

Dominic Stockbridge
Public Accounts Committee
House of Commons
London
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By e-mail to: stockbridged@parliament.uk

23 February 2018

Dear Dominic,

Public Accounts Committee: adult social care

Thank you for offering us the opportunity to submit evidence, at short notice, to the Public Accounts Committee's discussion of the National Audit Report into the Adult Social Care Workforce.

The United Kingdom Homecare Association (UKHCA) is the national professional association for organisations which provide social care, including nursing care, to people in their own homes.

We have already published our view that the absence of a published strategy for the social care workforce, highlighted by the NAO, should be an embarrassment to Government. But, a strategy is only useful if it leads to decisive action¹.

¹ <http://www.ukhca.co.uk/news.aspx>

Taking your questions, in order.

Q1. What are consequences of high vacancy and turnover rates across the adult social care workforce?

Skills for Care estimates that there were 440,000 direct care providing jobs in domiciliary care services, 40,000 managerial jobs, 4,500 regulated professionals and 20,000 other jobs including ancillary and administrative roles².

The turnover rate for domiciliary care services was 32.5%, which was higher than the average across all social care services (27.8%). This equates to an estimated 155,000 workers leaving their role in the previous 12 months.

Two thirds of the workforce in domiciliary care services were recruited from within adult social care (66%), which suggests that there is a high degree of 'churn' within the sector. This means that although the high turnover rate results in employers going through the recruitment process, with its associated costs, the skills and experience of many workers are retained by the sector.

The turnover rate for independent and voluntary sector domiciliary care providers was higher (33%) than for local authority run domiciliary care providers (13%).

² <http://www.skillsforcare.org.uk/Documents/NMDS:SC-and-intelligence/NMDS-SC/Analysis:pages/State-of-17/Summary-of-domiciliary-care-services-2017.pdf>.

The vacancy rate in domiciliary services was 9.2%, equating to an estimated 48,500 vacant positions at any one time. This was higher than the average for all services (6.6%), care home services with nursing (5.0%) and care home services without nursing (4.1%)

We believe that the high turnover and vacancy rates are largely attributable to councils, which purchase care, failing to recognise the full cost of care. Councils purchase around 70% of all homecare services.

UKHCA has consistently championed transparency in the calculation of the costs for homecare and recently published an update of our guidance document³. We also delivered a webinar to keep the issues in the minds of local authority commissioners⁴.

Our Freedom of Information request, in 2016, focused on fees paid by Local Authorities to homecare providers⁵. At that time we found that the weighted average price for an hour of homecare for older people, in a sample week, in April 2016, in England, was £14.66. This compares with our calculated minimum price of £16.70 per hour.

In their responses to our FoI request, over 80% of councils could not show us how they had assessed the costs of care.

³ Angel, C (2018) A Minimum Price for Homecare, Version 5.1. See: www.ukhca.co.uk/downloads.aspx?ID=434.

⁴ A short video presentation and a detailed handout to supplement UKHCA's Minimum Price for Homecare is available from www.ukhca.co.uk/pricewebinar.

⁵ The Homecare Deficit 2016 www.ukhca.co.uk/rates

Turnover of staff impacts on a number of areas, namely:

- Continuity of care for service users, who value the relationships that they form with their regular careworkers;
- An unsatisfying working experience for careworkers, who may feel that they are unable to respond to people's needs properly within the time purchased by councils;
- The pressure placed on providers to ensure continuity of care within inadequate resources increases the risk of "call clipping" – the practice whereby visits to people who use services are cut short as available careworkers try to cover higher caseloads. This practice is not one which care providers actively accept: it is forced on them;
- Training and recruitment costs. Skills for Care noted that a large proportion of staff turnover is a result of people leaving the sector soon after joining and the sector also has difficulties in retaining younger workers. The replacement and training of staff places significant additional costs on providers.
- Loss of trained and experienced workers from homecare services, either because the move to other areas of social care and health, or leave the sector entirely.

Skills for Care estimates that the starters' rate in the previous 12 months was 34.1%.and comprised a mixture of those new to the adult social care sector and churn within the sector, i.e. people moving between different employers or within the same organisation. Of all new starters, approximately two thirds were recruited from within the adult social care sector, therefore the sector does retain their skills and experience.

Q2. What needs to be done to improve recruitment and retention rates?

- **Councils should pay the full costs of care**, recognising all the components, as outlined above.

Homecare providers must pay their employees the National Living Wage, including careworkers' travel time, where applicable and must also pay the full costs of sleep-in hours.

Employers must also make National Insurance contributions, pay for training and supervision, ensure that careworkers receive statutory holiday and sick pay and are enrolled in a workplace pension.

Providers must also cover the costs of staff responsible for rostering and quality assurance.

As outlined above, the fees paid to providers often fall far short of what is required to allow the providers to meet all of their statutory and other responsibilities.

Benchmarks are readily available, including those which are referred to in the Care and Support Statutory Guidance.

UKHCA produces a "Minimum Price for Homecare", which sets out a description of all the cost elements associated with delivering homecare and a rationale explaining the assumptions that UKHCA has used to build-up its published price.

In our view and on the basis of evidence obtained from councils via our Freedom of Information exercise in 2016, councils are generally reluctant to adopt open and transparent costing exercises with their providers, because they are aware that the prices they currently pay are significantly below the actual costs.

