QUALITY STRATEGY FOR ADULT SOCIAL CARE

October 2015

Purpose

This paper sets out a framework for a discussion with NQB partners on:

- Quality challenges in Adult Social Care
- The current framework for assessing and improving quality in the sector including roles and responsibilities of system partners
- The interdependence of the health and social care sectors and the need to mitigate the unforeseen adverse consequences of strategic decisions taken in isolation in either sector
- Recommendations for NQB and system partners on specific immediate, short, and medium term actions to support a longer term strategy to drive up care quality

  a) Now - “Do no harm”
  b) 3 Months – focus on failure
  c) in 2016 – after SR system partners to contribute to a co-produced vision for quality in the sector

- Secure NQB leadership and ownership and ownership of key elements required

It

Why do we need to do this now?

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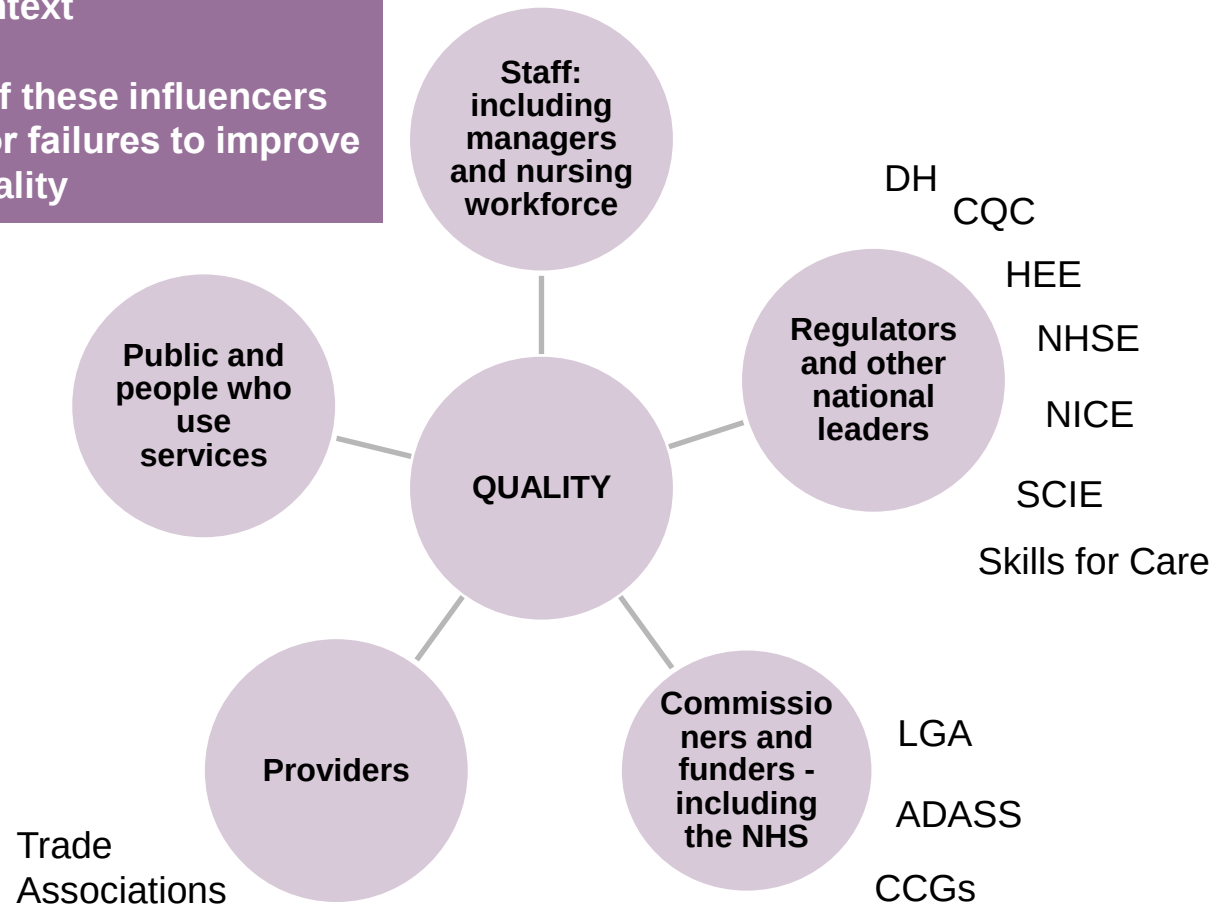
- Variation of quality in ASC (40% inadequate or requires improvement and no clear patterns e.g. on geography, type of LA etc)
- Fragility of adult social care market (reducing margins, disinvestment, shift to less optimal models of care e.g. larger homes – see Annex A)
- Demographic pressures: age and complexity
- Economic impact and potential of carers, ASC businesses as potential growth sector of economy
- Impact on NHS of poor quality ASC impacting on patient flow from admission to discharge – need to secure better prevention for admissions
- Need to secure a vision which complements the NHS Five Year Forward View

Aim to secure **STRATEGIC ALIGNMENT OF ACTION – NQB as galvanising force, not governance**

