

HSC Reform  
DHSSPS  
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Stormont Estate  
Belfast, BT4 3SQ

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**Health and Social Care: Reform and Transformation**

Dear Sirs,

Thank you for the opportunity to respond to the above consultation, which I have the pleasure to do on behalf of the United Kingdom Homecare Association (UKHCA), which is the professional association for providers of care at home, including nursing care.

UKHCA believe that the independent and voluntary homecare sector in Northern Ireland is underfunded, more so than any other region in the UK, and that the provision of health and social care in Northern Ireland is in need of reform. We therefore welcome the Minister's intention to instigate meaningful transformation and implement a number of Sir Liam Donaldson's recommendations.

We have taken the opportunity in this consultation response to reply to each question raised and offer our thoughts about the future of homecare provision in Northern Ireland, and how it plays a crucial role within the whole health and social care sector.

If you have any questions in relation to the points raised in this response please don't hesitate to contact me.

Yours sincerely,

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i. **Less red tape**

**1. Do you agree that there is too much complexity in the current system and that it is not working to its optimum capacity?**

Yes. Northern Ireland's health and social care system is integrated only in terms of commissioning; structural integration is not necessarily experienced by people who use services or people who deliver services.

It is also clear that the health and social care sector in Northern Ireland is underfunded. This is due in part to inefficiencies related to the structure of health and social care provision in Northern Ireland.

Sir Liam Donaldson noted in his report on the quality of care provision in Northern Ireland, that:

"A striking feature of care in Northern Ireland is the wide distribution of hospital-type facilities outside the major city, Belfast, some serving relatively small populations by United Kingdom standards."<sup>1</sup>

Transforming Your Care recommended that 'home should be the hub of care'. This has not been realised. There appears to have been too greater investment on inpatient units and statutory residential care homes at the expense of community care and homecare.

A key cause of this inefficiency is related to resource allocation, insufficient funding for the homecare sector has impacted negatively upon the supply of homecare services, as recruitment and retention of careworkers has become more difficult, while some providers have chosen to exit the market entirely. This has placed undue demand on acute healthcare settings and the statutory residential sector.

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<sup>1</sup> Donaldson, L. *The Right Time, The Right Place*, December 2014. Available at: <https://www.dhsspsni.gov.uk/topics/health-policy/donaldson-report>

ii. **More responsive to innovation**

**2. Do you share the Minister's view that the system needs to be better at enabling and supporting innovation?**

Yes. In its current form the health and social care sector in Northern Ireland does not promote innovation effectively.

The capacity to innovate depends upon commissioning arrangements, as such it is the responsibility of the Health and Social Care Trusts to facilitate innovation and engage with providers to find economically efficient and effective ways of working.

Historically there has been too greater a reliance on 'time and task' based commissioning of homecare services, visits of less than fifteen minutes and very prescriptive contract conditions. This limits a provider's ability to work innovatively to meet needs and support people to achieve their desired outcomes.

There is also a strong case for investing in new models of care; particularly those that support integrated working, timely discharge from hospital and personal autonomy for people who use services.

We would encourage greater investment in and attention to:

- Reablement and mechanisms to assure timely, safe and effective discharges from hospital to home;
- A continued focus on self-directed support and person centred care; and
- Investment in supporting people with more acute needs to live well at home, including palliative care at home where appropriate.

A lack of funding for the independent sector has also limited provider's ability to work innovatively, as their margins are too narrow to commit to capital investments.<sup>2</sup>

UKHCA have calculated that in the financial year the homecare sector in Northern Ireland will run at a deficit of £70 million. Market conditions like this are clearly not conducive to innovation.

### **3. Would reduced bureaucracy in terms of HSC structures allow the system to respond more quickly to changing demands?**

Partially. The ability of the system to respond depends upon the capacity of the whole health and social care economy.

Long-term demand forecasts show that pressure on health and social care services will increase, driven primarily by demography. The DHSSPS and the Trusts must consider long term demand and supply when developing future structures and care delivery mechanisms.

However there are also short term and seasonal pressures to consider. Extra demand side pressures over winter have resulted in increasing waiting times in A&E and increasing rates of delayed transfers of care from acute settings into the community.

