



Name of meeting: Health and Adult Social Care Scrutiny Panel

Date: Thursday 18th February 2021 - 2.00 pm

Title of report: Independent analysis of the likely future size and shape of the older persons' care home market.

Purpose of report: To share with Scrutiny members the findings of recent independent analysis of the local care home market, and to outline the opportunities for the council to work alongside the sector to address the findings.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not Applicable
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)?</u>	Not Applicable
The Decision - Is it eligible for call in by Scrutiny?	Not Applicable
Date signed off by <u>Strategic Director</u> & name	Richard Parry 09/02//2021
Is it also signed off by the Service Director for Finance?	Not Applicable
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Not Applicable
Cabinet member portfolio	Cllr Musarrat Khan

Electoral wards affected: Not Applicable

Ward councillors consulted: Not Applicable

Public or private: Public

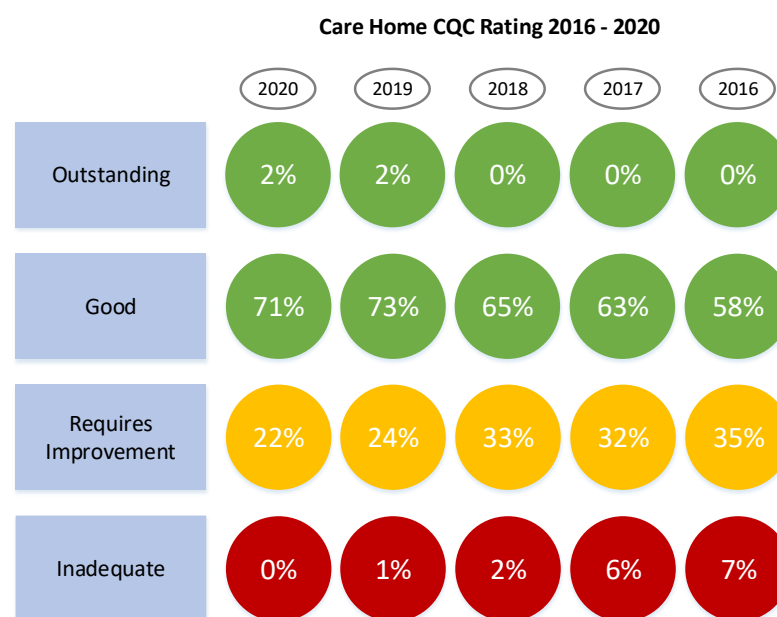
Has GDPR been considered? No personally identifiable data has been included in this report.

1 Summary

- 1.1 The care home market nationally, regionally and locally in Kirklees has been in a state of change over the past few years. The COVID19 pandemic has resulted in significant challenges for the sector with reduced admissions, increased death rates and increased business costs.
- 1.2 The impact of COVID19 has exacerbated issues that were already affecting how the market operates. There are likely to be continued changes in care homes as the sector moves towards a 'future normal' state in the coming months and years and there is significant effort required to make this shift as safe and effective as possible for the long-term.
- 1.3 As a result of this changing environment Kirklees commissioned a review of the local care home market, working with the local sector, the Kirklees Care Association and partners to develop a Care Home Market Development and Sustainability Delivery Plan for Kirklees.
- 1.4 The final report will identify the opportunities and risks for the sector, the council and partners and a range of potential interventions that can be implemented to ensure the level of good quality provision is in place to meet the needs of Kirklees people in the short, medium and longer term. It will also identify the risk and benefits for existing and prospective care home operators and owners.

2 The local care home market

- 2.1 As of 1st February 2021, there are 131 Care homes operating in Kirklees, with approximately 3,500 beds, 73% (95 homes) are rated by the Care Quality Commission (CQC) as being good or outstanding, the remaining require improvement, there are no inadequate care homes locally. The diagram below shows the change in quality in the care home sector over the past few years.



Figures may not sum due to there being no CQC rating against a provider or setting

- 2.2 Care homes play a critical role in supporting people who cannot be cared for at home and those with complex health and care needs. However, in line with our Vision for Social Care there has been great deal of change in recent years in the care home sector. Locally and nationally there has been a gradual shift away from people choosing to move into care homes. People are choosing to stay at home longer as an increased range of community-based care and support has been developed.
- 2.3 Care homes have also not been immune to wider changes in health, social care and housing and there are significant challenges ahead. Financial pressures, technological change and changing expectations of end users have resulted in a need to re-think the way care home provision operates and is commissioned locally. It is nationally recognised that the increasingly short term or ring-fenced nature of social care funding means that it is difficult for both commissioners and providers to plan for the long term.

