

Date: Thursday 8 July 2004
Venue: The Memorial Hall, Bodhyfryd, Wrexham
Title: Review of the Interface Between Health and Social Care –
Evidence from Care Forum Wales

The National Assembly Guidance

Care Forum Wales recognises the importance of the guidance issued by the Welsh Assembly Government affecting the interface between Health and Social Care.

Health, Social Care and Wellbeing Strategies Guidance (Published February 2003)

Local Health, Social Care and Wellbeing Strategies are the cornerstone for the effective planning and integration of health and social care services. The Welsh Assembly Government Regulations and Guidance on the process of preparing and reviewing strategies is clear. It importantly requires the co-operation and involvement of a wide range of stakeholders in the formulation of the strategy. Despite the clarity of the guidance there appears to be reluctance, in many parts of Wales, to include representatives of the private sector in the decision making process at partnership board level. There are some areas of Wales where Care Forum is not aware of any input to strategy formulation by private sector representatives. If the views of the independent sector are only sought at the consultation stage the opportunity to consider innovation or alternatives to current service delivery patterns may be missed.

Promoting Partnerships in Care – Commissioning across Health and Social Services (Published March 2003)

The guidance set out a wide range of issues to be considered by commissioners of health and social care services when preparing their commissioning strategies. If followed the guidance would ensure that commissioning strategies were based on:

- current and future service needs,
- the principles of best value,
- an understanding of the local social / health care market,
- the potential to develop partnership arrangements,
- innovative solutions to respond to needs,
- capacity planning,
- ensuring a confident and stable network of service providers,
- workforce planning,

Care Forum Wales has seen little evidence that this guidance was adhered to by local authorities when taking key decisions on the commissioning of services from April 2004, despite the fact that the guidance was issued in March 2003.

Human Resources Guidance Planning for Caring (Published March 2003)

The guidance requires local authorities to prepare human resources plans for themselves and their partner organisations. The requirement to submit plans and proposals for the Social Care Workforce Development Programme has ensured that progress is being made in this area. This is a crucial area as the availability of an adequate workforce with the training and skills to provide quality health and care services is vital to ensure that present and future local service needs can be met. The guidance does not incorporate the NHS and there needs to be some linkage as the NHS, local authorities and the independent sector are all recruiting from the same pool of potential employees and are competing with one another because of our individual problems of recruitment and retention.

Care Forum Wales Proposals for Effective Joint Working

Care Forum Wales believes that the independent sector could best be incorporated into the local planning and joint working arrangements by the establishment of Local Independent Sector Provider Forums. This would enable the independent sector to discuss policy issues and respond to the need for new developments and innovative solutions to problems. The aim would be to provide professional representation from the independent sector by individuals who did not have a vested interest in one particular area of the sector and who could therefore respond on behalf of the sector as a whole. A copy of the Care Forum Wales Proposal is attached at Annex 1. If the independent sector is not engaged with local authorities, local health boards and NHS Trusts as partners in the preparation of human resource plans, then neither will the workforce be.

Care Forum Wales Comments on the planning and managing of the interface between Health and Social Care

Care Forum Wales has formed the impression that local authorities and local health boards are taking an extremely cautious approach to the issues of joint commissioning, lead commissioning and pooling of budgets. Most of the projects undertaken appear to be relatively modest in size using funding provided by the joint flexibilities grant. It therefore appears that the availability of the flexibilities grant has been the main impetus for joint working initiatives rather than a desire to enter a closer and more integrated arrangement to improve efficiency and service delivery. If the recommendations and objectives of the Review of Social Care in Wales and Transforming Health and Social Care in Wales are to be achieved a much bolder approach to joint working and commissioning is required.

Health Social Care and Wellbeing Partnerships are clearly the mechanism through which joint approaches can be established. In their planning role they need to have a clear understanding of the issues raised by joint working proposals and the outcomes for service delivery. It is therefore a matter of great concern for Care Forum Wales that Independent Sector Providers are not regarded as full partners in many of the partnerships despite the requirements of the Health, Social Care and Well-being (Wales) (Regulations) 2003 and the attendant guidance. Very few Partnership Boards have Private Sector Representation at Board level although many offer this level of representation to Voluntary Organisations. The latest available information on the Statistics Wales website shows that the Independent Sector provides 21,600 care beds in Wales compared to 14,400 NHS beds and 4,534 local authority beds. In addition the

independent sector provides a very substantial proportion of domiciliary care services and home support. The independent care sector is therefore the major provider of publicly funded services.

