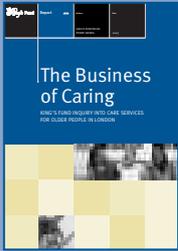


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• THE BUSINESS OF CARING

King's Fund Inquiry into care services for older people in London

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Summary

Press headlines proclaiming a ‘care crisis’ have been commonplace in recent years. As care homes have closed and as hospitals have been unable to discharge patients who no longer need medical treatment but require some form of social care, there have been fears that the care market is failing.

Aware of these concerns, the King’s Fund established an Inquiry in 2004 into the way in which care services are provided for older people in London, examining the evidence that might reinforce or refute claims about a care crisis and a failing care market.

The Inquiry was established to find out:

- whether the care system operating in 2004 was meeting the needs and preferences of older Londoners who require care and support because of long-term ill health or disability; *and*
- whether there will be sufficient care services of the right design and quality to meet the needs of older people in London in 20 years.

An independent committee, chaired by Julia Unwin, collected evidence through written submissions, Committee hearings, focus groups and research studies specially commissioned for the Inquiry.

Putting the spotlight on London inevitably means that some of the challenges affecting care services for older people are quite specific to the capital. However, many of the strengths and weaknesses identified in the London care system are echoed across England as a whole. The Inquiry report therefore has national relevance. Its verdict on the poor state of current care and support for older people is also very timely, as the government has launched proposals for modernising social care for adults in its Green Paper *Independence, Well-being and Choice*.

The key finding from our Inquiry is that there are major shortcomings in the current care system that disadvantage older people and their carers. They experience:

- restricted access to care and practical support
- limited choice and control over care services
- being put at risk from untrained and unqualified staff
- hardship caused by inadequate funding and controversy about who pays for long-term care.

The prospects of improvements for the next generation of older people look bleak, as the demand for care will increase and the pressures on private and public resources will intensify.

We call for three actions to address these shortcomings:

- investment in market development to: strengthen consumer power, support growth and diversity in the market, and create incentives to provide high-quality services

- reform of social policies to ensure equality of opportunity for older people and a culture that focuses on their rights as well as their needs
- mobilisation of more public and private resources for the care of older people and creation of greater transparency and certainty around long-term care finances.

We make our recommendations at a time when issues about services for older people are high on the political agenda and the government is in the process of developing a range of policies to address the challenges of an ageing society. We welcome and support the broad direction set out in the Green Paper, particularly the fact that the government is signalling a significant change in the relationship between older people and services – a change designed to empower them and their carers. However, in our view the proposals will not deliver the radical improvement in services required for the group of older people who need intensive care and support because of failing health and long-term disability. There is a significant risk that older people with substantial care needs will continue to receive care services that are simply not good enough.

Challenges facing care services for older people

A combination of demographic, social, economic and political factors influence the demand for and supply of care services.

Older people's need for care and support

Ageing and deprivation London has proportionately fewer older people than other parts of England. However, a high proportion of older people live in poverty, in poor health, in inadequate housing and with little or no support from family or friends. These high levels of deprivation, particularly in inner London, lead to comparatively high levels of demand for care services. Where older people do have support from family and friends, the carers themselves need help from health and social services.

Ethnic minorities London's older population is made up of many different ethnic groups, including people of Caribbean, African, Asian and Chinese backgrounds. Care services have to be tailored to meet the requirements of an older population with diverse spoken languages, religious beliefs and practices, and customs relating to family relationships and daily life.

Home ownership Half of older Londoners own their own home. High property values in London mean that older people needing a place in a care home have to pay the full costs themselves. Many opt for a care home outside London where places are cheaper, leaving care homes in London with disproportionately high levels of publicly funded residents. Older home owners whose money is tied up in housing equity can face difficulties finding the money for practical support that will enable them to remain at home.

