

# Supersized

The impact of adult social care on jobs, growth and regeneration in the West Midlands

A report by Sherman Wong commissioned by West Midlands ADASS

November 2018

<https://www.westmidlandsiep.gov.uk>

**IEWM**

Improvement and  
Efficiency  
West Midlands



## Introduction:

Last year, West Midlands ADASS took a look at the multi-faceted £4.4 billion footprint of the West Midlands adult social care sector as an economic driver, looking at how the sector contributes or could contribute to wider economic, social and place-shaping objectives. Nearly a year later we have commissioned Sherman to take a fresh look which brings together a series of reports, analysis and thoughts on how we develop the 'Flipping social care' concept and provide information and argument that helps us all make the case for the importance of the sector in driving the local economy.

As well as providing a valued and critical service to some of our most vulnerable citizens, adult social care provides an occupation and an income for hundreds of thousands of people and a *raison d'être* for thousands of businesses.

It invests in products and services generating income and jobs in sectors as disparate as catering and construction; it builds multi-million pound developments that contribute to the regeneration and reshaping of our towns and cities; and it devises new ways of working and of providing services that are linked to the advances and innovations in remote care and assistive technology, which help people to live independently for longer. In doing so it creates a host of new opportunities and markets for technology and stimulates enterprise and innovation across the spectrum. This does not necessarily mean a focus on large commercial enterprises; there are a multitude of smaller businesses and social and community enterprises that recycle the economic benefits within communities, broadening the base of the social care ecosystem and helping to build local economic and social resilience.

I know Sherman's last report was well received and has attracted interest nationally from ADASS, LGA and DHSC who are keen to explore with us how we can develop the concept further.

Our intention is to continue to work with Sherman to help us engage with our economic development colleagues and attempt to influence how physical regeneration growth impacts upon and should be influenced by the people in the communities that inclusive economic growth is designed to assist.

I would be really interested to hear your thoughts on the latest report and also your suggestions for where and who we target with this research.



Andy Begley

Chair West Midlands ADASS  
Director of Adult Services and Housing at Shropshire Council

## **BIG - the size and economic importance of the adult social care sector**

It should be no surprise to read in a government strategy that there is “an obligation to help our older citizens lead independent, fulfilled lives, continuing to contribute to society”. What may be a surprise, however, is that this statement was not made by the Department of Health and Social Care (DHSC) or the Ministry of Housing, Communities and Local Government (MHCLG), but by the Department of Business, Energy & Industrial Strategy (DBEIS), and that the document in question is the Government’s Industrial Strategy, where the ageing society is identified as one of the country’s four “Grand Challenges”.

It is well known that the population is ageing, so much so that the Industrial Strategy notes that one out of every three children born in the UK today is expected to live to be 100 years old. A demographic change of this scale will reshape society, bringing with it challenges and opportunities. As the strategy says, “ageing populations will create new demands for technologies, products and services, including new care technologies, new housing models and innovative savings products for retirement”.

Indeed, as areas look to develop their own industrial strategies, it is worth noting last year’s independent Industrial Strategy Commission’s comments, that “the mix of scale, expertise, supply and demand issues and major political/public policy challenges that characterize the UK’s health and social care system makes it an obvious focus for industrial strategy”.

With the population ageing, the sector will only get bigger, but the sector is already big in terms of the amount of money it spends, the spending this spending generates and the numbers of people it employs across a wide range of job types, occupations and professions. These jobs are in a multitude of different organisations, from big corporate chains to small businesses, micro-providers, charities and social enterprises. As the Kings Fund noted in 2015, “less than 10% of social care is actually provided by councils or the NHS”.

The care requirements of an ageing population in the future may well be different to the current profile. As such, it is not just the raw numbers that need to be taken into account, the degree of support and care needed will vary depending on the health or otherwise of the population bringing with it opportunities for more personalisation, diversification and new service models. A study in the Lancet found that the number of people aged over 85 needing full time care is set to almost double by 2035, while over 65’s with the same high dependency levels will increase by a third. Not only that, over 80% of substantially dependent older people with dementia will have two or more other conditions. These and other complex care needs will have implications for the numbers and nature of the care workforce such as for registered nurses working in care, while the increased demand can only add to the impetus to look at new ways of providing care and improve self-care and carer support by using the commissioning power of adult social care in new and innovative ways.

### **Going to market**

The demographic changes that are happening will not only mean more staff are needed, but also provide opportunities for developers, designers and the manufacturers of the products that assist people and carers - products likely to do all the better if they appeal to users because they are attractive and complement their lifestyles. The potential market for such products across the world is truly staggering. As the industrial strategy points out, “globally, there are likely to be two billion people of the age of 60 by 2050”. As a region famed for its manufacturing and innovation, there may well be opportunities for places in the West Midlands to take real advantage of these trends.

However, even without looking overseas, there is much that can be done closer to home to help shape markets and use the economic power of the sector to best effect. Councils, for example, could consider how they can use their commissioning and economic development functions to make the best use of technology and encourage innovation to improve care, join-up services and organisations, and stimulate jobs and economic activity. With the West Midlands home to the UK's first large-scale 5G test bed, there will be new capacity and scope to test the boundaries of what is possible. 5G's improved connectivity will make data transfer much faster, potentially facilitating better data sharing between organisations and, for example, allowing greater use of real time information and remote health services.

### **Stimulating - super-sizing social care spending**

The size and contribution of the sector to the national economy can vary depending on how it is measured. In a report by Skills for Care this year, they estimated that in 2016 the direct spending by the sector was worth some £24.3 billion to the UK economy and provided some 1.8 million jobs. However, once they took account of the knock-on effects this spending and employment stimulated, they reckoned that this could be super-sized to £46.2 billion and 2.6 million jobs.

This £46.2 billion total is made up of the direct spending, plus a further £10.8 billion from the indirect effects of that spending, for example through buying the intermediate goods and services that the sector needs. The balance came from "induced" effects caused by the spending of those either directly or indirectly working in the adult social care sector.

Looking at jobs in a similar way, Skills for Care estimated that there were over 1.6 million jobs in the adult social care sector, plus more than 150,000 jobs from individuals employing personal assistants (PAs). In addition to these 1.8 million jobs, they calculated there were more than 600,000 jobs arising from the impact of indirect spending and 250,000 more jobs generated by the induced effects of social care spending.