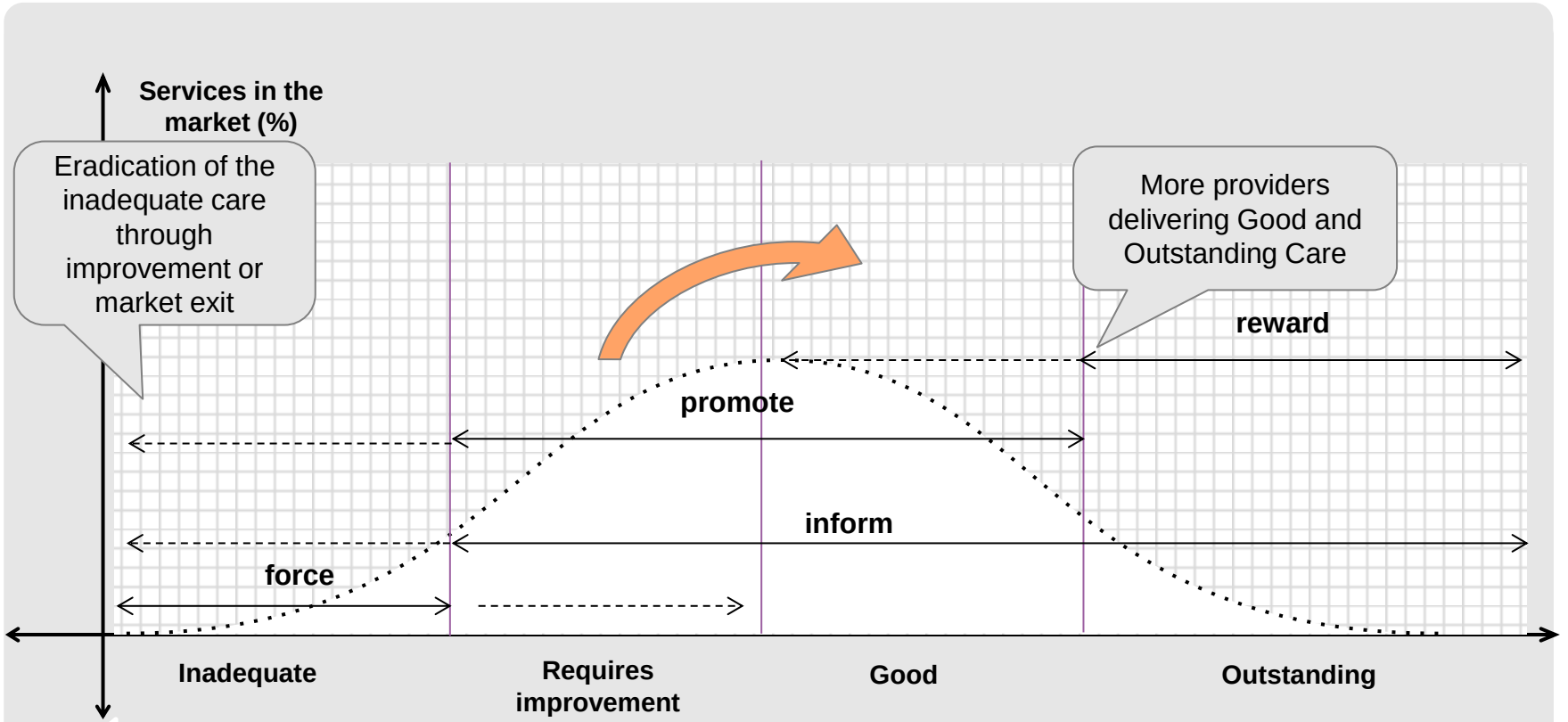
Tackling quality issues requires action from all influencers

Need to align activities behind a shared plan to increase effectiveness in constrained context

Current risk of each of these influencers "blaming" others for failures to improve quality