Health and disability Older people's need for care and support can change over time as their health improves or deteriorates. Care services have to be tailored to suit people with short-term and fluctuating needs as well as those who need continuous and increasingly intensive care over many years. The unpredictability of poor health makes it difficult, both for individuals and for local authorities, to plan ahead. Local authorities are also expected to promote the health and well-being of all older people, while at the same time supporting the minority who need care and support.

Expectations Surveys have shown that older people prefer care and support that enables them to stay in their own home, and that they want services that give them choice and control over any assistance given and treat them with respect. Public bodies and independent care providers have to be able to listen to older people and their carers, and to improve those care services that fail to meet expectations.

Care services and the care system

A complex care system Demand for residential, home care and day care services can be affected by rates of treatment and lengths of stay in hospitals and by the availability of suitable housing. Care services therefore have to be seen as part of a wider health, housing and social care system. Local authorities with social care responsibilities are expected to work closely with NHS primary care trusts and housing bodies to commission a wide range of care services, including intermediate care and extra care housing. How well they work together affects the co-ordination of care and support for individuals.

Market conditions Care services operate within distinctive local care markets, where individuals and public bodies buy goods and services from the private, voluntary and statutory organisations that provide them. Local authorities are expected to develop and manage these care markets, with a view to improving value for money and increasing choice through competition. Health and housing services operate within different market. However, all three markets are subject to similar pressures in the labour market and in land and property markets – all of which affect staff recruitment and retention and the level of investment in the renovation or construction of buildings.

Consumer power Older people needing care and support can be highly vulnerable in the face of these market forces, because of their limited knowledge of what is available, their limited capacity to influence the quality of care and their insufficient income to purchase what they require. The public sector intervenes on their behalf by commissioning and regulating care services. How it does that has a fundamental effect on the range, availability and quality of care and support for older people.

The planning system Local and regional government can use their planning powers to influence care and support for older people by offering developers incentives to build supported housing, care homes and other care facilities – alongside other more general housing or commercial developments. London councils and the Greater London Authority (GLA) have to balance the needs of older people with other priorities, such as the shortage of housing for young key workers who are needed to staff essential public services in the capital.

London as a special place

London is similar in many ways to any big city or metropolitan area but there are distinctive features of the London economy and government that create special challenges for the care and support of older people.

Migration patterns London attracts young people from all over the UK and from abroad. However, after the age of 30, more people move out of London than go to live there. Migration in and out of London affects the availability of care workers.

Social problems London has high rates of mental illness, large numbers of deprived families and children in need, and high rates of crime – especially in inner-city areas. These social problems place heavy demands on local authority social services and can put pressure on budgets for older people’s services.

High land and property values Care home fees in London are higher than the average for England – reflecting in part high costs of land and property. There is therefore an incentive for individuals and local authorities to buy cheaper places in care homes in other parts of the country. High land values also restrict investment in care homes and in extra care housing.

Labour market London experiences labour shortages in many fields, including public services such as health, education and social care. Employers find themselves competing for staff from the same restricted pools of labour. The London care workforce benefits from staff coming from overseas, but language barriers mean that some of these staff need extra support to acquire the relevant qualifications.

Public expenditure on care services London local authorities spend more on social care for older people than the average for England, but prices are higher in London and inner London authorities have to spend more cash per head to make up for the high numbers of low-income service users, who are less able to pay service charges.

Government and administration There are 33 local authorities in London, all but one of which are co-terminous with primary care trust (PCT) boundaries. Care markets are not confined within borough boundaries, so authorities often compete with each other to buy services for their local populations. This disadvantages local authorities in outer London and in the surrounding counties who are competing with inner London authorities that can pay more.

Strengths and weaknesses of the London care system

There are both strengths and weaknesses in care services for older people in London.

Access to care

Information and advice Some older people and carers have expressed warm appreciation of the information and advice given by staff in social services, the NHS and voluntary organisations. More commonly, the search for information and advice is experienced as a struggle, where the chances of getting the right help at the right time vary according to where people live and who they first approach for help. Older people and carers, particularly those who are funding their own care, would often find it helpful to have someone who could help them understand the system and access appropriate care. Black and minority ethnic older people report particular difficulties in accessing information, and those who cannot speak English have to rely on their families or on community workers to intervene on their behalf. There is a serious lack of financial information and advice – an important consideration given that many older people using care services have to pay for them in part or in full.