### **6% is a big number**

These are big figures even just considering those people directly employed. Indeed, Skills for Care say that adult social care accounts for some 6% of the total employment in the UK - in comparison, according to the ONS, in June this year, the NHS accounted for "5.1% of all people in paid work in the UK". With social care needs spreading across the country, it would seem adult social care either is or has the potential to be a major employer and a significant economic player in every location.

Of course, this does not include the huge army of unpaid carers. According to a parliamentary briefing note earlier this year, some 6.5 million people across the UK provide care worth an estimated £57 billion to £100 billion a year. Indeed, the briefing quotes the National Audit Office finding that the value of unpaid care in 2015/16 "significantly outweighed that of the formal care provided by local government and the NHS and is comparable to national spending on health care".

### **Sources**

- Skills for Care - [The adult social care sector and workforce in West Midlands](#), 2017
- HM Government - Industrial Strategy, [Building a Britain fit for the future](#), 2017
- The Industrial Strategy Commission - [The Final Report of the Industrial Strategy Commission](#), November 2017
- The Kings Fund - [We need to talk about social care providers](#), September 2015
- The Lancet - [Forecasting the care needs of the older population in England over the next 20 year](#), September 2018
- Gov.uk - [West Midlands to become UK's first large-scale 5G testbed](#), September 2018
- Skills for Care - [The economic value of the adult social care sector](#) - UK, June 2018

- ONS - [Public sector employment, UK: June 2018](#), September 2018
  - Parliamentary Office of Science and Technology - [Unpaid Care](#), July 2018
- 

## **Adult social care in the West Midlands - here, there and everywhere**

Across the West Midlands, direct employment in social care provides a means of living for tens of thousands of people. In the region as a whole, for example, Skills for Care estimated that there were around 170,000 adult social care jobs in 2016. Moreover, they suggested that based the growth of the 65 and older and 75 and older age groups, there may be a need for another 50,000 to 70,000 jobs by 2030.

Emphasising the sector's reach, in 2016 there were 2,100 care-giving organisations in the West Midlands, operating out of some 4,100 locations. Taken as a whole, including indirect and induced spending, the estimated contribution to the West Midlands economy from the sector was some £4.4 billion in 2016/17.

These organisations employed plenty of people. The Skills for Care website has individual summaries providing a wealth of information about the workforce in each local authority area. Clearly, the number of jobs in each place varies by local conditions and circumstances. However, as an indication of the sorts of numbers in play, the area with the most jobs was Birmingham, with 28,000 jobs, while Staffordshire had the second highest number, with more than 20,000 jobs.

### **Raised by Wolves**

So, what does this mean locally? As reported in last year's West Midlands in Context, Wolverhampton is one of the authorities that has made significant progress in integrating adult social care into its economic thinking. Working with Skills for Care in 2016, a council report estimated that "the social care sector (including the health sector in some analysis) is larger than, for instance, construction; transportation, storage and postal industry; restaurants, cafes, pubs and bars in the food and drink industry". Based on salaries paid to directly employed staff and the indirect and induced spending, the council calculated that the total economic contribution of the adult social care workforce to the Wolverhampton economy in 2014/15 was some £250 million.

Considering the breadth of coverage of the 130 social care establishments in the City and the other economic dimensions of social care, such as the economic value of unpaid care and the spending of self-funders, it is not surprising that like the government, Wolverhampton sees adult social care as a sector "to which attention can be given in taking the commitment to growth in the City onto its next stage".

One of the results of this thinking is that health and social care is identified as one of the City's key economic sectors and, as such, is profiled prominently on the Invest Wolverhampton website alongside investment stalwarts such as advanced manufacturing, business and professional services and creative industries. The City's Care and the Local Economy document runs through the extent of the sector's contribution to the local economy in detail.

### **Devolution - how to win friends and influence people.**

When seen in this light, it is perhaps easier to think of adult social care alongside the likes of manufacturing, transport, retail, and catering and hospitality as a fully-fledged economic sector with substantial benefits, beyond the social good they provide, worthy of strategic consideration. If it can be seen in this way, perhaps sometimes it would be helpful to change the way we think about how it can be supported and how it can support other, socio-economic objectives. We might think about the elements that contribute to adult social care and how they interact as parts of a supply chain; we might

think differently about workforce, about the need for centres of excellence and innovation; and we might think differently about the scope of influence such a large and important sector should have.

With devolution meaning more decisions are being made outside of Westminster, there is a real opportunity for social care to be recognised locally as the economic driver it is. Clearly, it can be a challenge to think of social care in this way, when understandably the focus is on providing care to the people who need it. Engaging in this arena will be a learning experience with a new landscape of different organisations, strategies and jargon to contend with from local enterprise partnerships (LEPs) and combined authorities to strategic economic plans, local industrial strategies and employment and skills plans.

Unsurprisingly, with a similar profile to social care, the benefits of these connections have not gone unnoticed by the NHS who have been highlighting their own local economic impacts. In doing so, they have pointed to their importance as an employer, the role the health service plays in social inclusion and in tackling poverty, the extent of the NHS estate and the value of NHS expenditure in local areas. To support this work, the NHS Confederation has local growth workstream that helps its members engage with the economic agenda. In the interests of not reinventing the wheel, it's worth noting the advice it gives to NHS organisations, to:

- **understand** the background to local devolution plans and how to influence them
- **review** opportunities for potential partnership working with other public, private and third sector organisations around issues such as estates, workforce supply and retention, prevention and public health
- **establish** relationships with local economic leaders, including local and/or combined authorities and LEPs
- **develop** new metrics that record how we drive prosperity, in line with other sectors
- **explore** opportunities for NHS colleagues to take positions on non-health sector organisational boards, widening their local influence.

Among the resources the NHS Confederation provide are fact sheets and case studies, such as the work being done to support the local health and care economy though a focus on skills and employment. Like the health service, skills and employment are clearly areas where the interests of adult social care and the local economic agenda overlap.

## Sources

- Skills for Care - [The adult social care sector and workforce in West Midlands](#), 2017
- Skills for Care - [Local authority area information and reports, West Midlands](#), website
- City of Wolverhampton Council - [Care and the local economy](#), 2017
- Invest City of Wolverhampton - [Wolverhampton: the caring city](#), website
- NHS Confederation - [Growing local economies](#), website

---

## Work force

### Skills and employment

Like any growing economic sector, the need to secure a stream of suitably skilled employees is key. With the greater devolution of the skills agenda and the development of local industrial strategies, there should be scope to use these freedoms proactively to link the growing demand for social care



jobs to people looking for work or new opportunities. Within the region, earlier this year the West Midlands Combined Authority (WMCA) struck a Skills Deal with the Government potentially worth around £70 million in total.

