Women's Budget Group

Social Care for the elderly in England

A briefing from the UK Women's Budget Group

"The scale of reductions in spending and provision are almost certainly without precedent in the history of adult social care"[1]

Social care provision is a necessity not an option for a civilised society; people lead lives of isolation and misery if their needs for social care are not met.

Change is urgent. If nothing is done, by 2020, the end of this government's term, there will be an estimated £4.3billion shortfall in social care funding in England[1].

The majority of care recipients are older women[1], many living on reduced incomes as a result of having spent their own working lives caring for others. Most of those employed in care are women, as are the majority of those who provide care unpaid for their families. Finding a better way to fund and provide social care is therefore of vital importance to women.

This briefing note outlines the issues and challenges that need to be faced in doing so, outlines a comprehensive solution and suggests some first steps that the new government could take in this direction. Social Care is devolved to national governments and this briefing focuses on social provision in England.

Issues and Challenges in Social Care

The demand for social care, publicly supported care services, has been increasing over many decades for a number of reasons:

i) With life expectancy increasing faster than the number of years for which we can expect to be able to look after ourselves unaided, more people are needing care in the later stages of their life;

ii) Increasing income inequality has left more people unable to fund their own care;

iii) Women, the traditionally providers of unpaid care within the family, are increasingly in employment and while at work, other forms of care are needed

Although state spending on social care rose in England in real terms until the mid-2000s, it did not rise fast enough to meet the increasing demand[1]. The exchequer gained revenue from the increasing numbers of women in employment but only a portion of it was invested in funding social care services. Much of it was used to reduce taxes, so that income tax rates are much lower now than when more women were at home available to care full time.

Instead of increasing funding to meet rising demand, successive governments have tried to reduce social care costs by outsourcing it to the private sector, despite evidence that using competition to keep costs under control at a time of rising need has a

[1] Caring Choices 2008 The future of care funding The King's Fund

negative impact on the quality of care provided and on the conditions of the workforce[2].

Already in 2006, there was significant unmet need and variation in standards of provision across England, and further rises in costs and demand were predicted[3]. But rather than being increased, funding for social care has fallen massively in real terms. Public expenditure on most *services* for older people was already falling by the time of the financial crash, and fell much faster after that, despite needs continuing to increase[4].

Care recipients

- The people most likely to need social care services are the elderly, and older women tend to have more needs than men of the same age[5]. Women are more likely to suffer from dementia and long-term conditions like osteoarthritis and rheumatoid arthritis[6]. 68% of service users over 65 are women[7]
- Nearly 400,000 fewer older people are receiving social care than in 2005/6 despite increased need[8]. In 2012/13, it was estimated that 39% fewer older clients were receiving social care than if service levels had remained at 2005/6 levels[9]
- The 2012 Health Survey found that one third of women and one fifth of men over 65 had unmet needs.

Unpaid informal carers

- The majority (58%) of the 5 million informal carers in England, particularly those who give up employment to care full time, are women[10].
- Most people receive care from unpaid informal carers, with increased numbers of these caring for more than 20 hours per week[11]
- The proposed £12 billion in cuts to the welfare bill will undoubtedly impact negatively on carers financially and make it harder for them to provide care

Paid care workers

- The vast majority(82%) of the nearly 1½ million social care employees are also women, with low pay in social care a significant contributor to the gender pay gap[12]
- 76% of them are employed by private or voluntary sector organisations, and 9% directly by care recipients[13]
- Officially nearly half of those working in adult domiciliary care (49%) are on a zero hour contract[14], but employee surveys have found even higher proportions(88%

[2] Fotaki, M., Ruane, S. and Leys, C.(2013) The future of the NHS? Lessons from the market in social care in England, CHPI
[3] Wanless P.2006 Securing good care for older-people: taking a long-term view The King's Fund
[4] Fernandez, J-L., Snell, T. and Wistow, G. 2013 Changes in the patterns of social care provision in England: 2005/6 to 2012/3, PSSRU
[5] National Audit Office 2014 Adult social care in England: overview
[6] ADASS 2015 Distinctive, Valued, Personal: Why Social Care Matters - The Next Five Years
[7] Department of Health. 2013 Landmark reform to help elderly with care costs
[8] Age UK 2015 The Budget 2015 – Age UK Reaction
[9] Fernandez, J-L., Snell, T. and Wistow, G. 2013 Changes in the patterns of social care provision in England: 2005/6 to 2012/3, PSSRU
[10] Carers Trust Key facts about carers
[11] Health and Social Care Information Centre 2013 Health Survey for England – 2012
[12] Skills for Care 2015 The state of the adult social care sector and workforce report in England: 2014,
[13].Skills for Care 2014 Size and Structure of the Adult Social Care Sector and Workforce in England,
[14] Skills for Care 2015 The state of the adult social care sector and workforce report in England: 2014,

in one large scale survey[15]); in some cases they are paid less than the minimum wage, because not all time they spend at work is counted (e.g. time spent waiting, travelling between clients, or over that allocated for a shift)[16] One study estimated that between 150,000 and 220,000 care workers were being paid below the minimum wage in 2011[17].

