Adult social care funding: 2016 state of the nation report

Local Government Association

November 2016
About us

The Local Government Association (LGA) is the national voice of local government. We work with councils to support, promote and improve local government.

We are a politically-led, cross-party organisation which works on behalf of councils to ensure local government has a strong, credible voice with national government. We aim to influence and set the political agenda on the issues that matter to councils so they are able to deliver local solutions to national problems.
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Foreword

The Prime Minister has outlined her vision of building “a country that works for everyone”. As the Government gears up for the Autumn Statement – its first major chance to lay the foundations for realising that vision – it is imperative that the adequacy, affordability and quality of adult social care is treated as an essential measure in shaping that vision further and defining how it will be achieved.

This is an opportunity that we cannot afford to miss. Adult social care is an absolutely vital public service that supports some of our most vulnerable people and promotes the wellbeing and independence of many more. For too long the service has too often been seen by decision-makers as an adjunct to the NHS, rather than a service of equal importance. A lack of recognition in terms of profile has combined with a lack of recognition in terms of funding to place our care and support system under enormous pressure. This has been particularly acute since 2010 and although governments of the day have responded with their own well-intentioned solutions, they have failed to properly resolve the gap between available resources on the one hand and cost, demand and pressures on the other.

The situation now is critical and it is no exaggeration to say that our care and support system is in crisis. But what shape is that crisis taking, and how can we move away from it and towards a position of being best able to maximise people’s quality of life and support their wellbeing? This publication offers valuable thinking on these questions from senior figures from across the wider sector. Their perspectives make for sobering reading, setting out the sheer scale of the damage done from the historic underfunding of adult social care. But what also shines through is a belief in what care and support could be if its foundations were strengthened and its profile was commensurate with its real value to our communities.

Local government understands that a good society is judged in part by the provision it makes for its more vulnerable members. It is therefore committed to continuing to make the case for a care and support system that delivers for our residents with quality, person-centred, and safe care. Now central government must demonstrate a similar understanding and back up its commitment to “a country that works for everyone” by adequately resourcing this vital service.

Councillor Izzi Seccombe
Chair, Community Wellbeing Board
Local Government Association
The state of adult social care funding

Local government funding overall

The state of funding for adult social care cannot be seen in isolation from the state of funding for local government overall. Since 2010 councils have had to deal with a 40 per cent real terms reduction to their core government grant. Fast forward to today and the current and future outlook for local government funding remains extremely challenging. Councils have received a ‘flat cash’ settlement for the remaining years of the decade, which means that any cost pressures arising during this period will have to be offset by further savings. Such pressures will include, but are certainly not limited to:

• general inflation
• increases in demand for everyday services as the population grows
• increases in core costs, such as national insurance, the National Living Wage and pension contributions.

Taking account of the path of future funding and the full range of pressures facing councils in relation to future years compared to now, the LGA estimates that local government faces an overall funding gap of £5.8 billion by 2019/20.

This is essential context and explains, in part, why adult social care funding remains under such enormous pressure. For councils with adult social care responsibilities, roughly 30 to 35 per cent of total budget will be spent on adult social care as a minimum.

As such, the service inevitably has to offer a significant contribution to the council’s full savings requirement to help tackle the overall funding gap. Therefore, and as the 2016 ADASS Budget Survey demonstrates, adult social care savings account for 28.5 per cent of total council savings in 2016/17. In one sense, the fact that social care’s contribution to total savings is less than its proportion of total budget, suggests that the service is being protected. However, according to ADASS, 28.5 per cent equates to £941 million in 2016/17 and the simple reality is that savings of this magnitude cannot be made without serious consequences for the front line.

Adult social care funding

In the 2010 Spending Review the then coalition government made an additional £7.2 billion available for adult social care through a combination of general grant and the NHS transfer (which subsequently formed part of the Better Care Fund). It argued that this money was sufficient to prevent a social care funding gap when combined with efficiency savings. This funding may well have had a positive impact if council funding overall was in a steady state. But, as outlined above, it was not. Therefore, between 2011/12 and 2015/16 councils had to deal with a £5 billion funding gap in adult social care. This led to net spending staying fairly constant, as follows:
Net spending on adult social care, 2011/12 – 2015/16

<table>
<thead>
<tr>
<th>Year</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
<th>2014/15</th>
<th>2015/16*</th>
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<tr>
<td>Net spending/£bn</td>
<td>14.5</td>
<td>14.7</td>
<td>14.6</td>
<td>14.5</td>
<td>14.1</td>
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* £168 million overspend in 2015/16.

This is the immediate backdrop to the 2015 Spending Review period that we are now in, and which shares similar characteristics to 2010. Now, as then, the Government has made additional funding available for social care – through the 2 per cent council tax precept and the improved Better Care Fund (iBCF) – and pointed to these announcements as evidence that adult social care is not underfunded. However, funding through the iBCF is back-loaded and, more crucially, now, as in 2010, the unsteady state of local government funding overall negates the full benefit of that additional resource.

It is also important to note that the Government’s estimate of the value of both the council tax precept and funding through the iBCF is based on a set of ambitious assumptions that cannot be guaranteed. For instance:

- All councils will use the precept to the maximum amount: not all councils used the precept this year (144 out of 152) and it is difficult to predict how many councils will use the option in future years.

- Core council tax will increase by Consumer Price Index inflation each year: as above, it is difficult to say with any real certainty what level councils will set their council tax in future years.

- The number of Band D equivalent dwellings eligible for full council tax will rise by 7.8 per cent over the four years of the Spending Review: at council level this varies from a 0 per cent increase to a 25 per cent increase.

- £800 million of the total additional £1.5 billion by 2019/20 through the iBCF will come from planned savings to the New Homes Bonus: if this level of savings is not achieved it is not clear what the implications may be for the money earmarked for adult social care.

Even using the Government’s full set of assumptions, the LGA therefore estimates that adult social care faces a funding gap of £1.3 billion by the end of the decade as part of the £5.8 billion funding gap facing local government overall.

Of course, adult social care funding is not just a problem for the end of the decade. The historic underfunding of the service outlined above, combined with the back-loading of new funding through the iBCF and wider pressures on council funding overall, has brought the system to crisis point. In particular, the strain on the care provider market is severe. Although this is a difficult pressure to quantify, initial LGA analysis – using ‘fair price of care’ calculations developed by provider organisations – suggests that at least £1.3 billion could be needed immediately to stabilise the provider market and put it on a sustainable footing.
Funding pressures and their consequences: a snapshot from the sector

Numerous other organisations from across the sector see a similar picture to that outlined above and share the LGA’s concerns about the state of adult social care funding and its implications on the ground1.