Accessing financial support Older people and carers in some parts of London have long waits for an assessment to determine their entitlement to public support. Many older people with low to moderate needs for support are being denied help, as their local council’s eligibility criteria give priority to those with the highest levels of need.

Choice and control

Range of services There are new alternatives to residential care – for example, extra care housing, new models of home care, and intermediate care – available to older people. However, these new services are still in short supply. Provision of extra care units, particularly leasehold units, in London, for example, is below the average for England as a whole. Most older people with care needs have limited options, dominated by care homes or conventional home care services.

Preference for care at home Older people in inner London have a better chance of securing help at home than anywhere else in the country, as their local councils commission home care for 44 per cent more clients than the average for England, resulting in a 46 per cent increase in contact hours. There is, however, potential for much greater use of equipment that aids mobility and helps people to feel safe in their homes. The more sophisticated technology is still at an early stage of development and practical application, and health, housing and social care authorities are often reluctant to commit the substantial resources required.

Care home choices A number of issues restrict the choices available to older people.

- **High costs** High land and property prices in London have resulted in the underdevelopment of care homes and insufficient care home places to meet demand. Older Londoners are more likely than anyone else in the country to take up a place in a home outside their borough boundaries and outside London altogether. It is not clear how far the drift from inner to outer London and then to surrounding counties reflects older people's preferences – nor what the emotional and social impact on older people is. There is concern that many older Londoners are being denied the choice of a care home close to family, friends and familiar surroundings because of cost considerations.
- **Loss of small care homes** Care home capacity nationally has been shrinking, but in London a disproportionate number of small care homes have closed, with the result that homes in the capital tend to be larger than average.

Day services Some older people and carers appreciate day centres as they provide company, interesting and enjoyable activities, and respite for carers. Others complain that there is insufficient choice of activity and limited opportunities to pursue interests in community facilities outside the four walls of the day centre.

Control over care services Older people have limited control over the care services they use, in terms of deciding what tasks should be undertaken, when and by whom. Take-up of Direct Payments – which are known to strengthen users' control over care services – is very low in England as a whole and particularly in London.

Groups with less choice than others

Older people with mental health problems There is a serious shortage of services in both community services and residential care for older people with mental health problems, including those with dementia.

Black and minority ethnic older people Voluntary organisations and community groups complain that there are not enough care services catering for the needs of some people from ethnic minorities. In outer London, the proportion of older people from ethnic minorities who receive community care services is lower than the proportion from the overall older population.

Only a very small proportion of homes claim to make provision for the religious, dietary and other cultural requirements of black and minority ethnic residents.

Service quality

Home care There is some dissatisfaction with the duration of visits (15–30 minutes) and the way that the tasks undertaken are rigidly specified by care managers. There are also some concerns about the reliability and competence of care staff.

Care homes Although standards have improved since 2002/03, there are many concerns about: poor standards of rooms and facilities; high staff turnover; lack of trained staff (some of whom are seen as uncaring and unable to communicate well with residents); problems with the timing and content of meals; and residents' restricted access to health care.

Integrated social care, health and housing services

Improving co-ordination Some local authorities, with their NHS partners, have begun to make progress in strategic whole-systems planning designed to prevent inappropriate use of hospital services, develop a broader range of alternative care and support in the community and ensure that older people get the right kind of care, at the right time and in the right place. It is common for local authorities and PCTs to work together on the strategic commissioning of services for older people. However, there are wide variations across boroughs in the relationships forged between health, housing and social services partners, and in the extent to which independent care providers or older people and carers feel able to influence strategic planning and commissioning. New integrated community teams, resource centres and intermediate care services are being established, providing better co-ordinated care and support to older people with both health and social care needs. These joint services are still the exception rather than the rule.