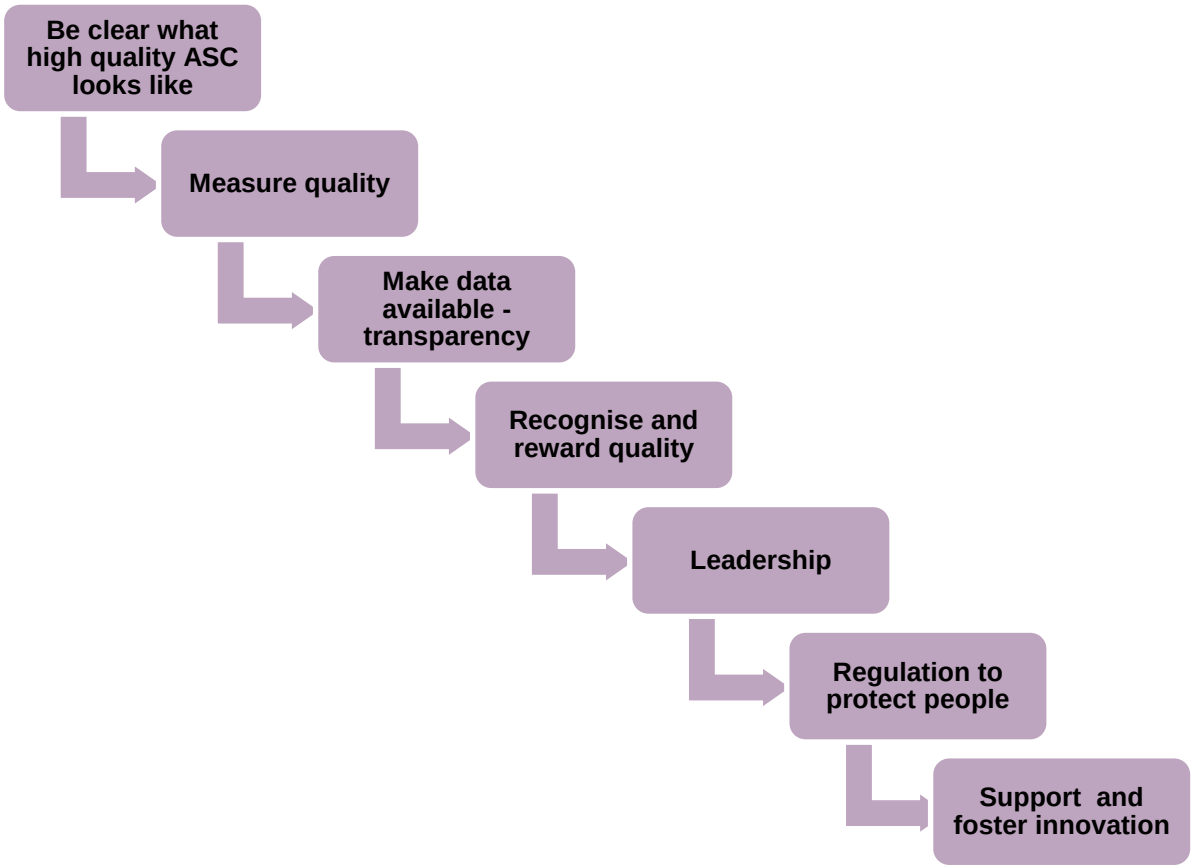
CQC's role as the quality regulator is to encourage improvement in four ways which impact across the quality curve



Forcing improvement – using *hard levers* of enforcement and registration

Encouraging improvement – using *soft levers* of information, ratings, system overview etc

Need to align behind structured approach to quality improvement (adapted from the 7 steps in “High Care Quality for All”) and understand who plays the key role in each step



We need to think about social care quality in the context of some major trends…

A likely scenario in which the environment over the next five years is characterised by:

- severe financial pressure
- service change across health and care (including NHS 5YFV)
- potentially increasing (or at least continuing) variation in quality
- debate over the best levers for improvement…

Raises questions about how to:

- respond to a time of sustained financial constraint for services
- be flexible in response to (potentially rapid) changes in the markets
- respond to a context of potential greater variation (e.g. “two tiers” in social care)
- make the most of the data that that is held in different places in the system

Key quality themes to address as part of a longer term strategy for social care

Workforce and skills

- Supply of registered nurses and registered managers
- Recruitment and retention
- Capability and confidence of care workers
- Immigration issues
- Pay (Living wage)

Commissioning and Care Reform

- For output or outcomes
- Reflecting the real cost of care (including Living wage implications and travel time judgement etc)
- Market shaping – range of high quality affordable services to meet population needs
- NHS as commissioner
- Delivering personalisation
- Focus on prevention and delaying need for care

Transparency and Information

- To understand quality of the care system, understand risks to quality and take effective action
- Availability of information to make informed choices about care
- Potential for “big data” and “intelligent monitoring” to drive improvements
- Potential for an effective shared ASC minimum dataset

Integration

- Innovative approaches to integration and models of care
- Access to high quality responsive primary and community health care in ASC

And distilled from the long list are areas where we need to make progress in the short term

Workforce

- Unintended consequences of decisions
- Cross-sector planning and modelling
- Shared view e.g. for discussions with HEE
- Data

Improvement Infrastructure

- Understanding what is and isn't there
- Implications of different improvement infrastructure levels and models between sectors
- Alignment behind improvement priorities to gain maximum impact for resources that are available nationally, regionally, locally
- Using data to guide improvement priorities

Handling Failure

- National, regional and local response to ASC failure: escalation, planning, communications
- Reviewing the options available across the system – are new responses necessary to maintain capacity and quality locally?
- Data to understand risk

We propose a series of immediate actions for NQB and partners

NOW – "Do no harm"

- NQB should formally adopt a "do no harm" principle in its work regarding social care.
- This means that in consideration of, for example, workforce issues, there is explicit consideration of whether it will have adverse impact on social care.
- ASC impact needs to be modelled and discussed with providers.
- NQB to hold to account member organisations across work programme for delivering and identify key interdependencies with 5YFV programmes
- NQB to help ensure that links with adult social care are properly reflected in key documents eg Shared Delivery Plan

In 3 months - Round table on Failure

- NQB supported round table on handling quality failures in social care in January 2016. Involving providers, commissioners – including both from NHS- and national players.
- Signal this in October/November
- CQC to lead work in advance looking at impact and outcomes from recent urgent closures on health and wellbeing outcomes of individuals using those services
- SCIE work on home closures
- Handling scenarios where all potential placements for discharge are poor quality

