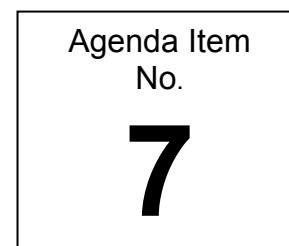


# HERTFORDSHIRE COUNTY COUNCIL

**AUDIT COMMITTEE  
FRIDAY 1 DECEMBER 2017 AT 10.00 AM**

## **HEMOCARE WORKFORCE IN HERTFORDSHIRE**

*Report of the Director of Adult Care Services (ACS)*



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### **1. Purpose of report**

- 1.1 To provide further information regarding the risk and associated controls recorded on the Hertfordshire County Council (HCC) Corporate Risk Register relating to the recruitment of the homecare workforce.
- 1.2 To outline Hertfordshire's approach to mitigating the risks outlined in this report, and the positive steps being taken, in partnership with homecare providers, and Hertfordshire Care Providers association (HCPA) to ensure the County Council is able to support the homecare market, meet demand, and grow the homecare workforce to ensure people who need care and support at home are able to access homecare in a timely way, and so improving outcomes for people and reducing pressure on the wider health and social care system in Hertfordshire

### **2. Summary**

- 2.1 The Audit Committee has requested a report on the above risk [Audit Committee-11 September 2017-Minutes](#), the assessment and rating of this risk and the controls in place to minimise or avoid its occurrence. The Corporate Risk is owned within the Adult Care Services (ACS) Directorate by the Assistant Director, Community Commissioning, and is reviewed quarterly by the Market Resilience and Quality Programme Board within ACS.
- 2.2 The entry in the County Council's Risk Register on 26May 2015 reads;  
*“ If there is a continuing inability to attract the required number of Homecare work force in line with the Adult Care Services Workforce Strategy, there is an increasing risk of non-compliance and a reduction in the ability to provide safe and appropriate care in users own homes which may lead to impacts on their health and wellbeing.”*

A full copy of the entry can be found in Appendix One

### **3. Recommendation**

- 3.1 This report invites Audit Committee to note, comment upon and endorse

the overall approach that the County Council is taking to mitigate the risk and associated controls relating to the recruitment of the homecare workforce in Hertfordshire and to note the actions being taken to improve the recruitment and retention of the homecare workforce in Hertfordshire.

#### **4. Background**

- 4.1 ACS currently commission homecare for approximately 2,600 older people, with a projected spend for 2017/18 of £29,072 M. This equates to an annual total of approximately 1.5 million hours of commissioned homecare for older people.

In recent years there has been growing concern about the stability of the homecare market in the United Kingdom. During 2016 the United Kingdom Homecare Association (UKHCA) carried out an extensive survey to gauge the scale of the issue and concluded that a significant number of providers were considering exiting the local authority homecare market, or were concerned about their future viability. In the 2017 Association of Directors Adult Social Services (ADASS) Autumn Budget Review, 52% of local authorities reported difficulties with sourcing homecare for older people – the County Council is included within this 52%. A link to the full report can be found here <https://www.ukhca.co.uk/downloads.aspx?ID=434>

Demand for support at home is forecast to grow. The population of people aged 85 and over in Hertfordshire is forecast to more than double by 2030 – rising from 28,500 to 67,700 by 2030. In addition to the ageing population, the following factors are also having an impact on the homecare market's ability to recruit the necessary numbers of high quality care staff to meet growing demand in Hertfordshire:

- Ageing workforce – by 2020 one fifth of the care workforce will be over 50 – and is currently 37% in Hertfordshire
- Changing society – older people are no longer living close to families, and are increasingly being cared for by elderly unpaid carers
- High employment levels – with average employment levels of 96% within Hertfordshire, there is an extremely constricted labour market, in which the care sector is having to compete aggressively against other sectors such as retail and catering
- The geography of Hertfordshire is an additional challenge for homecare providers – with pockets of rural areas that are difficult to attract people to work and a dependency on car owners to provide care
- Proximity to London, with higher paid jobs
- Hertfordshire's relative affluence and high cost of housing is a challenge for homecare providers trying to attract workforce from outside of the county to work in Hertfordshire
- Role of the media – in recent years there has been an increase in negative media coverage of care and care staff. There are few positive images of care being seen in the media.