As an indication of the direction of travel, it is worth looking at the sorts of things in the Deal, regardless of whether social care is a focus or not. For example, the Deal contains initiatives aimed at boosting apprenticeships, with small and medium sized employers a priority, including through using the joint purchasing power of employers to “turbocharge” the number of apprenticeships available. Elsewhere in the Deal, there are proposals to create career “hubs” linking schools, colleges and other local organisations, to improve careers advice and better support work experience. The Deal also aims to develop a coherent approach to the development and implementation of the new technical “T Level” qualifications across the area. T levels are being phased in from 2020/21 and will be a two-year technical alternative to A Levels, with work placements being an important element of them. The first subjects to be introduced will be digital, construction and education and childcare.

### **Raising levels**

The West Midlands Combined Authority area is not alone in wanting to improve people’s skills and equip them for the jobs that the economy will require in the coming years. Raising skills levels across the West Midlands as a whole is a long-standing and significant challenge. Although rates differ between authorities, across the region ONS data shows that the region has the UK’s second lowest proportion of working age adults with a level 4 qualification or above and the second highest percentage without any qualification.

Indeed, an article on the Centre for Cities website notes, “the underperformance of many of the UK’s cities is largely explained by skills. As such, for many areas, up-skilling low skilled residents and improving school performance will be a priority in efforts to drive up levels of productivity”. Initiatives to “up-skill” people in low paid jobs and with few formal skills are therefore features of many skills plans, even if the focus for economic growth might be on higher value “transformative” sectors such as digital and advanced engineering. Adult social care can play a significant role here. While it employs large numbers of highly qualified workers including registered nurses and social workers, the largest number of jobs in the sector are generally those requiring lower levels of qualifications. As such, the sector should be well placed to provide the first rungs on the career and qualifications ladder.

### **Robot proof**

Another interesting dimension of the jobs market in social care, is that unlike many fields of work, it is less suitable to automation. This means that as well as being driven by increased demand, the number of jobs that will be needed to meet them will be less likely to be able to be done by AI (artificial intelligence) or automation, while jobs will be shed elsewhere in the economy. In light of the challenges brought by automation, last year a report by Future Advocacy commented that to maximise the opportunities and minimise the risks of AI, the Government needed to make “specific proposals to provide forward-looking and future-proof training in creativity and interpersonal skills, which will be less automatable in the longer term”.

### **Workforce challenge**

Back in 2015, the UK Commission for Employment and Skills (UKCES) looked at the skills and performance challenges of the health and social care sector, suggesting a number of steps could be taken, including:

- designing dual route training opportunities and qualifications for new entrants to the sector, which would allow staff to pursue a health or social care career path
- sharing learning on recruitment and workforce planning to aid the delivery of personalised and integrated care

- sharing learning on how to engage lower skilled workers in workplace learning
- undertaking exploratory scenario planning to examine the future shape of health and social care support jobs; and
- moving away from a narrowly-defined, task-orientated National Occupational Standards (NOS) and encouraging greater use of NOS by national and sector bodies in developing training across the sector.

More recently, commissioned by Localise West Midlands, last year the New Economics Foundation (NEF) looked at some of the skills and employment needs of the sector. With their focus on diversifying provision and community scale providers, NEF suggested there was a need “map and understand skills needs” and to “devote some of the Adult Skills Budget to be flexibly deployed for the provision of the diverse skills that small care providers need”.

### **A career when you're young or when you're 64**

While social care might not be a focus of the Skills Deal, NEF highlighted the importance of promoting social care as a career choice and economic sector, going on to recommend the use of targeted advertising and marketing to promote the vocational and career benefits, and the establishment of a network of ambassadors to outreach to schools and colleges.

Such outreach would undoubtedly be a positive step. Earlier this year a National Audit Office report cited the UKCES's finding that “roles in the care sector suffer from low prestige and perceived poorer options for career progression when compared to similar roles in the NHS”. Indeed, a few years ago, research by Warwick University noted a “lack of young people in the social care sector”, reflecting on the attitudes of both young people and employers.

It would seem then, that there is work to be done in this area if young people are to see social care as a positive career choice and for providers to see young people as desirable employees. One way of tackling these issues through initiatives such as Wolverhampton's Careers into Care jobs fairs which bring job hunters together with employers.

### **Golden years**

At the other end of the scale, an opposite area worth investigating, is that of recruiting older people. Indeed, supporting “sectors to adapt to a changing and ageing workforce” is a commitment in the Government's Industrial Strategy. It seems that while there are more people aged 50 or more in employment than ever before, their early exit from work is also an issue. Illustrating the point, the Fuller Working Lives Partnership Approach document published by the Department of Work and Pensions (DWP) last year pointed out that one in four men and one in three women that reach state pension age have not worked for five years or more. Perhaps more importantly, it notes that “there are almost one million individuals aged 50-64 who are not in employment but state that they are willing to or would like to work”. Under the banner of Fuller Working Lives, work by organisations such as the Humber LEP suggest potential for employability models that support long-term older unemployed people who lack confidence back into the labour market in a way that is tailored to the needs of the health and care sector.

### **A growing sector for inclusive growth**

With adult social care providing jobs in virtually all locations and offering jobs at a wide range of pay grades, the sector should be able to play a key role in the inclusive growth agenda, particularly as unemployment in the West Midlands remains relatively high compared to the other parts of the UK. While the rate varies from place to place, a number of the region's local authority areas register some of the highest unemployment rates in the country.

The potential to do this should be big, because as already detailed, the adult social care workforce in the West Midlands is big and getting bigger. Indeed, last year the Joseph Rowntree Foundation (JRF)



report “Job Creation for inclusive growth in cities” said “a policy priority is identifying and actively targeting those sectors that are growing, strategic and have the potential to create employment opportunities at a level and quality appropriate to the aspirations for inclusive growth within the city”. At least on the face of it, adult social care fits the bill. Among JRF’s recommendations were for the fostering of demand-led skills development and the building of closer public and private sector employer engagement and partnerships, focused on these priority sectors.

