

Cardiff Council**Social Services****Response to the Inquiry into the Cost of Caring for an Aging Population****Brief Description of Organisation Submitting Information**

1. This response is submitted by Cardiff Social Services. It reflects the views of Senior Managers in Adult Services Management Team, and includes the feedback from senior Finance Officers.

The Cardiff Context, Future Needs and Related Costs

2. The table below shows a rapid increase in the 65+ population of Cardiff during the 5 year period 2011-2016, with a total increase in 65+ population of 10.2% (4,854) over 5 years. During the same period, the number of people aged 65+ who Adult Services provided a service to rose by 6.1% (142), which was 4.1% slower than general population growth in Cardiff.

Year	2011	2012	2013	2014	2015	2016	5 Year Growth
Cardiff Population 65+	45,741	47,001	47,826	48,789	49,724	50,595	+4,854
Annual Population Growth (%)	-	2.75%	1.76%	2.01%	1.92%	1.75%	+10.2%

Service Users Aged 65+	2,304	2,337	2,427	2,485	2,456	2,446	+142
Annual Service User Growth (%)	-	1.43%	3.85%	2.39%	1.17%	0.41%	+6.1%

SU Growth vs Population Growth	-	-1.32%	2.10%	0.38%	3.08%	2.16%	
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Service User % of Population	5.04%	4.97%	5.07%	5.09%	4.94%	4.83%	
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3. The actual costs of providing commissioned services to Older People in Cardiff have risen from £21.3m in 2011/12 to £31.9m in 2015/16, a rise of almost 50% in just 4 years. The 2016/17 outturn indicated that the annual rise in market prices was as high as another 14.5%. This equates to an overall 71% rise in

the costs of delivering commissioned services to Older People (Aged 65+) in the 5 years since 2011/12.

4. Whilst the population growth has remained fairly steady over the past 5 years, ranging between 1.75% and 2.75% growth per annum, the number of service users aged 65+ Cardiff Council has been providing services to have been a bit more variable. For example, between 2012 and 2014 there were annual increases in the number of service users amounting to 7.67% over the period (1.4% in 2012, 3.9% in 2013 and 2.4% in 2014). However, in the following 2 year period (2015 and 2016) the number of service users aged 65+ receiving a service was actually reduced by 1.6% (-1.4% in 2015 and -0.4% in 2016), meaning the overall 5 year growth figure was brought back down to 6.1%. The fact that numbers of service users have been stabilised and actually decreased slightly since 2015 could be seen as an indication that the Council is limiting and managing demand more effectively at the front door since 2015 than it did previously, and this needs to be built upon in future years. The graph below shows this more visually.
5. It should be noted that all costs detailed in paragraphs 2-4 above reflect commissioning costs to the Council only. These costs do not reflect other pressures on Social Work budgets, e.g. staff costs. In addition, the below primarily considers the commissioning costs of Older People and those with Learning Disabilities which covers approximately 75-80% of Adults Services Budgets. No consideration is given in this review to other categories of Adults services expenditure such as mental health, physically disabled, substance misuse, emergency duty team and youth offending which cover the remaining 20% of costs to the service.
6. The analysis in paragraphs 2-5 above is based on statistics for the older people population who are aged 65+, but in reality, the core of financial expense is incurred in the 85+ age range. The table below shows that the Cardiff 85+ population is steadily growing at approximately 2% per year (although 2013 is an exception with negative growth of 1.3%) since 2011 through to 2016, with the 85+ population growing from 6,926 in 2011 to 7,440 in 2016. These 85+

population growth rates are forecast to remain broadly similar to this in the medium term future, with anticipated population increases of between 2% and 3% every year up until 2025, at which point Stats Wales forecast Cardiff will have a population of 9,257 citizens aged 85+.

