

## **Appendix 4 - Risks within the Home & Community Market**

The challenges within the Home & Community Support market, impacting on all local authorities and service users, are outlined below. These have been grouped into the following categories, though there are many interdependencies within.

### **Impact of Covid-19 Pandemic**

- The inordinate stress imposed on Home Care staff since March 2020 has resulted in a great deal of burnout and many care workers leaving the sector altogether.

### **Cost of Living Crisis**

- increase in National Insurance contributions for both staff and providers
- increases in fuel prices (particularly significant for Home & Community Support which involved a great deal of travel)
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### **Recruitment & Retention Issues**

- significant recruitment and retention issues, with providers reporting sourcing staff even harder than usual, and staff leaving to go into hospitality or retail sectors, for less stress and better pay.
- Recruitment of staff in an already challenging market became increasingly difficult due to mandatory vaccination.
- Competitive wages from industries where the costs can be transferred to the consumer are manageable, however not possible in statutory funded homecare. Home & Community Support providers are unable to compete without significant uplifts from local authorities; increases in living wage and national insurance have led to local authorities introducing inflationary uplifts to ensure market stability, despite the financial pressures within local authorities.
- The public opinion of care, how care workers are considered and how care workers feel they are perceived, plays a large role in the success of recruiting and retaining new and existing staff.

### **Impact of Brexit**

- Leaving the European Union (EU) impacted the workforce, as many carers had been in the UK for significantly longer than they would normally stay, being away from family in their country of origin for longer, due to travel restrictions.
- The summer of 2021 saw the end of the UK's EU membership; introducing the need for work visas for those from EU countries. Many people went home to work, instead of applying for visas, or did not return after visiting family having been away so long. Many providers reported a delay in obtaining visas and/or issues not being awarded the quantities they needed.

### **Smaller Market**

- Some providers have been unable to sustain their service under the existing hourly rates of pay from local authorities, and have as a result either exited the market

completely or handed back packages to only work with health partners who provide more sustainable levels of pay.

- Some smaller providers are being taken over by larger organisations; whilst this does not impact the capacity, it reduces the number of providers local authorities are working with