The Review of Social Care in Wales and Transforming Health and Social Care in Wales both stress the importance of reducing delayed transfers of care and developing alternatives to hospital admission as high priorities to reduce pressure on the acute sector. The capacity in the independent sector provides a vital resource which could be used to effectively tackle these priorities. It is therefore vital to ensure that joint planning mechanisms have independent sector representation to enable the re-configuration of services envisaged in these reports to be planned and implemented.

Historically the separation of Health and Social Care budgets has exacerbated the problems in this area and there have been many disputes over eligibility criteria for social care, nursing care and continuing healthcare and determining the organisation with responsibility for funding.

This is an area where joint working and shared budgets would enable an effective balance to be achieved between the costs of social care, community nursing and nursing care. We are not however aware of any specific progress to establish joint working arrangements in this area.

The development of intermediate care as an alternative to hospital admission or to facilitate early discharge from acute settings is again a key issue identified in the Review of Social Care in Wales and Transforming Health and Social Care in Wales. Some schemes have been developed under joint flexibilities grant funding but the scale of these schemes has been limited and insufficient to make a major impact as they generally involve the commissioning of a relatively small number of beds.

Independent sector providers could establish a dedicated intermediate care facility fully meeting the National Minimum Standards for Care Homes. In order to ensure viability a guaranteed throughput to a minimum size facility is required. The present level of contracting for 2 to 4 intermediate care beds per local authority area falls far short of the scale of throughput required to establish a financially viable facility. The development of such facilities therefore depends on whether an adequate throughput of patients can be released by looking at the viability of early discharge from hospital, placement as an alternative to acute admissions, review of current arrangements for rehabilitation and convalescence etc. Care Forum Wales has not been involved in any comprehensive reviews of the role of community hospitals rehabilitative services and prevention services that have resulted in the development of new dedicated intermediate care facilities in the independent sector.

Care Forum Wales believes that the principles of best value should underpin these joint working arrangements. We are concerned that decisions on major investments are still being made without following the principles of best value for example the decision of Carmarthenshire to invest £19M in the development of new local authority care home capacity without exploring whether the independent sector could offer better value in meeting the areas needs.

Welsh Assembly Government Management of the Interface between Health and Social Care

Care Forum Wales is concerned that the National Assembly itself has not followed the guidance that it has issued to local authorities and local health boards in the document "Promoting Partnerships in Care – Commissioning across Health and Social Services." We have been particularly concerned about the lack of consultation with the independent sector over the level of the NHS contribution to nursing care.

Over recent years there has been a considerable loss of capacity in independent sector nursing care in Wales. This has been due to both the closure of nursing homes and the de-registration of nursing beds to care beds. The de-registration of nursing beds has occurred because the differential between the cost of a care bed and a nursing bed has been insufficient to cover the cost of providing the qualified nursing input required.

Prior to April 2004 this issue was clearly within the remit of local authorities as the National Assistance Act 1948 (Choice of Accommodation) Directions 1993 gave them the power to set the maximum fee which they would pay for clients supported by them who were assessed as in need of nursing care.

From April 2004 local authorities are statutorily precluded from funding nursing care by Section 49 of the Health and Social Care Act 2001 which states:

"49 Exclusion of nursing care from community care services

(1) Nothing in the enactments relating to the provision of community care services shall authorise or require a local authority, in or in connection with the provision of any such services, to-

(a) provide for any person, or

(b) arrange for any person to be provided with, nursing care by a registered nurse."

From April 2004 the viability of independent sector nursing care depends on decisions by the National Assembly as the Assembly sets the level of the NHS contribution to nursing care for social services funded clients. The reason why such decisions can have a profound effect on the viability of the independent sector is that on average 75% of clients in Independent Sector homes are supported by public funding arrangements and the level of fees paid are determined by the local authority, local health board and the NHS. In many areas, there is little or no private market so the care homes are subject to monopoly purchasing by local authorities whose fee levels do not cover the full costs of care.