“[The Care Act] highlights the need for individualised support based on needs, preventing crisis and supporting wellbeing. In older people this is crucial to promote wellbeing and independence...There is a risk that the Care Act in this respect will become an unrealistic wish list of exemplary services that no one ever receives”

Royal College of Psychiatrists

“The Government must play its role in ensuring sufficient extra money is put into social care, to close the large and growing funding gap...[and] move quickly with funding solutions to avoid a crisis in learning disability care that threatens to undo the progress that has been made towards better quality of service provision”

Learning Disability Voices

“Government policies affecting social care, including the council tax precept and the Better Care Fund, do not go far enough in ensuring the financial sustainability of the sector and risk worsening inequalities”

Royal College of Nursing

“People are using care services at a time of unprecedented demographic change and financial austerity. Fewer and fewer disabled people are eligible for services and unmet need is on the rise. High quality care must be funded to enable disabled people to have their needs met...Without adequate funding voluntary organisations will exit the market causing further market instability...Should social care markets fail, the lives of millions of people who use services will be negatively affected. There will also be a direct impact on the NHS”

Voluntary Organisations Disability Group

“Reductions to Sefton’s adult social care budget has led to significant challenges to Sefton being able to fulfil its duties under the Care Act 2014 to assess and meet the needs of people in need of care and support”

Sefton Council

“The care market is becoming increasingly fragile with suppliers leaving and increasingly slim margins for those that remain. The situation is particularly difficult in home based care. This is coupled with a high turnover of staff. Significant price increases are becoming necessary to maintain capacity and quality in key areas of the social care market, but these increases are not sustainable at a time when the county council needs to make extensive savings and has to spend an additional £24 million each year to address rising demand for adult social care services”

Surrey County Council

1 Many of these quotes are taken from written evidence submissions to the Communities and Local Government Select Committee inquiry into the financial sustainability of local authority social care and the quality of care provided. See: http://www.parliament.uk/business/committees/committees-a-z/commons-select/communities-and-local-government-committee/
“As things stand, in terms of the funding available to us as an authority, and considering the forecasted potential demand for adult social care we do not believe that funding available for adult social care is sufficient”

Northamptonshire County Council

“Current and future pressures that the council faces will most certainly create an unprecedented affordability challenge”

Knowsley Council

“The Government’s package of measures fails to adequately equip councils to respond to social care pressures in 2016/17 and 2017/18. The council is already being pressured by adult social care providers to increase rates payable to them in respect of the National Living Wage, and this is causing further financial pressure on the council’s budget”

Newcastle City Council

“Current funding levels for adult social care are not sufficient to enable the council to continue to meet its statutory obligations under Care Act 2014 to assess and meet the needs of people requiring care and support. The council is experiencing increasing demand for adult social care whilst experiencing significant reductions in funding. The council has oversight duties for an increasingly fragile social care provider market. We are experiencing providers withdrawing from the market, entering into financial administration and increasing numbers of quality concerns”

Camden Council

“Cuts to social care funding over a number of years have now exhausted the capacity for significant further efficiencies in this area. We have heard that the savings made by local councils in the last parliament have gone beyond efficiency savings and have already impacted on the provision of services. Based on the evidence we have heard we are concerned that people with genuine social care needs may no longer be receiving the care they need because of a lack of resource. This not only causes considerable distress to the individuals concerned but results in significant additional costs to the NHS”

Health Select Committee

“We are concerned that carers and the people they care for may not get the services they need because of continuing reductions to local authority budgets and demand for care being so uncertain”

Public Accounts Committee

“I do not believe that it would be prudent for us to assume any additional NHS funding over the next several years, not least because I think there is a strong argument that were extra funding to be available, frankly we should be arguing that it should be going to social care. That is one of the arguments that I have been making publicly, and I think social care has a very strong case for that”

Simon Stevens, NHS England
Vision, reality and bridging the gap: views from across the sector

There could not be a more unified and consensual position from across the care and support sector that adult social care is in a perilous position. But how are the funding pressures manifesting themselves in practical terms and what needs to happen to address those problems? In the following short essays, senior figures from all parts of the care sector offer their personal views and expert perspectives.

First, Richard Humphries and Ray James provide a national overview of the state of social care funding. Richard suggests that social care faces an “existential crisis” around funding, how we deal with increasingly complex needs, and workforce. Ray sets out why social care “should be everyone’s concern” and provides a valuable insight into directors’ perceptions of the impacts of funding pressures.

The views of senior councillors are provided by Councillor Linda Thomas, Councillor Stuart Barker, Councillor Ruth Dombey, and Elected Mayor Kate Allsop. Linda paints a picture of a care system that is the “poor relation” to health and struggling with the consequences of underfunding. She argues that the transformation of services requires funding up front to pump prime the necessary changes and allow for some double running of services until those changes are bedded in. Stuart explains that funding pressures are requiring lead members in the south west to make ‘increasingly difficult decisions’ about the service offer to residents.

He argues that while transformational change is essential, funding reductions are creating a tension between prioritising statutory duties to those with the greatest needs and investing in services that prevent and reduce future demand. Partnership between health and local government – with both sides as equals – and clarity on integration from national government are now needed, Stuart argues.

As a council leader, Councillor Ruth Dombey highlights the reality that “no matter what level of protection we try and afford to social care, the size of its budget means it cannot be immune from making significant savings”. She argues for a “longer term forward view” and for the NHS to do the same “so we are all liberated from short term sticking plaster solutions”.

Elected Mayor Kate Allsop highlights that district councils have a key role to play in supporting the needs of older and disabled people given the vital links between care and housing. She argues that, “As a country we need to plan for and deliver housing that reduces the need for high cost intensive interventions from acute health and care, creating environments that support well-being and improve quality of live”, and suggests that adapting existing homes allows people to live more independently.”
Heléna Herklots demonstrates how our current system is impacting negatively on carers, from pressure on families and avoidable A&E attendances as carers feel they have nowhere else to turn, to the huge numbers struggling to juggle caring and employment responsibilities. She advocates better funding, better NHS systems to identify and support carers, greater societal understanding of care and caring, better use of technology, and a better rights base for carers in paid work for achieving a more sustainable system.

Andrea Sutcliffe offers a candid assessment of the quality of care. She promotes the positives – 70 per cent of social care services are rated ‘good’ or ‘outstanding’ according to the Care Quality Commission’s (CQC) latest ‘State of Care’ report – but cautions that the “pressures and the fragility of the adult social care sector causes concern for the future”.

Martin Green and Bridget Warr articulate the provider perspective. Martin is clear that the “current situation of perpetual crisis cannot be allowed to continue” but argues that a government solution to stabilise services should not be an end in itself but rather a means for setting the foundations for a more ambitious system that is better suited to meeting 21st century needs. Bridget is clear that the underfunding of adult social care is “a scandal that impacts directly on the ability of our sector to support people’s independence and wellbeing”. She sets out the incredible pressures the homecare market is facing and the unhelpful tension this creates between commissioner and provider and vice-versa, despite both sides sharing a strong commitment to work together to support local people with quality homecare.

Sharon Allen suggests we are facing “one of the most challenging times in our sector’s history” and argues that recognising and valuing the workforce is an important motivator alongside pay. She is clear this is essential for securing the skilled and knowledgeable workforce that is “central to how we support people who access care and support services in their communities to have genuine choice and control over their lives”.

The impact of funding pressures on people who use services, and the voluntary and community sector which supports them, is considered by Vicky McDermott and Lynda Tarpey. Vicky highlights the scale of unmet need within the system and the stark reality of what this means for people’s day to day lives. She also notes that the underfunding of social care is impacting within the NHS and holding back the ambition of the Care Act. Lynda observes that budgets that support personalisation – including personal budgets – are being cut. She argues that true personalisation, and following the aspiration of the Care Act, can help yield further efficiencies.

Finally, Stephen Dorrell offers a frank assessment of the fundamental false economy within our care and health system, arguing that it is “simply perverse that over a decade when NHS spending has risen by a quarter, social care spending has been flat”. Stephen suggests this imbalance is failing the needs of both those who could benefit from social care and those who need NHS services. He advocates strongly for “empowering the local initiatives which are taking shape across the country to join up the full range of public services which serve each community”.
Richard Humphries
Assistant Director of Policy
The King’s Fund

Many of today’s problems in our adult social care system reflect the past failure of successive governments to face up to the consequences of the success story that is our ageing population. This is not just about older people but younger people with health conditions and disabilities who are living longer too. The last 17 years have seen at least four independent commissions or reviews (Sutherland, Wanless, Dilnot, Barker) four consultations, and five white and green papers, testimony to how much effort has been expended to so little apparent effect. Even the modest but significant Dilnot proposals look set to remain deep in the long grass. The current malaise pre-dates austerity – spending was already falling in real terms by the end of the last decade and by 2010 most councils had tightened eligibility so they were responding only to substantial and critical needs. England remains one of the few advanced countries that has not undertaken fundamental reforms to the way it organises and funds long-term care. Although much of the recent debate has focused understandably on the resulting unsustainability of the social care provider market, I would argue this is symptomatic of a deeper existential crisis of care with three dimensions.

