.co.uk/

¹⁷ NHS England figures: www.england.nhs.uk/statistics/statistical-work-areas/delayed-transfers-of-care/2016-17-data/

2. To ensure that the UK can continue to recruit and retain the health and social care staff it needs from the EU and elsewhere.
3. To ensure that any immigration system developed in response to the UK leaving the EU enables non-graduate careworkers (those without professional qualifications) to enter the UK social care labour market.
4. To support the development, with the health and social care sectors, of a strategy which will increase domestic supply. This means social care must be made a more appealing employment option for the domestic workforce, including younger workers.
5. To offer certainty to current EEA nationals working in health and social care by agreeing a 'right to remain', so they can continue to stay and work in the UK.
6. To maintain the attractiveness of the UK as a place to work to encourage non-British EEA nationals already here to stay, and those considering coming to the UK to join our social care workforce, at least until the domestic supply increases to fill the gap.

What will have to be included in the negotiations to leave the EU under Article 50 and to what extent will this include provisions relating to the UK's future relationship with the EU?

The homecare sector will continue to need access to a migrant workforce from the EU for some considerable time, until there are sufficient domestic workers to meet workforce demands.

This means having the ability to recruit staff from outside the UK until the Government is sure that our sector can recruit from within the UK.

The homecare sector employs a high proportion of non-graduates, so a skills level that is set too high for migration purposes will not generate the number of staff required by our sector.

It will be vital to ensure that migration rules do not adversely affect the supply of careworkers, including those working in live-in care.

Is there a case for the UK seeking to negotiate transitional arrangements in the event that it is unable satisfactorily to reach agreement on its future political and economic relationship before it has left the EU under Article 50?

UKHCA considers that transitional arrangements will be absolutely essential for both the health and social care sectors to ensure an adequate workforce.

A sudden tightening of immigration rules or ending of freedom of movement from the EU would be disastrous and worsen the crisis already facing the health and social care system.

A strategy that involves recruiting more non-British non-EEA workers and more domestic workers to homecare will take time to develop and implement, so transitional arrangements will be vital to ensure that the sector's recruitment and retention difficulties do not worsen over coming years.

Does the Government have the capacity and the appropriate structures to meet its objectives?

UKHCA believes that other organisations are better able to comment on this question and so is not making a submission on this point.

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