3 Summary Impact of COVID19 on the care home sector

- 3.1 The care home market has been significantly impacted by COVID-19 and what was a fragile market in some areas of provision is now suffering from reduced volumes of new entrants or respite cases and a higher number of deaths. There have also been a number of operational and financial pressures such as insurance costs, staff sickness and staff isolation. Initially, the cost of PPE was also an issue for the sector.
- 3.2 The impact of COVID-19 has seen an acceleration in the health and social care system working to support admission avoidance and rapid discharges from hospital and this presented an opportunity to the sector. However, the infection prevention and control issues around C19 positive residents being discharged has been an issue.
- 3.3 The move to deliver more personalised care in people's own homes, supported through increased collaboration, and the use of technology and equipment solutions, has also meant that people who historically may have gone into care homes are being supported in the community.

4 Rationale for Commissioning of the Care Home Market Development Sustainability Work

- 4.1 Whilst the market engagement, analysis and options could have been developed internally, it was felt that an external view would bring a rigour to the work, allow comparisons across the country and utilise specialist expertise and knowledge that was not available locally. A service specification was developed and through a competitive process Cordis Bright in partnership with LaingBuisson were selected. They are well respected subject matter experts that could bring both expertise and impartiality to the work.
- 4.2 The commission was undertaken in partnership with Rotherham Council who have identified a need for a similar market exercise. Each authority has received its own report but where cross-cutting work can be developed and delivered together the authorities will look to work collaboratively to achieve this.

5 Key Findings of Cordis Bright work to date

- There has been a gradual decline in bed and placements numbers over the past few years, this alongside occupancy level reductions has accelerated during the past 12 months.
- Between 2012 and 2020 there was an overall reduction in the number of residential care and nursing care beds per 100 of the population aged 75+ in Kirklees of 12.5 in 2012 to 10.2 in 2018 (slightly above the 10.1 Yorkshire and Humberside average and the 9.6 England average), this shows the long-term trend away from care home provision in the older adult population which grew by 16% over the same period (75+ age group).
- In line with our Vision the “Home First” approach has resulted in the development of the local domiciliary care market over the past 12-18 months.
- There is a need to re-baseline the bed base to achieve desired occupancy levels in the older people sector.
- The predicted future demand for care homes is for people with more complex support needs who will stay for a shorter period of time.
- This predicted change has an impact on Skills, Buildings and Care management.
- There is no generic response that fits all the market and a range of options will be required to support different parts of the market and providers.
- Kirklees is not an outlier in trends around care homes, nationally both LA and self-funder placements have reduced and changed over the past few years and not kept pace with population changes in the 75+ age group.

6 Summary of proposed options for the future

- 6.1 There are a range of interventions that will be proposed for the care home market locally. These will be based on examples of where such an intervention has been used in other local authority areas. It is recognised that different responses will need to be developed for the different parts of the local market.

The Draft Report covers the following options:

6.2 Minimal Intervention (as-is)

- 6.2.1 This is very much a continuation of current market management practices such as publishing broad commissioning intentions, common price controls, quality improvement work, regular support and communication with the sector. The report makes clear this is common practice and functioned to a certain degree for all parties prior to COVID19. There is a recognition that both the LA and providers would have to review the risks and impact attached to this level of intervention.

6.3 Medium Level Intervention

- 6.3.1 It is suggested a much more detailed demand and commissioning plan is developed. There is also greater collaboration with the sector to develop service and pricing specifications. There is also a proposal to support providers in exiting the market where provision does not meet the needs or demand is less than the current available capacity.

6.4 High Level Intervention

- 6.4.1 This option suggests the need for capital investment in services. This describes options where the local authority changes contracting timeframes and operates elements of the market more directly. There are also suggestions of much closer diversification support for the sector from the LA.

7 Importance of co-production and delivery of options with the sector

- 7.1 As the report is in a draft format further work is required to consider the above interventions and the implications of each for the LA. Crucially developing and working with the sector on the interventions to support the market in the future is key. The nascent Kirklees Care Association is key to developing the options moving forward. Working with the Care Association and providers from across the provision spectrum is the only way future interventions will develop sustainably.