This is indicative of an insufficient supply of services, and results in inefficiencies, particularly in-terms of unnecessary costs for the acute, statutory health service. UKHCA believes that in the case of homecare services, capacity is limited by:

- Difficulties with recruitment and retention of careworkers;
- Low rates paid by the Trusts for services; and

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<sup>2</sup> Please see, UKHCA, *The Homecare Deficit: A report on the funding of older people's homecare across the UK*. Available at: <http://www.ukhca.co.uk/downloads.aspx?ID=458>

- The introduction of the National Living Wage not being properly accounted for by commissioners of homecare services.

UKHCA believe that the most effective means for the health and social care sector to respond to long term changes in demand and cyclical changes in demand is to invest in a greater supply of community care services, to meet the actual and potential need of the population.

### iii. **Accountability and performance management**

#### **4. Will bringing performance management into the department improve lines of accountability?**

Partially. The success of this measure will be entirely dependent upon the metrics used by the DHSSPS and the outcomes the DHSSPS sets for the Trusts.

UKHCA believe that key accountabilities that the Trusts should be responsible for include:

- Achieving and maintaining market stability;
- Setting fee rates for services that are sustainable and allow providers to pay careworkers at and above National Living Wage rates; and
- Planning and commissioning services that are of high quality, and of sufficient capacity to meet the needs of their population. This means that Trusts must work to foster a diverse and sustainable independent care market that works co-operatively with the statutory health sector to achieve the best outcomes for the population.

It is key that any departmental oversight of Trust performance includes a robust market oversight regime, which ensures that the supply and provision of care is sustainable and the market remains viable and diverse.

iv. **Commissioning and planning**

**5. The Donaldson report and the Department's Review of Commissioning both concluded that a full, competitive commissioning process is too transactional for an area as small as Northern Ireland. Do you agree?**

Partially. UKHCA agree with Sir Liam Donaldson that the commissioning system in Northern Ireland is:

“Currently tightly centrally controlled and based on a crude method of resource allocation.”

We believe that a commissioning process that prescribes very low fee rates for care will limit the supply of social care and people's access to it.

Currently the price paid for homecare in Northern Ireland is the lowest of any region in the UK. Research conducted by UKHCA found that the average rate paid for homecare by the Health and Social Care Trusts was £11.35 per hour.<sup>3</sup> While we recognise that some Trusts have implemented uplifts since publication and that the Minister's recent announcement of £1.6 million additional funding represents a blanket increase of 2% in fee rates in all Trust areas, the price paid for homecare in Northern Ireland remains very low.

UKHCA have calculated that the minimum price for homecare when the National Living Wage is introduced in April 2016 will be £16.70 per hour.<sup>4</sup>

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<sup>3</sup> UKHCA, *The Homecare Deficit: A report on the funding of older people's homecare across the UK*, March 2014. Available at: <http://www.ukhca.co.uk/downloads.aspx?ID=458>

<sup>4</sup> UKHCA, *A Minimum Price for Homecare V 3.1*. November 2015. Available at: <http://www.ukhca.co.uk/downloads.aspx?ID=434>

We do not believe that a competitive commissioning process is too transactional, but rather that current commissioning arrangements set unviable, low fee rates for service providers.

We also understand that consideration is being given to the idea of introducing one regional rate for homecare services in Northern Ireland, we do not believe that this would be appropriate. Operational costs, particularly labour costs, are subject to great variation across the province. There is a particular disparity in operating costs for homecare providers between urban and rural settings. To set one rate would disadvantage providers in certain locations, and therefore introduce regional inequalities and impact upon the relative quality of service provision.

**6. Do you agree that Trusts are best placed to assess local needs and should therefore have a greater level of responsibility and autonomy for planning services in their area?**

Yes. However there is a need for improved regional data collection, namely around population needs, supply of service and the capacity of the homecare market.

There is a particular lack of data around the independent adult social care sector workforce in Northern Ireland.

We believe that the Trusts should be accountable to the DHSSPS for ensuring that there is a sufficient and sustainable supply of all health and care services in their region, and for planning provision according to the needs of the population.

v. **New structures**

**7. Do you agree that these are the right structural changes to make to streamline and simplify the Health and Social Care system?**

We believe that the suggested structural changes and reforms offer a framework to transform health and social care in Northern Ireland for the benefit of the population.

We look forward to working closely with colleagues from the DHSSPS, HSCB, Trusts and other stakeholders to implement these much needed reforms.