The most obvious is money. Quite apart from past cuts – over £5 billion less in local authority social care budgets over the last five years – it is demography-defying that spending is set to fall further when the number of over 85s will double over the next two decades and adults with a learning disability will increase by at least a third.

Without reform much of the costs of care will fall on individuals and families, unaware and unprepared, whilst the increasingly threadbare safety net offered by councils will not be sustainable either financially or legally. The new precept will raise too little in the places that need it most and the ‘improved’ Better Care Fund money, whilst welcome, is too late to head off the pressures that are assailing the system now, especially in the home care provider market. These initiatives add new complexity to the way social care is funded and deepen the differences with the NHS when government policy is encouraging the pooling of resources. The Government appears to have no clear plan or strategy for social care funding – unless the Autumn Statement heralds a conversion of damascene proportions. If anything the Government’s wider strategy of local government becoming fiscally self-sufficient introduces a new layer of risk and uncertainty.

But it is not just about money but how needs are assessed and services are organised to meet the escalating levels of acuity and complexity of needs, including dementia, frailty and multiple chronic illness in old age. This is an unprecedented challenge both to social care and the NHS and demands a radical shift from traditional ways of working.
Throwing more money into an unreformed system – for example by more admissions to hospital or long-term care – will not work. Evidence from the LGA’s own efficiency programme and work done by Newton Europe shows how better outcomes can be achieved through approaches based on promoting independence, demand management and models of integrated care with health that meet needs more effectively.

A shift towards place-based systems in which budgets are shared and planned around the needs of individuals and populations rather than organisational boundaries, offers the best prospects of delivering good-joined up care, in the right place and at the right time.

Finally workforce pressures are becoming as urgent as money. Despite austerity there are more people working in adult social care (18 per cent more jobs since 2009) but turnover rates (27 per cent) and vacancy rates (7 per cent) are rising and are well above those in the general economy. Another 275,000 jobs will be needed by 2025. More multi-skilled staff will be needed to work across health and social care boundaries. As 90,000 current jobs are done by workers from EU countries, Brexit poses a significant risk. The need to develop a fresh strategy for workforce development is now urgent.

More short-term, ad hoc initiatives will not resolve the existential crisis of care and could even make it worse. Addressing the triple challenge of money, service design and workforce needs a clear strategy and a proper plan.

Ray James
Immediate Past President
Association of Directors of Adult Social Services

Director of Health, Housing and Adult Social Care
London Borough of Enfield

Adult social care is one of our most vital public services. It supports adults of all ages across a wide spectrum of need to live as independently as possible and protects people from harm in vulnerable situations. It is essential in its own right for these reasons alone. But it is also essential in other ways. It touches the lives of millions, whether that be people working in the sector, those who receive services, or their informal carers, friends and family. Its paid workforce is bigger than that of the NHS. It is a vital connector to other public, private and voluntary sector services. And it contributes some £43 billion to our national economy. In short, adult social care should be everyone’s concern.

At the most fundamental level, a sustainable care and support system must be one that is enabled to continue being all of these things; a system that is distinctive, valued and personal. With whatever measure you use, you could not say our system is sustainable in its current state.

That is not to downplay the huge efforts of council social care teams across the country, nor the dedicated care workforce that delivers vital support to people day in, day out. Indeed, the continued commitment of the entire care sector to helping older and disabled people is all the more remarkable given the challenges it faces.
As a charity with objectives to further good social care policies, articulate the needs of older and disabled people, and advocate for adequate funding – and with a membership of all directors – ADASS is uniquely placed to give an accurate assessment of those challenges and their very real impact at the local level. It is a stark picture.

Over the last five years, adult social care funding reductions have totalled £4.6 billion. This year there are planned savings of £941 million and we are seeing a very clear trend of ‘service reductions’ accounting for a greater proportion of this savings requirement – 39 per cent in 2016/17 compared to 18 per cent in 2015/16. Conversely, the contribution of ‘efficiencies’ to the savings target is reducing – from 75 per cent in 2015/16 to 55 per cent in 2016/17. In addition, demographic pressures are running at just below 3 per cent a year, or £413 million, and costs associated with the welcome introduction of the National Living Wage (and compliance with the National Minimum Wage) total more than £600 million.

Looking ahead the outlook remains difficult, with a predicted funding gap every year to 2020 of over £1 billion every year. We are therefore clear that the announcements made in the 2015 Spending Review (the social care council tax precept and additional money for social care through the improved Better Care Fund) whilst welcome, are too little and arrive too late.

So what does this mean ‘on the ground’? For a start, not all directors are confident of making the level of savings required. Just 31 per cent are ‘fully confident’ of making savings this year, dropping to just 6 per cent next year and 2 per cent by 2019/20. This raises serious issues about the ability of councils to meet their statutory duties, such as with Deprivation of Liberty Safeguards or Care Act implementation. 36 per cent of directors are confident of meeting their duties this year, but this drops to just 8 per cent next year, and 2 per cent by 2019/20.

But of course, the impacts are wider than this. Eighty-five per cent of directors believe that savings made to date are putting the NHS under increasing pressure, and a similar proportion believe that providers are facing quality challenges (85 per cent) and financial difficulty (84 per cent). The state of the provider market is a particular concern. Forty-eight councils have experienced at least one home care provider cease trading in the last six months, with 77 councils experiencing the same within the residential/nursing care sector. Additionally, 59 councils have experienced home care contracts being handed back to them, with 32 councils experiencing the same within the residential/nursing care sector. This is affecting thousands of people.

These are deeply worrying numbers, which only scratch the surface of the problems facing our care and support system today. If tomorrow is to be brighter the Government must face up to the reality that social care is in crisis now and provide immediate funding to stabilise the sector. Longer-term it must facilitate an honest conversation with the public about the relative responsibilities and expectations of the individual, family, community and state in supporting older and disabled people.
The state of adult social care funding: the elected member view

Councillor Linda Thomas
Deputy Leader
Bolton Council
Vice-Chair, LGA Community Wellbeing Board

If the NHS had been cut as extensively as social care in recent years there would have been national outrage. Unfortunately there is a lack of understanding about how underfunding of social care impacts directly on the NHS and how continuing in this manner will ultimately make the NHS unsustainable. Over the last six years the emphasis has been placed on integration of health and social care, with health and wellbeing boards acting as system leaders. But it could be argued that this direction of travel is guilty of deflecting attention away from the underlying issue, as initiatives such as the Better Care Fund transfer NHS funding to underpin social care. This cannot secure sustainable social care or reduce pressure on the NHS. As councils continue to receive baseline funding that is inadequate to meet demand it makes local government feel very much the poor relation when coming to the integration table. This ultimately puts us on the back foot and makes colleagues in the NHS very nervous for their future partnerships.

As a needs-led service the largest demographic rise nationally is in over 75 year olds, many of whom will have complex conditions, placing more pressure on this reducing service. Yet there seems little acknowledgement of the need to address this issue by increasing the baseline. In fact local government is still experiencing austerity measures and requirements to cut budgets over the next three years. Councils delivering adult social care are very concerned about the viability of their services overall with increased demand for care and rising costs threatening the delivery of universal services in general. This dilemma is not always appreciated by the electorate either and is a source of concern in itself across the whole local government family and its political divide. Hence there is consensus on the need to appropriately fund services for our frail elderly and those with disabilities.

As we work through devolution of healthcare in Greater Manchester there has been a recognition that to introduce transformation of services there has to be a transformation fund to allow the new system to become developed and embedded, whilst existing resources are used to continue service delivery until that time. Sadly this has not been the practice previously. Let us hope that this recognition will support our demands that nationally there needs to be an injection of funds to pump prime transition.