Probably not by coincidence, the JRF is a partner in the Inclusive Growth Unit launched by the West Midlands Combined Authority in June. One of the key tasks of the Unit will be to “promote inclusive growth outcomes”, offering “a commitment to ensure inclusive growth is at the heart of the Local Industrial Strategy. Among the organisations involved, Public Health England has highlighted the key role that it has in closing the “health and wealth” gap, something that adult social care can also contribute to.

### **Career Opportunities / pretty vacant**

Even if the demand for adult social care workers was not growing, there is already a pressing need to get more people into the workforce. Skills for Care estimate that 8% of adult social care posts in England are vacant, meaning there are around 110,000 vacancies at any time. The vacancy rate for care workers was a fraction over 9%, while for registered managers it was nearly 12%. There were also high vacancy rates among the registered professions with nurses having the highest vacancy rate of all at 12.3%, although there was also a need for many more social workers and occupational therapists.

Clearly, these rates vary from place to place, but the Skills for Care interactive website also shows substantial gaps in the West Midlands workforce. For example, the vacancy rates in the regulated professions were collectively over 9%, for registered managers and social workers 10% and for care workers nearly 8%.

Of course, the vacancy rates themselves do not indicate the number of posts that need filling. A better idea is gained from the total number of posts there are for these jobs in the West Midlands. The 2016 figures show, for example, that there were 87,000 care worker jobs, 9,000 jobs for senior care workers, 4,600 registered nurses, 2,000 social workers and 12,200 managerial positions, including 2,600 registered managers, meaning that by applying these vacancy rates there were thousands of care worker jobs and hundreds of social worker, nursing and registered manager posts that needed filling that year. More locally, the Skills for Care area summaries show for example, that Coventry’s vacancy rate was a shade under 8%, equating to 700 vacant posts, while a similar vacancy rate in Worcestershire meant there were around 1,200 jobs to be filled.

### **HLEP for health and social care**

One of the resources produced by the NHS Confederation supporting the local growth agenda, is a case study from Humberside showing how health and social care are working with the Local Enterprise Partnership (LEP) on employment and skills. According to the case study, the Humber LEP Health Group brings together representatives from education, skills and employer backgrounds to identify current and future skills gaps within health and social care and “to create innovative local solutions”.

Among the task and finish groups mentioned in the case study are ones looking at developing an integrated health and social care apprentice programme, “to enable system-wide recruitment” and the ability of staff to move around the system without taking additional qualifications, a group looking at developing a career framework and another looking at maximising access to the apprenticeship levy and alternative funding streams.

## One way is Essex's

Elsewhere in the country, the Essex Employment and Skills Board has kept the health and care strands apart and identified each as one its seven priority sectors. As an indication of the importance given to health and care, the other sectors are advanced manufacturing and engineering; construction; financial and related services; IT, digital & Creative; and logistics.

As set out on its website, the Board's Care Sector Action Group is made up of employers and other stakeholders focused on building a pipeline of skilled workers to enter the sector and, among other things, to work with the health sector to deliver a Health and Care Apprenticeship scheme.

The website also has a fact sheet promoting the care sector to those looking for a career. The colourful pamphlet is illustrated with infographics that set out facts that job hunters would find useful, such as the extent of the long-term demand for workers and the different job roles and pay rates. Usefully, it also highlights the variety of care vacancies there are across Essex, for example, the numbers of social workers, support workers, care workers and senior care assistant posts that needed to be filled in the previous year. By also setting out the total number of care vacancies in each of the districts and some of the companies that operate there, readers can also see what is likely to be available in their own area.

## Sources

- Gov.uk - [New multi-million pound deal to boost skills across West Midlands](#), July 2018
- WMCA - [West Midlands Skills Agreement 2018](#), July 2018
- Centre for Cities blog- [Three reflections on the West Midlands new skills deal](#), July 2018
- Gov.UK - [Introduction of T Levels](#), updated October 2018
- Future Advocacy - [The impact of AI in UK constituencies: where will automation hit hardest?](#), October 2017
- Centre for Cities blog - [Local industrial strategies don't need to be distinctive to deliver](#), June 2018
- ONS - [official labour market statistics](#), nomis website, Jan-Dec 2017 figures
- UKCES - [Sector insights: skills and performance challenges in the health and social care sector](#), May 2015
- New Economics Foundation - [Social care as a local economic solution for the West Midlands](#), August 2017
- National Audit Office - [The adult social care workforce in England](#), February 2018
- Warwick Institute for Employment Research - [Determinants of the composition of the workforce in low skilled sectors of the UK economy: social care and retail sectors](#), March 2014
- City of Wolverhampton Council - [Hundred impress at Careers into Care jobs fair](#), June 2018
- City of Wolverhampton Council - [Residents make most of jobs and apprenticeships events](#), April 2017
- HM Government - [Industrial Strategy](#), 2017
- DWP - [Fuller working lives, a partnership approach](#), February 2017
- NHS Confederation - [Humber LEP Health Group Case Study](#), July 2017
- Skills for Care - [Workforce intelligence West Midlands](#), 2017
- ONS - [Regional labour market statistics in the UK: September 2018](#), September 2018
- JRF - [Job creation for inclusive growth in cities](#), August 2017
- Public Health England - [Public health matters, The West Midlands Combined Authority Inclusive Growth Unit - supporting economic inclusive and social change](#), June 2018
- WMCA - [Inclusive Growth Unit](#), website

- Skills for Care - [The state of the adult social care sector workforce in England](#), September 2018
  - Skills for Care - [The adult social care sector and workforce in the West Midlands](#), 2017
  - Skills for Care - [Workforce vacancy rates](#), interactive website, 2017 figures
  - Skills for Care - [Local authority area information and reports, West Midlands local area summaries](#), March 2018
  - NHS Confederation - [Humber Local Enterprise Partnership: Supporting the local health and social care workforce](#), July 2017
  - NHS Confederation - [Humber LEP Health Group Local Growth Case Study](#), July 2017
  - Humber LEP - [Health Group](#), website
  - Essex Employment and Skills Board, [Careers and opportunities in the Care Sector](#),
  - Essex Employment and Skills Board, [Care](#), website
- 

## Market sustainability and diversification

One of the pledges in the Government's Industrial Strategy' is to "harness the power of innovation to help meet the needs of an ageing society". This can apply to the delivery and design of services, technological tools or the way that services are organised and commissioned. While budgets might be sorely stretched, they still amount to a considerable spending power and, therefore, power to influence behaviour and shape markets.

