

Name of meeting: Cabinet

Date: 14th December 2021

Title of report: Supporting the recruitment, retention and valuing the contribution of social care staff in Kirklees this Winter

Purpose of report:

To approve the use of funding the Council will receive from the NHS to support the adult social care sector this Winter and seek approval for the Director of Adults and Health to have a delegated authority, in consultation with the Section 151 officer and the Cabinet member for Adults and Health, to design an appropriate approach to utilising this and other short-term funding to support the adult social care sector.

<p>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?</p>	<p>Yes</p> <p>If yes give the reason why The Council will receive additional short-term funding from the NHS or DHSC to support workforce and other challenges faced by the adult social care sector in Kirklees.</p>
<p>Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)?</u></p>	<p>Key Decision – Yes</p> <p>Private Report/Private Appendix –No</p>
<p>The Decision - Is it eligible for call in by Scrutiny?</p>	<p>No</p> <p>If no give the reason why not The Chair of Overview and Scrutiny Management Committee has agreed that this decision can be exempt from call in given the urgency of the need to implement the distribution of NHS funding to the adult social care providers and onwards to their frontline care staff, and the proximity to the Christmas/New Year period.</p>
<p>Date signed off by <u>Strategic Director</u> & name</p> <p>Is it also signed off by the Service Director for Finance?</p> <p>Is it also signed off by the Service Director for Legal Governance and Commissioning?</p>	<p>Richard Parry – Strategic Director for Adults & Health, 3rd December 2021</p> <p>Eamonn Croston, 6th December 2021</p> <p>Julie Muscroft, 3rd December 2021</p>
<p>Cabinet member portfolio</p>	<p>Cllr Musarrat Khan, Health and Social Care</p>

Electoral wards affected: All

Ward councillors consulted: None

Public or private: Public

Has GDPR been considered? Yes, no personal or sensitive data is included in this report.

1. Summary

- a) The adult social care system across Kirklees is under severe pressure. Recruitment and retention issues and staff wellbeing and sense of being valued are at the core of these challenges. Many front-line care workers in domiciliary care and care/nursing homes are paid the National Living Wage, or on a scale pegged to the NLW. The NLW is due to increase to £9.50 in April 2022.
- b) Competition from other sectors also employing large numbers of staff at National Living Wage level and above becomes even more acute during the Christmas period, as seasonal recruitment takes place, potentially increasing staff attrition still further. Evidence across the social care sector indicates that basic pay is the single biggest influence in staff turnover. This pressure has already led to the closure of some providers in West Yorkshire with others at significant risk of closure.
- c) If social care support is either not available, has to be scaled back due to staff shortages or if staff are feeling under increased pressure and undervalued this presents significant risks to all elements of the Kirklees health and care system, particularly
 - Reduction in quality of life and independence for the individuals who should be receiving care.
 - Increased pressure on informal carers who frequently have to make up for any shortfalls in formal care
 - Acute trusts through increased admissions and delays in safe discharges
 - Pressure on community and primary health care as vulnerable adults become increasingly frail without appropriate social care support
- d) Through the West Yorkshire Integrated Care System NHS partners have agreed to use available NHS funding in 2021/22 to address social care workforce pressures. This funding is being provided to bring forward the benefits of the uplift in the National Living Wage due on the 1st April 2022 for the lowest paid care workers in domiciliary, residential and nursing care homes across West Yorkshire to ensure all staff are receiving at least the 2022 National Living wage rate from 1st December 2021 at the latest. This funding will
 - Enable more front-line care workers feeling valued for their work by the whole health and care system
 - Support recruitment and retention in those services that have a significant impact on preventing admission and supporting timely and safe discharge from hospital to ongoing care and support.
- e) It is anticipated that the funding for Kirklees will be around £2.0m.
- f) The funding will be passported to CQC registered providers of domiciliary care, residential and nursing care to cover the additional staffing costs they incur in bringing forward the uplift in the National Living Wage from 1st December at the latest.
- g) Providing support from across the West Yorkshire system in this way in 2021/22 would be a non-recurrent commitment that would provide a significant boost to system resilience for this Winter. The cost of the National Living Wage uplift from April 2022 is

being factored into the budget setting of all Council in West Yorkshire for 2022/23 and beyond.