Whilst the introduction of the National Living Wage is to be applauded for raising the level of pay for many in this underrated and often undervalued sector, the cuts to local government funding have again created major pressure on the care system overall. The care home sector is finding its position fast becoming untenable, with even the larger firms facing financial difficulties. Those delivering home care fare no better and in a bid to remain viable resort to employing workers on zero hours contracts and offering no recompense for travelling time, neither of which are acceptable practice. In some areas, and due to the cost of housing, some councils are experiencing an insufficient pool of workers as demand outstrips supply. Again consensus prevails in local government as to the need to raise the funding
of social care to address these issues that are prevalent across the country. The 2 per cent council tax precept fails to fill the void.

And what of the backbone of our system, carers? The Care Act quite rightly placed a duty on local government to assess and meet the needs of carers, as we would for those for whom they care. This is a welcome development as supporting the army of carers across the nation acknowledges the exceptional work they do, without which there would be considerable added pressure on the service. However, this cannot be done under existing resources and so we make a special plea for additional help to deliver this underfunded new burden and request that the Government adequately fund the sector whenever they transfer a new responsibility to it.

Councils are great innovators and so there are excellent examples of delivering services differently to reduce costs. Some have gone for establishing arm’s length adult social care companies. This has given councils the opportunity to deliver to residents who previously had been excluded from the offer so enabling the company to grow its business. Some have transferred their adult social care to the NHS creating one service.

However, whichever way a council proceeds the funding route for the social care element still comes through Revenue Support Grant (RSG) and so we will have to continue to ask for a larger share of the cake for social care. What becomes more concerning, as we move towards replacing RSG with retained business rates, are the great disparities across the country where areas of greatest need may also be the areas with the lowest levels of business activity. This may impact on the ability of more deprived areas to grow their economies and raise sufficient funding for council services. The potential unfairness of this system serves to underline the need to fund all social care adequately initially. There is an urgency for an injection of funds in the Autumn Statement but also a need for a longer-term commitment to increase baseline funding to meet demand and new burdens passed down to local government.

Councillor Stuart Barker
Cabinet Member for Adult Social Care and Health
Devon County Council
Chair of the South West Regional Network of Lead Members for Care and Health

Like many people I entered local politics driven by a desire to help improve the lives of local people in an area of deprivation regardless of their situation or political persuasion. That was more than 20 years ago, and the desire has only grown over the last seven years that I have been cabinet member for adult social care and health. But the ability to make a difference has undoubtedly become harder in recent years as funding has failed to keep pace with both an inevitable increase in demand and an understandable increase in the expectations of the public, politicians and staff for good quality, personalised care. The disconnect between expectations and resources is not unique to Devon.

As chair of the network for care and health lead members in the south west I see a region that is unable to fully realise its ambition of transforming services by shifting to new models of care to help manage future demand. Most authorities are doing something different but the speed of growth in demand alongside reducing resources impacts adversely on the speed of change needed.

Adult social care in the south west is a big operation with a combined budget of £1.4 billion in 2014/15. This represents 22.1 per cent of the 16 councils’ budgets and collectively supports nearly 288,000 people. These figures, of course, mask local variation in an area that has both unitary and two tier local government.
For instance, Dorset County Council’s adult social care budget accounts for nearly 42 per cent of the council’s total budget. A service on this scale, and of this importance, stands or falls on adequate funding.

Whilst we have managed to maintain services in recent years the very clear consensus across the south west is that we are now close to seeing an increased failure of the provider market. Put simply, funding is insufficient and there is a real lack of confidence by professionals and politicians that the budget beyond 2016/17 will adequately fund increasingly more complex needs. This means that I, and my cabinet member peers, face increasingly difficult decisions about the offer we can make to our residents.

The 2015 Spending Review did provide welcome additional funding through the council tax precept and the improved Better Care Fund. But the idea that these measures are sufficient to deal with all pressures is wide of the mark by some distance. For example, in Devon the council tax precept has raised £6.4 million in 2016/17, yet just the estimated cost of the National Living Wage to the council is £7.3 million. In Poole, changes to Deprivation of Liberty Safeguards assessments have resulted in an 800 per cent increase in referrals. This very significant increase is replicated across the south west. These are just two examples of the type and scale of pressures facing councils in the south west and the inadequacy of funding to deal with them.

Transformational change is therefore essential, not just for the viability of our health and care system but also to better serve the care needs of a growing number of older people and those with lifelong disabilities. Irrespective of their political colour, cabinet member colleagues across the region are committed to reshaping our services alongside the NHS by moving away from systems that encourage dependence to ones that promote and enable greater independence.

Prevention and early intervention is therefore a key focus. But as we strive to return balanced budgets each year, the reality on the ground is that funding reductions are making it harder for councils to manage the tension between prioritising statutory duties for those with the greatest needs on the one hand and investing in services and communities that prevent and reduce future demand on the other. Devon is no exception when it comes to change especially when the NHS Success Regime seeks to significantly lower the number of hospital beds. The consequence is coping with increased and more complex activity at home. The tension this causes between the public, MPs and the organisations involved is high. In circumstances like this there is a specific need to ensure transitional change is effectively funded and resourced. The need for transition funding is to invest to save because there are great opportunities for better outcomes for people with more cost effective health and social care costs.

As the lead politicians for care and health, my colleagues and I have an important role to play in managing our residents’ expectations. But our local leadership needs to be backed up by national leadership, and a clear vision for the future of these services. This needs to include a clear and consistent message on integration, where national rhetoric can often be at odds with reality and problems are ‘shifted’ between health and care as each side attempts to deal with immediate budget shortages. Sustainability and Transformation Plans (STPs) are a potential vehicle for bringing health and care together to collectively plan for the future. But they will only work if local government is seen by NHS organisations as an equal partner in the process.

Only by approaching our collective problems together can we promote and deliver the community resilience models of care that will be needed to steer us through this extremely challenging period. Communities and the people in them have never needed the whole system from government to local volunteer groups to work together more, and local government is best placed to lead and deliver change.
Councillor Ruth Dombey
Leader of the Council
London Borough of Sutton

Since 2010 Sutton has delivered £43 million of savings as part of an unprecedented task of reducing its annual expenditure by 50 per cent by 2019. To date, £11.2 million of those savings have come from adult social care. This year we are aiming to make a further £9.6 million of savings across the council.

These are eye-watering figures and we are having to make difficult decisions to ensure we meet our statutory duty to return a balanced budget every year.

This duty is crucial for understanding the pressures we continue to face in adult social care. The simple fact is that no matter what level of protection we try and afford to social care, the size of its budget means it cannot be immune from making significant savings to help deal with our overall savings requirement.

At the same time the demand for social care is growing. In 2015/16 our service received nearly 5,000 requests for support from new clients and provided long-term support to just over 2,000 people, the vast majority of which were aged 65 and above. On top of demographic pressures there are other pressures such as the National Living Wage, Deprivation of Liberty Safeguards and securing the stability of the provider market.

Developing a strategy to help deal with the pressures we’re facing is not easy. The 2015 Spending Review announcements of additional funding through the Better Care Fund and the social care council tax precept will bring in extra money. And as well as using our reserves to lessen the impact of inadequate funding, we are looking at opportunities for service transformation that will deliver cost reductions while maintaining outcomes for vulnerable people. In the future, as has been the case in recent years, other council services may need to be cut deeper to keep adult social care afloat.

But each of these approaches are fraught with difficulties. Reserves are not a bottomless supply of money and are needed to help support vital investment projects or deal with risks and unexpected events. If we cut or reduce council services which are precisely those that help contribute to people’s wellbeing, we are storing up problems for the future.