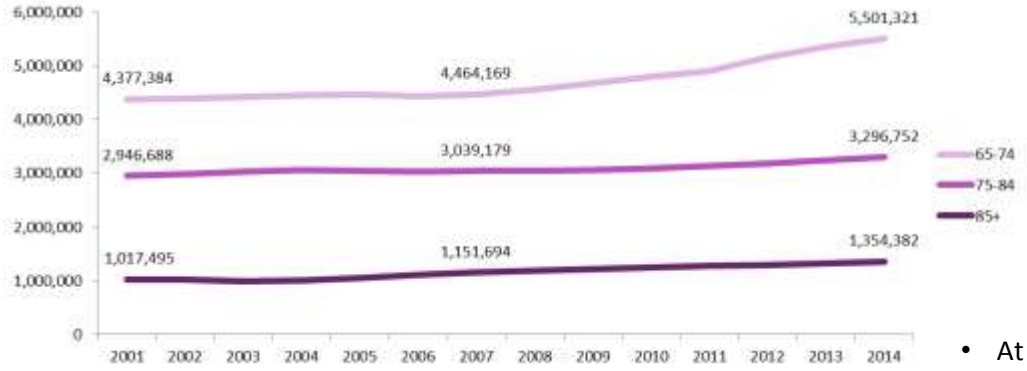
In 2016 - co-produced vision

- Aim for a co-produced vision in the new year, following the SR
- Need agreement on key areas to cover – want NQB force/endorsement behind priorities
- Key to understand system impact, including on health, of poor quality in ASC
- Framework to measure

Annex A

CQC data on quality: key findings

Population increase and trends in care home occupancy



- Since 2001 the population of over 65s in England and Wales has consistently increased through to 2014, with a sharper rise in the 65-74 population since around 2009.
- Overall between 2001 and 2014 the 65+ population has increased by 22% and the 85+ population in particular by 33%. Future projections on the previous slide demonstrate how these trends are set to continue in the coming decades putting increasing demand on the sector.

- The bottom table presents trends in care home population in England and Wales between 2001 and 2011. The number people 65+ living in care homes has remained stable at 290,000 (3%) around 1% of the total adult population.
- What is of interest is that proportionally only 0.1% of the 954,493 increased 65+ population is now living in care homes.
- We know that there has been a large increase in domiciliary provision.
- Better data is needed on funding and commissioning to fully understand the market trends and meeting future demands.

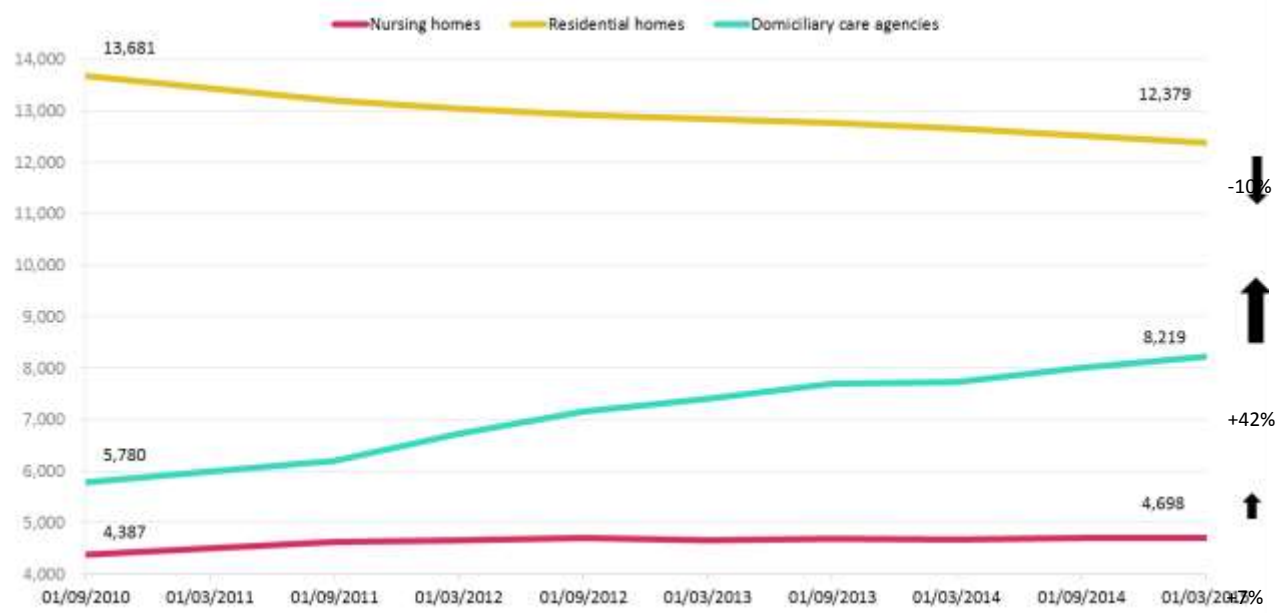
Average care home occupancy			
Size	All	Nur	Res
Small	88%	89%	88%
Medium	86%	85%	87%
Large	85%	84%	87%

- At the end of March 2015 the total capacity of care homes in England was 464,061 beds with 224,754 nursing and 239,307 residential. Based upon over 4,000 PIRs the average occupancy in care homes is 87% and the table to the left gives a further breakdown.
- These findings support research by Knight Frank that has shown care home occupancy fall from over 89% in 2006/07 to 87.6% in 2013/14, this also varies regionally from 90% in the East to 82% in the North East. On current figures this represents a vacant capacity of around 60,000 beds.

