

SOCIAL & HEALTH CARE OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Thursday 5 th October, 2017
Report Subject	Care Sector update to include top up fees and Invest to Save Care Sector Support
Cabinet Member	Cabinet Member for Social Services
Report Author	Chief Officer for Social Services
Type of Report	Strategic

EXECUTIVE SUMMARY

This report examines the changes taking place within the care sector in Wales and England, and the challenges we are facing in Flintshire including the increase in third party top up fees charged by independent sector providers.

The report explores the role Flintshire is playing in cultivating a collaborative approach to finding creative solutions to these challenges with Welsh Government and key partners.

The report incorporates the work undertaken to research best practices and the proposals to support the sector in the short, medium and long term.

This report is written with the intent of being a platform to develop solutions with providers, partners and the Welsh Government to maintain market stability.

RECOMMENDATIONS

1	The Committee accept the report and recognise the immediate and longer-term challenges faced in Flintshire.
2	The Committee supports the short, medium and long-term initiatives to support the care sector in Flintshire.
3	The Committee supports the need for national reform in the funding of the social care sector in Wales, and endorses the position to continue to engage with Welsh Government to develop solutions as a matter of urgency.

REPORT DETAILS

1.00	THE STRATEGIC REVIEW OF THE INDEPENDENT CARE SECTOR IN FLINTSHIRE AND THE CURRENT SITUATION IN RELATION TO THIRD PARTY TOP-UP FEES
1.01	Social Services are delivered within a context of rapidly changing social and demographic trends which are increasing demand on the service at a time of unprecedented budget pressures.
1.02	The whole sector is experiencing challenges and this is particularly apparent in the independent provider market where providers of domiciliary, residential and nursing care for older people in particular, are finding the current market challenging.
1.03	One of the symptoms of this change in the market is the increased prevalence of Third Party Top-Up Fees within the independent care home sector. The fees north Wales's local authorities pay for their funded beds, in residential and nursing care, are reviewed annually through a regional fee setting group. This group identifies a fair price for care using industry standard models and makes adjustments for the north Wales market. This work is the basis of the rate Flintshire pays for care beds paid for by the authority. However, some homes may choose to ask family to contribute to a top-up fee for their relatives and this is known as a 3 rd Party Top-Up Fee. Please note: this does not apply to individuals who fund their own care – known as 'self-funders'.
1.04	In Flintshire we are aware of 11 care home providers who charge top up fees and these range in price from £16.50 per week to £60.00 per week, depending on the home.
1.05	The care sector market in Wales and across the UK remains fragile and the Flintshire Residential Care Review, published in 2016, identified that Flintshire's older population (+80) is predicted to rise by 23% between 2015 and 2020 with the number of older people with significant health and social care needs predicted to rise by 22% during the same period.
1.06	In response to that report, and as part of the local authority's commitment to support the local sector, Flintshire County Council agreed to fund a 12 month Planning and Development Officer post to investigate the key factors influencing the fragility of the sector and to create a plan of work to address these factors.
1.07	As part of this work, research has been undertaken into the potential growth of the independent sector over the coming 5 years and the predicted demand on beds. By 2022 it is predicted that Flintshire will have a shortfall of 102 Residential EMI beds. (This figure takes into account additional beds gained from Extra Care developments.)
1.08	A significant piece of the work undertaken by the dedicated Invest to Save development work has been to research good practice models of care across the UK and wider.

1.09	<p>This research has resulted in 3 key workstreams:</p> <p><u>Establishment of a Steering Group</u></p> <p>Attended by representatives from the:</p> <ul style="list-style-type: none"> a. Care Home and Domiciliary Independent Providers b. In-House Care Home and Domiciliary Services c. Flintshire IT Services d. Contract Monitoring and Commissioning e. Workforce Development f. Job Centre Plus g. Flintshire Local Voluntary Council (FLVC)
1.10	<p><u>Delivery of Business Diagnostic Service</u></p> <p>Osterly Associates (an independent business support agency specialising in social and community care) were approached to deliver a business diagnostic service to the independent care home providers. The agency has strong links with Business Wales and is able to assist businesses to obtain additional appropriate support and funding.</p> <p>All 24 independent care homes in Flintshire were offered the free Business Diagnostic Service and 18 took up the offer.</p> <p>The homes engaged in the project met with a qualified business adviser and discussed a series of topics, the outcomes from these discussions were two-fold:</p> <ul style="list-style-type: none"> a. Business Owners/Managers were provided with an insight into their business, its pressure points and actions that could be taken to alleviate these (this information is commercially sensitive and confidential to the business). b. To provide Flintshire County Council with a report (appendix 1) on the key actions required to support the sustainability of these businesses over the coming years. The 5 key actions identified were: <ul style="list-style-type: none"> i. Environment and Energy ii. Procurement and Assets iii. Training iv. Financial Viability v. Recruitment and Retention <p>Each home who participated in the project has also been offered continuous business support from a Business Wales Growth Coach.</p>
1.11	<p><u>Marketing and Recruitment Campaign</u></p> <p>This is a large piece of work, raised as a priority by providers. It includes the development of an Internet Portal attached to the Flintshire County Council website and acting as the hub for local marketing and recruitment campaigns. The portal will also raise the profile of care and an employment of choice and will have a secure area where providers and the local authority can communicate together and share information and resources.</p>

	This work will shape the developing North Wales Workforce Strategy, which is currently in its infancy.
1.12	A sort, medium and long-term work programme has now been written (appendix 2) and summarises the findings from the research and the development work currently undertaken.
1.13	A key activity within the work programme is the continued engagement with Welsh Government to develop solutions to the crisis in this sector as a matter of urgency. The support needed by local authorities and independent providers is being highlighted (appendix 3) and it is our intention to work with Welsh Government to ask that they give consideration to the pressing concerns raised.
1.14	It is the intention that the work identified in the work programme is undertaken by the Planning and Development Team within Social Services, working in partnership with key organisations to bring about lasting change within the sector and build sustainability and growth.

2.00	RESOURCE IMPLICATIONS
2.01	The development and implement of the short, medium and long-term initiatives identified will require further work in the Planning and Development team, which will be managed from existing resources.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	This piece of work has sought and received input and feedback from a variety of sources including staff, management and professionals from independent and in-house care homes, BCUHB, Care Forum Wales, CSSIW and Welsh Government and many local authorities and leading agencies across the UK.
3.02	A series of open meetings have been held with both residential and domiciliary providers from the independent sector to discuss the pressures faced by the sector.
3.03	Monthly Steering Group meetings have been held (as detailed above) to prioritise the work of the project and identify the short, medium and long-term initiatives to support the sector.

4.00	RISK MANAGEMENT
4.01	The risks of inaction for the care sector in Wales and England is potential critical. By acting responsibly, Flintshire is seeking to mitigate the implications of failures in the sector and protect and ultimately develop the provision.

5.00	APPENDICES
5.01	Appendix 1 – Osterly Associates Care Home Intervention Report Appendix 2 – Short, Medium and Long-Term Priorities

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Contact Officer: Jane Davies, Senior Manager Safeguarding and Commissioning Telephone: 01352 702503 E-mail: jane.m.davies@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	<u>EMI</u> Elderly Mentally Infirm – the care of elderly people who suffer mental ill-health, for example those who suffer from Dementia.
7.02	<u>Flintshire Local Voluntary Council (FLVC)</u> Flintshire Local Voluntary Council is the umbrella and support organisation for over 1200 voluntary and community groups based in Flintshire.