- The impact of self-funders who form a significant cohort in the county; self-funders pay more for homecare services than the local authority - the average weekday hourly rate the County Council pay is £17.88, compared to an estimated average hourly rate of £20 that self-funders pay – this creates tension within the homecare market, with many providers favouring the self-funder market over Local Authority funded provision.
- The impact of Brexit – it is estimated that approximately 16% of the homecare workforce in Hertfordshire is from the EU, and the outcome of the referendum has resulted in a slowing of recruitment from EU countries.

The most important resource in any care service is the workforce. As a result, everything Hertfordshire County Council is striving to achieve, in partnership with our providers, to support older people to live as independently as possible for as long as possible within their own homes, relies on having enough staff with the right attitudes and values, who are committed to providing the highest quality care for vulnerable people in their own homes.

#### 4.2 The homecare workforce in Hertfordshire

- 4.2.1 It is estimated that 10,500 staff are employed in Homecare providers within Hertfordshire, broken down by age group in table 1 below

**Table 1 domiciliary Care workforce breakdown in Hertfordshire (Data from Skills for Care Workforce Estimates 2016/17):**

	Domiciliary care
<b>Total</b>	<b>10,500</b>
<i>Under 25</i>	<i>10%</i>
<i>25 to 54</i>	<i>67%</i>
<i>55 and above</i>	<i>23%</i>

Skills for Care indicate that Eastern region turnover rates have increased steadily, by 4.6 percentage points, between 2012/13 and 2016/17 and that Hertfordshire rates have followed this trend. The figures clearly demonstrate that turnover rates in homecare are far higher than other care sectors (for example residential care) (Table 2 overleaf).

**Table 2 Data from Skills for Care Workforce turnover estimates 2016/17:**

	All services	Domiciliary care
<b>All job roles</b>	<b>29.7%</b>	<b>41.0%</b>
Direct care	35.1%	45.2%
Manager/Supervisor	14.9%	18.8%
Care worker	37.6%	46.8%
Registered manager	21.8%	19.2%

4.2.2 A recent analysis of exit interviews from County Council commissioned homecare providers highlighted three main reasons why people leave the homecare sector:

1. Rates of pay not high enough
2. Too much travel time, with an adverse impact on wear and tear of cars at personal cost
3. Moving to a different sector ie catering or retail

4.2.3 Based on the Skills for Care workforce estimates for Hertfordshire, it is estimated that the homecare workforce will need to increase by 44% by 2030 – this is based on the assumption that the workforce needs to grow proportionately to the number of people aged 75 and over. However in Hertfordshire, we are currently remodelling this figure to reflect more accurately the growth required to meet the ambitions around support at home – and continuing to reduce the numbers of people placed in a residential care home in favour of supporting more people to stay in their own home for longer [ACH Cabinet Panel- 20 May 2015- Support at Home](#)

Table three shows the target estimated net increase within the homecare workforce in Hertfordshire over the next five years. This takes in to account increased need associated with the projected growth of over 75s, as well as the current average 12% vacancy factor. This is the average current vacancy rate within homecare providers in Hertfordshire