Care after leaving hospital By working closely with their NHS partners, local authorities have dramatically reduced the number of delayed discharges from hospital. However, there is widespread concern that people are being discharged too quickly, to their detriment of their health and well-being. Intermediate care services, offering a short period of rehabilitation following a spell in hospital, are less well developed in London than elsewhere.

Market management Local authorities and their NHS partners vary considerably in their understanding of local care markets and in their efforts to manage and re-shape the market to fit modern requirements. Even the most advanced are facing major political and financial pressures that hamper their ability to transform services in the way they wish.

Promoting health and well-being A few local authorities, in co-operation with health and housing partners, have adopted strategies to promote the health and well-being of all older people. Implementation of these preventative programmes is being hampered by the need to concentrate limited resources on care services for vulnerable older people.

Collaboration across boroughs Strategic commissioning across boroughs is rare, although there is interest now in exploring how specialist services for particular groups might be commissioned in this way, and how greater efficiency might be achieved through collaborative commissioning.

Workforce capacity

Skills and qualifications of staff Many care staff are committed to their work, derive great satisfaction from helping people and develop strong rapport with older people and their carers. Increased numbers of care staff are gaining qualifications that demonstrate their competence, but the majority are still unqualified. Staff employed by small care organisations in the independent sector experience particular difficulties in accessing training leading to National Vocational Qualifications (NVQs), as do care staff with English as a second language and those who have poor literacy and numeracy skills. More care service managers than ever before hold or are studying for management qualifications. But many lack the knowledge and skills required to expand or diversify services to meet changing demand. Some commissioners are enthusiastically engaged in the complex task of reshaping the care system, decommissioning services that are no longer needed and developing new ones. But many lack expertise in market management and experience in working in a political environment where there can be great opposition to change.

Recruitment and retention Vacancy rates for care staff in residential care and home care services in London are well above the average for England. Staff turnover is also high. This adversely affects continuity of care for older people and creates problems for employers.

A multicultural workforce Around 60 per cent of care workers in London are from ethnic minorities, the majority describing themselves as black African, black Caribbean or black British and smaller proportions as of Asian or Chinese origins. A large but unknown proportion of care workers come from overseas, some of whom are well qualified in their home countries, most of whom speak English as a second language. There are clear benefits to having a multi-ethnic workforce, but difficulties can also arise in terms of racism experienced by staff and poor communications between staff and service users.

Finances

High expenditure and high costs Considerable resources are spent on care services in London – £1.6 billion in 2003/04 (almost three-quarters of which entailed public sector funding). London local authorities are comparatively big net spenders on care services for older people, spending more per person than the average for England. Expenditure is higher than average, particularly in inner London, because prices are higher than elsewhere and because levels of deprivation restrict local authorities' capacity to raise income from user charges.

Diverting resources from older people's services In the past, local authorities were often found to have underspent on services for older people, spending more instead on children's and families' services. It is not possible to confirm whether that happened in 2004/05 because of changes to central government funding. However, social service directors acknowledge that, in some parts of London, resources for older people continue to be diverted because of pressures on services for children and families.

Capital expenditure on care homes and extra care housing A small number of new nursing homes and extra care units are being built, using public/private partnerships and special housing grants from central government. However, capital investment in care services is restricted in London as investors in the private and voluntary sectors are less likely to be able to make a reasonable return on their investment through fees, rents and sales because of high land and property values in the capital.

Housing-related support It is not known how much is spent on assistive technology and handyperson schemes undertaking small repair and maintenance jobs around the home. Practical support in the home is available through the Supporting People programme, but older people in outer London are far less likely to receive this support than their counterparts in inner London. Much of the funding is tied up in sheltered housing and local authorities are experiencing difficulties in releasing money to use on floating support workers.

Private resources Individuals spent an estimated total of £265 million on care services in London in 2003/04, two-thirds of which was spent on residential care. However, few older Londoners can afford to fund their own care long term. Many home owners who are cash poor but asset rich are unable to release money to fund care and support in their own home.