Government guidance outlines market shaping as "activity to understand your local market of care providers and stimulate a diverse range of care and support services to ensure that people and their carers have choice over how their needs are met and that they are able to achieve the things that are important to them. It is also about ensuring that the care market as a whole remains vibrant and stable". Indeed, the guidance points out that councils have legal duties to "facilitate a diverse, sustainable high-quality market for their whole local population, including those who pay for their own care".

Councils also have responsibilities to ensure continuity of care when providers fail and given the pressures on them to ensure critical services continue, it is understandable that local authorities might have little time to consider different paradigms or imagine different futures. It is also understandable that commissioners avoid perceived risks. Nonetheless, technology, social change as well as financial pressures will increasingly alter and challenge the way that services are provided and incremental adaptations to existing models may not prove sufficient to secure a resilient system in the future.

### A lot of a little can go a long way

One of the grave problems facing services is that the growth in demand far outstrips resources, with councils being put in the invidious position of further stretching budgets or making the thresholds to access services increasingly testing. While the ageing population will continue to grow, reducing the demand in the growth for expensive care could have important effects. As well as the benefits that staying in their own homes can bring individuals, reducing residential care can also reduce the financial strain. Indeed, in an overview of the social care sector, the National Audit Office found that although 75% of those receiving care, received it at home, 52% of council adult social care budgets is spent on residential care.

Perhaps one way of thinking big, is by thinking smaller. With substantial proportions of residential places in some area provided by a relatively small number of big providers, there are concerns about the resilience of provision should a large provider run into financial difficulty. In this context, broadening the range of providers could reduce this risk, improve choice and promote innovation.

As highlighted in last year's West Midlands in Context social care report, work done by the New Economics Foundation for Localise West Midlands showed how social care spending could be used to support community-based growth, arguing that supporting local employment and businesses through an eco-system of smaller scale providers would build resilience and recycle economic benefits within the locality. Looking at some of the examples around the country, it is noticeable how the total number of jobs created can soon mount up.

### **Business support**

One area where the council has taken an active approach to building a network of small-scale local providers is Somerset where it has set up the Somerset Micro-Enterprise Project. This is a partnership between Somerset County Council and social enterprise Community Catalysts aiming to support the development of very small care and support providers, among its objectives is to "help create more choice in the 'care marketplace' by creating the right conditions for new and different services to be set up and become sustainable".

The Somerset council website describes the micro enterprises they support as being delivered by local people for local people, having five or fewer staff and offering services to people who need care or support. The project employs a coordinator to help people develop their ideas and guide them along the path to becoming a micro provider. In doing so, they also signpost other relevant development and business advice services and support the businesses to get together to support each other.

In April last year, an article in the national press profiled the success of the initiative in reaching 133 businesses and 180 jobs by the end of its initial two-year contract, far in excess of its original 50 businesses and 80 employees target. A report by Community Catalysts last summer indicated this number had grown to 223 micro-enterprises providing 3,500 hours of care and supporting 800 people and providing some 245 local jobs.

Community Catalysts is also active in other locations, and their website profiles a recently started project in collaboration with Birmingham City Council. The Community Micro-enterprise Project will run for 18 months and will work with local people who want to start small enterprises and ventures that complement established day centres and services.

Other areas also have initiatives to support the establishment of small scale social care enterprises. The Nottinghamshire County Council website, for example, has dedicated business support services to help such enterprises get off the ground. This includes listening to ideas about starting a care business and giving professional feedback and support, such as help to understand the legal requirements and care regulations. The website also has a page of "small social care enterprise top tips" and other useful links. New providers can also register for the Nottinghamshire Help Yourself website that brings together information and advice relevant to providers in a central website.

### **The mother of invention**

While some places may actively encourage micro and small-scale businesses, in other places providers have been formed within the local community through necessity. A case study in the New Economics Foundation (NEF) report, "Sustainable Social Care - What role for community businesses?" and on the Design Council's Transform Ageing website outlines the example of NEDcare in North East Dartmoor.

NEDcare was set up by local people to meet a shortage of regulated care homes in the area, a problem made worse when the local cottage hospital closed down. Aware that establishing a regulated care agency would take a long time, one resident set up a service to fill the gap by introducing people to self-employed carers, building up a database of carers and facilitating a substantial number of care hours. In the meantime, she worked to develop NEDCare. As of April this year, the NEF notes that

“NEDCare has 17 care staff, all local to the area. They deliver 400 hours of care per month. They have 17 clients, though the number fluctuates, half of whom have their care paid for by the local authority. NEDCare continues to grow but feel they cannot do so fast enough. They receive an average of two new client enquiries per week and already have a waiting list of ten people”. It seems that this further growth will be needed, as NEDCare need to provide more hours of care if they are to become sustainable.

Another example drawn from the NEF report is Ideal for All. Based in Sandwell, but operating in a much larger area, the organisation provides the kind of wider support that goes hand in hand with direct care, enabling people to live independently for longer. This community service is described by NEF as a “user-led organisation working to make life better for disabled, elderly and vulnerable people and their carers”, providing “information, guidance, and access to independent living activities, direct payment services, employability programmes, health and wellbeing projects, and peer support groups”. The charity is funded through council contracts, grants and payment by people who use it services. A reduction in contracts means that Ideal for All has had to scale back, but despite this, it continues to support a membership of around 3,500 people and employ 37 staff.

As finances become increasingly strapped, the incentive to empower local areas and people and to facilitate growing local resilience is likely to become greater - whether this is strong enough to overcome the perceived risk when funds are low and accountability for commissioners is high, it would seem there is potential in these approaches. As NEF highlight, “Community businesses, with their local roots, can thrive on a shared sense of place and history that binds people together – creating connectedness, meaning and purpose” - something that might be difficult for other approaches to achieve.