Trends in resident care home population England and Wales										
Age Range	2001	2011	Increase	%	2001 care home pop	%	2011 care home pop	%	Care home pop change	Care pop change as % of pop increase
All 65+	8,341,567	9,296,060	954,493	11%	290,000	3%	291,000	3%	1,000	0.1%
65-74	4,377,384	4,894,874	517,490	12%	29,000	1%	31,000	1%	2,000	0.4%
75-84	2,946,688	3,132,537	185,849	6%	97,000	3%	88,000	3%	-9,000	-4.8%
85+	1,017,495	1,268,649	251,154	25%	164,000	16%	172,000	14%	8,000	3.2%

Source: CQC Registration Data, PIRs, ONS Population Estimates, Frank Knight Care Home Trading Performance 2014

Adult social care active locations: Registration trends in care homes and domiciliary care agencies

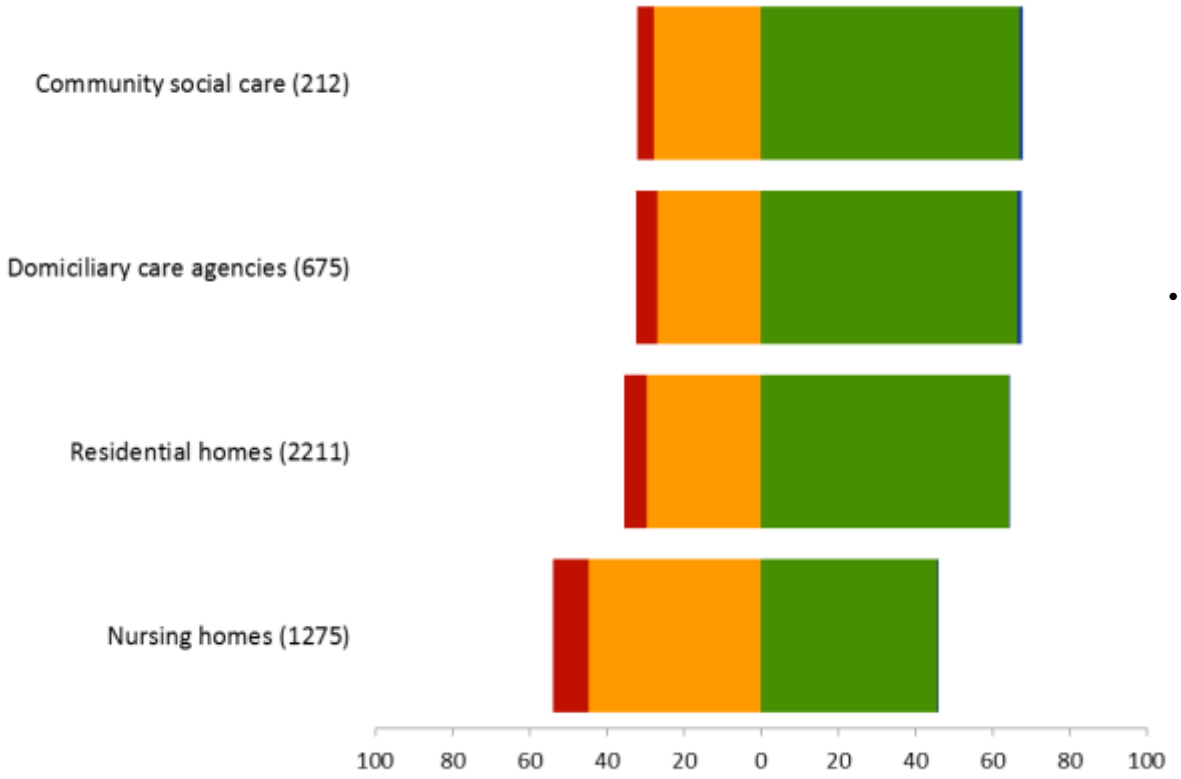


- Domiciliary care agencies – Over the last 5 years there has been a 42% increase in provision.
- Nursing homes – Over the last 5 years the has been a 7% increase in provision and a 9% increase in capacity from 205k to 225k beds suggesting that nursing homes are increasing in size.
- Residential homes – Over the last 5 years there has been a 10% decrease in provision with a 6% decrease in capacity.

- Research by Knight Frank has shown that since 2006/07 the average weekly fees in care homes have risen from under £550 per week to over £650 in 2013/14 with the highest fees being in the South East and the South generally and the lowest being in the North East.
- Across the same time period staff costs have risen from around £15,500 per resident to over £19,500 nationally. Within this there are obvious differences between nursing and personal care as well as regional variation. The South East and the South generally have the highest staffing costs, particularly for nursing care and again the lowest costs are in the North East.
- There has also been a sharp increase in property costs in the last few years with a 24% increase in 2013/14 which equates to £2,179 per bed and 7.2% of total income. Overall there has been a decline in profitability since 2006 with EBITDARM (earnings before interest, taxes, depreciation, amortization, rent and management fees) dropping from 33% to 28%, this has been attributed more to staffing costs and other running costs not to occupancy.
- Clearly there are a number of financial pressures impacting upon nursing and residential homes that could be shaping the trends we see in the market.

