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The Future of Social Care?

Home care in context



- Around 17,300 organisations involved in the delivery of adult social care.
- 39,000 different establishments
- 1.52 million jobs in adult social care
- Growth of 15%+ since 2009 but further growth correlated to the growth in older people

By sector?



- The private sector now employs over 900,000
- Voluntary sector employs just over a fifth of all workers
- Less than 1 in 10 workers employed by 'the state'



By job role

- 38% are employed in domiciliary care settings but again set to rise.
- 75% working in a direct-care providing role.
- 52% are considered to be full-time
- 36% part-time role
- A quarter on zero hour contracts (over 300,000 as a minimum

Outcomes of the model?



- Low skills – private sector investment is limited – use of zero hours contracts and disincentive to invest
- High market ‘churn’ of workforce – 25% at least
- 56% holds a recognised
- 43% have no relevant qualifications recorded.
- most populated areas of training were Moving and Handling (70%) and Safeguarding Adults (64%)

Is the current model of outsourced Home Care Sustainable?



Age group	Numbers by mid-2012	Numbers by mid-2032	Percentage change	2011 census
0-14	9,332,300	10,399,600	11	9,386,200
15-64	34,697,300	37,182,000	7	34,991,400
65-84	7,812,500	10,896,600	39	7,536,300
85+	1,264,400	2,609,700	106	1,193,300
Overall population	53,106,500	61,087,900	15	53,107,200



What this tells us

- Not just older population but in need of more complex care packages
- The treatment and care of people with long-term conditions accounted for 70% of the total health and social care spend in England in 2010
- Large increases in the number of older people with long-term conditions will create significant extra costs



Sellers market?

- What we know of markets?
 - Lack of competition drives up prices
- ‘Competitive pricing is setting the price of a product or service based on what the competition is charging’*

But...competition in social care is limited by unmet demand

Markets are predicated on profit



- Nothing wrong with that in itself but...
- Little left in Social Care 'pot'
- Invites providers to leave the market

Prices push up as capacity decreases

- Economist would argue new entrants to increase supply
- But limited response as providers continue to leave

Home Care..



- Vision for integration of health and social care but ...
- Spot purchase contracts
- Poor quality services
- Recruitment and training investment at chronic levels
- We can only improve if we are in command of the service!

Is in-house viable?



Insourcing: 



A guide to bringing local authority services back in-house

A diagram illustrating the concept of insourcing. It features a central purple rounded square with a white border. Inside and around this square are several arrows: a large purple arrow pointing down from the top, a smaller purple arrow pointing down from the top right, a green arrow pointing left from the left side, a green arrow pointing right from the bottom left, a large green arrow pointing up from the bottom, and a purple arrow pointing right from the right side. The arrows are semi-transparent and overlap each other and the central square.

Insourcing update:

The value of returning local authority services in-house in an era of budget constraints

June 2011
Report by APSE for UNISON

The UNISON logo consists of the word "UNISON" in a bold, sans-serif font, with a stylized wave-like graphic above the letters "I" and "S". Below it, the tagline "the public service union" is written in a smaller, lowercase font.

What could an in-house model deliver?



- Training and skills
- Retention of the workforce
- Quality of care packages
- Working to reduce dependency (why would effective reablement be a goal for the private sector?)
- Creating market capacity to generate price competition?

Integration: Not just home care... across all workforce and service areas



- Low level support – domestic cleaning, dog walking, shopping – chargeable outside of care assessment?
- Cross subsidy? Charges to support remainder of care costs?
- CCG funding for leisure activities, Lottery funding for parks?
- New residential offering – mix of private residents and those with care costs being met

Funding?



Cost comparators:

- Private cost comparators are under-stated - the local authority picks up the costs of overheads, back office, liability and risk issues, governance and contract management
- Public sector 'costs' – carry overheads of management, and client management because of the mixed economy of delivery
- Agile / multi-skilled working will not be possible with bargain basement terms and conditions or zero hours contracts but.. Is it affordable? Can we carry the burden to secure capacity?

And the small matter of the General Election



Post General Election?



- White paper on Social Care
- The 'dementia tax' kicked into long grass?
- Cross party consensus?

Options?



- Inheritance tax?
- Hypothecated tax (National Insurance)
- Better care fund?
- Intergenerational fairness?
- Triple lock on pensions?
- Income tax increase
- Combination of income tax and NI?
- Reform of local government finance

Discuss!



LOCAL SERVICES

LOCAL SOLUTIONS



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