In view of the lack of action by local authorities and the National Assembly to rationalise the purchasing arrangements through a single contract for care home placements, Care Forum Wales has now commissioned a model contract that takes account of the interest of all parties to the contract – including residents who at present are not included in the arrangements made for their care under purchasing contracts. The model contract also takes account of comments and criticisms made about current contracts and contracting practices by the Consumers Association and the Office of Fair Trading and case law decisions about unfair contracts. Care Forum Wales will shortly invite all local

authorities, LHBs, NHS Trusts, the National Assembly, the WLGA and a wide range of organisations representing the interests of service users, to comment on the draft model contract. Apart from the benefits of improving contracting practice through a consistent approach by all purchasers in Wales, this standard contract approach would realise significant savings in staff time for each local authority, LHB and NHS Trust not having to update and review its contracts individually. All care home services are regulated to the same standards set by the Welsh Assembly Government. It is difficult therefore to justify every purchaser reinventing different shaped wheels with different numbers of spokes and differing inherent defects, to purchase the care services provided to one standard regulated by one body for the whole of Wales. Care Forum Wales expects support from the Welsh Assembly Government in its efforts to take the lead in improving practice and realising efficiency savings –in line with WAG policy, the Wanless Report findings and the Audit Commission recommendations.

The Agenda for Change in the NHS in Wales will affect non pilot trusts from October 2004 and the National Assembly has fully funded the cost of the Agenda for Change in the NHS for 2004/5.

The Agenda for Change also impacts on Independent Sector providers of nursing care. Care homes are currently experiencing considerable difficulties in recruiting and retaining qualified nursing staff. These difficulties will increase substantially if employment terms in the Independent Sector fall significantly behind those on offer in the NHS. It will therefore be necessary for Independent Sector employers to up-rate their terms of employment in line with the Agenda for Change if they wish to ensure that they do not lose their qualified nursing staff to employment within the NHS.

Care Forum Wales is therefore extremely concerned about the decision to increase the level of the NHS contribution to Nursing Care from £100 to only £105 with effect from the 1st April 2004. The level of £100 was set in December 2001 to cover the services provided by a registered nurse and involving either the provision of care or the planning, supervision or delegation of care. It also included the cost of the provision of continence products to the client. The contribution has remained at that level till April 2004. The level has therefore increased by only 5% in 28 months.

In December 2001 the salary of an E grade nurse on the 3rd point of the grade was £17,025 per annum. In October the salary of that nurse assimilated into the new NHS Salary Bands is likely to be £20,009 per annum. If that nurse has 10 years NHS service they will also be entitled to an additional 5 days holiday per annum.

The salary of the nurse employed by the NHS will, over this period, have risen by 17.5% and the additional holiday entitlement will add a further 2% to employment on-costs giving an overall increase in employment costs of 19.5%.

It is therefore clear that the 5% increase in the NHS contribution to nursing care falls far short of the required increase in the cost to Independent Sector employers of providing a nursing service. Local authorities have indicated that they are not permitted by statute to fund inflation costs attributable to nursing care. The NHS has not made adequate provision in the review of the NHS contribution for these inflationary costs.

The inevitable consequence is that there will be an accelerated loss of nursing care capacity in the independent sector as service providers find they are unable to offer competitive employment terms and lose their nursing staff to employment in the NHS.

There are an increasing number of areas in Wales where the capacity of independent sector nursing care provision is inadequate to meet local needs. This is contributing significantly to delays in the transfer of care. Further losses in capacity will substantially exacerbate these difficulties.

Care Forum Wales could make a significant contribution if it were given the opportunity of being consulted on matters such as the level of the NHS contribution to nursing care, so that matters such as those described above could be considered as part of the decision making process

Care Forum Wales
May 2004

**Integrating the independent sector into the planning and commissioning process
in Wales - a viable solution for implementing the
Welsh Assembly Government policies and strategies on
Partnerships in Health and Social Care**

The proposals in this paper take into account the strategic aims of the Welsh Assembly Government as expressed in recently published documents including statutory guidance to local authorities and local health boards:

- Promoting Partnership in Care – Commissioning across Health and Social Services;
- Health Social Care and Well-being Strategies;
- The Strategy for Older People.