- h) The Government has provided a number of short-term funding packages over recent months. These are always announced with a requirement that the funding is utilised almost immediately, and for very specific purposes. The recent Adult Social Care White Paper, People at the Heart of Care, outlined a number potential additional short-term funding opportunities.

2. Information required to take a decision

Background

- a) The last 18 months has been hugely challenging for staff working across the health and social care sectors. NHS staff have been more visible in the coverage of the pressures and their contribution to tackling the pandemic and the role of the social care staff, whilst hugely evident to people who use social care services, has not received the same coverage.
- b) The pressures of the pandemic, alongside longstanding issues with pay and competition for staff from other sectors, have come to a head, particularly in the context of seasonal workforce recruitment in the retail and hospitality sectors. This will result in additional recruitment and retention challenges and further pressure on the health and care sector, which impacts on hospital discharge, community care service delivery and quality of care received by local people.
- c) NHS England chief executive NHS England Amanda Pritchard said problems in a “very stretched” social care system were leading to major discharge delays in NHS hospitals. She added that the NHS is “inextricably linked” to extreme pressures in domiciliary care, so support to those services would help speed up and improve discharges and free up beds [November 2021].
- d) The single biggest factor affecting staff turnover in social care is basic pay, but closely followed by feeling valued; and then opportunity for progression [Skills for Care Survey, November 2021]. Pride and sense of place in the system are also important.
- e) The Governments concern has led to the recent announcement of the Social Care Workforce Recruitment and Retention Fund. The guidance on the use of this funding focusses on establishing longer term solutions to recruitment and retention challenges such as occupational health and wellbeing, establishing shared staff banks, local recruitment initiatives.

Kirklees Position

- f) The total adult social care workforce in Kirklees is estimated at 10,500 full time equivalent employees working across 130 care homes, 66 domiciliary care agencies, and range of other care providers. There are:
- 2,150 domiciliary care workers supporting 3,100 service users
 - 3,070 care workers in care/nursing homes supporting 3,950 Care/Nursing home residents.
- g) The current funding crisis is due to a number of over lapping factors: demographic and social pressures, outdated funding formulas, inflationary pressures and rising costs, and the prevalence of short-term funding in lieu of a long-term solution.
- h) Workforce pressures are increasing further in 2021, even after a sustained period of strain on the social care workforce. Workforce pressures and insecure funding are interlinked.
- i) The labour shortage in social care is currently a critical risk

- Providers are reporting having more vacancies and fewer applicants – and this is placing a burden on existing staff to take extra shifts and go longer without holidays – which is unsustainable and unfair on a workforce that has faced unprecedented challenges in the last 20 months.
 - To match demographic growth in demand for adult social care the workforce would need to increase by 35-50% in the next decade. In Kirklees in the last 6 months, the number of people working in care homes has fallen by 5% and in domiciliary care the number has fallen by 2%.
 - Social care covers a range of skilled roles, but the level of remuneration does not reflect this. The majority of the workforce involved in direct care delivery is comparatively under-valued and underpaid and this has significant consequences in terms of staff recruitment, retention and long-term job satisfaction.
 - Turnover rates in staff are lower, where wages are higher: for those earning £9.50 per hour and over, turnover rates are currently 25.5%. However for staff on zero hours contracts it is 31.8%; for staff with less than one year of experience 38.2% and staff under the age of 20 it is 43.7%.
 - The lack of pay parity with NHS counterparts can also be a barrier to integrated working including the development of new blended roles and genuinely viable careers pathways for staff
 - The impact of Brexit and less easy access to European labour markets is now being felt with shortages reported in all local authority areas in the country.
 - The full impact of making Covid vaccination a requirement from 11 November 2021 for employment in care homes is yet to be seen.
 - Supermarkets are now advertising for shop assistants at £9.36 - £10.70 per hour with 10% off their shopping if they shop in store – more pay for less demanding work, without constant requirements for updating skills, wearing PPE and more social hours. The graph in Appendix 1 clearly shows the increase in problems keeping/attracting staff in domiciliary care when retail re-opened in July.
- j) Each care home has an agreed safe staffing ratio with CQC. Over the last few months only a few have flagged they are at significant risk, this is in large part because care home providers scale back admissions rather than risk breaching the ratios. Similarly domiciliary care providers do not accept contracts for packages of care if they do not have sufficient staff. There has been a general trend toward high levels of need in those receiving adult social – as the complexity of needs increases the staffing ratios required to provide safe and effective care change.
- k) The National Living Wage is currently £8.91 and is a core component of the care cost calculations every local authority uses to set the rates it pays care providers. The Government has announced that the NLW will rise to £9.50 from April 2022. All local authorities are factoring this into their budget planning for 22/23.