#### Sources:

- HM Government - Industrial Strategy, [Building a Britain fit for the future](#), 2017
- DH&SC - [Adult social care market shaping guidance](#), updated February 2017
  
- National Audit Office - [Adult social care at a glance](#), July 2018
- New Economics Foundation - [Social care as a local economic solution for the West Midlands](#), August 2017
  
- Somerset County Council - [Somerset Micro-enterprise Project](#), website
- Community Catalysts - [current work](#), website
- Community Catalysts - [Releasing Somerset’s Capacity to Care](#), July 2017
- The Guardian - [Older people want to be cared for at home. Micro-providers are the answer](#), April 2017
- Somerset Country Council Newsroom - [Over 40 new care and support enterprises set up in 12 months](#), February 2016
  
- Nottinghamshire County Council - [Setting up a small social care enterprise](#), website
- Nottinghamshire Help Yourself - [Provider corner](#), website
  
- New Economics Foundation - [Sustainable social care](#), August 2018
- The Design Council - [Transform Ageing, Building local resilience in Devon](#), September 2018
- NEDCare - [website](#)
- Ideal for All - [website](#)



## Technology for all

Technology is increasingly finding its way into all parts of our lives and this is no different for adult social care. The speed and scale of the advances are already bringing with them new possibilities be it in residential, domestic or any other care setting. With every ageing cohort, the newer generations will be more and more comfortable with technology and its uses. In the West Midlands Combined Authority area, Birmingham, Coventry and Wolverhampton have won a Government competition to become 5G hubs and pilot the new technology. This will allow data to be transferred much more quickly and reliably.

Although the initial plans are not specifically social care based, they do indicate the direction of travel and highlight the future potential of improved connectivity. For example, there are proposals to carry out hospital outpatient appointments and emergency consultations by video link; to connect ambulance paramedic crews so that they can access specialist advice while they are at the scene via video conferencing, and stream patient data live from the ambulance on route to hospital.

Elsewhere, this and similar technology should make it easier for organisations, colleagues and services to work together seamlessly, to improve the ability of people to access care services remotely, improve real time intelligence and to promote people's ability to live independently, safely.

## Broseley at the cutting edge

One way of integrating the capabilities of technology into care is by co-opting existing, commercial devices such as the Amazon Echo and smart watches. Technology such as this and judicious use of the "internet of things", can reduce isolation and could provide valuable information about how people living alone are eating, drinking and using their heating, for example. Indeed, in Shropshire, "The Broseley Project" is being piloted in the town of that name. A collaboration between the Council, the Lady Forester Centre, University Centre Shrewsbury, the local GP and the community, with household name technology companies, Hitachi, Amazon and Microsoft, the project aims to see how consumer technology such as smartwatches, voice-activated devices and messaging apps can be used or adapted to support the health and social care needs of vulnerable people. In this instance, the Amazon Dots and Echos will include an extra feature so that volunteer users can discuss any health or social care concerns with a GP or health or social care practitioner, while also allowing them to connect with friends and family.

Using technology in this way will mean for example, that the users of smart watches can be monitored for changes of behaviour that could trigger concern, if, for example, they are taking more steps to move between rooms. Something that might suggest problems walking and the increased risk of a fall. As the Council's website says, "by implementing simplified and automated processes through this type of technology, staff will be more informed about their clients' behaviour and needs". Moreover, "practitioners will also be able to spend less time on travelling and administration tasks and instead, spend more quality time with their client".

Clearly, such technology also has the potential to make life easier and safer in care home settings, but there could be greater benefits in helping people to stay in their own homes by bringing the services invisibly around them, making their own homes and communities a type of virtual care home. No doubt as the potential of this is further explored, there will be opportunities for designers and developers of apps and software, as well as the potential for new enterprises to be created that can take advantage of its capabilities to design and provide services.

## GovTech Catalyst

In the light of the Industrial Strategy, it is no surprise that like Shropshire, the Government is also keen to connect the public sector to technology companies. Earlier this year the Government announced its GovTech Catalyst challenge aimed at helping the public sector take advantage of new and emerging

technology through working with “cutting edge technology firms”. With £20 million available across the life of the programme, among the challenges that were included in Phase 1 relevant to social care, were tackling loneliness and rural isolation and intelligent data to transform local council service delivery.

As part of the Industrial Strategy programme, it is also worth noting the Challenge Fund for research and innovation. Aimed at strengthening the UK’s science and business innovation and to “take on the biggest challenges” that society and industries face. To help meet the challenge of healthy ageing, the Fund includes up to £98 million to invest in research and innovation in a dedicated programme. This is intended to “drive the development of new products and services which will help people to live in their homes for longer, tackle loneliness, and increase independence and wellbeing”.

## **Design for life**

Of course, technology is not all about IT. Alongside the need for software and apps and the like there will also be an increasing need for the “things” that people routinely use to make their lives easier. One of the often-neglected dimensions of products associated with ageing and disability, is that people want their homes and possessions to look attractive and to reflect their own taste as much as anyone else. Bearing in mind the growing numbers of older people, the demand for well-designed and attractive assistive products is likely to prove a lucrative market.

One interesting initiative is the Design Council’s “Spark”. This is a support and funding programme designed to help turn “bright ideas” into commercially successful products. Working in partnership with Arthritis UK, one of the programmes aims is to attract new ideas for “life-altering products and to fast-track those products to market”. Operating as a competition, Spark provides design expertise, giving access to specialists across business, intellectual property, investment and marketing, as well as £15,000 funding to develop the product and the opportunity to pitch for a share of up to £200,000 more to fast track the product to market.

## **Disrupt Disability**

A significant trend for mainstream consumers, is the increasing range and availability of products that can be personalised and customised, from mobile phones to cars. This may also be a trend for assistive technology. At least one type of assistive technology has already made that leap. Glasses, once a functional, medical aid, are now also consumer items, with an almost limitless range of designs. From this perspective, it would seem that increasingly there will be businesses opportunities to develop products which people who need aids would choose to use, giving increased control and agency over their lives and how they look.

An example of the kind of innovation we might expect to see more of are Disrupt Disability’s prototype, modular wheelchairs which they promote as “Wheelwear”. Recently profiled in the national press, their wheelchairs will consist of interchangeable modules that will let people “continually customise” their wheelchair to their “body, environment and individual style”, aiming to make “switching Wheelwear modules...like putting on a different pair of shoes”.

Modular systems like this might offer the potential to adapt equipment as tastes or needs change, when generally customisation is expensive and once and for all. The aim of Disrupt Disability is for a basic set of wheelchair modules which the NHS or insurers will fund, but that can be customised by buying additional leisure or fashion modules. Among those being developed include modules optimised for sand, snow and rough terrain, as well as “an ergonomic backrest for lounging around and fashion seats for going out”.