This paper sets out a vision of future independent sector provider engagement within the planning, commissioning and provider framework and each local authority/local health board area. It provides a mechanism to link all independent sector providers and more importantly their workforce within the context of local, regional and national health and wellbeing partnerships. These partnerships take into account the need to build at a local level while recognising the importance of the regional and national dimension.

In preparing this paper, Care Forum Wales has taken into account the views of many independent sector providers and other interested individuals and organisations from across Wales. Care Forum Wales wishes to acknowledge the proposed partnership arrangements that are being jointly developed in Powys in collaboration between the local authority, the local health board, the Care Standards Inspectorate for Wales (Regional Office) and the Forum. On 24th June 2003, the four organisations held a half-day conference, which attracted approximately two-thirds of the independent sector providers in Powys. The overwhelming majority of those present, from the independent sector and representatives of statutory agencies, supported the principle of fully inclusive engagement and independent professional representation on behalf of the independent sector.

Care Forum Wales believes that the system proposed to engage and integrate independent sector providers of domiciliary, residential, day, rehabilitation and specialist health and social care services could be funded by the sector itself. If all independent sector providers in each local area contribute just **two or three pounds per week** towards the costs of the generation and dissemination of information the suggested model would be viable in both financial and human resource terms. This would enable an independent, professional and informed process of consultation and information exchange between all independent sector providers in a local authority/local health board area and the appropriate statutory agencies. A regional approach can be developed as appropriate and this would be built on the foundation of the local grouping.

The proposals are based on the principle that developing a fully inclusive partnership agenda is a pre-requisite of providing people in need with efficient, responsive and affordable services that meet their assessed needs and the expectations of their carers. The question has to be asked, if such a proposed structure is not put in place at a local level at the earliest opportunity, how will we ensure that all care providers are engaged

in the planning, commissioning and delivering of health and social care services in Wales? Is there a viable alternative?

An examination of each of the important guidance documents shows similar core themes of aiming for sustainable development, social inclusion and equal opportunities. They all require the development of effective partnerships in the planning, commissioning, purchasing and provision of social care services. They stress also the importance of the involvement of all partners including independent sector providers.

The implications of these strategy documents represent a considerable challenge for the involvement of independent sector providers **at both unitary authority/local health board level, and at a regional level**. The independent provider sector in Wales consists mainly of a large number of small businesses, most being owned and managed as small family businesses. This necessarily limits the capacity of each individual provider to contribute to, and to participate in, the activities outlined in the strategy documents. Furthermore, the provision of high quality domiciliary and residential care requires many skills but these are not necessarily the same skills that are required to be a sector representative. It is unrealistic to expect that individual providers commit large amounts of their valuable time which is better spent in providing oversight of the services they provide themselves to their community.

The intentions of the Welsh Assembly Government to engage providers from the outset in all activities of service planning, commissioning, purchasing and provision is welcomed as a desirable and determined attempt to establish a much more integrated and co-ordinated approach. The means must to enable information sharing and the engagement of all providers. Such a systematic approach will assist with the delivery of good quality care, for people who use social care services and their carers.

The history of the independent representative care sector shows that it is not easy to engage with all care providers. In many parts of Wales local arrangements engage only a minority of the providers in a particular area. The tasks with which local authorities and local health boards are charged require a strategic approach if the desired aims are to be achieved. Care Forum Wales proposes a way of maximising the involvement of all domiciliary and residential care providers within the independent sector and sees the integration of all stakeholders in the process as an essential ingredient to enable effective joint working between all agencies, organisations and businesses concerned with the social care agenda. Care Forum Wales considers that a new approach is now required which should be both professional and independent and should provide for establishing and developing sustainable links at local, regional and national levels.

Proposal

- **All local authorities and local health boards should encourage, promote and support** all reasonable measures to ensure that all independent sector providers of domiciliary, day, intermediate, rehabilitation and residential care services, establish and maintain a local process for professional independent consultation and information exchange. These Local Independent Sector Provider Forums (LISPF) could also deliver professional links to relevant regional organisations such as ELWa, the Welsh Assembly Government and its associated agencies – the Care Council for Wales and the Care Standards Inspectorate for Wales.
- **Membership** of the LISPF to be encouraged in the procedures for both **registration** for regulatory purposes **and contracting** for publicly funded social

care services. This could be achieved by the publication of a standard leaflet to be issued to all providers when applying for registration, at their annual inspection, when services are being commissioned and when they are purchased. Use of existing mechanisms within the inspection/regulation/commissioning/contracting processes would encourage large numbers of providers being integrated into a professional process of consultation and representation with the benefits that will ensue for all stakeholders.