Year	2011	2012	2013	2014	2015	2016	5 Year Growth
Cardiff Population 85+	6,926	7,085	6,993	7,135	7,293	7,440	+514
Annual Population Growth (%)	-	2.30%	-1.30%	2.03%	2.21%	2.01%	+7.3%

Service Users (SU) 85+	1,418	1,422	1,428	1,461	1,368	1,366	-52
Annual Service User Growth (%)	-	0.28%	0.42%	2.31%	-6.37%	-0.15%	-3.5%

SU Growth vs Population Growth	-	-2.01%	1.72%	0.28%	-8.58%	-2.16%	
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Service User % of Population	20.47%	20.07%	20.42%	20.48%	18.76%	18.36%	
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7. During the same 5 year period 2011 – 2016, the number of service users in Cardiff (aged 85+) has actually decreased from 1,418 in 2011 to 1,366 in 2016, a reduction of 52 service users (-3.5%). Given that the 85+ service user group is the where the core of financial expense can be incurred, this is a significant decrease in service users, especially when the number of 85+ citizens in Cardiff is actually growing substantially during the same period. We believe that this gives evidence of a strengthening front door in Cardiff.

The Role of Unpaid Carers

8. We are unable to capture the amount of care provided by unpaid carers because we do not have a comprehensive picture of all the unpaid carers in Cardiff who do not receive support from Social Services. However, we understand that the contribution that they make to meeting the care needs of the aging population in Cardiff is considerable.
9. We feel it is important to recognise that within this cohort, there will be some unpaid carers who are very overstretched in relation to their caring

responsibilities and there will be some who wish to care and are able to do this very comfortably without it having an adverse impact on their lives. Nevertheless, we are experiencing a growing cohort of older people in their 80s and 90s who are caring for their partners and / or older children who are in their 70s who are unlikely to be in a position to continue with their caring responsibilities for very much longer.

10. We also recognise that, unpaid carers within Cardiff's Minority Ethnic communities are fairly well hidden. They typically will not seek assessment or support from the Local Authority but are often caring for family members with very complex needs.

11. We are becoming increasingly aware that many unpaid carers who can't afford to continue to care are coming forward through the Direct Payment route. This not only impacts financially on the Local Authority in respect of an increase in the Direct Payment spend, but it also significantly changes the relationship that the carer has with the person they care for as a financial dimension to the caring role is introduced. Any government initiatives that are likely to make it more difficult for an unpaid carer to continue to care, will have a knock on effect on the Local Authority spend.

People who Pay for Care

12. Social Services has access to around 40% of the residential / nursing beds in Cardiff. We know roughly how many self funders there are in the city based on research that was previously undertaken by the National Commissioning Board led by Steve Vaughan. However, we have no way of knowing when their funding will run out and when the Local Authority will be required to begin funding these arrangements. Additionally, the funding cap is an issue and has put increased financial pressure on the system. Separate feedback has already been provided by the Local Authority in relation to this financial pressure.

Capital limit increase

13. Despite additional funding of £4.5m included in the Welsh Government settlement to meet changes in the residential care capital threshold, we have identified this to be a financial pressure for next year and beyond as the capital limit rises in future years.

Financial Pressures on the System

14. We welcomed the Welsh Government Workforce Grant in the current year and this enabled us to begin to address with our providers the financial pressures arising that the implementation of the National Living Wage. We undertook a robust exercise that provided us with assurance from providers that they are paying the National Living Wage and adhering to other key workforce related matters that drive up quality and morale in the workplace.

15. However, whilst we are supportive of initiatives that drive up quality in the social care workforce and promote staff well-being and morale, we are aware that such initiatives lead to an upward price inflation to residential / nursing home rates, domiciliary care rates and supported living rates. This pressure will continue to increase over the medium term. Whilst the additional funding identified from Welsh Government will help, there is still likely to be a significant shortfall which will add to the uncertainty already being experienced across the market for social care provision. This will be balanced against increasing internal pressure within the Council to make further savings on the Social services budget allocation.

16. In the last 12 months, Cardiff has experienced an 8% increase in gross nursing bed price per week, after allowing for fee uplifts. This reflects general supply issues in the market plus increasing demand for beds from self-funders and public sector organisations. In cost terms, this pressure implies an additional annual impact of £1.2m in 2018/19, if current trends continue. In the longer term, different commissioning models and joint working are under consideration. These changes will seek to control prices and are expected to suppress (but not eradicate) this pressure, but it is considered unlikely that there will be a significant impact on the current trend in prices in 2018/19.