8 The Vision for Adult Social Care

- 8.1 The Vision for Adult Social Care is woven throughout the options suggested and will continue to form a key measure of success as the work evolves.

9 Information required to take a decision

- 9.1 This report is to update on progress and key findings, no decision is being sought.

10 Implications for the Council

10.1 Working with People

Delivering the outcomes for the people living in care homes and their carers is at the centre of this work. The changing shape of case complexity and when people enter care homes has been changing over a number of years.

- 10.1.1 We want to remove barriers so those requiring support in care homes and providers can develop solutions together and build relationships based on trust to create positive outcomes, with a greater emphasis on tailoring care home options to meet the requirements of a range of individuals, groups and communities.

- 10.1.2 As part of the wider work, we are developing different ways to help people live independent lives for as long as possible, especially by enabling people to stay

well and healthy in their own home and communities. This means that as people get older, they can continue to remain at home using more of the support already available to them in their community. An important part of our work is preventing problems before they happen and helping people get back to living the way they want after a period of illness or injury.

10.2 Working with Partners

10.2.1 Care home businesses, their staff as well as partners across the statutory and voluntary health and social care market all have a role to play in ensuring the actions outlined are delivered effectively. The recently formed Kirklees Care Association is a key partner in representing and leading the sector wide change working with the LA and the CCGs.

10.3 Place Based Working

10.3.1 The age profile of our local population and the expected needs moving forward will mean a local approach will be required in aspects of this work. There are a cohort of people that may require care home support who will want to remain very local to where they live now, keeping local support networks active as people move into a care setting is very important. The report outlines where over time this demand is expected to manifest, which will have modelling and strategic planning implications for the care market.

10.3.2 Adult social care is increasingly working in a place-based way, the different locality hubs and the work with primary care networks has led to strong relationships with partners and local providers and led to case level outcome improvements across the range of our provision.

10.3.3 A further aspect of place-based working that is core to the work moving forward is making the most of local assets be that land, existing buildings, staff resource or specialist services which will all be important in delivering sustainability in our local care market.

10.4 Climate Change and Air Quality

10.4.1 Connected to place-based working as more local care provision is developed there should be less travel by families and carers, some of whom maybe travelling outside Kirklees to visit someone if current models do not adapt.

10.4.2 The clearer picture of demand at a local level should mean providers can make better investment in buildings, it is expected new developments would be significantly more efficient than some current assets.

10.5 Improving outcomes for children

10.5.1 While this work is focussed on adult provision, there should be outcomes that improve for young carers as provision is developed reducing the care burden on this cohort.

10.6 Other (eg Legal/Financial or Human Resources)

10.6.1 The report sets out our long term shaping options around care homes and market development locally. At this stage it does not commit to specific spending requirements.

11 Consultees and their opinions

11.1 The work of Cordis Bright is still being finalised. They have engaged through interviews and questionnaires around 80% of owners, operators and managers of care homes in Kirklees. They have also engaged a large number of health and social care commissioning and service leads to understand local issues and inform the shape of the options proposed.

11.2 The Care Home Provider forum and Kirklees Care Association have been consulted throughout the project and received regular updates and initial findings. The opinion of the forum and Association in the work has highlighted the long-standing issues and provides the evidence base to move the sector forward in a sustainable and supportive manner.

12 Next steps and timelines

12.1 The overall approach to change mirrors the Adult Social Care vision and will be developed with the sector and Care Association.

The work produced by Cordis Bright has highlighted a number of tasks that need to be completed to support the sustainability of the sector. As final reports are produced by Cordis Bright we will develop a joint delivery plan which highlights Urgent, Short Term, Medium Term and Long-Term tasks that need to be completed and the resource requirements across all partners to deliver.

13 Governance

13.1 The future plan of work will be overseen by the Kirklees Care Home Programme Board which is led by the Strategic Director for Adults at Kirklees Council and the Chief Quality and Nursing Officer for the Clinical Commissioning Groups (CCGs). Membership includes senior representation from across partner and provider organisations. The Board is responsible for the strategic development and short term operational delivery of care home support.

14 Officer recommendations and reasons

14.1 That the Panel considers the information provided and determines if any additional information is required.

15 Cabinet Portfolio Holder's recommendations

15.1 Not Applicable

16 Contact officer

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17 Background Papers and History of Decisions

17.1 Not Applicable

18 Service Director(s) responsible

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