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The Viability of
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The Viability of Care Homes

Overview

In its most recent report, the Care Quality Commission (CQC)¹ described enduring issues within the health and care system that had been reported upon within previous issues.

Significant challenges remain within areas such as:

– Access to care

Getting access to services remains a fundamental problem, with record numbers of people are waiting for planned care and treatment

– Quality of care

Increasing demand and pressures on staff are taking a toll on their mental health and wellbeing. Without the appropriate support, this is affecting the quality of care they deliver.

– Inequalities

Midwives from ethnic minority groups say that care for people using maternity services is affected by racial stereotypes and a lack of cultural awareness among staff. They also describe a 'normalised' culture where staff tolerate discrimination from colleagues.

– Deprivation of Liberty Safeguards

Ongoing problems with the current system have left many people who are in vulnerable circumstances without legal protection for extended periods.

– The health and care workforce

Staff regularly report of being overworked, exhausted and stressed, sometimes to the point of becoming ill, injured or leaving their job altogether.

– Systems

Local systems must implement plans to address unwarranted variations in population health and disparities in people's access, outcomes, and experience of health and social care.

Concerns about the health and care workforce were previously identified within a House of Commons Health and Social Care Committee Report (2022) which suggested that "the National Health Service and the social care sector are facing the greatest workforce crisis in their history."²

Funding is also a significant issue. A report published by national learning disability charity Hft and Care England focused upon the finances and workforce in the adult social care sector in 2023.³

They highlighted that the majority (71%) of care providers surveyed for the report were in deficit or experienced a decrease in their surplus in 2023. Factors reported to contribute included:

- The most significant cost pressure for providers continues to be the workforce, highlighted by 81% of respondents
- Annual increases in the National Living Wage are the most significant workforce-related cost, with 79% of providers reporting that local authority fee increases did not cover the impact of this in 2023
- For the 3rd year running, utility bills were a demanding cost pressure for adult social care providers

The wider issue of a lack of care provision was laid bare in a news article that highlighted that some vulnerable children were being placed in care homes a significant distance, sometimes 300 miles, from the areas in which they grew up.⁴

Government Response

Building on the People at the Heart of Care white paper published in December 2021, the Government set out plans to further digitise the social care sector and bolster the workforce. Alongside the published plan, the Better Care Fund framework, published in April 2023, was intended to ensure that at least £16.8 billion is spent to make sure people receive the right care in the right place at the right time.⁵

The Government announcement attracted immediate criticism as it indicated that it would hold back £250m of the £500m previously earmarked to address staffing issues within adult social care.⁶

Key Recommendations

There are a number of critical activities that Local Authority must undertake, to fulfil their duty of care. These include:

- oversight of the financial viability of care home providers
- financial oversight arrangements are augmented by working with other Local Authorities to annually monitor the financial viability of the service providers
- independent monitoring of the standard of care
- care home managers ensure staff are sufficiently trained to provide appropriate levels of care
- care home providers produce timely information and bills to residents

- owners and operators demonstrate a drive for continued improvements in care standards

The Care Act Statutory Guidance⁷ places a duty on the Local Authority in arranging and funding of social care in the authority's area of responsibility.

Local Authorities should continue to develop plans that will prevent or mitigate potential for disruptions to social care provision.

Conclusion

Clearly the health and care system is still under a great deal of pressure to deliver much needed services to those who most need them, with little respite to look forward to in the immediate future. The pressures come in many forms, including significant funding issues, increasing demands for service, and continuing challenges to recruit and retain staff.

Local Authorities must persevere in their commitment to overcome these challenges in order to offer the care that people require. Authorities should continue to find innovative and creative solutions where possible, whilst also considering and developing contingency plans should existing care providers fail or exist the market.

References

- 1 Care Quality Commission, State of Care 2022/23, available at: <https://www.cqc.org.uk/publications/major-report/state-care/2022-2023>
- 2 UK Parliament, Workforce: recruitment, training and retention in health and social care, available at: <https://publications.parliament.uk/pa/cm5803/cmselect/cmhealth/115/report.html>
- 3 Hft and Care England, Sector Pulse Check, available at: <https://www.hft.org.uk/wp-content/uploads/2024/01/Hft-Sector-Pulse-Check-2023-Digital-Singles.pdf>
- 4 The Guardian, Britain's care homes crisis: children sent to live hundreds of miles away, available at: <https://www.theguardian.com/society/2023/apr/01/care-homes-crisis-children-sent-to-live-hundreds-of-miles-away>
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- 6 BBC, Vulnerable to lose out as care funding held back - council chiefs, available at: <https://www.bbc.co.uk/news/uk-65171795>
- 7 Department for Health and Social Care, Care and support statutory guidance, available at: <https://www.gov.uk/government/publications/care-act-statutory-guidance/care-and-support-statutory-guidance>

Further information

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