Royal College of Nursing: position statement on care home fees
This position statement

This document outlines the Royal College of Nursing’s concerns about funding arrangements for care homes in the United Kingdom. It details the principles that will underpin our work with Government to ensure that care home fees reflect the need for adequate provision, choice and quality of care. It includes findings and quotations from a survey of 800 Royal College of Nursing (RCN) members working in care homes (RCN, 2004).

The policy context

The implementation of the NHS and Community Care Act 1990 introduced significant change in the way long-term care is provided. The central aim of the Act was to encourage vulnerable people to live as independently as possible, either in their own home or in a homely setting in the community. Homely in this context included residential and nursing homes. As a result, increasing numbers of people were discharged from NHS continuing care beds and placed in nursing homes provided by the independent sector. This led to a significant reduction in the number of continuing care beds available in the NHS.

In 1993, the arrangements for funding long-term care were changed. Services, which had until then been provided free on the NHS, were now to be means tested, with some residents having to make a considerable contribution to the cost of their care.

The Royal Commission on Long Term Care (1999) made the central recommendation that personal care should be available after assessment, according to need, and should be paid for from taxation. The UK Government did not accept this, and instead each of the four countries developed their own approach. In England, the care delivered by registered nurses was to be funded by the local primary care trust. The level of funding was determined by using an assessment tool. In Scotland, the Scottish Executive implemented free personal care from July 2002. Northern Ireland has not introduced any changes to the existing system. In practice, however, the financial contribution made by Government in each of the four countries is similar.

There is also evidence to suggest that there has been a decrease in the range of services available to residents of care homes (Royal College of...
Physicians, RCN & British Geriatric Society, 2000).

The implementation of the Care Standards Act (2000) and similar legislation in Scotland introduced a new regulatory framework, which included a range of minimum standards. The service delivered by care homes has also been affected by the introduction of intermediate care schemes (NHS Plan, England, 2000), the National service framework for older people (2001) and The community care act 2003: delayed discharges. While the RCN welcomes these proposals to improve the standards of care, the Government and commissioners must recognise that implementation will demand greater resources in every care home.

Ageing population and reduction in care home provision

Demand
Over the last decade, advances in technology and the treatment of a range of conditions has meant that people live longer and often have complex health and social care needs. As a result, the dependency level of residents in care homes has increased. Staff now need a broader range of skills and knowledge to care for these residents.

Even though many older people may want to remain in their own homes even when they need care, and though there is a range of new services under development that will help meet these needs (for example, Extra Care Housing), the number of people requiring care is nevertheless rising. Given this, and the complexity of some older people’s needs, there will always be a demand for residential care services (Wittenberg & Comas-Herrera, 2002 and 2003).

“The nursing home where I worked closed last February as a direct consequence of the National Minimum Standards, as it would have cost too much and the bank would not forward any more loans. The Government backtracked on the issue of minimum room sizes the day the last resident left.”
Closure of homes

Funding for long-term care has, however, failed to keep pace with increasing care needs, rising costs, and the resource implications associated with legislation and regulation (Laing, 2002 and 2004). Care homes cannot keep up, and as a result, an escalating number are closing, especially those owned by individuals. Consequently, there is a shortage and lack of choice in some parts of the UK (Department of Health, 2002). While care home provision shrinks, indications are that the demand for it remains unchanged (Laing & Buisson, 2004).

It was against this background of an ageing population, increasing dependency and concern about the escalating rate of home closure, that RCN Congress 2003 carried a resolution to “lobby Government to raise the level of fees paid to care homes”.

Decline in care

For RCN members, home closure is only one aspect of the impact of low fees. Of equal, or greater, concern is the impact of low fees on the quality of care provided.

“Funding for services like physiotherapy, occupational therapy and a day centre would be helpful. A lot of residents need mental stimulation and a day centre would be ideal but there is no funding.”

