

Report to: Adult Social Care and Community Safety Scrutiny Committee

Date of meeting: 14 September 2017

By: Director of Adult Social Care and Health

Title: Market Capacity Report – Home Care and Nursing Care Homes

Purpose: To provide an update on capacity of home care providers and nursing care homes within East Sussex

RECOMMENDATIONS

The committee is recommended to:

1. Consider and comment on the capacity issues within the independent home care and nursing home sectors in East Sussex
 2. Consider and comment on the Department's plan to mitigate the pressures caused by the capacity issues
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1. Background

1.1. Nursing and Residential Care

- 1.1.1. There are 6,402 care home beds in East Sussex: 3,441 residential care and 2,961 nursing care. The existing market provision in East Sussex is running at occupancy levels of over 90%. High percentage occupancy can cause inflexibility, and the inability or unwillingness of market provision to manage more complex and staff-intensive cases. Higher levels of occupancy in areas where the level of supply is comparatively low, such as High Weald, Lewes and Havens (HWLH) exacerbates existing market inadequacy.
- 1.1.2. Market capacity issues increase pressure across the whole health and social care system and impacts on our ability to facilitate timely discharge from hospital. There is particular concern around nursing and dementia care beds, where demand continues to increase and the cost pressures facing the market continue. In addition, when care homes are suspended as a result of CQC warning notices, the number of beds available reduces. Land values are generally high across the county, which militates against easy development of new residential and nursing care facilities.
- 1.1.3. In 2016/17 the market experienced a number of home closures which adversely affected capacity; four Nursing Homes and six Residential Homes closed in the period resulting in a loss of 129 and 111 beds respectively.
- 1.1.4. Of the full quota of vacant beds in East Sussex in June 2017, about 40% (180 out of 432) are with providers that do not accept placements from ESCC due to cost, or will only accept ESCC funding where substantial top ups are paid by residents or their families. Details of existing residential and nursing care capacity in East Sussex are included in Appendix 1.

1.2. Home Care

- 1.2.1. The council purchases in the region of 18,500 hours of home care across the county per week. The requirement is split across 65 providers (two Lead Providers and 63 Approved Providers). It became clear during 2016 that significant issues existed within the home care marketplace in East Sussex, which reflects the national position. There is a particular challenge with capacity and responsiveness in the Eastbourne, Seaford and Havens and Lewes areas, which were having a significant impact on the wider health and social care system. Capacity to provide sufficient service levels at weekends, during holiday periods and in geographically remote areas proves to be a continuing issue.

2. Impact on Delivery

- 2.1. The capacity issues across both the nursing and dementia bed market, and the domiciliary care market, are resulting in on-going delays in discharge from acute services and from other services, such as community hospitals and Joint Community Rehabilitation. The need to ensure client choice will also impact on delays as available capacity may not be in the preferred areas for individuals or their relatives. The market's appetite to accept more complex care packages has also been diluted as providers will rather choose clients with lower levels of need as these are easier to service and more profitable. Whilst the council has been able to maintain an adherence to published rates, the ability to leverage access to increased capacity is challenging.

3. Market Management

3.1. Nursing Care

- 3.1.1. Local Authority fees for Nursing Home beds were, following a number of years of small increases, raised by 8% from April 2017 in response to reported cost pressures from the market, which is part of a national trend. A significant risk of reduced capacity was identified but as a result of the increase capacity levels have remained consistent in the Local Authority's access to nursing beds.
- 3.1.2. A project, Care Home Plus, has been launched with the purpose to procure a number of block contracted beds within residential establishments. The intention is for clients with no nursing requirement but with significant mobility issues, who would otherwise go to a Nursing Home due to their high levels of need, are placed in residential units at enhanced rates. The additional funding enables higher staffing levels to meet the additional need. This will contribute to alleviating demand for nursing beds.
- 3.1.3. The Department has also procured a further 20 block contracted nursing beds to be used as interim placements for hospital discharge. This enables the client's longer term care requirements to be arranged whilst reducing discharge delays at hospital. The beds are funded at an enhanced rate and this has resulted in the market releasing this capacity from stock usually reserved for self-funding clients.