17. We are acutely aware that the majority of future savings are likely to come from service change and new ways of working, which are harder to achieve and require longer lead-in times. A lack of capacity to achieve such transformation changes that are needed, in the required time-frames, threatens the achievement of future savings unless an invest to save model is applied that supports the additional capacity required to drive these changes forward.

Capacity in the Market

18. Our current situation is a cause for concern because we do not have requests for care packages coming via the Hospitals of Community Re-ablement Teams. This is because cases are remaining in our internal Bridging Team. We are aware that this situation has the potential for de-stabilising the provider market. Whilst cases remain within our in-house Bridging Team we are reducing our external provider spend which is a higher cost. However, we cannot allow the flow out of hospitals and the Bridging Team to damage the market. We also have to carefully manage the flow because we do not want high numbers of people all requiring external resources at the same time. This is a tricky balance to achieve.

19. Over the last year we have noticed a decline in the need for general residential care, although in recent weeks this has increased slightly. We believe the decline in demand has been attributed to our “Home First” approach around prevention and delay, keeping people at home for longer. However, when needs escalate and it is no longer viable for an individual to remain at home, it is increasingly more likely that they will require nursing care rather than general residential.

20. Nevertheless, we are experiencing capacity in our nursing care beds and we have not experienced any challenges in appropriately placing people in need of Dementia Care. However, we acknowledge that the provider market continues to be very fragile and a series of factors such as National Living Wage, Sleeping In Judgement, pension changes, travel costs and impact of

HMRC changes will further increase costs in the future and could result in some providers being unable to sustain services in the long-term.

Recruitment & Retention

21. The recruitment of experienced Social Workers in Adult Services continues to be a challenge both in respect of permanent appointments and agency cover. This has led to gaps in the Social Worker workforce in Cardiff and consequently capacity issues have arisen.
22. We understand from our providers that they are experiencing significant difficulties recruiting and retaining quality Social Care Workers. The impact of Brexit is likely to exacerbate this situation. Likewise, whilst we recognise that the implementation of the Regulation and Inspection of Social Care (Wales) Act 2016 will drive up quality within the sector, we also recognise that providers are very anxious about its impact on recruitment and retention.
23. Earlier this year we launched a “Be a Care Worker” campaign in conjunction with local providers to raise the profile of careers in Social Care and to promote recruitment to the sector. This had limited success in terms of recruitment, but the campaign successfully celebrated the contribution that Social Care Workers make and therefore was an important factor in raising morale amongst staff already working in the sector. A celebratory event held in November 2017, hosted by our Regional Workforce Partnership in conjunction with Cardiff and Vale College, that recognised the achievements of Social Care staff who have gained a qualification also had a similar impact.
24. We recognise that more work needs to be done to integrate our Social Care workforce strategy with that of the University Health Board and this will be a priority for the Regional Workforce Partnership going forward. We also recognise the need to undertake more joint training across Social Care and Health, with programmes that support multi-disciplinary approaches. Our longer-term workforce planning will take account of the new approaches we

are seeking to implement and the changes will need to ensure we have a workforce with the necessary skill mix to work in a more integrated way.

Fiscal Levers Available to Welsh Government to Reform Arrangements for Funding Social Care.

25. The funding focus continues to be on Winter pressures, However, the way in which funding is streamed means that there is a continued focus on demand at the front door rather than intermediate or long-term care for citizens.
26. The way in with Health provide care with more community-based approaches rather than a reliance on hospitals and the disinvestment from the acute sector ultimately requires Social Services and Health to work more closely in an integrated way. However, we believe that decisions will have to be made at a national level regarding funding of acute services whilst the approach continues to change, moving more towards community services. We believe that double-funding will be necessary to successfully support this shift. However, in the past we have experienced Health closing wards in order to address financial pressures and the money has not followed the development of community services.
27. We believe that investment in preventative services must be the core priority for Welsh Government in line with the philosophy of both the Social Services and Well-being Act and the Wellbeing of Future Generations Act and in terms of sound budgetary policy. However we acknowledge that pressure on hospital services has never been greater and health organisations have therefore struggled to redirect resources into preventative services based in primary and community settings.