- **Membership** of the LISPF must be open to **all providers in the local authority/local health board area including domiciliary, day, residential care, intermediate and rehabilitation services** and any other specialist social care services that may develop in the future.
- The LISPF to be **administered supported and funded** by the independent sector itself – including the cost of each LISPF exploring all available avenues for project funding e.g. EU grants. A small amount of pump-priming project funding would greatly assist the process. Each LISPF will provide a vitally important contribution to the health and well-being of their community.
- The 22 LISPF to co-ordinate their work on a regional level to: promote consistency of policy formation, development and implementation; to identify research topics; promote pilot schemes on new ways of working; share innovations in service development and staff development and training; enable networking with the Welsh Assembly Government and its related agencies for social care services.
- Each LISPF to have an **annual programme of core topics** to be considered and on which providers' views and suggestions will be sought.
- **Participation** in the work of each LISPF may be by **attendance at meetings, responses to questionnaires and consultation documents** or by any other method used locally and to which all providers have access, information technology is seen as a major opportunity to engage and support the provider sector.
- Each LISPF to **audit and publish** the outcomes annually of the **extent of involvement** by independent sector providers in its work.

Care Forum Wales takes the view that unless there is some active encouragement and support at unitary local authority/local health board level, it is unlikely that the aims contained within the recently published guidance issued by the Welsh Assembly Government will be realised. There now exists a real opportunity to create a structured, professional and independent approach to the representation and engagement of the independent sector and provide all the benefits that such an approach would bring. Care Forum Wales believes that the opportunity to engage the sector at this crucial time should not be missed.

The role of Care Forum Wales

Care Forum Wales will continue to **encourage participation by all providers in policy issues** across Wales. This will include maintaining its **information sharing and collation, policy formulation and sector consultation** roles, as well as the **promotion of improved quality and standards** through **workforce development and training**. It is not envisaged that LISPF will be local branches of Care Forum Wales rather that they will provide an independent local focus for consultation and information sharing.

The structure proposed above should enhance awareness and active participation by social care service providers in the representational activities undertaken by Care Forum Wales with the Welsh Assembly Government, that have proved to be an important aspect of enabling the development and implementation of social and health care policy across Wales. Through Care Forum Wales' regional and national structure, there will be the opportunity to build on the benefits of the stimulation of providers to be more involved in their own localities.

Both the Care Council for Wales and the Care Standards Inspectorate have been pleased to work in partnership with Care Forum Wales acting as the catalyst to engage the sector in the key developments arising out of the Care Standards Act 2000. This partnership will become even more important as regulation of the social care workforce is implemented and the training requirements take effect. Both bodies would have found it very difficult to attain the level of contact with the dispersed sector providers across Wales without the collaboration provided by Care Forum Wales.

Care Forum Wales is the **only organisation in Wales** that **represents a significant part** of the **social care provider sector** with currently approaching **600 providers in membership** -including domiciliary, residential, specialist adult and children's services. Care Forum Wales is not a trade association. Rather, it is a vehicle to enable the independent sector to engage in the important consultation and information sharing processes that are required to deliver high quality, complex, care services for vulnerable people in Wales. Care Forum Wales is an inclusive organisation working on behalf of all providers of health and social care services to represent the sector with the Welsh Assembly Government on all aspects of social and health policy. Care Forum Wales considers that the **Welsh Assembly Government's strategic guidance** can be **achieved by active encouragement to engage social care providers** through the proposals set out above.