**Table Three – Net increase in homecare workforce in Herts**

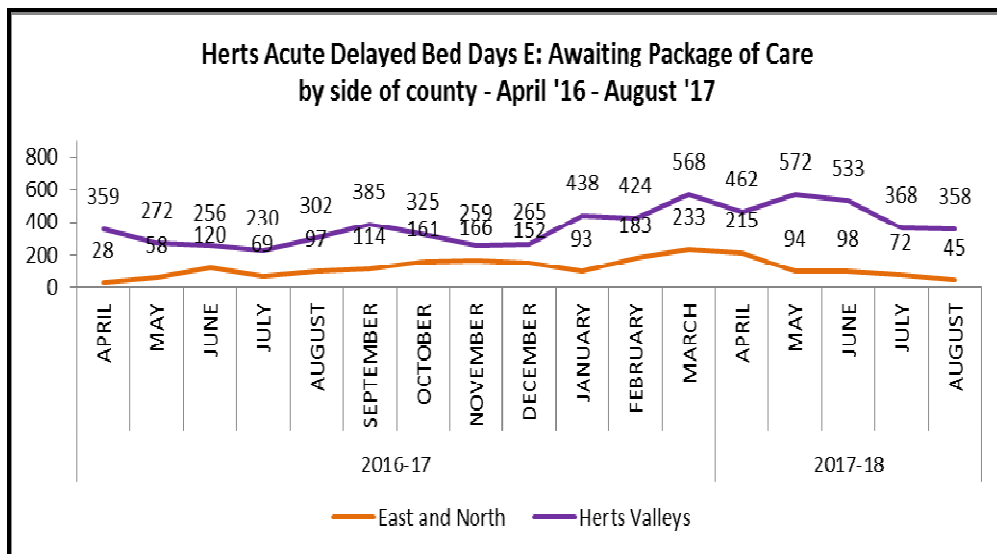
Year	2017	2018	2019	2020	2021
Net increase required	1615	1658	1700	1743	1785

### 4.3 Impact of a shortage of homecare staff in Hertfordshire

4.3.1 As at 1 October 2017, 165 older people were awaiting packages of homecare across the county, with a total number of approximately 2000 hours of care unfilled. In workforce terms, this equates to approximately 200 care staff. These figures do vary across the county, with the Herts Valleys experiencing higher numbers of people awaiting a homecare package. Not all people awaiting a homecare package are within the community (living at home without care) – the majority of people awaiting a homecare package are either in hospital, on another care pathway such as a short stay residential placement or Specialist Care at Home (Hertfordshire’s reablement service) or may already be receiving homecare and need to increase their package of support. In Herts Valleys 40% of people awaiting care are at home without a care package, and in East and North Herts this figure is 20%.

4.3.2 The most publicised impact of homecare shortages are Delayed Transfers of Care (DTCOC’S), most commonly defined by how many hospital “bed days” are lost by people delayed in hospital, when they are medically fit, awaiting a homecare package. Table four details the numbers of bed days lost in the acute hospitals each side of the county since April 2016. The table highlights that there is more pressure on the West (Herts Valleys) of the county, but also demonstrates the reductions in delays, from March 2017, particularly in East and North Herts. Officers are of the view that this indicates, whilst the shortages in the homecare workforce in Hertfordshire remain extremely challenging, the mitigating actions taken by County Council over the last twelve months as outlined in section 5 of this report, have had some positive impact on the care workforce. Without the steps the County Council have taken to mitigate the risks associated with the homecare market, it is likely that the current situation would be much worse.

**Table 4:** Numbers of bed days lost in the acute hospitals each side of the county since April 2016



## 5. **How is Hertfordshire County Council addressing the homecare workforce challenges in Hertfordshire?**

- 5.1 The County Council is seeking to support homecare providers by all available means. In the spring 2017 Budget, the Chancellor announced £2bn additional funding nationally for social care for 2017/18 to 2019/20. The money is called 'Improved Better Care Fund (iBCF)'. The allocation for the County Council for 2017/18 is £13.071M, reducing to £11,656M in 2018/19 and a final allocation in 2019/20 of £5,819M.

This provided an opportunity to bring forward planned uplifts for lead homecare providers and therefore an additional 71p on the hourly rate was made available. By increasing this amount by a further 19p as of April 2018, the County Council is effectively bringing forward by one year the point at which the 90p uplift in the National Living Wage (NLW) is made available in Hertfordshire in comparison with the rest of the country.

- 5.2 The average weekday blended hourly rate paid for homecare to Lead providers by the County Council is £17.88. The United Kingdom Homecare Association (UKHCA) recommended minimum hourly rate for homecare is £17.19, which places the County Council in the 10% of local authorities identified as paying above the UKHCA minimum hourly rate. Despite this, the County Council still faces huge challenges with recruitment of homecare staff in the Hertfordshire, indicating that pay alone is not the only factor that will attract and retain high quality staff within the homecare sector. Therefore the County Council have a range of strategies in place to grow the homecare workforce in Hertfordshire – including increasing pay, improving the image of the homecare sector, working with providers to move to guaranteed shift work, and the introduction of the Herts Care Standard across our Lead provider contracts. The Herts Care Standard sets out a range of expectations about how the County Council, as the commissioning authority, expects care staff to be recruited, and supported, by homecare agencies. The Herts Care Standard is attached as Appendix Two of this report. ACS is also piloting access to Herts Rewards – the County Council corporate rewards programme for its staff – to the homecare sector.