Source: CQC Registration Data, Knight Frank Care Home Trading Performance 2014

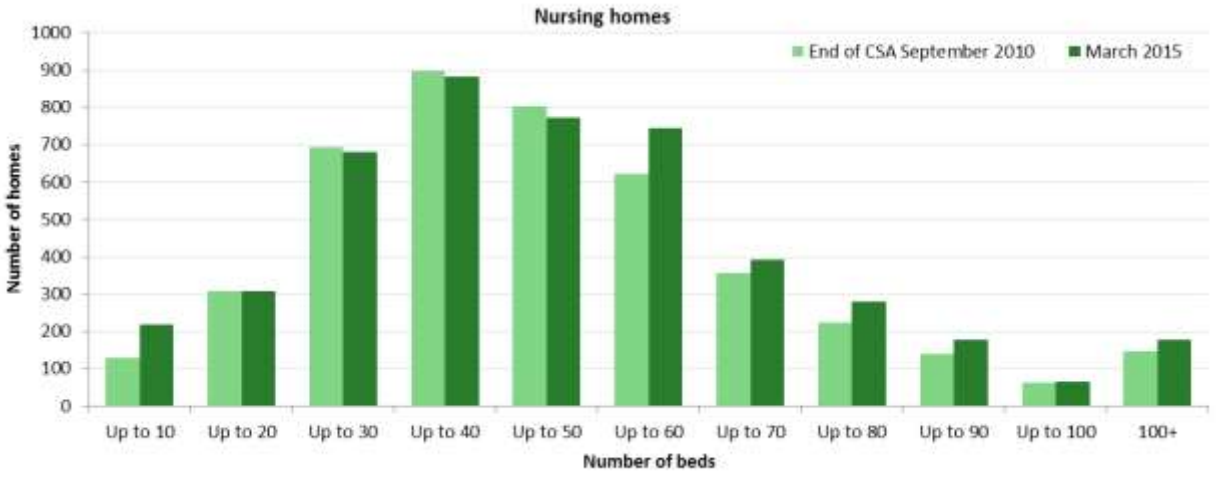
All current adult social care ratings by service type (at 31 May 2015)



- Community social care is performing best overall with 68% ratings outstanding or good, nursing homes perform worst with 46% outstanding or good.

Source: CQC Ratings Published 31/05/2015

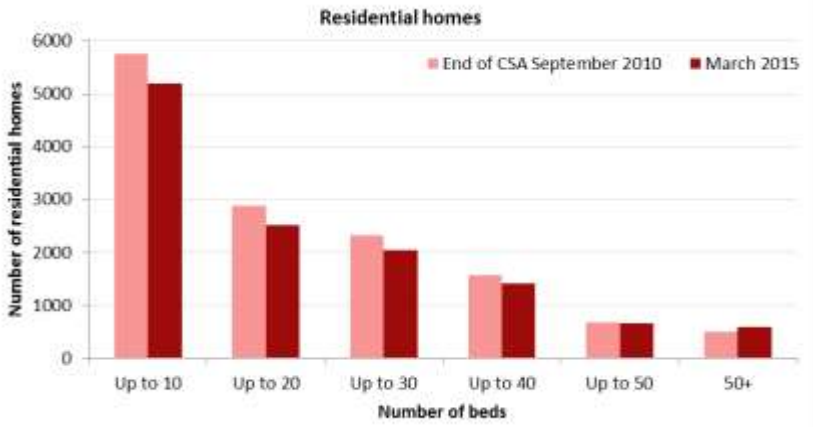
Adult social care active locations: Trends in increasing size of care homes since October 2010



Average care home size					
Nur 2010	Nur 2015	Corp Nur 2015	Res 2010	Res 2010	Corp Res 2015
47	48	57	19	19	21