Funding pressures Social services directors and London councils report that budgets are under pressure, and there is evidence that they are struggling to meet the needs of all but the most dependent older people.

Views about the financial system Older people and carers have mixed views about paying for services out of their pockets – some being willing provided they are affordable, others being opposed in principle. People who pay for their care regard it as unfair that they should be charged more than their publicly supported counterparts. There is widespread confusion about who is entitled to free NHS continuing care, as opposed to means-tested social care.

Future prospects for care

Demand for care will increase over the next 20 years, and the pressures on the public and private resources needed to respond to those demands will intensify.

Demand for care services can be expected to increase because of:

- a substantial increase in the population aged 85 and over. Numbers will increase by 54 per cent, from 108,000 in 2003 to 166,000 in 2028.
- the ageing of people from black and minority ethnic communities. For instance, by 2008 older people of Asian origin will form 9.8 per cent of the older population compared with 5.6 per cent in 2001.
- poor health among disadvantaged groups, and the particular demands of people with dementia.

Care and support from families Overall, the incidence of informal care is not likely to change dramatically. There may be changes in the patterns of care among some ethnic minority groups, as the number of extended families living together falls and as greater mobility associated with employment reduces the capacity of children to provide intensive care for their parents.

Expectations of care What the next generation of older people wants from care services is very similar to the requirements of older people today. They want services to enable them to lead independent lives, to exercise choice and control over services and to participate in family and community life. They want services that fit their chosen lifestyles, and some are determined not to put up with standardised, poor-quality services provided for their parents' generation.

The balance of care services Home care services and extra care housing will need to expand substantially, offering an alternative to residential care. More care home places will also be needed to accommodate increasing numbers of older people with complex conditions and to

offer older people the choice of a place in London that is close to family, friends and familiar surroundings.

Pressures on service supply More skilled care workers will be needed. But shortages and quality concerns are likely to continue, in the absence of better pay and conditions and enhanced opportunities for education and training. The growth of extra care housing and of care homes will be restricted unless changes are made in housing policy, planning barriers are lowered and shortages of affordable land and property are overcome.

Finances Increases in the very old population, combined with the inflationary impact of the Care Standards Act, will drive up the costs of care. Pressures on public expenditure will increase, as fewer older people will have sufficient income from pensions and savings to pay for their own care. There will be more older home owners with substantial amounts of money tied up in housing equity. The market in housing equity release may grow, enabling older people to draw down part of the value of their homes in order to pay for home improvements and practical support in the home. However, there are few reliable financial products available and many older people wish to leave some inheritance for their children.

Care policy and markets Governments will continue to rely on market mechanisms in the care sector, and public bodies will be responsible primarily for commissioning care services using public money. It is likely that integrated commissioning and market management will become even more complex, as services are purchased by strategic bodies, practitioners and individual service users. The care sector may become dominated by corporate businesses that can keep overheads low and invest in staff training and development. These businesses may be less able to respond to local needs and to the specific requirements of some ethnic groups. It is not clear whether older people can expect to have greater influence on care services – as consumers or as participants in strategic planning. Greater take-up of Direct Payments and individual budgets could increase consumer power in the future.

Understanding the roots of the problem

The problems in the care system in London are related to:

- market failures that restrict older people's choice and control and prevent services responding to what individuals need and want.
- public policies that disadvantage older people, seeing them as dependent, passive recipients of welfare and as lesser citizens than their younger counterparts.
- a financial system that results in restricted access to care and support, confusion and controversy about entitlements to care, and barriers to planning.

Market failures

Older people's weak consumer power Older people do not have the full information required to make informed decisions about their care. The majority of older people lack buying power and have to depend in part or full on public money to buy care, with little or no direct control over how this money is spent. Self-funders, with higher incomes or assets, also find it difficult to obtain appropriate information. Carers are in a similar position, except that their dual role as consumers and providers can lead to them being ignored and left to bear the costs of market weaknesses.