### 5.3 **Understanding the homecare market**

- 5.3.1 The County Council has a unique role to play in supporting the homecare sector through the processes it uses to commission homecare services with external providers. Currently 100% of homecare provision is provided by external providers, with no homecare provision being provided “in house”. ACS is currently exploring options to develop a Local Authority Trading Company (LATC) [ACH Cabinet Panel - 14 November 2017 – Smart Working- Traded Company](#) for homecare to provide additional resilience to the homecare market in Hertfordshire.

- 5.3.2 ACS has a combined model of Lead Provider contracts and spot

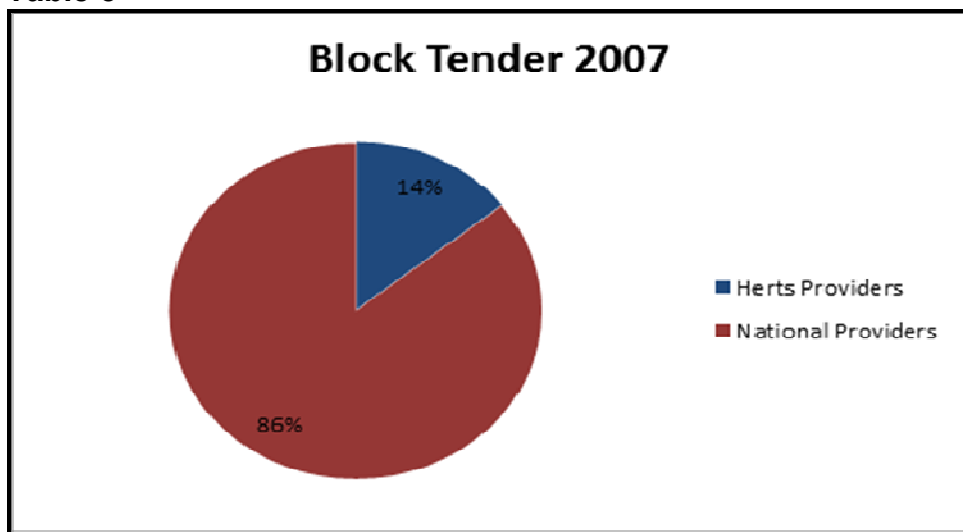
provision to provide homecare for people assessed by the County Council as being eligible for homecare funded through the local authority. There are currently four Lead Providers (LP's) in Hertfordshire covering 12 contract areas, supported by approximately 50 spot providers [ACH Cabinet Panel - 1 July 2014 – Future Commissioning Model for Homecare and the Hertfordshire Care Standard](#)

- 5.3.3 Under the Care Act 2014 the County Council has a duty to manage the care markets and to ensure a “sustainable and vibrant” care market. Whilst this presents challenges, it has also provided opportunities for ACS to become closer to the recruitment practice of contracted providers - and stronger links being made between capacity targets within contracts and the workforce required to deliver on these targets. Since the new Lead Provider contracts were awarded in April 2015, there is a requirement for all providers to have a workforce development strategy – including how they will recruit and retain staff, and quarterly targets for recruitment that are monitored by the County Council's commissioning teams [ACH Cabinet Panel- 20 May 2015- Workforce Strategy](#). Providers are encouraged to be innovative and to test out new ways of attracting new staff into the sector, and improving retention amongst their existing workforce. A case study of one of the lead provider's innovative approach to recruitment is attached as Appendix 3. Overall, staff turnover across our commissioned lead providers is 21%, compared to the national average of 41%, which indicates that the scrutiny of a provider's recruitment and retention within the contract does improve workforce retention locally.
- 5.3.4 Prior to 2015 the majority of homecare delivered through the previous “block contract” arrangements were with large national homecare providers – under the previous model only 14% of provision was delivered by providers who only operated in Hertfordshire. This is important in terms of understanding what creates the optimum conditions for successful local recruitment – an understanding of the local labour market together with knowledge of Hertfordshire's diverse geographical make up. Many of these national providers were not familiar with the geographical make up of Hertfordshire before they were awarded a contract in Hertfordshire, and in addition to this, because they had no local presence prior to being awarded a contract, they were not aware of the specific workforce challenges in Hertfordshire. Prior to 2015, out of the 8 national providers delivering services on behalf of the County Council, four were placed within Hertfordshire's Serious Concerns process, or suspended due to poor performance, at some point during the lifetime of their contract.