As chair of our local health and wellbeing board, I know that the situation facing NHS colleagues is no easier. That’s why we are looking to increase integration across health and social care, improve the health of our population and focus on prevention, early intervention and reablement. But again, this requires upfront investment and the space – and confidence – to look longer-term. This is particularly challenging when we have to think about short to medium term measures to deal with immediate pressures.

We need to take a longer-term forward view and persuade the NHS to do the same so we are all liberated from short-term sticking plaster solutions. We need to agree a long-term vision of place-based health and bring together all the organisations – from local government, housing providers, schools, community pharmacies and voluntary organisations – to achieve a shared vision for health and social care and end the fragmentation of services. We need to rebel against the top-down, one size fits all approach of the NHS and central government and recognise that different solutions will work better in different places for different communities.

The present system is not a sustainable way forward and it impedes the ability of our committed workforce across social care and health to carry on caring for our residents. With the Autumn Statement just weeks away, the Government must seize the moment and demonstrate its own commitment to enabling councils and their partners to do what they do best: look after our local communities and our local residents.
Kate Allsop
Elected Mayor
Mansfield District Council
Deputy Chair, LGA
Community Wellbeing Board

It is not just top tier councils that support older people and working age adults with a disability. Whether it be the provision of housing, handyperson or leisure services to name but a few, district councils such as Mansfield play a key role in helping to promote and enable independence and wellbeing. Such services are preventative in the broadest sense and prevention must be the emphasis we take nationally to help deal with the growing needs of our ageing population.

In Mansfield we face a significant increase in this respect. Our population is set to increase from 104,700 in March 2011 to 112,200 by 2037. Within this growth we expect to see an increase in the number of people of pensionable age from 21,100 in 2012 to 32,300 in 2037.

Honing in further, our over-75 population is projected to grow from 8,400 in 2012 to 15,900 in 2037. This is particularly important given that, nationally, almost 20 per cent of people over 75 are considered to be in bad health and another 50 per cent find their ability to perform daily activities limited.

Like many district councils across the country we are therefore working with our partners – including the county council – to ensure that housing plays a key role in our response to the health and care challenges associated with an ageing population. This is vital given that housing is such a key determinant of health. The supply, quality and design of homes all impact on population health and wellbeing.

As a country we need to plan for and deliver housing that reduces the need for high cost intensive interventions from acute health and care, creating environments that support wellbeing and improve quality of life. There are an estimated 500,000 units of specially built housing for older people, mostly sheltered social housing alongside a small stock of extra care housing. The Housing Learning and Improvement Network have forecast a deficit of 240,000 such homes by 2030.

There is considerable opportunity to increase supply further if, as with social care, the funding and legislative environments are right. The nursing and care home sector houses 5 per cent (480,000) of people aged over 65, retirement housing houses 4.8 per cent (455,000) of older people, while the Extra Care sector houses just 0.6 per cent (60,000). Around 7,000 new retirement and Extra Care units have been built each year over the last decade, but the country will need to build around 18,000 homes for older people a year to maintain existing provision.

The case for adapting existing homes is also strong. Not only does it reduce the need for expensive care and health interventions and encourage best use of housing stock across generations in local areas. More importantly, it is good for the individual concerned. Well adapted homes allow older people to live more independently for longer; older people in adapted homes spend on average four years less time in residential care. Adapting properties across different tenures could also provide more opportunities and choice for older people, whilst also reducing reliance on the social housing sector. An increasing number of older people are in the private rented sector, and there could be a growing market for properties adapted for older people, particularly wheelchair accessible homes.

As the LGA’s publication, ‘A home is much more than a house’ makes clear, the Care Act rightly acknowledges and embeds the contribution of housing to our care and support system. But like with so much of the legislation, if councils are to really meet the spirit and ambition of the law they need adequate and sustainable funding and the opportunity to take a longer term view of how best to respond to the challenges of our ageing population. Only in this way can we add life to years, and not just years to life.
The state of adult social care funding: the carer perspective

Heléna Herklots
Chief Executive
Carers UK

Sustainability of the care and support system is an issue that is of critical importance to families caring, unpaid, today and in the future. With an ageing population and people living longer with disabilities – both good things to celebrate – we are seeing a sharp rise in the number of people providing care, unpaid, to older, ill or disabled relatives and close friends.

This amounts to an 11 per cent rise in the past 10 years and a 25 per cent increase in those providing most care ie 50 hours and more per week. In the future, we can expect the population caring to grow by a further 50 per cent by 2037. Combined with another potential rise in the state pension age this means that many more of us will be juggling work and care.

Sustainability in the adult social care and support system means a variety of things. It means recognising the economic value of social care and the contribution it makes to people’s lives. It means a social care system that supports families and gives disabled and older people choices about how and where they live their lives. In part this means creating well paid jobs with learning and development opportunities where the care profession is highly valued.

Social care also needs to be recognised as a fundamental element or pre-condition for people to juggle work and care for older workers in particular – in the way we see childcare as essential for people to work – so too we should see care and support to enable family members and disabled people to work. Sustainability has to go hand in hand with a discussion about those in employment and who need to stay in work. Without good quality care, carers give up paid employment in order to care, or suffer avoidable ill-health and stress in the workplace.

The evidence from Carers UK’s carer members and wider networks is that pressure on the care system has become unsustainable. Despite the Care Act 2014 being a positive piece of legislation, and goodwill behind it, the implementation of it has been hampered by shrinking budgets leading to long delays in assessments and outcomes, some poor administrative practice and few carers yet seeing the benefit of their statutory rights. The pressure on families is increasing, in particular at key pinch points – our hospital discharge evidence shows far too few carers being consulted, and, at times of crisis, families feeling they have no choice but to go to A&E because the out-of-hours health and care services are not available.

The employment figures tell a tale too. Two million people have given up work to care and recent research shows that caring has an “employment effect” at only five hours of providing care.

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2 Facts About Carers 2015, taking from analysis of 2001 and 2011 Census
3 It Could be You? Carers UK, 2000
4 Carers UK’s research and stakeholder input to the Crildan Review, Independent Review of the State Pension Age, published October 2016
5 State of Caring 2016, Carers UK, published in May 2016, including experiences of 3,000 carers one year after the Care Act 2014 had been implemented
6 Pressure Points, Carers UK September 2016
7 YouGov Carers UK, in Facts About Carers 2015
8 Walking the Tightrope, Carers UK and Age UK, July 2016
Employers are increasingly seeking to address this and joining forums like Carers UK’s Employers for Carers in a bid to support the growing number of employees who have caring responsibilities and are struggling to juggle it all.

Moving from the current system to one that is sustainable and meets the needs of our ageing population requires a variety of responses. Undoubtedly without more funding for social care, many of the difficulties faced by the care sector will continue to grow and the impact will be felt by families. With better funding it is possible to build a wider spread of quality services and a sustainable care market – urgently needed in the short and longer term.

Secondly, the NHS needs to have a system to identify and support carers better – the imbalance between the rights base in social care and the NHS, where carers have most contact, hampers attempts at integration and well-coordinated services.

Thirdly, society needs to have a stronger understanding of care and caring, what that means for them and how to plan for the future – but we need government to lead the way in showing us what the funded future for care will be.

Fourthly, we need to make the most of technology where we can, focusing on using more digital and technology opportunities to support people better – enabling personal and face-to-face contact to be used when appropriate.

Finally, we need a stronger rights base for carers in paid work alongside more support for employers, so that they can all meet the care challenge in the future.

Sustainability of the care and support system is not a “nice to have”. It is essential. Every day Carers UK hears from families who are struggling with enormous responsibilities, frustrated by systems that often thwart them in their role of caring for a relative or close friend who suffer ill-health, poverty and breakdown of relationships.