Underinvestment in market capacity and diversity Small care providers lack the resources necessary to expand or diversify their services, and to train and develop their staff to national minimum standards. There is insufficient capital investment in care homes and extra care housing because local authorities and their NHS partners, and self-funders, are unable or unwilling to pay higher prices reflecting full market costs. Care providers do not have a strong incentive to deliver quality care services as commissioners try to get as much service activity as possible for the lowest price.

Public policies

Welfarist approaches emphasise dependency, focus public support on poor people and restrict public expenditure to those older people who have severe care needs.

Ageism Health, social care and housing policies reflect low expectations about the quality of life older people should enjoy. Mental health services for older people, for example, often compare less favourably with those for working-age adults, and welfare benefits are less generous for older people than for younger age groups.

Emphasis on needs rather than rights The care system seems to operate at times with no recognition of older people's human rights. They can be subjected to physical, psychological, financial and sexual abuse by the people charged with their care and can also experience inhumane and degrading treatment.

Financial system

Insufficient public resources Public resources are sufficient for local authorities to respond only to older people with the highest levels of care need. Local authorities strive to keep costs down, which leads to care providers cross-subsidising lower fees from publicly supported clients with higher fees from self-funders. Current resources are insufficient to allow expansion of low level preventive services.

Inadequate private finance Costs of care for those who are denied public support falls on family carers and on individual older people. The majority of older people do not have sufficient income or savings to pay for care and support over a long period. Housing equity release schemes have not so far proved to be an attractive proposition for older home owners needing cash to pay for care.

Lack of transparency There is widespread confusion about the rules governing entitlement to free NHS continuing care and means-tested social care. Many people neither understand nor accept the distinction and therefore regard the funding system as unfair.

Uncertainties A lack of clarity about who will need care, when and for how long makes it hard for individuals and organisations to plan ahead for care in old age. With the virtual collapse of long-term care insurance, there is a dearth of financial products that consumers can use to protect themselves against the risk of needing care. Uncertainties about the future of Supporting People funds also threaten the future availability of housing-related support for older people.

Recommendations

Our recommendations propose specific action we believe is needed now to make the necessary improvements to care services in the immediate future and in the longer term. Our recommendations relate to:

- **reforming policy** so as to ensure equality of opportunity for older people and a culture that focuses on their rights as well as their needs
- **investing in market development** to strengthen older people's consumer power, support growth and diversity in care services, and create incentives to provide high-quality services
- **improving poor services for specific groups**, tackling in particular shortages in services for older people with mental health problems and shortfalls in services to older people from black and minority ethnic communities
- **mobilising more public and private resources** for the care and support of older people.

Reforming policy

Recommendation 1

By the end of 2005 central government should specify a set of indicators to judge progress on delivering its new vision of social care for older people and achieving the outcomes it has identified as important to older people. These outcomes include improved health and quality of life; being able to make a positive contribution; exercising choice and control; freedom from discrimination and harassment; economic well-being; and personal dignity.

Recommendation 2

The Commission for Social Care Inspection (or its successor following the merger with the Healthcare Commission) should monitor the implementation of policy for older people and how far these outcomes are achieved, and report on progress and problems.

Recommendation 3

During the current parliament, central government should introduce new age-equality legislation requiring organisations responsible for care services to demonstrate how they promote equality of opportunity. This legislation should outlaw age discrimination in the benefits system, health, housing and other public services. Either the Commission for Social Care Inspection (or its successor) or the new Commission for Equality and Human Rights should assess progress in promoting age equality through periodic reviews.

Recommendation 4

The new Commission for Equality and Human Rights should use educational campaigns and special investigations to promote and protect older people's human rights and their right to equal treatment. Where necessary it should take legal action to enforce these rights.

Recommendation 5

The Commission for Social Care Inspection should assess progress in promoting older people's human rights in local authorities, and the Healthcare Commission should assess progress in the NHS, through reviews or annual assessments. Where appropriate, reviews should be carried out jointly with the new Commission for Equality and Human Rights.