## **This old house**

One market that seems set to boom, is that of home adaptations arising from the need to make our homes fit to be homes for life. While there is often a focus on providing specialised housing for the

ageing population, it should be remembered that more by far the majority of older people live in mainstream housing with all the benefits and limitations that brings. As the Government Office for Science Foresight report on the ageing population noted, “adapting existing stock to meet this demand is critical as even by 2050 the majority of housing will have been built before 2000”.

### **Demand**

The demand for these products and services can only get bigger. According to the Foresight report only 7% of older people live in specialist housing and that two thirds of people with dementia live in mainstream housing. As important as new specialist housing is, it is perhaps not surprising then, that they say that it is the “suitability of the existing housing stock that is likely to have a greater impact on most older people”. Indeed, this will become an increasingly important issue. The latest ONS household projections suggest that “households headed by someone aged 65 years and over are projected to increase by 54% by 2041, while those headed by someone aged under 65 years are projected to grow by just 3%”, meaning that 88% of the total growth in households in England between 2016 and 2041 will be for households headed by someone aged 65 or over.

### **Adaptable markets for adaptations**

As highlighted, internet enabled/smart devices are likely to play a big role in helping people stay independent longer. Regardless, other more mundane, everyday objects will also play a big role from hand rails, to ramps, shower seats, showers and stairlifts and other personal aids. However, it seems that many people resist making adaptations or alterations. Indeed, a recent report by the University of the West of England and the Building Research Establishment for the Centre for Ageing Better found that “there is good evidence that people can be put off installing adaptations until they reach a point of crisis, in part because they do not want to change or “medicalise” their home”. As such, it may be that better design and choice will lead to less stigmatisation and resistance with home adaptations and personal aids no longer being one size fits all, institutional looking items but something that users can make positive choices over.

This is important, because making changes too late can have serious repercussions, the Centre for Ageing Better report commenting that “available evidence finds that delays in installing adaptations can reduce their effectiveness”, with “strong evidence that minor home adaptations are an effective and cost-effective intervention for preventing falls and injuries”. They go on to say that “minor adaptations are particularly effective at improving outcomes and reducing risk when they are combined with other necessary repairs and home improvements, such as improving lighting and removing trip and fall hazards”.

While adaptations may be more effective when allied to repairs and maintenance, it is not always easy to find appropriate trades people, particularly when people may lack the personal connections, or the confidence to do so. It is likely then, that hand in hand with the growth in adaptive products, will be a growth in demand for these kind of services, services that are well-suited to local micro-businesses, home improvement agencies (HIA) and handyman schemes. Whatever the mechanism, putting people in touch with these local enterprises could well be a useful role for councils and other trusted organisations, helping people get their tasks done with the minimum fuss, and at the same time support and develop local capacity, economic activity and employment.

### **Sources:**

- Gov.uk - [West Midlands to become UK's first large-scale 5G testbed](#), September 2018
- Shropshire Newsroom - [Innovative technology pilot launches, to help address loneliness and support people to remain independent and well for longer](#), August 2018
- Gov.uk - [GovTech Catalyst challenge process](#), May 2018
- Gov.uk - [Government announces £300 million for landmark ageing society grand challenge](#), March 2018

- Gov.uk - [Innovate UK, Industrial strategy challenge fund](#), website blog
- Design Council - [Spark](#), webpage
- Disrupt Disability - [Wheelwear](#), website
- The Guardian - [Disrupt Disability; designing wheelchairs with a difference](#), September 2018
- Government Office for Science - [Future of an Ageing Population](#), 2016
- ONS - [Household projections in England: 2016 based](#), September 2018
- Centre for Ageing Better - [The role of home adaptations in improving later life](#), November 2017
- Foundations - [National body for home improvement agencies](#), website

---

## Neighbourly neighbourhoods

### Housing investment to double?

It is not just what happens within the home that is important, the Foresight report also noted “interventions that improve people’s homes are less likely to be effective without similar improvements in the neighbourhood. Accessibility and social cohesion are two of the most significant factors”, as an earlier Foresight report pointed out “if the immediate neighbourhood is not accessible and supportive, older people can become isolated, even if they live in an ideal house”, while “a socially cohesive neighbourhood has been shown to have a positive impact on well-being”.

With the Government committed to almost doubling the current house building rate by the mid-2020s, there could well be a wealth of investment and regeneration activity which could proactively design-in ageing-friendly features into new buildings and developments and to use them to connect with and benefit existing communities. Although the step change in housebuilding is daunting, given the removal of the borrowing cap on councils to build homes, a surge in developments over the coming years is much more likely. In shaping their local housing markets, areas could consider approaches such as lifetime neighbourhoods, which among other things, provide formal and informal opportunities and activities in environments that provide inclusive access to key services and open space and promote the formation of social networks.

### Raising the roof

With the population ageing, an important part of meeting the house building aspiration should be making sure that there is investment in sufficient specialist housing. Over the summer, the Government revised the National Planning Policy Framework (NPPF) so that “the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies”, specifically mentioning the needs of older and disabled people among these groups.

There are places that are tackling specialist housing strategically, indeed last year West Midlands in Context highlighted the approaches of places such as in Worcestershire and Birmingham in market shaping, planning and developing appropriate housing. However, if the anticipated “housing boom” is to be fully taken advantage of in terms of bringing in investment and building homes, there will need to be a substantial increase in the number of councils strategically planning for older people’s housing. A report by Irwin Mitchell for Property Week, found relatively few councils had dedicated planning policies or sites for homes aimed at older people. Trawling planning documents across all the planning authorities in England for the terms “elderly”, “older people”, “retirement homes” and “care homes”, the research showed that around two thirds had neither a policy nor a site, while only around 10% had both. Interestingly, one of the findings was that there was “little or no correlation between areas that

have high demand for homes for older people and the places that proactively encouraging their development”.

Clearly, this is not just about the physical environment, but also in connections to local services, social networks and the like. If social services are going to support more people to live at home and reduce the increase in demand for more expensive care, then developing an ecology of enterprises that facilitate this, could well form part of the package.

### **My generation, local regeneration**

Although many social networks and connections can spontaneously develop, there is also an important role in creating the right conditions and in facilitating them, particularly for certain groups of people such as the less mobile and the older population.

Different kinds of enterprises and initiatives can play a role in this. The New Economics Foundation (NEF) report on social care and community businesses gives the example of the BS3 Community Development social enterprise in Bristol. The BS3 Community was founded in 1990 when a group of local residents took control of a derelict school via an asset transfer from the council. Over the years BS3 has developed early years' nursery education, parent and toddler groups, after school clubs and the like, as well as hosting various older people's groups.