Survey of RCN members

To explore the issues further, in spring 2004 the RCN commissioned Employment Research to survey a sample of 800 RCN members working in care homes. The survey sought members’ views on meeting residents’ needs, on funding and their views of their job. Nearly 40% of those surveyed (274 members) responded to the survey. Respondents represented a range of service providers: 45% work in individually-owned homes; 24% work in homes that are part of a large corporate chain; and the rest in homes run by smaller companies. A meeting on care homes at RCN Congress 2004, and feedback from a number of member groups, has provided further validation of the findings of the survey.
Findings

On the positive side, survey responses suggest that the majority of RCN members are happy in their posts, feel valued and have not had to compromise their nursing judgment. They enjoy providing good care, being part of a team, their management responsibilities, and having the opportunity to provide hands-on care.

“I am lucky to work where I do [private home] as everyone does their best in the interest of patients. Our residents are extremely well cared for but this would not be the case if the owner did not use his personal finances to give residents and staff a good quality of life.”

Their concerns relate to:

✦ not having sufficient staff, difficulties with recruitment and retention and using agency staff who were unfamiliar with the home
✦ not always being able to meet residents’ needs, which are not always complex needs, such as no funding for social activities or attending day centres
✦ inappropriate placements, concerns about the assessment process and the need to fill beds
✦ although 65% of residents were state funded, almost three-quarters of the homes charged them a top-up fee
✦ most respondents were concerned at the lack of training and development for staff, insufficient equipment, and the lack of resources for redecoration and outings due to the high cost of transport.

“I do feel work in nursing homes is undervalued but vital and wish terms and conditions for staff were more like the NHS or even council run homes.”
Core principles

The RCN has used these findings to develop a set of core principles, which will underpin all the organisation’s lobbying about realistic fees in care homes.

The Royal College of Nursing:

✦ believes that there should be **sufficient funding to meet the needs of older people in care homes**. This needs to include the introduction of an agreed mechanism for calculating the actual cost of care that emphasises the need to include the contribution of registered nurses such as Laing’s (2004) *Calculating a fair price for care*. This approach would ensure choice and equity

✦ believes **funding must provide for a staff ratio and skill mix that will promote the independence of residents and recognise the contribution of registered nurses in promoting this**. These staff must be adequately rewarded and have the skills and knowledge to deliver a good quality service. This should include a commitment by Government to implement *Agenda for Change* in the care home sector

“ I’d love to put staffing levels up to offer the type of care I want to give my residents but I am limited to 55% of my income for staffing. I’d also like to raise wages of care assistants and support staff.”

and address the staffing deficits highlighted in the RCN *Care home survey 2004*

✦ **acknowledges and supports the need for older people to be independent**, and sees no reason why this independence cannot be achieved in a care home. This supports the need to move away

“ Prior to admission, Fred attended the local deaf club each week; as he came into the home on Social Services funding he was no longer able to attend unless he paid for it himself, which he could not afford. He missed the contact with the club terribly.”
from a more generalised view of older people as frail and dependent to treating them as citizens with a broad range of concerns

✦ supports multi-agency approaches to assessment of the health and social care needs of each individual, which should ensure that nurses play a key role in the unified/single assessment process. In addition, a model for identifying the required funding to meet the assessed needs, and an effective tool with adequate resources, should reduce the level of inappropriate placements

✦ believes older people should be partners in assessing and planning their health and social care needs

✦ recognises the need for National Minimum Standards, but wishes to see care providers encouraged, supported and resourced to strive for continuous improvement. This must recognise the costs associated with developing both the service and the staff.

Where next?

The RCN will use the position statement to raise awareness of its members’ concerns with other key stakeholders. The statement will also inform our work with Government and commissioners, which will be central to securing adequately resourced services.

“Because of lack of funding the home I worked in for 13 years, which had an excellent reputation among health professionals and public, closed in 2002. We operated on a full house but was set to lose £100,000 in that year due to social services funding being so low. The residents were relocated but several died as a result of the shock of moving out. The staff also took a long time to recover and find new employment.”
References


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