Investing in market development

Recommendation 6

Central government should fund local authorities to provide information, advice, advocacy and service brokerage. These should be:

- available to all older people. It is no longer acceptable to deny self-funders access to the help and advice available to those eligible for public support.
- developed in partnership with older people and their carers; PCTs; housing; independent providers; and the voluntary, community and business sectors
- based on existing local arrangements and new developments, including initiatives such as the Building Financial Capability project and Link-Age
- accessible and appropriate for older people and their carers from all local communities
- recognised as impartial, transparent and credible by older people and their carers.

The Commission for Social Care Inspection should monitor these services to ensure that these criteria are met.

Recommendation 7

Local government should support information, advice, advocacy and brokerage services by exchanging good practice, evaluating new schemes to ensure that older people are satisfied with them, and monitoring their performance. The Commission for Social Care Inspection, the Social Care Institute for Excellence, the Improvement and Development Agency, and the Care Services Improvement Partnership should work together to spread good practice.

Recommendation 8

Central government should pilot and evaluate individual budgets as proposed in the Green Paper, so as to assess how far these budgets genuinely give older people more control and choice over the services they need and the way they are delivered. Joint individual budgets (funded by local authorities and the NHS) should enable older people to secure as wide a range of services as possible, including health- and housing-related services that older people currently have difficulty accessing.

Recommendation 9

Local authorities and PCTs should establish effective arrangements to involve older people in commissioning services. Education and leadership development agencies should include good practice in involving older people in their education programmes for commissioners working in local authorities and PCTs.

Recommendation 10

The Department of Trade and Industry should support small care organisations to develop the business infrastructure necessary to enter the care market or to expand and diversify their services. Priority should be given to:

- developing more flexible and versatile care and support in people's own homes that can meet their short- and long-term care needs
- providing business support to small voluntary and community organisations working with black and minority ethnic communities to assist them to develop new care services responsive to older people's diverse religious and cultural preferences.

Recommendation 11

The Greater London Authority should give higher priority in its planning guidance to the development of new care homes and extra care housing (both rented and leasehold) in those parts of London where the current supply is insufficient to meet the needs and preferences of older Londoners.

Recommendation 12

Local authorities should make greater use of their planning gain powers to encourage the development of more supported housing and care homes in areas where the current supply is insufficient. In partnership with PCTs, local authorities should create land banks to be used for these developments and form public/private partnerships to lever more capital investment into housing and care services in London.

Recommendation 13

Local authorities and their PCT partners with the Association of London Government should develop capital investment plans on a pan-London and/or a sub-regional basis. This will help to ensure that new care homes and extra care housing are located where the need is rather than where land is cheapest. Planning on this basis is particularly important to ensure the development of specialist services that are not viable within individual boroughs, such as those for people with complex conditions and for specific black and minority ethnic communities.

Recommendation 14

Central government, local authorities and PCTs should jointly fund, on a pan-London basis, education and training programmes aimed at all staff who are involved in commissioning care services.

Recommendation 15

Skills for Care and workforce development departments within strategic health authorities should increase the support they give managers of care organisations to develop their businesses and to expand or diversify to meet current and future demand.

Recommendation 16

By 2007, the Commission for Social Care Inspection should institute systems to rate the performance of local authorities on how far their commissioning is achieving high-quality services and is also ensuring that these services meet equality standards.

Recommendation 17

Strategic commissioners and providers should work together with older people and their organisations to specify the outcomes that services should achieve for service users and carers.

Recommendation 18

Care managers should purchase care and support for an individual on the basis of the outcomes the older person wants. They should not specify in detail how the provider should deliver these outcomes. Care providers should be free to work out, in dialogue with the older person concerned, what this means in practice.

Recommendation 19

Local authority and PCT commissioners should consider paying a quality premium to encourage and reward providers whose services exceed national minimum standards.