The NEF report says that, *“increasingly, it is coming up with ways to bring different generations together”*, with children from the nursery visiting residents in a nearby care home twice a week and six form college volunteers spending time with older neighbours in cafes to talk about basic technology skills and get to know each other. As well as providing face to face contact, by improving the ability of older people to use technology, this also potentially opens up a range of virtual communities, not least in being able to access remote services and stay in touch with families and friends.

According to a case study by Power to Change, a Big Lottery Funded initiative that supports community businesses, as well as providing important services, BS3 provides 55 people with work and has ten volunteers. To emphasise the local economic significance of the enterprise, its annual expenditure is around £1 million. As such, fostering these kinds of enterprises may well be a way to not only support residents, build cohesion and reduce pressure on services, but also to provide work and often much needed economic activity in the communities they serve.

### **Block party**

Looking further afield, the Government Office for Science Foresight report on ageing gives the case study of intergenerational living in Spain. According to the report, *“Spain's intergenerational buildings include rental homes for independent older people in which a pre-determined number of units are reserved for younger people who commit to providing services to the community”* and look out for a group of their older neighbours. The main objectives of the programmes *“are to provide decent low-cost housing and reduce loneliness and social isolation while providing housing and a sense of community engagement for younger people in need”*.

At least on the face of it, initiatives like this could be applied here, given the lack of affordable homes for young people and the desirability of helping older people live in the community. Indeed, on a similar tack, only recently, the Government's response to a Select Committee report on Housing for Older People, referred to *“co-housing and other intergenerational models”* as contributing to the range of housing needs for older people”; co-housing being *“intentional communities”*, created and run by their residents, where each household has a private house as well as shared community space. These can make use of existing or new buildings and be inter-generational or made up of communities of common interest.



## Bricks and mortar

Regardless of the type of living arrangements, it is apparent that there is a need for a great deal more housing for older people and people with disabilities. As already noted, housing development of the scale needed has great potential to strengthen or regenerate communities through the kind of investment that brings physical and economic regeneration; creating jobs in construction, services and in the retail and manufacturing sectors that are needed to kit out and service new the developments.

Even though most older households will continue to live in non-specialised housing, it is also clear that a substantial growth in accessible and specialised housing needs to be planned for. The availability of such housing could also have important knock on effects in freeing up housing for younger households. The Foresight report on the Ageing Population noted that about a third of households are made up of older people either living alone or as a couple, but that 42% of homes have three or four bedrooms, giving rise to concerns that homes designed for families are being occupied by older people. Even so, the report notes a study that found “58% of people over 60 were interested in moving” but commented that “evidence suggests that there are substantial numbers of people who would like to move to smaller homes but cannot find a suitable property”.

### Reach for the sky - £44 million sky-high investment in care

Of course, part of the problem in tackling the issue of the under supply of specialist housing is the preconceptions about what it is. Schemes can take different forms in different places to meet particular local needs. Their size and nature can vary greatly, too. In Coventry one scheme integrating housing and care takes the form of a 10 storey high-rise made up of 262 one and two-bedroom apartments, 101 of which were for sale and 109 for shared ownership, the balance being rental properties reserved for those needing personal care. Indeed, a third of the 350 residents, including those with dementia, receive support in their own home. As well as providing much housing and potentially, freeing up family housing elsewhere, the development employed more than 200 people in its construction and “around 35 village staff have been recruited locally to support the on-site care, hospitality and leisure services”.

Developments like this, show how specialist housing does not only provide homes, but also acts as a catalyst for regeneration, bringing in investment and positively reshaping the urban environment, with developments often comprising other facilities such as shops, restaurants and cafes as well as communities’ facilities. In this case the development’s facilities which include a bar, bistro, library, hair and beauty salon, fitness suite and greenhouse are also available to other older people living locally, as well as to the resident’s families and volunteers.

The level of investment in the Coventry development was £44million, a significant sum by any measure, but it is by no means unique in that respect, for example, £48 million was invested in a new development at Longbridge in Birmingham. Its 260 apartments form part of the much bigger £1 billion regeneration of the whole area which will bring housing, shops, restaurants, cafes and hotels and the like to the area. The development is part of a £250 million programme between the Extra Care Charitable Trust and Birmingham City Council.

### Sources:

- Government Office for Science - [What developments in the built environment will support adaptation and ‘future proofing’ of homes and local neighbourhoods](#), December 2014
- HMT - [Autumn Budget 2017: Philip Hammond’s speech](#), November 2017
- MHCLG - [House building; new build dwellings, England, June Quarter 2018](#), September 2018
- Government Office for Science - [Future of an Ageing Population](#), 2016
- MHCLG - [Government announces new generation of council housing](#), October 2018

- Gov.uk - [Lifetime neighbourhoods](#), December 2011
- MHCLG - [National Planning Policy Framework](#), revised July 2018
- Housing LIN - [Planning authorities are failing to prioritise housing for older people in their local plans](#), June 2017
- LGA - [Housing our ageing population, Worcestershire County Council case study](#),
- LGA - [Reshaping the market for extra care sheltered housing and supported living - Birmingham City Council](#), April 2017
  
- Power to Change - [Case Study, BS3 Community Development Centre](#), March 2018
- New Economics Foundation - [Sustainable social care](#), August 2018
- BS3 Community - [Homepage](#), website
  
- Government Office for Science - [Future of an ageing population](#), 2016
- MHCLG - [Government response to the Select Committee inquiry into Housing for Older People](#), September 2018 (p8 and 15)
- Housing LIN - [Learning from Intergenerational Housing Projects in the USA](#), July 2018
- UK Cohousing - [About Cohousing](#), webpage
  
- Government Office for Science - [Future of an Ageing Population](#), 2016
- MHCLG - [Government response to the Select Committee inquiry into Housing for Older People](#), September 2018
  
- ExtraCare - [Housing, jobs and community boost with launch of Earlsdon Park Retirement Village](#), July 2016
- ExtraCare - [Charity opens £48 million Longbridge Retirement Village on Site of Former Car Factory](#), September 2017

---

“This social care edition of West Midlands in Context was written by Sherman Wong for IEWM, Improvement and Efficiency West Midlands. Every effort was made to ensure accuracy but please refer to the source material via the links and references provided”.

---







# IEWM

Improvement and  
Efficiency  
West Midlands