Employers

- Cannot raise prices, so compete by lowering wages, employing less trained workers and providing short visits, some as little as 15 minutes, reducing standards of care[18].
- Employers say they are paid for services at rates too low to allow them to pay their workers adequately and have severe recruitment and retention problems as a result[19]

Local authorities

- Faced a 26% cut in their overall government grant in 2010 and a further 10% cut in 2015/16[20]
- Implemented an average 15% cut in funding for elder care, with spending on residential care cut by 12% and on home and day care by 23% between 2009/10 and 2012/3[21]
- This was despite numbers assessed as needing care rose by 14%, so amounts to a 26% cut in funding per person[22]
- Raised the threshold for receiving public support for social care so that while in 2005/6 nearly half of councils considered people with 'moderate' needs eligible for support, by 2013/4 only 13% did[23]

Central government

- Plans to implement further cuts in spending on social services (£13 billion) and on benefits (£12 billion)
- Has said it will integrate health and social care provision, which is much needed to stop inefficient cost shifting and to co-ordinate better joined-up services
- However, integration is being challenged by cuts to adult social care budgets. Poor resourcing will result in shifting costs onto NHS services, undermining the government's "protection" of health spending.

What is needed to tackle these issues?

The WBG has produced Plan F, a policy to make the economy work for women by investing in social infrastructure. An important component of that policy would be substantial financial investment in social care to:

[15] IPC Market Analysis Centre 2012 Where the heart is: A review of the older people's home care market in England, Oxford Brookes University
[16] Bessa, I., Forde C., Moore, S. and Stuart, M. 2013 The National Minimum Wage, earnings and hours in the domiciliary care sector University of Leeds
[17] Hussein, S. 2011 'Estimating probabilities and numbers of direct care workers paid under the National Minimum Wage in the UK: A Bayesian approach', *Social Care Workforce Periodical*, 16.
[18] ADASS 2015 Distinctive, Valued, Personal: Why Social Care Matters - The Next Five Years
[19] UKHCA The Homecare Deficit: A report on the funding of older people's homecare across the United Kingdom;
[20] Ismail, S., Thorlby R. and Holder, H. 2014 Quality Watch Focus on: Social Care for Older People, Nuffield Trust
[21] *Ibid*
[22] Local Government Association 2014 Adult Social Care Efficiency Programme: The final report
[23] Age UK 2012 Social Care Eligibility Thresholds Briefing; Department of Health 2013 Draft National Minimum Eligibility Threshold for Adult Care and Support

- Create a fully integrated National Health and Care Service along the lines of the NHS:
    - providing care free for all citizens who need it as a public service;
    - backed by substantial financial investment.
- Ensure better training, pay, employment rights and job security for paid care workers, so that social care:
    - becomes a respected profession with a good career structure for both men and women.
- Enable informal carers to choose whether to care and how to combine it with other fulfilling activities, including worthwhile paid employment, through:
    - Greater support from public services;
    - Increased social security benefits for those whose caring duties impact on their earnings.

The substantially increased revenue needed to fund such an investment in social care could be raised by progressively reversing the cuts in income, wealth and corporation taxes that have squandered the benefits of women's increased employment.

First steps

i) Make sure that integration of health and social care becomes a reality

Improving how services are delivered requires health and social care to be better integrated. The Care Act 2014 places an emphasis on integrated and preventative services; local councils are duty bound to integrate services but they need support and guidance to make this possible[24]. It is essential that the £6 Billion Better Care Fund, designed to deliver integrated services through a pooled budget, is rolled out realistically, recognising the considerable technical, cultural and practical difficulties in such integration[25]. Commissioning boards, commissioning groups and health and wellbeing groups can promote integrated working through a variety of methods designed to promote better patients outcomes. These approaches include: Multi-disciplinary teams, joint working arrangements, joint strategic needs assessment s, improved links between primary care and social care professionals, care pathways which take into account a mix of professionals and a focus on prevention to prevent the NHS picking the shortfall in social care services[26]. These arrangements are time consuming and expensive to implement.

Integrated care involves complex relationships, demands strong leadership, financial interdependencies and joint commissioning. The government needs to adequately fund this transition and commissioners must be engaged with providers and provide incentives for a commitment to the costly and challenging nature of integration[27]. Otherwise, rather than being an opportunity to raise standards of social care, integration will just dilute those of the NHS.

[24] Royal College of Nursing 2014 Integrated health and social care in England: the story so far

[25] Social Care Institute for Excellence 2011 At a glance 45: Social care and clinical commissioning for people with long-term conditions

[26] *ibid*

[27] Kings Fund 2014 Commissioning and contracting for integrated care

ii) Increase funding so that growing social care needs can be met

The reforms presented in the Care Act, implementing the values of personalisation and integration, must be complemented by additional funding to the sector if high quality services are to be the result. Cuts to funding for social care have resulted in additional burdens on unpaid carers and leave people who cannot fund their own care with unmet needs. The government needs to say how it will pay for increasing numbers of people with care needs at all levels, and consider the NHS and social care budgets together. Direct and comprehensive investment is needed from the government and the public must be engaged in the debate about how escalating care costs will be covered in future[28].