Recommendation 20

Training and workforce development partnerships should increase their funding for training care workers. Particular attention should be given to care workers whose first language is not English and to those who lack basic literacy and numeracy skills. Workforce development departments, Learning and Skills Councils, Skills for Care, and health and social care organisations should combine their funds to provide intensive, work-based support to care staff working for small, dispersed care providers.

Improving poor services for specific groups

Recommendation 21

Local authorities and their PCT partners should develop and implement commissioning strategies to care for and support older people with a range of mental health problems and their carers. These strategies should:

- identify key areas for developing new services and redesigning existing ones. In most cases, we envisage that this will involve a radical overhaul of the current patchwork of provision based on a fresh appraisal of the specialist and generalist support required.
- indicate where existing resources could be used more effectively and where additional spending is needed to provide both specialist and generalist support and to upgrade staff education and training.

Recommendation 22

The Care Services Improvement Partnership should give high priority to improving services to older people with mental health problems through a nationwide development programme. The national directors for mental health and older people should regularly report on progress to government and the wider public.

Recommendation 23

We urge all authorities involved in commissioning, providing and regulating social care to improve the range and quality of services offered to people from black and minority ethnic groups. For example:

- Local authority and primary care trust commissioners should take the lead in developing high-quality services for black and minority ethnic older people.
- All local authorities and PCTs should work closely with black and minority ethnic groups and organisations to develop a better understanding of their needs and to address these needs in their plans for service development.
- Commissioners should ensure that private- and voluntary-sector providers demonstrate how they will meet the needs of older people from black and minority ethnic communities and their carers.
- The Audit Commission should ensure that local authority comprehensive performance assessment ratings reflect how well authorities are engaging with and providing for black and minority ethnic communities. This should also apply to the Healthcare Commission in their NHS annual assessment ratings.

Recommendation 24

In consultation with the relevant community groups, the Association of London Government should bring together local authorities, on a pan-London or sub-regional basis, to plan and commission specialist services for black and minority ethnic groups that cannot be met within a single borough.

Recommendation 25

Local authority and PCT commissioners should encourage community and voluntary organisations to enter the care market and develop services responsive to the needs of particular communities. Support should include advice on organisational development and training for managers and care staff. In addition, such services should receive medium-term funding, not the one-year agreements that are the current norm.

Mobilising more public and private resources

Recommendation 26

Central government should review its decision not to increase funding for adult social care and older people in the short term. This Inquiry demonstrates that local authorities and PCTs are struggling to meet all but the highest levels of need. If the government is serious about wishing to develop more preventative services while at the same time providing intensive care and support to a minority of older people, it needs to re-examine funding. We are not convinced that existing funding will be sufficient to implement the ambitious proposals set out in the Green Paper.

Recommendation 27

Central government should clarify the different circumstances in which older people are entitled to receive means-tested social care and free NHS care. In particular the government should ensure greater local consistency in interpreting the NHS criteria for continuing care. We welcome the government's proposals to establish a single set of national eligibility criteria for NHS continuing care. We also endorse the recommendations of the Health Select Committee that these should be seen as a short-term measure and there should be a more fundamental debate about the distinction between a free health care service and a means-tested social care system. We also welcome the proposal that this should be informed by the King's Fund social care review currently being undertaken by Sir Derek Wanless.

Recommendation 28

Local government and its NHS partners should be more open and accountable for what they spend on care services to older people. As well as fully involving older people and their carers in planning service developments, authorities should report back to the public regularly on how much has been spent on services for older people and on what specific types of care and support.

Recommendation 29

Local authorities and PCTs should ensure that they establish systems to enable older people and their organisations and champions to scrutinise local budgets and expenditure and to challenge decisions to divert resources intended for older people.

Recommendation 30

Central government should consider how to make housing equity release schemes more attractive so that older home-owners will be willing to use them to pay for the care and practical support they need to stay in their own homes. This means looking in detail at the tax and benefit anomalies that act as disincentives to using these schemes. Expert advice should be offered to older people on the schemes available.

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