- **Improve the quality work experience for careworkers**

UKHCA believes that councils should change from buying “care by the minute” to more flexible forms of purchase, including the use of “individual service funds”, and population-based commissioning.

We firmly believe that paying for care, in small units of time, is inflexible and often leads to an unsatisfactory experience for both the service user and careworker.

- **Address the inequality between health and social care funding**

The difference in approach and funding between training and reward in the NHS and social care is a travesty, particularly given the strong drive and commitment to joining up services around the individual and delivering to him or her in a seamless way at the point of need.

Efforts at integration between health and social care have been disappointingly unproductive to date, a major factor being the differences in funding mechanisms between health and social care and in employment conditions between the two sectors.

Q3. What can be done to boost the image of working in care?

Ultimately, we believe that all stakeholders should foster a positive image of social care as a career. Three factors are key to this, **Remuneration, Recruitment** and **Recognition**.

Remuneration

Until wages can be increased significantly for this sensitive and essential work, competition with retail, manufacturing and comparable areas will discourage people with the appropriate values from applying to, or remaining in, the sector.

Recruitment

As outlined above, recruitment and retention are key areas for attention and we believe that work being undertaken by Department for Health and Social Care for a national recruitment campaign is positive, but will only be useful if it leads to decisive action rather than a statement of intent. In addition, any action must be delivered competently and at scale.

Registration

Registration of the social care workforce is being implemented throughout the United Kingdom, but not in England.

We believe that mandatory registration demonstrates a level of status, in both the organisation and the individual, celebrates the attainment of relevant qualifications and can be used to encourage ongoing professional development of registered workers. Continuous personal development improves the skills-base and a registration system provides transparent evidence of expertise and the investment in individual workers.

Q4. How should training and development of the care workforce improve?

- **Recognise costs**

Training and personal development activities incur costs and when resources are constrained, tend to be early targets for cost savings.

Whilst reducing development activities may not affect delivery in the short-term, a de-skilled or demotivated workforce will lead to longer- term vulnerabilities both for individual businesses and service users.

- **Ensure that training funds are available for qualifications demanded by employers**

The existing "Workforce Development Fund" is focused on skills and qualifications that the homecare sector requires. However, this year a decision has been made to withdraw funding for the "Preparing to Work in Social Care Level 2 Certificate" award.

This regrettable decision will have a significant impact on employers trying to attract and develop new entrants into the sector who do not have prior experience of qualifications.

- **Government's focus on apprenticeships**

Rather than incentivising take-up, the Government's focus on apprenticeships has actually deterred many employers from putting workers forward for an apprenticeship.

Employers have expressed concerns that although many workers would benefit from additional training, they would be unlikely to achieve a full apprenticeship award. Also, given that many staff leave within the first year of employment, significant costs would be borne by employers where apprenticeships were not completed before a staff member left.

Q5. From a workforce perspective, what do you want to see in the green paper on care for older adults?

The Green Paper provides an exciting opportunity to reconfigure how people receive support to remain at home, but this will only be achieved if appropriate resources are made available.

The shortage of sufficient workers in the homecare sector is a major inhibiting factor to the availability of high quality, sustainable services in the sector. We wish to see a Green Paper include expectations and aspirations for a robust independent and voluntary sector able to offer terms and conditions of employment which reflect the value and importance of social care work. This will require sufficient funding for social care within national and local budgets and that councils who purchase social care pay appropriate and sustainable rates to providers.

We recognise there is no simple solution to the overall funding differences and hope that the Green Paper will address this, but changes to the status and employment conditions could be brought about relatively quickly with the right attention and resourcing and without any major structural reform.

We should, for example, be encouraging people reaching their 60s to join the social care workforce (perhaps through pension or tax incentives) as they often have knowledge and skill in caring for others as well as extensive life experience and maturity of approach.

A high proportion of staff employed in social care come from outside the UK. It is vitally important that the Government develops migration policies that allow optimal and sustainable recruitment of staff in the social care sector. UKHCA and other professional bodies have stressed this to government

The CLG Committee's recent report on Housing for Older People ⁶ recommends that the wider availability of housing advice and information should be central to the Government strategy and the existing FirstStop Advice Service should be re-funded by the Government to provide an expanded national telephone advice service.

⁶ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/communities-and-local-government-committee/news-parliament-2017/housing-for-older-people-report-17-19/>

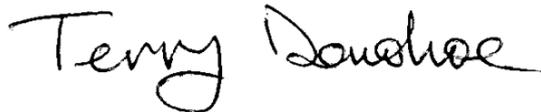
The Committee calls on the Government to recognise the link between homes and health and social care in the forthcoming social care green paper. The Committee also recommends that the National Planning Policy Framework be amended to encourage the development of more housing for older people and that councils identify a target proportion of new housing to be developed for this purpose, as well as publishing a strategy which explains how they intend to meet the housing needs of older people in their area.

UKHCA agrees that appropriate housing is an important factor for the wellbeing of older people and Local Authorities, Housing Associations and private builders should be incentivised to ensure adequate provision for ordinary, supported-living and technology-enabled accommodation.

Q6. What were your impressions of the draft Health Education England health and care strategy?

The UKHCA considers that the strategy is insufficient for the needs of social care, but we agree with NAO that HEE does not have lead responsibility in this area, which lies with the Department of Health and Social Care.

Yours sincerely,

A handwritten signature in black ink that reads "Terry Donohoe". The signature is written in a cursive style with a large, looped 'T' and 'D'.

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