Many don’t see themselves as carers, but as doing their duty out of love, kinship or other ties. This is a private struggle that is often not reflected in national data sets, but gathered through Carers UK’s advice services, and our engagement and research directly with thousands of carers every day of the year.
The state of adult social care funding: striving for quality care

Andrea Sutcliffe
Chief Inspector of Adult Social Care
Care Quality Commission

This year’s State of Care was CQC’s second report since we introduced our new approach of monitoring, inspecting and rating services in 2014. It is based on the most comprehensive evidence of the quality of care we have ever assembled and is a compelling read for anyone interested in the future of adult social care, which should be all of us. That includes commissioners and funders as well as providers and their staff. The future of adult social care will depend on all of us working together, listening to and acting on the needs and views of people using services, their families and carers.

Our latest ratings for adult social care show over 70 per cent of services are providing good or outstanding care – a positive increase on last year – and three quarters of those services originally rated as inadequate are getting better following re-inspection. That is positive news and I am pleased the vast majority of people, their families and carers, are experiencing services that meet the Mum Test – care that we would wish anyone we love to receive. Congratulations and thanks are due to all the staff who work in these services for their dedication and commitment.

Despite the good and outstanding services we see, State of Care highlights the stark reality that great care is not the norm for everyone, with around a quarter of adult social care services not consistently providing safe, high quality and compassionate care – and we are seeing too many services struggle to improve.

The latest trends show that nursing provision has stalled, increasing numbers of people are not having their care needs met and growing numbers of providers are handing back local council contracts because they are worried that good quality care isn’t possible on the money available. We also know the sector has difficulties recruiting and retaining the capable, confident staff we need.

These are not abstract, academic points. These challenges are happening at a time when we need good quality adult social care more than ever. People are living longer with individual needs becoming more complex, and if adult social care isn’t there or isn’t good enough, the pressure shifts to other parts of the health and care system. We are undoubtedly seeing this happen in the NHS with increases in A&E attendances, emergency admissions and delayed discharges.

We mustn’t forget that the impact of these problems on people using services, their families and carers can be devastating and distressing. In many ways the system as a whole is failing the Mum Test – with too many people facing a situation we would not want anyone we love to experience.
It is encouraging that despite all these challenges, there are still so many services providing good and outstanding care. But our analysis of the pressures and the fragility of the adult social care sector causes concern for the future. Are we confident that the good quality care we see now can be sustained and the improvements necessary delivered?

Hand on heart, I am not as confident as I would like to be or indeed need to be.

Given the pressures highlighted in State of Care the worry is that people’s individual needs are not always prioritised, providers may be tempted to cut corners when it comes to quality and services are now at greater risk of deteriorating.

The message from State of Care is clear. Unless the system finds a better way of working together then we are likely to see more poor care, less improvement – and the impact this all has on people’s lives, their families and carers, is what worries me most.

We have got to make adult social care the priority it deserves to be.
If we are going to achieve our aspiration for 21st century social care services, which move from 20th century paternalism, to a new model based on citizens’ rights, there are several things that the Government needs to do now, in order to establish a foundation for the future. The current situation of perpetual crisis cannot be allowed to continue and the Government should come forward with a clear plan, which sets stabilising our current services as a priority. However, this does not mean those services will be here for ever. Stabilising what we have must be the platform for moving to what we need, and everyone in the system needs to understand that there is a radical need for decommissioning the old and out-of-date services, in order to make way for the new and necessary ones that will deliver on the aspirations and needs of the 21st century citizen.

Firstly, we must have a long-term and sustainable system for funding social care. The proposals made by Andrew Dilnot are a good start, and these need to be implemented immediately. Beyond this, we need to start stimulating the insurance sector to develop new products, that will insure people against the cost of long-term care, and we need to encourage a system whereby pension contributions can also be used as a way of funding care in older age. This will require an adult conversation with society about what is affordable, what portion the state is prepared to pay and what the citizen must make provision for.

There is also a need to get much better integration between health and social care. Currently the health service works on a model that is no longer appropriate. Its focus is on diagnosis, intervention and cure. The reality of the 21st century is that increasingly people will have comorbidities and long-term conditions, so health and social care need to be supporting and enabling people to live with these conditions and maintain independence and well-being, through a process of support for the self-management of their health. Truly good integration is totally invisible to the service user. What the person who uses services experiences is a good life, not a selection of services. If we are going to get truly 21st century integrated health and social care models, we have to see an end to silo-thinking and silo-budgets. And we need to understand that truly integrated services go far beyond what happens in health and social care, and is about establishing the foundations of a good life. This of course would include housing, transport, leisure and a range of other services which sustain people with both health and wellbeing outcomes.

The social care sector, if given a clear steer from government, could develop a range of new services which would enable care homes to be the centres of excellence for the management of long-term conditions. I envisage a future where the care home will be providing long-term residential care, re-ablement services, respite, night and day care services, and emergency interventions, as well as being the centre for carers’ groups and the place where people caring for family and friends in the community can receive help, support and advice.
It may also in some areas be the place where community facilities such as post offices, libraries and coffee shops are situated. In this model people come into a service for a variety of reasons but there are also opportunities for them to be checked, supported and enabled to live well. Getting information about how to live with your diabetes, osteoporosis, or supporting you to live well with your dementia could be happening because you went into the post office or coffee shop rather than being called in to a GP surgery or a hospital.

The potential to deliver a new integrated approach that responds to the needs of citizens, and delivers effective and efficient outcomes that are good for the service users and good for the taxpayer, is within our reach. The question is, has the system got the commitment to rise to the challenge?

All too often, every conversation about the future is framed by notions of the past. What we need is to do is sweep away old practices and preconceived ideas about how services are delivered and recognise that people’s aspirations and lives have changed and the system needs to change with them.

What we need is the same revolution that we have seen in retail, where the use of technology transformed the landscape and has changed the way in which people buy goods. The health and social care sector has been slow to embrace new approaches and, whilst I accept health and social care is fundamentally about people engaging with people, we should not be frightened to embrace technology and to use it in ways that will make those interactions between people about the really important things rather than the mundane and unnecessary things.

As society ages and becomes even more sophisticated at delivering medicine that helps people live longer, we will need to take a long and hard look at how we provide support and work smarter, not harder. This will not only transform the lives of people who use services, but it will make them both accessible and affordable in the future.

Bridget Warr CBE
Chief Executive
United Kingdom Homecare Association

Homecare is an absolutely essential part of our care and support system and some 578,000 homecare workers help nearly one million older and disabled people to remain at home each year. Yet historic underfunding has meant that since 2010, nearly 143,000 fewer people have been given access to homecare as the consequences of serious underfunding within the sector have hit home. Today we estimate that the homecare sector faces a funding shortfall of £513 million this year to remain relatively stable.

The historic, current, and projected funding gap for adult social care is a scandal that impacts directly on the ability of our sector to support people’s independence and wellbeing. But its consequences reach further. A lack of homecare accounts for people being kept in hospital for 314,000 days each year due to delayed discharge (2015/16). As providers either leave the publicly-funded market, or worse, close their doors completely, we lose a significant contribution to our national economy.

A sustainable adult social care system for me is therefore one which rights these wrongs and allows homecare to continue making a positive difference to people’s lives. After all, receiving support to stay at home is what the overwhelming majority of people want.

This is ultimately a question of funding, which itself is a question of the priority afforded to social care by government. The 2015 Spending Review did indicate a degree of priority in this respect through the announcements of the council tax social care precept and additional funding through the improved Better Care Fund. But like our partners across the care sector, we do not believe these measures are in any way sufficient – particularly given the pressures
associated with the welcome, but costly, National Living Wage – and in any case arrive too late to deal with what is a very immediate problem.