Supporting adult social care providers

- l) All local authorities are already engaged in a range of activity to support the care providers in their areas. And the care providers are active partners in the dialogue about how to respond to these systemic challenges.
- m) The Association of Directors of Adult Social Services and the Local Government Association have just published a statement on the interventions that could be most helpful in alleviating workforce capacity issues in adult social care. The Council is reviewing its current response against this list. The ADASS Region is also undertaking a stock take of activity to tackle the workforce issues of recruitment, retention, and staff wellbeing. This analysis will specifically identify opportunities for ICS level support.

West Yorkshire Integrated Care System Funding for Adult Social Care

- n) Through the West Yorkshire Integrated Care System NHS partners have agreed to use available NHS funding in 2021/22 to address social care workforce pressures. This funding is being provided to bring forward the benefits of the uplift in the National Living Wage due on the 1st April 2022 for the lowest paid care workers in domiciliary, residential and nursing care homes across West Yorkshire to ensure all staff are receiving at least the 2022 National Living wage rate from 1st December 2021 at the latest.
- o) The core aims of this funding are to:
- Bring forward the benefits of the uplift in the National Living Wage due on the 1st April 2022 for the lowest paid care workers in domiciliary, residential and nursing care homes across West Yorkshire to ensure all front-line care workers are receiving at least the 2022 NLW from December 2021 at the latest.
 - More front-line care worker feeling valued for their work by the whole health and care system
 - Support recruitment and retention in those services that have a significant impact on preventing admission and supporting timely and safe discharge from hospital to ongoing care and support.
- p) The funding would be distributed to all CQC registered social care providers of domiciliary care, residential and nursing care, which therefore includes those with whom the local authority does not have existing contracts, and all those that are contracted to provide CHC funded packages.

Conditions on use of the funding

- q) Each of the 5 places in West Yorkshire will put in place a suitable mechanism to ensure the funding is used for the purpose for which it has been allocated. Section 75 Agreements that have been in place for a number of years between each Local Authority and their respective Clinical Commissioning Group. This provides the most appropriate route in Kirklees to ensure there is partnership oversight of how the funding is used. We have recently submitted a BCF Plan that has to meet national guidance and is subject to a regional and national assurance process. Local action to support recruitment and retention in adult social care was a requirement of the regional planning process. An updated Section 75 Agreement has to be in place by 31st January to receive full national approval for the BCF Plan. This funding will be incorporated through either; an additional 'scheme specification' or a 'deed of variation'.
- r) All funding must be passported directly to CQC regulated care providers by the Local Authorities, and a grant agreement put in place between the Local Authority and the care provider (based on the process used for the Infection Control Fund, Workforce Capacity Fund). The Agreement will include the opportunity to sample payments to ensure that staff wages are being increased appropriately.
- s) All CQC registered providers who receive the funding must provide a written guarantee that the funding will be used to cover the additional staffing costs they incur in bringing forward the uplift in the National Living Wage from 1st December at the latest.

Additional staffing costs include:

- increased NI and pension contributions
- reasonable contributions to maintain pay differentials
- admin costs related to the additional payments.

Time scales

- t) It is crucial that the message about this funding and how it will be used is communicated to the social care staff who will benefit, and to the wider system and the public, before Christmas. Not doing that will undermine the value of the investment through the very difficult few months ahead.