3.2. Home Care

- 3.2.1. A Supplier Relationship Programme has been implemented with the primary purpose of improving working relationships, understanding the factors contributing to capacity issues and adopting a collaborative approach to resolving issues.
- 3.2.2. It was identified that capacity issues, due to an inability to recruit and retain, were caused by predominantly:

- Levels of pay and terms and conditions for carers
- Poor perception of the domiciliary care industry in the national press
- Perception of zero hour contracts
- Increased responsibilities of carers
- Competition from private only agencies able to pay carers higher hourly rates
- Lack of career structure and progression
- Travel making the carer role unattractive

3.3. Supplier Management Programme: Home Care

3.3.1. The Supplier Management Programme identified three immediate areas of remedial action aimed at improving the offer to providers:

- An increase to hourly rates to better reward carers and make the role more attractive in a competitive marketplace
- A move from a minimum call time
- Payment against planned hours to enable a more consistent salary payment to care staff.

3.3.2. Following a number of years of small uplifts, substantial increases (up to 16.99%) to hourly rates took effect from April 2017. The starting point for hourly rates was to attempt to meet the UK Home Care Association recommended minimum hourly rate (£16.50 per hour). Additionally the fee structure was rationalised to three rates across the county to reduce back office costs for the council and providers and details are included in Appendix 2.

3.3.3. Agreement was also reached to pay a minimum call time of 24 minutes enabling improved remuneration for carers delivering short calls and following national guidance with regards to 15 minute calls.

3.3.4. The recommendation to pay providers on a planned hours basis was eventually rejected on the basis that 95% of planned care is delivered and therefore the impact of paying against planned care would have limited impact.

3.3.5. The key providers have passed the majority of the fee increase awarded on to staff base salary which now stands between £9.00 and £10.00 per hour, making the public sector more competitive when compared to private-only agencies and supermarkets.

3.3.6. With a safer financial position, a wider variety of employment contracts are being offered by the majority of the providers with guaranteed hours. Some providers are currently investigating the possibility of paying on a shift basis, potentially making the role more attractive.

3.3.7. Since the fee increases in April 2017, and an improved employment offer, all providers are stating a net gain in terms of staff numbers available hours. From March to June this year the shortfall in home care capacity fell from 908 hours to 304 hours.

4. Next Steps

4.1. Nursing and Residential

- 4.1.1. Although there will continue to be a significant requirement for residential and nursing home care, given the needs of the local population, work continues through East Sussex Better Together (ESBT) to develop alternatives to bedded care. This will focus on enhancing the offer which supports people in their own homes, including Disabled Facilities Grants, Integrated Community Equipment Services, Technology Enabled Care Services and increased community and primary health care services.
- 4.1.2. Work is also being undertaken through ESBT on the establishment of an accommodation and bedded care strategy which will model the future level of care required across the whole system, from acute care to supported accommodation. This will then be aligned to work being undertaken through SPACES and the councils estates strategy to increase capacity, where required. This work incorporates the development of longer term plans, in partnership with Borough and District Councils, on general needs housing for older people, alongside increased extra care and supported housing models.
- 4.1.3. From November 2017, a new Market Support Team will be established, from existing resources, to support providers to improve the quality and business sustainability of their service in order to improve outcomes for adults receiving care and support in East Sussex.

4.2. Home Care

- 4.2.1. Further joint work is planned with key suppliers within the home care market. This will focus on finding solutions to the remaining challenges:
 - where clients require two carers to provide support
 - where services are required urgently and this is a particular challenge for providers at weekends
 - where capacity issues remain in remote and rural areas.

5. Conclusion and reasons for recommendations

- 5.1 The Scrutiny Committee is recommended to consider the challenges posed by the capacity issues in these two key areas of care provision, and comment on the plans to mitigate these.

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LOCAL MEMBERS

All

BACKGROUND DOCUMENTS

None