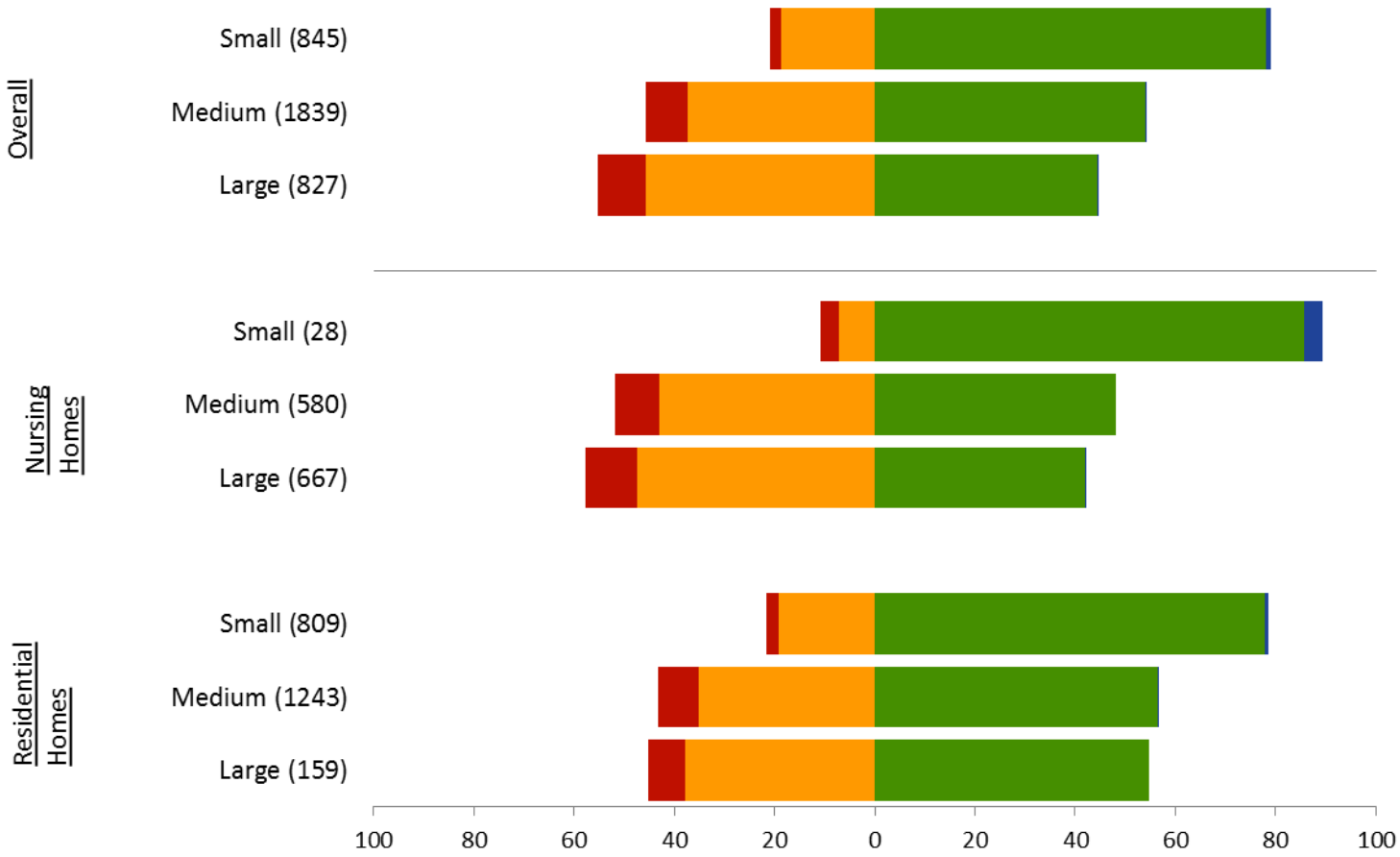
- The table above shows the average size of care homes in September 2010 and March 2015. The most notable is that corporate nursing homes are on average nearly 10 beds larger.
- We know that the number of residential homes has decreased from 13,681 to 12,379 and the chart to the right demonstrates that there has been a reduction in numbers across all size bandings except for home with 50+ beds which has seen an increase. Although less apparent than for nursing homes it still demonstrates a tendency for increasing size.

- We know that the number of nursing homes has increased from 4,387 to 4,698 and the chart to the left demonstrates that in the last 5 years nursing homes are getting larger. There has also been a large increase in small nursing homes with less than 10 beds.
- Under our old compliance methodology and our new approach inspections we have consistently found poorer quality in nursing homes and in particular larger services. If the direction of the market is working towards economies of scale this presents a challenge to the sector about improving the quality of care in larger services.



Source: CQC Registration Data

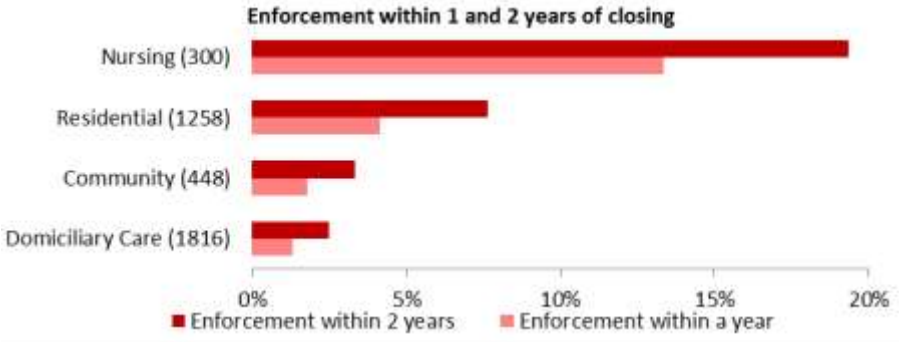
Overall care home current ratings by size (at 31 May 2015)



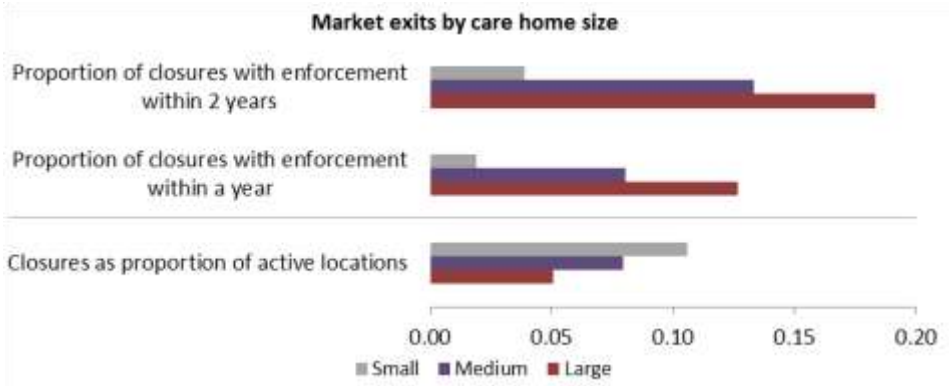
Source: CQC Ratings Published 31/05/2015

Adult social care locations: Trends in closures since October 2010

- The map to the left shows locations that have closed and that have had a form of enforcement in the two years prior to their closure.
- Enforcement at closed locations does not vary widely between regions.
- A greater proportion of nursing homes receive enforcement before their closure than any other type.
- More small care homes close as a proportion of active locations, however they typically receive less enforcement in the years before their closure.