Workforce development needs to be adequately funded to meet the requirements of the Care Act. If providers are to be expected to meet the statutory duties and responsibilities outlined in the new legislation, their workforce will need to be skilled up at all levels to be able to provide integrated services and improve safeguarding practices.

iii) Improve procurement practices

Market based procurement in social care commissioning has resulted in a sector that is too based on flexibility and low cost services, with zero-hours contracts, low wages for staff and poor quality services prevalent. The government should enable procurement practices that encourage commissioners to fund services that are likely to meet needs, not simply provide care for only the most vulnerable for the lowest price. A better model would include: commissioning at a local level using pooled budgets for health and social care; looking to voluntary and public sector providers to provide high quality services and set standards, and increased funding to reverse cuts to the sector. Current methods, designed around reducing procurement costs, lack transparency and lead to a reliance on large providers. Social care provision should not be dominated by commercial issue; the Winterbourne View care quality controversy and the recommendations of the Dilnot commission should push the sector to take steps to strengthen accountability, responsibility and regulation.

EU procurement regulations see fair competition as the main way to guarantee benefits for consumers[29]. In the interests of maintaining quality, service commissioners and local government should strike a balance between encouraging competition between providers and giving local commissioners the freedom to procure services that will meet the needs of their communities.

iv) Protect and enhance carers' benefits and recognise the value of unpaid care

Over 6 million people in the UK are classed as carers[30], most are women and the vast majority are not financially compensated for their time. Carers allowance is currently paid at a rate of £62.10 per week to those caring for more than 35 hours a week, provided any earnings are below a very low threshold, and even this sum is taxable and counted as income in relation to some other means tested benefits. Rather than being cut, it is essential that carers allowance is increased to ensure that carers feel valued and do not lose

[28] Nuffield Trust 2012 Reforming social care: options for funding

[29] Kings Fund 2015 Procurement and competition rules: Can the NHS be exempted

[30] Carers UK 2014 Facts about carers 2014

out financially as a result of their decision to care[31].

Carers also need their work complemented by good quality, affordable (or free) social care services, which can help them remain employed and access support for their own needs[32]. Carers should be provided with information about respite services, carers' breaks and help with remaining in employment and encouraged to have a carer's assessment of their own needs for support.

v) Implement the law and challenge the worst practices in zero-hours contracts

Zero hours contracts are prevalent in the care sector, with an estimated 300,000 care workers employed under them[33]. The Small Business, Enterprise and Employment Act 2015, that stops employers from banning employees on zero hours contacts from working elsewhere, does little to promote the rights of workers in precarious employment.

The government should work with employers to design workable solutions to protect workers' rights and then bring in tough new legislation to challenge the terms of zero-hours contracts and protect workers' rights. The TUC recommends the following regulations[34]:

1 Employers must give timely notification of when work will be scheduled or cancelled.
2 Employees that commit to zero hours contracts should be rewarded for the flexibility they afford employers and reimbursed for shifts cancelled at short notice and travel expenses.
3 When workers establish regular hours they should have the right to request a contract that guarantees hours on the same basis.
4 All workers, irrespective of the terms of their contract should have access to employment rules relating to continuity of employment and access to workplace rights.

If employers take better care of their workforce, social care workers will be more able to respond to the needs of clients and adhere to the duties of care outlined in the Care Act.

vi) Further the professionalization of social care

Poor quality care and a transient workforce are key issues in social care. If a new culture in social care is to be achieved and abuses avoided, a well-trained, professionalised workforce, with career paths available to reward and retain well-motivated staff, is essential. Greater professionalization of care work would increase competence, improve morale in the sector and reward good work.

Care work should be recognised as a valuable profession in its own right and also as a 'bridge' into jobs in social work, occupational therapy and nursing[35]. Care staff need to receive comprehensive training, based on best practice in social care work[36]. They should also be encouraged and supported to obtain professional qualifications and have access to career development and progression opportunities.

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[31] Carers UK 2015 State of Caring Survey 2015
[32] *ibid*
[33] Trades Union Congress 2014 Ending the abuse of zero hour contracts: TUC response to BIS consultation
[34] *ibid*
[35] Department of Health 2013 The Cavendish Review
[36] *ibid*

As a first step, the Care Certificate, introduced in March 2015, provides an 'identified set of standards that health and social care workers adhere to in their daily working life'[37]. It aims to restore confidence in the workforce and help employers equip employees with key competencies and knowledge for the role. The certificate also links to National Occupational Standards and can count as units toward other qualifications. The Care certificate is a positive move but more needs to be done, including implementing a Higher Certificate of Fundamental Care advocated by the Department of Health's own 2013 review[38], to create further training opportunities, and a career ladder in which experience and advanced skills lead to the best staff being rewarded and retained in the industry. Care workers also need to have access to funding to enable them to take time off work to pursue qualifications in social care and/or study on one of the small number of further education courses now available in health and social care topics.

[37] Skills for Care 2015 Care Certificate
[38] Department of Health 2013 The Cavendish Review

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