I know from the repeated conversations that I have with colleagues that councils and providers face a near impossible task of agreeing fee levels that satisfy both sides. And when it comes to purchasing homecare I recognise that the dominant purchasing power of councils is one of the few levers local government has to try and manage spiralling and unsustainable costs. But the use of that power is undeniably detrimental to the provider market. UKHCA research for 2014/15 showed that 93 per cent of providers trading with councils had faced a real-term decrease in the price paid for their service over the last 12 months, and 50 per cent of providers who were aware of tender opportunities from their local council declined to bid on the basis of price. These pressures led to a worrying 11 per cent of providers predicting that they would ‘definitely’ or ‘probably’ cease trading within the next 12 months.

This reality is completely at odds with both the aspiration of the Care Act for diverse care markets and the expectations of successful market shaping contained in the legislation’s statutory guidance. Equally, this reality is unhelpfully pitting commissioner against provider and vice-versa. This has not always been the case, and it is true that there remains a welcome degree of goodwill from both sides in many areas to try and resolve local budget tensions. But a strain on local relationships in many other areas is real despite a very clear and strongly-held commitment to the shared objective of supporting local people with good quality homecare.

The onus must therefore be very much on the Government to sit up and take notice of the concerns being raised from across our care and support sector. Only through an adequately and sustainably funded adult social care system can we meet the growing demand from our ageing population with quality, dignified and personalised care and support.

This is the hallmark of a strong society and, as such, must therefore be a fundamental indicator of the Prime Minister’s vision of a ‘society that works for everyone’.
The state of adult social care funding: supporting our workforce

Sharon Allen OBE
Chief Executive
Skills for Care

Not surprisingly Skills for Care come at the issue of a sustainable social care system by saying that without a skilled and knowledgeable workforce then all our aspirations for quality services will be difficult – if not impossible – to deliver.

As I travel round the country visiting organisations of different sizes, offering a wide range of services, it is clear to me the efforts of well trained staff are central to how we support people who access care and support services in their communities to have genuine choice and control over their lives.

It would be naïve not to see this as one of the most challenging times in our sector’s history. Employers tell us of the pressures they face trying to keep going while maintaining high standards, and some are exiting the sector which must be a real concern. The National Living Wage (NLW) will improve conditions for many workers, the question is whether commissioning has kept pace? Is the NHS with its national pay rates having the same issues? We need to think about how we create a level playing field so employers offering high quality services who pay above the NLW can compete fairly in the marketplace?

We also need to be clear that while pay is an important motivator we can also recognise and value workers from day one by making sure they get a quality induction and then go on to work in a supportive culture that develops their personal and professional skills. We are doing work to make sure they are guided by effective leaders and managers who will offer their workers access to high quality learning and development opportunities at every stage of their careers.

There is clearly work to do and it is worth remembering that on any given day the adult social care sector has around 80,000 live vacancies, and our National Minimum Data Set for Social Care (NMDS-SC) tells us this debate around sustainability is going to get more acute over the next decade as we will need to fill an extra 275,000 posts. We need to be much more robust about making the case that social care is a rewarding career option, and that will include how employers actively develop a worker’s career pathway. That pathway needs to be clearly signposted and career-long.

One of the key elements of how we develop a long-term sustainable system is making sure commissioners have the skills, knowledge and data they need to make the best decisions for the communities they serve. We already provide data through NMDS-SC – including 100 per cent returns from local authorities – that help commissioners do their work, and given how tough the decisions they are having to make are, we have worked with ADASS to develop a qualification that specifically recognises and supports their vital role.
It will be no surprise that we think that we need to support employers in tough times not to look for a short-term fix and just put a red line through their learning and development budgets. It is a false economy to slash learning and development budgets as even in a challenging environment the employers who do continue to invest in their workforce are the ones who not only have waiting lists for people who want to access their services, but people wanting to work there too.

No one in social care is unaware that these are tough times; if we are to have a sustainable social care offer to our fellow citizens then all the debates – which will at times will be difficult – must have at their heart the needs of a skilled and knowledgeable workforce that above all else feels valued for the work they do in our communities.
The state of adult social care funding: people and personalisation

Vicky McDermott
Chair, Care and Support Alliance

Chief Executive
Papworth Trust

For those of us who work for charities that were set up to support, represent and speak out for disabled people, older people and their carers, it is clear just how vital social care is in enabling people to lead dignified and fulfilling lives. It is no exaggeration to describe social care as ‘life support’. It is as basic as washing, dressing and eating.

But more than that it also enables people who need care (and their carers) to find work and stay in a job, promote wellbeing and prevent the development of both physical and mental health problems.

Yet those people who do get the care they need, we consider lucky, rather than the norm. Meanwhile, the group of people being pushed out of the system is growing. An estimated one million older people have unmet needs for care and support in England and research on disabled adults suggests that at least two in five are not having their basic needs met. Indeed, it is estimated that at least half a million fewer people are eligible for care since 2005/6.

As a result, we hear of people being left for hours in soiled clothing, becoming malnourished, and losing contact with the outside world because they just aren’t getting the right help.

The problems in care are impacting on the NHS, which is visibly creaking. Each month delayed discharge figures are increasing – a third of which is down to a lack of social care support. Last year, we estimate that as many as 650,000 hospital days could have been lost because of social care underfunding.

Meanwhile, almost nine in 10 GPs believe reductions in social care contributed to the pressures faced in their surgeries and 99 per cent of NHS leaders believe that cuts in social care funding are putting increasing pressure on the NHS as a whole. Pressures too are mounting on family carers. Over two million family members have had to give up work to support their loved one.

A good care and support system should ensure that disabled and older people can access care that maintains their dignity, enables their independence, and prevents them from reaching crisis point. The Care Act 2014 held great promise in this regard, with its promoting of wellbeing and the development of new duties around prevention. However, without investment in care, we are far from realising its ambitions.

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9 Over a million older people struggling to cope alone’, 7 July 2015. Age UK modelling
13 CSA GP polling Medeconnect polling 830 regionally representative GPs, January 2015
14 NHS Confederation, National Survey of NHS leaders, June 2015
The latest Care Quality Commission report highlighted that the social care sector was approaching a ‘tipping point’. And that a worrying number of providers are handing back contracts because the funding simply doesn’t cover the costs of the care needed\(^\text{16}\).

We all understand the pressures on the public finances but the lack of investment in care is a false economy, increasing pressures elsewhere in the system. The impact the crisis in care is having on some of the most vulnerable in society means that this issue can no longer be kicked into the long grass.

On the steps of No.10 the Prime Minister promised to deliver ‘a country that works not for a privileged few but for every one of us’. Addressing the care crisis is a key test for this ambition.

Lynda Tarpey
Director
Think Local, Act Personal

Successive governments, enquiries and reports have tried to tackle the challenges of meeting the needs of people who use care and support.

The Select Committee on Public Service and Demographic Change heard evidence in 2013 that:

- By 2018 the number of people in England with three or more long-term conditions is predicted to grow from 1.9 million in 2008 to 2.9 million.
- It is estimated that by 2022, the number of people in England aged 65 and over with some disability will increase by 40 per cent to 3.3 million.
- The number of people in England and Wales aged 65 and over with dementia (moderate or severe cognitive impairment) will increase by over 80 per cent between 2010 and 2030, to 1.96 million.
- It is estimated that under current funding arrangements total spending (public and private) on long-term care for older people would need to more than double in real terms by 2030 to sustain standards. Public spending would need to double, and private spending to rise by nearly 150 per cent.

These statistics are well known and the sector has for some time been attempting to make the case for increased spending across health and social care and to find a different approach to meeting people’s needs.

The Care Act sought to address this focusing on wellbeing and choice and control for individuals (personalisation) as a long-term sustainable way of reducing the need for high levels of support.