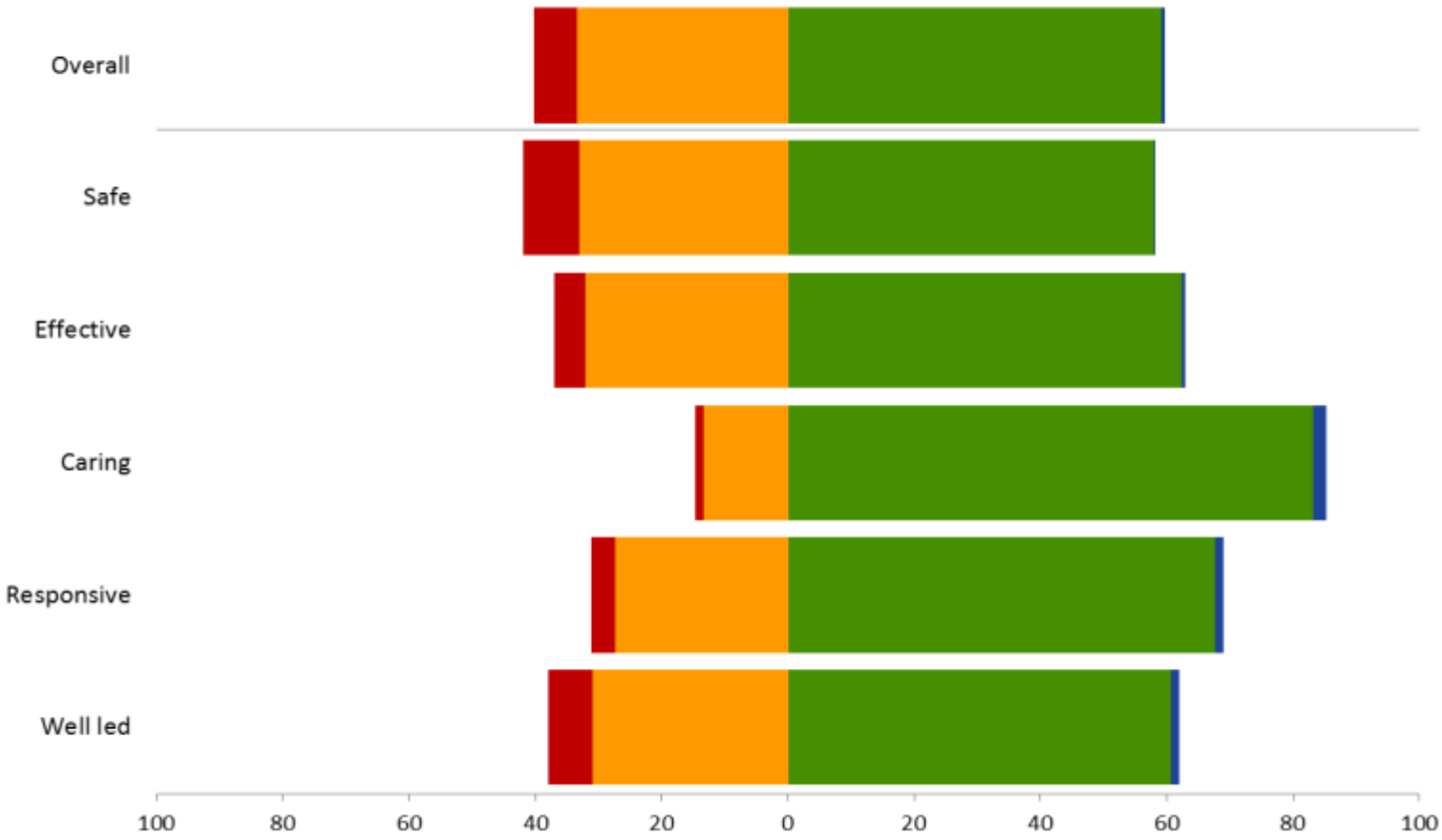


Region	Active	Closed	Enforcement within a year of closure	Enforcement within 2 years of closure
East Midlands	2322	344	3.8%	6.1%
East of England	2818	328	1.5%	3.7%
London	2883	442	3.2%	7.0%
North East	1211	178	5.1%	6.2%
North West	3209	397	3.0%	5.0%
South East	4684	645	4.0%	5.7%
South West	3210	449	3.1%	6.7%
West Midlands	2844	421	2.4%	4.3%
Yorkshire and The Humber	2412	269	4.5%	7.1%



Source: CQC Registration & Enforcement Data

All current adult social care ratings by key question (4,181 locations, as at 31 May 2015)



Source: CQC Ratings Published 31/05/2015

The importance of a Registered Manager (RM) (31 May 2015)