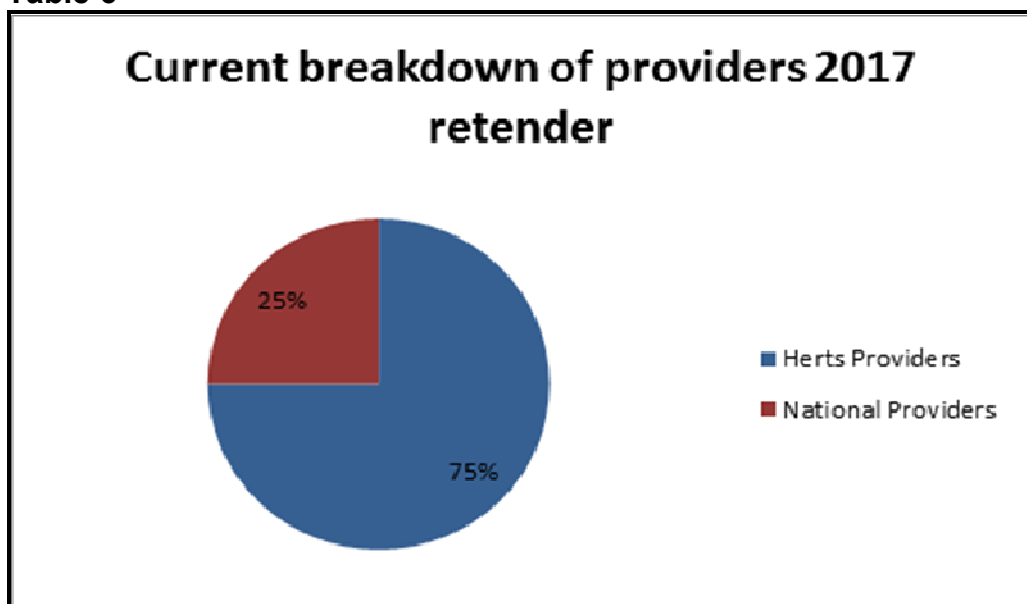


Table 5 illustrates the makeup of local and national providers following the 2007 award of contracts, and Table 6 details the current make up of national and local providers awarded a contract in the 2015 homecare tender. The 2015 tender had a specific focus on recruitment and retention, and tested out more thoroughly a providers understanding and knowledge of the make-up of the workforce in Hertfordshire. In addition to these changes, a panel of service users also interviewed each potential provider, using their own unique experiences of using homecare to the tender process. Since 2015 one lead provider has been suspended and subject to the County Councils' Serous Concerns process – this was one of the national providers and they have since had their contract terminated. In addition Complaints relating to homecare have reduced by 50% since 2014.

**Table 5**



**Table 6**





## 5.4 Easing legislative pressures: National Living Wage (NLW)

5.4.1 National Living Wage legislation, whilst welcomed by the care sector, has created additional costs for care providers, which are being passed on to the council. As of April 2017 the NLW for workers over the age of 25 stands at £7.50 per hour. The assumptions are that the NLW rate will increase by 40p to £7.90 in April 2018, followed by a 50p increase to £8.40 in April 2019 and finally a 60p increase to £9 in April 2020. A number of larger retail organisations have already brought forward their NLW commitment and are offering wages at the 2020 target for NLW. This has further exacerbated recruitment challenges for the care sector in Hertfordshire. For two consecutive years the County Council has used the Council Tax social care percept to raise funds for social care, minimising the impact of the NLW on homecare providers. For 2017/18 £770k was used to fund the NLW cost for all older people's homecare providers.