The Think Local Act Personal (TLAP) Partnership has been looking at how this is going and we are starting to see evidence that budgets set aside for personalising services are being cut – including the amounts in people’s personal budgets.

This is not a trend we want to see and our view is that there are still significant savings that could be made from building the capacity of people and communities, while also continuing work to streamline council administrative systems which in many areas still creates unnecessary and costly levels of bureaucracy that also runs counter to the goals of the Care Act.

At TLAP, we describe a sustainable system as needing to start with people and communities to unlock their creativity to design solutions which meet their needs within the money available.

Building the capacity and resilience within individuals and communities can reduce the need for services and help people of all ages to remain safely in their homes and communities, with the support they need to self-manage. However if personal budgets are reduced to unsustainable levels, people who could self-manage will be forced to accept more traditional services as their only option. This short-term approach runs counter to a sustainable system.

\(^{16}\) CQC State of Care report, 2016: http://www.cqc.org.uk/content/state-of-care
In terms of streamlining systems, Think Local Act Personal’s minimum process framework is a tool that can help make government leaner and more efficient. Some areas are doing really well, but we know there is still a long way to go and we would encourage more work to be done in this area.

An example given at a recent TLAP market development forum by a parent carer illustrates the point of what a good long-term approach can achieve. Seven years ago the original support offer for her 19-year-old son was a secure in-house residential setting costing £88,000 per year. In 2009, her son purchased a house under the Home Ownership for People with Long-term Disability scheme and used Direct Payments to fund live-in care for £42,000 per year. Now in 2016, his budget is down to £23,500. His needs have not changed, but his family and those that worked with them used enabling tapered support, assistive technology and the community to supervise and support his independence. This has given him a much better quality of life. The gradual reduction in cost of his care package was done at his speed, not through imposed cuts, and still meets all his outcomes in a way that worked best for him and his family.

This approach may not be feasible for all people in need of care and support but the difference between support at £88,000 per year compared to £23,500 over a lifetime go some way to making a compelling argument for giving the spirit of the Care Act a go.
The state of adult social care funding: the health perspective

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It does not happen often that public officials responsible for a spending department argue that the needs of another department are more pressing than their own. So when the chief executive of NHS England said this summer that “were extra funding to be available, frankly we should be arguing that it should be going to social care,” it was time to sit up and take notice.

In case we missed it, the State of Care report recently published by the CQC reinforced the point, when it concluded that funding pressures in social care mean that the quality of care available in England is “approaching a tipping point”.

It is not difficult to see why. We all know that rising life expectancy leads to increased demand for healthcare; the point which both Simon Stevens and the CQC are making is that failure to meet this demand simply diverts it into a healthcare system which is already struggling to keep up.

Put simply, if social care is not available for dependent people who need it, they present themselves in GP surgeries, A&E departments and admission wards. As was famously said by Dr Patrick Cadigan, former Registrar of the Royal College of Physicians, “they go to the place where the light is on”.

The result is that we are increasingly using our acute hospitals as unbelievably expensive care homes. This is not only a grotesque waste of resources; it also represents two different human tragedies.

- On the one hand we are failing to meet the needs of citizens who would be able, if proper support was available, to lead relatively normal and fulfilling lives; instead of which they become dependent on high-cost NHS care.
- On the other we are also failing the people who do need access to high cost NHS services because the human and financial resources which could provide those services are being absorbed by the requirement to treat ill people whose illnesses would have been avoided if proper support had been available.

It is simply perverse that over a decade when NHS spending has risen by a quarter, social care spending has been flat. At a time when demand from elderly people accounts for a rising share of NHS activity it would seem to be little more than common sense that provision for social care should rise at least as fast as provision for the NHS.

But even that approach misses the point, because it understates the opportunity that is available from improved partnership between different public services. We know that spending on housing support, home care services, mental health support in schools, or probation services for young offenders all contribute to wellbeing.
The fact is that as we cut spending on these services, we stoke up demand for NHS services.

We know these things but we persist in believing that the NHS is a special case. Politicians of all parties claim credit for protecting the budget of the NHS while cutting other public service budgets which help people stay healthy. The result is that too often the NHS becomes the National Illness Service – treating illnesses and conditions which should never have arisen, but which developed because we failed to take advantage of opportunities to prevent it happening.

The NHS remains one of the most efficient healthcare delivery systems in the world, and its leaders recognise that there continue to be opportunities to enhance that efficiency further.

But the real opportunity for efficiency gain lies in empowering the local initiatives which are taking shape across the country to join up the full range of public services which serve each community. This process began in Greater Manchester, but is being adopted elsewhere as the leadership of the NHS and local authorities learn that the NHS cannot be a “city on the hill”. It must be part of local public services and increasingly local people, through their councillors – and sometimes their directly elected mayors – must have a voice in the way its services develop.

The challenge for ministers is to ensure this process develops. To do so they must do two things:

• First they must make clear that they will back locally led public services which address local priorities and that they will avoid the trap of attempting to micro-manage initiatives which reflect those priorities.

• Second they must provide a realistic financial framework to allow this process to realise its objectives. They cannot offer escape from the requirement to make choices but neither should they deny to those who depend on public services the opportunity to participate in the fruits of an economy which has returned to growth.
Conclusion: where next for adult social care and support?

The message that adult social care is underfunded is unanimous and unequivocal. Similarly, there can be no doubt that the consequences of this are impacting negatively on the system; whether that be those who use services, those who provide services, those who deliver services on the ground, and the quality of those services.

From across the sector, the urgent calls for additional funding are being made loud and clear. But arguably these calls may ultimately go unanswered (at least in terms of an answer the sector deems adequate) if adult social care is not seen as a priority by the public. Evidence suggests it is not. Latest results from Ipsos Mori’s monthly ‘issues index’ shows that the NHS, hospitals and healthcare is a key issue in the minds of most voters (40 per cent), followed by immigration (39 per cent), and the European Union (35 per cent)\(^\text{17}\).

This might support Richard Humphries’ idea of an ‘existential crisis of care’. But the question remains why social care is not a priority amongst the public. Part of the answer to that question might be to do with the fact that the public does not fully appreciate the sheer scale of adult social care. This is certainly backed up by new LGA polling conducted for this publication.

For instance, just 16 per cent of the 1,785 people polled correctly identified that adult social care accounts for around 35 per cent of an average council’s budget. More than half of respondents thought the proportion was just 15 per cent.

Similarly, 60 per cent of respondents thought that spend on adult social care accounted for more of the total combined £129 billion spend on health and social care than is the case. Eleven per cent of this total is spent on adult social care, yet 37 per cent of respondents thought that 22 per cent of the total was spent on adult social care, and 18 per cent of respondents thought that 33 per cent of the total was spent on the service.

When told that the correct proportion is 11 per cent, 62 per cent of respondents thought that more should be spent on adult social care, with just 6 per cent saying less should be spent on the service. However, despite a clear majority in favour of more money being spent on adult social care, there was less clear support for doing so through council tax increases, with 46 per cent of respondents willing to pay more council tax while 54 per cent opposed.

While adult social care desperately needs more funding to relieve urgent and ongoing pressures, it is apparent that a pre-condition for being successful with such calls in the longer-term will depend in part on raising awareness amongst the public of what social care is, why it matters and why it must be valued. Therefore, while it is right – and essential – that the sector continues to press the Government for additional funding now, there is a longer-term game to be played to make adult social care a public priority.

Several contributors above have identified a similar need and it is clear that all parts of the sector must unite in this endeavour. In this way we can raise the profile of our sector but also pose the fundamental questions that need to be asked about the way in which we care for older and disabled people in the future, and the relative roles and responsibilities of the state, family and individual in doing so.

\(^{17}\) https://www.ipsos-mori.com/Assets/Docs/Polls/issues-index-september-2016-charts.pdf