Briefing Paper for the Scottish Budget: A Call for the Urgent Funding of Adult Social Care in Scotland

The independent care sector – size and scope

The Scottish independent social care sector contributes to:

- The employment of over 100,000 people
- The employment of approximately 5,000 nurses
- The provision of 89% of care home places in Scotland
- The delivery of over 50% of home care hours for older people
- The support of approximately 65,000 people

The independent care sector compromises charitable, voluntary, and private providers. It delivers services in the care home, care at home and housing support sectors. This briefing paper seeks to highlight the critical importance of significant additional investment across social care for adults and older people in Scotland at this time.

Care home instability

The maintenance and development of a quality care home sector is essential as part of the health and social care fabric of Scotland. In addition to already widely published evidence of withdrawal from the care home sector, Scottish Care has clear evidence that a good number of providers will seek to withdraw from the sector in the next calendar year unless there is a substantial redress to outstanding issues. To date Scotland has benefited from diversity and choice for individuals within the care sector owing to the mix of corporate groups, small to medium enterprises, charities and voluntary organisations, and singleton, often family-run, care homes. This very diversity is at risk with an increasing tendency for small providers to withdraw from the sector because it is economically unviable to remain.

The UK Competition and Markets Authority issued a financial report, Care Home Market Study, in September 2017 and a final report on the care home sector in the UK in November 2017. These reports underline the necessity of serious financial investment in a sector which is fundamental to the continuity of person-centred and dignified care in our communities. They acknowledge that there has been a failure to adequately invest in the sector and that without stability from public authorities, there is a very real risk that the financial sector will not engage in the level of investment and support needed not just to maintain provision as it is but to grow and innovate in the future.

The care home sector in Scotland is facing a significant crisis. This is not a word which is used lightly because after all, we are talking about the places people have come to know as their homes, and we are holding in our concern the 53,000 members of staff who rely on the sector to make their living. The care home sector in Scotland cannot face another year of spiralling costs coupled with even greater recruitment and retention challenges without there being an inevitable set of closures and withdrawals from the care home sector.
Scottish Care believes that the time is right for all parties, importantly including Scottish Government, to invest seriously in the care home sector. There is a real risk, which is already becoming evident, that Integrated Joint Boards will seek to reduce the use of the care home sector in order to make short term financial savings. We believe that such an approach endangers the health and wellbeing of countless individuals. It fails to adequately understand the growing challenges of dependency and clinical need, and presents a real risk to the safety of individuals and our communities. Such an approach relies on individuals remaining in their own homes, yet it is clear that Scotland’s family carers are at breaking point and that the home care sector is in a parlous state due to equal under-investment.

It is time for there to be real recognition that there is a need for substantial investment in social care in Scotland as a whole. As one provider summarised:

“It all comes down to funding. Without adequate funding, we cannot pay enough to attract staff. Without quality staff, we cannot provide the quality of care we want to. Without funding, we cannot train our staff and invest in our homes. The recruitment and retention problem is only getting worse... The sector is skating on a dangerously thin piece of ice which is only getting thinner and without proper funding, we are going to see many services fall in to the cold dark waters and drown.”

Although there are ongoing constructive discussions around reform of the care home sector, these are predicated upon the recognition that the sustainability of the sector cannot be secured without a significant increase in funding.

**Care at home and housing support**

In Scottish Care’s 2015 report, *Home Delivery*, analysis of the concept of the ‘Care Pound’ highlighted that expenditure on care at home support, combined with expenditure on residential care services, is less than what is spent nationally on emergency admissions to hospitals. The report found that the average cost of one emergency admission for an individual aged 65+ equates to caring for 27.7 care at home clients for one week or supporting an older person in a residential care home for 9.28 weeks.

What this highlights is that the prevention of unnecessary admissions to hospitals through better use of social care services (namely care at home, housing support and care home services) could result in positive preventative action and significant savings to the public purse. However this requires political will, at national and local level, to the releasing of resources from acute settings to community settings. It also requires sustainable, positive and increased engagement and utilisation of the independent care sector in order that both access to, and the quantity and quality of, hospital alternatives are assured. Care home, care at home and housing support settings need to be seen as an essential part of the solution to reactive spending and need to be able to engage further in the preventative agenda.

Care at home services are currently facing significant pressure which is affecting sustainability. Recent work by Scottish Care has highlighted that more and more providers are either refusing to tender or returning existing contracts on the basis of their non-viability. Given the scope of the independent care at home sector across
Scotland, should such actions continue or gather momentum then the sustainability of enabling independent living will become impossible. In addition, the pressures already evident in the implementation of the Self-directed Support Act will become insurmountable. The ability to have real choice and to exercise personal control over the care you receive which are inherent within the SDS Act will not be achieved without serious investment within the care at home and housing support sectors, which are the foundation of independent living.

**Workforce**

The overarching issue which links and highlights the need for serious social care investment relates to the current workforce challenges facing both care homes and the care at home and housing support sectors.

Scottish Care research in 2017 has illustrated, amongst other issues, that we are facing a critical workforce recruitment and retention crisis in Scotland at the present time.

For care homes, recent research has evidenced that:
- 77% of care homes have workforce vacancies
- 28% have seen an increase in the use of agencies for non-nursing staff
- 22% is the annual turnover rate for all care staff.

For care at home and housing support, the figures show that:
- 9 out of 10 care at home providers have difficulty recruiting care staff
- Nearly 20% of organisations are not at all confident that they can continue to operate at current provision levels over the next 12 months
- Only 11% of organisations have no current staff vacancies.

The Care Inspectorate Report on *Staff Vacancies in Care Services* also provides evidence of increasing difficulties in filling vacancies:
- At the end of 2016, 35% of social care services reported one or more staff vacancies, an increase of 1 percentage point from the previous year.
- Care homes for adults/older people, housing support and care at home services were the main service types with the largest proportion of services reporting vacancies.
- 41% of services had difficulties filling vacancies (an increase of 2 percentage points from the previous year).

Compounding these recruitment challenges is the decision to leave the European Union, which is already having a negative impact on both recruitment and retention in the care home workforce. Scottish Care data suggests that 6% of care home staff and 8% of nurses in care homes are non-UK EU nationals.

Further negative impact is anticipated with the Scottish Government's commitment to grow the early years workforce by up to 20,000 people over the next 18 months.
Conclusion

In conclusion, Scottish Care is calling upon political leadership within the Scottish Parliament to give serious consideration to the necessity of urgent investment within the social care sector in Scotland. We acknowledge that local government has to a significant extent maintained investment in social care despite cuts in funding. However, this maintenance alone is insufficient given the growing level of need, increase in dependency and enhanced demographic demand. If we are even going to achieve the maintenance of current provision, albeit reformed, never mind the development of higher quality provision, the social care sector for adults in Scotland requires urgent and serious additional investment.

Scottish Care would be happy to meet or discuss these issues with any interested party.

Scottish Care is a membership organisation and the representative body for independent social care services in Scotland.

Scottish Care represents over 400 organisations, which totals almost 1000 individual services, delivering residential care, nursing care, day care, care at home and housing support services.

Our membership covers both private and voluntary sector provider organisations. It includes organisations of varying types and sizes, amongst them single providers, small and medium sized groups, national providers and not-for-profit voluntary organisations and associations.

Our members deliver a wide range of registered services for older people as well as those with long term conditions, learning disabilities, physical disabilities, dementia or mental health problems.

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