5.4.2 One of the conditions of the Improved Better Care Fund is a specific requirement to stabilise the social care provider market. In Hertfordshire we have used this funding to award an additional inflationary uplift to lead providers enabling them to increase their hourly rate by 71p and so improving the competitiveness of homecare with other sectors. In addition to the additional increase in hourly rate, funding has also been committed to upskilling and training the homecare workforce, approximately £900,000 being allocated for training over the next two years. All schemes funded through the Improved Better Care Fund are subject to an external evaluation, to enable the County Council to monitor the impact this additional funding has had on increasing homecare capacity in Hertfordshire.

## 5.5 Hertfordshire Good Care Campaign

5.5.1 The Herts Good Care campaign – a joint initiative between Hertfordshire County Council and Hertfordshire Care Providers Association (HCPA) – was launched in June 2015 and is a proactive campaign that aims to:

- Increase the recruitment of paid care practitioners
- Raise awareness of and celebrate the vital work people working in care carry out every day
- Raise the reputation of the council as an organization that is seeking to find solutions to the growing care challenge.

5.5.2 Herts Good Care Campaign is an ongoing campaign, each year there is a dedicated Herts Good Care week that seeks to bring together a range of events and activities that positively promote working in the homecare sector. In the last two years there has been an increased use of social media to reach out to the younger generation and so help raise the profile of working in care with younger people. More

information about the Herts Good Care Campaign can be found at <http://www.hcpa.info/hertsgoodcare>.

5.5.3 Since the beginning of the Herts Good Care Campaign, there have been 165 placements into care roles. This number is increasing with a full recruitment team in place, employed by HCPA, covering both homecare and residential care settings in Hertfordshire. Media coverage has included the BBC and ITV programmes, as well as all local press and radio stations highlighting the campaign and supporting Herts Good Care week each year.

5.5.4 All four colleges in Hertfordshire support the Herts Good Care campaign and excellent links are being established between HCPA, colleges, and individual providers who are seeking specifically to attract younger people in to the homecare workforce.

## 5.6 **The Herts Good Care Recruitment Service**

5.6.1 The Herts Good Care Recruitment Service went live on 1 September 2017. This service is free of charge for care providers to use to help that source and place suitable candidates for their available job roles, helping providers to significantly reduce the costs involved with hiring and replacing their staff. The Herts Good Care Recruitment team have been working with care providers and offering support and guidance on their recruitment process, with the majority now following the recommended job description template, which the team have developed to help care providers attract more prospective applicants to their available roles. The service also provides care providers with interview tips to help them get the most out of their interviews, as well as supporting candidates with care careers advice, CV writing, and interview advice.

## 5.7 **Hertfordshire Workforce Development Strategy**

5.7.1 The current Workforce Development Strategy is being refreshed and will be launched in April 2018. The strategy will have three key objectives:

1. Recruitment: building the workforce – Raising the image through attraction and values based recruitment initiatives
2. Retention: Developing our current workforce– improving skills, career progression and succession planning
3. Grow: Expanding the workforce of the future – ensuring we have the skills to drive growth by working with businesses, statutory, community services and training providers to improve the skills of both the existing workforce and the future labour market in order to sustain economic growth and meet demand.

5.7.2 The Workforce Development Strategy will set approximate growth targets for each of the following cohorts of people, targeted to attract

new people in to the homecare sector over the next five years. The draft targets are set out opposite, these are still being consulted on with care providers and HCPA, but are to be used as a guide to inform current and shorter term recruitment activity before the new strategy is launched in April 2018,

Target Group	% target and key messaging
Young people – schools and colleges	30% - use of social media, promoting care as a career with excellent prospects
Returners to the workforce following family caring/career break	40% - promoting flexibility of working hours, family friendly employers, excellent training and support
Early retirees	30% - Targeting those who have more maturity and life experience may have already been caring for an elderly relative, have resilience and compassion – targeting groups such as University of the Third Age, Women’s Institute, Doctors surgeries.