3. Implications for the Council

- **Working with People**

The adult social care sector is a critical part of how we support many of the most vulnerable residents of Kirklees. Our Vision for Social Care sets out our vision. Co-production and working with people to create greater personal choice and control over how people achieve their long-term care and support outcome are priorities for achieving our vision. And ensuring that 'social care workers are respected, valued and empowered in their roles' is at the forefront of how we can deliver the vision.

- **Working with Partners**

Adult social care is delivered by hundreds of independent sector providers. The Council has a duty under the Care Act to promote diversity and quality in adult social care services through a vibrant and responsive local market. We work closely with Kirklees Care Association, which represents many of our care homes, and the (domiciliary care) Registered Managers Network to deliver on this duty, and they will be crucial part of the implementation of the proposals in this paper.

- **Place Based Working**

The funding for social care providers to enable them to bring forward the uplift in National Living Wage is available for all CQC registered providers working in Kirklees. The other support that is available to providers is more tailored to the specific places in which the providers operate. An example is the recruitment support offer provided by the Council's In2Care team. They provide a bespoke offer to all providers and make extensive use of locality and neighbourhood networks, especially through social media, to connect local people with local employment opportunities in social care.

- **Climate Change and Air Quality**

This proposal will have limited impact, but will should enable people to remain in their normal residence mitigating the need for transfers to more specialist accommodation.

- **Improving outcomes for children**

This proposal is specifically targeting social care staff working with adults. Although it will impact on outcomes for children by (a) ameliorating the impact of low wages on care workers with dependent children, although this will be tempered by the impact of the Universal Credit taper, and (b) supporting more adults with children/grandchildren to receive the care and support they need.

- **Other (e.g. Legal/Financial or Human Resources)**

The NLW Uplift funding will be

- held in the existing Better Care Fund pooled budget between the Council and Clinical Commissioning Group which has a well-established Section 75 Agreement.
- distributed to CQC registered adult social care providers in line with procedures that have been used recently to distribute other short term national funding – Adult Social Care Infection Control Fund and Workforce Capacity Fund.
- is limited to financing the cost of the uplift in the National Living Wage up to the 31st March 2022. The implications of the uplift from 1st April are being factored into the Council budget setting process for 2022/23.

Providing the Director of Adults and Health with the delegated authority, in consultation with the Section 151 officer and the Cabinet member for Adults and

Health, to design an appropriate approach to utilising this and other short-term funding to support the adult social care sector will maximise its impact and the timely distribution across the sector over this Winter.

Do you need an Integrated Impact Assessment (IIA)?

The Stage 1 Assessment does not indicate that a full Integrated Impact Assessment is required.

4. Consultees and their opinions

Bringing forward the proposed uplift of the National Living Wage has widespread support amongst local NHS partners, care home and domiciliary care providers.

The proposal is also due to be discussed at the West Yorkshire Health and Care Partnership Board meeting on the 7th December.

5. Next steps and timelines

- Subject to final approval through the relevant local NHS bodies the funding will be released to Council's across West Yorkshire as soon as possible.
- We expect to be able to notify the local eligible CQC registered care providers before Christmas of the process for them claiming the funding.
- The Section 75 Pooled Budget Agreement between the Council and Kirklees CCG will be signed by the end of January 2022.

6. Officer recommendations and reasons

That Cabinet

- a) Approve the use of the available NHS funding to bring forward the benefits of the uplift in the National Living Wage due on the 1st April 2022 for the lowest paid care workers in domiciliary, residential and nursing care homes for adult across Kirklees to ensure all staff are receiving at least the 2022 National Living wage rate from 1st December 2021 at the latest.
- b) Approve the Director of Adults and Health to delegated authority, in consultation with the Section 151 officer and the Cabinet member for Adults and Health, to design an appropriate approach to utilising short-term funding to support the adult social care sector over this Winter.

7. Cabinet Portfolio Holder's recommendations

That Cabinet accept the Officer recommendations.

8. Contact officer

Richard Parry, Strategic Director for Adults & Health

9. Background Papers and History of Decisions

None

10. Service Director responsible

Michelle Cross, Service Director – Mental Health, Learning Disabilities and Provider Services