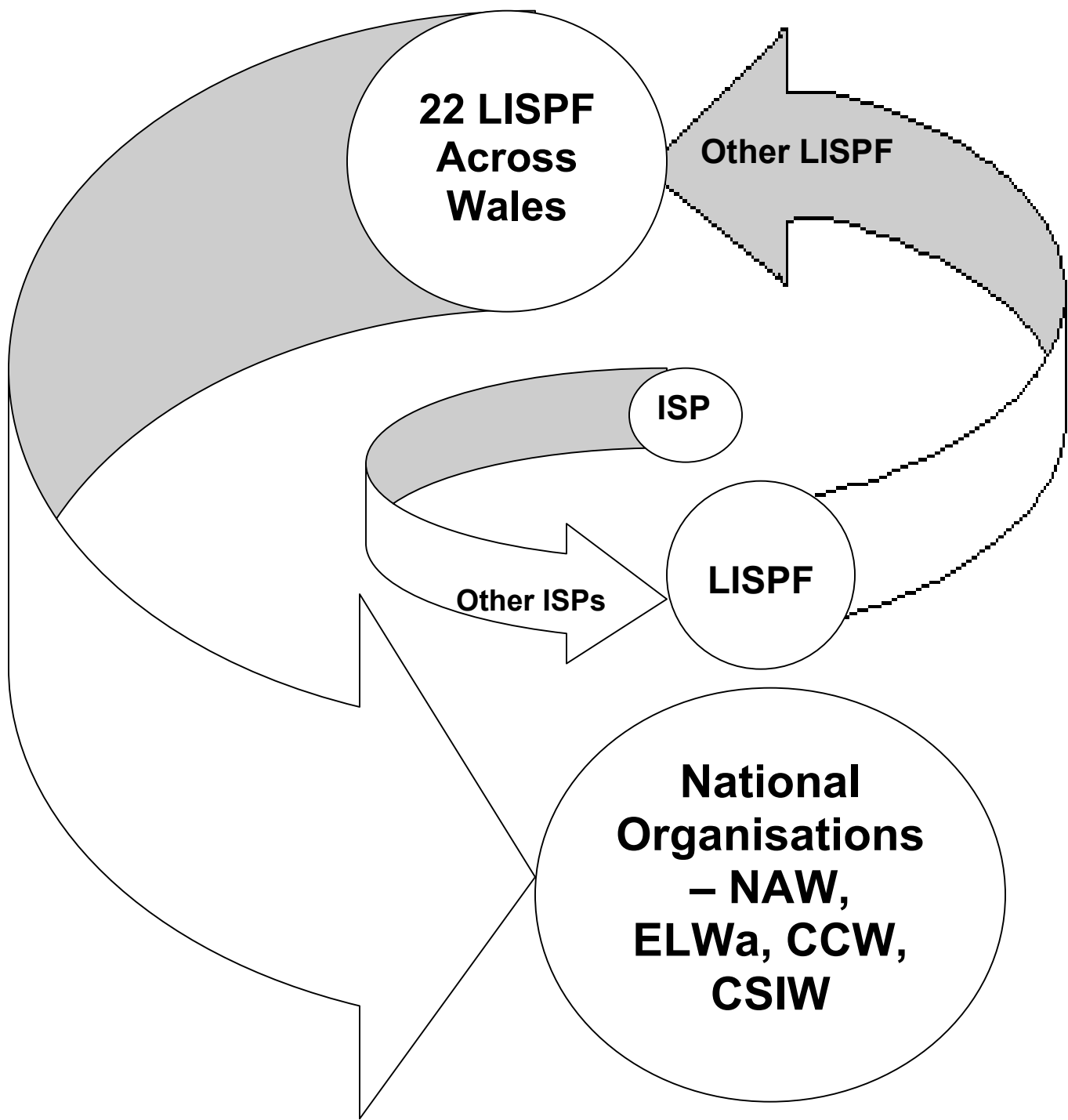
Care Forum Wales considers it is essential to establish a sustainable structure for professional representation, consultation and information sharing, if the policy objectives to achieve independent sector engagement set out in the Welsh Assembly Government publications referred to above, are to be realised and maintained consistently on a pan-Wales basis.

Care Forum Wales will welcome comments on this proposal and seeks to work actively in partnership with other organisations to make inclusive independent sector engagements in each of the twenty-two local authority/local health board areas a reality.

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**22 LISPf
Across
Wales**

Other LISPf

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LISPf

Other ISPs

**National
Organisations
– NAW,
ELWa, CCW,
CSIW**