

# Opposition Day Debate: Social Care

House of Commons

24 April 2019



## Key Messages

- Adult social care and support is a vital service in its own right. It helps people of all ages to live the life they want to lead. It binds our communities, helps sustain the NHS and provides essential economic value to our country.
- After years of underfunding the adult social care and support sector is at breaking point. First and foremost, it is impacting on the quality of life of people who have care and support needs. It is also creating a fragile provider market, putting workforce and unpaid family carers under further strain, and impacting on social care's ability to help mitigate demand pressures on the NHS.
- Councils have protected social care relative to other services. They have found efficiencies and innovated to deliver public services in the most cost-effective way. However, the service still faces a shortfall of £3.6 billion by 2025. This is needed simply to keep on providing existing support at current levels and would not meet the cost of changing the current model of provision, or include the funding needed to tackle under met and unmet need.
- Whilst we welcome recent cash injections for social care, to help tackle winter pressures amongst other things, we are clear that pressures are year-round and short term bailouts are not the answer. The Government needs to find a long-term funding solution for adult social care and support. Short-term pressures cannot be managed through the social care precept and it is vital that the Government uses the Spending Review and its forthcoming green paper to deliver sustainable funding for social care for the long-term.
- In the absence of the Government's green paper, the LGA produced its own. [‘The lives we want to lead: the LGA green paper for adult social care and wellbeing’](#) was published in July 2018 and posed a series of thirty questions covering social care, public health, health and wider wellbeing. The [response to our consultation](#) published in November 2018, set out key findings, implications and recommendations, including on how to fund social care.
- Councils' have seized new opportunities to make health everybody's business since taking on responsibilities for public health. In the past six years 80 per cent of the 112 indicators in the public health outcomes framework have been level or improving. They have done this despite cuts to public health budgets of £700 million by the end of 2020.

## Briefing

## Background

### *Funding*

Adult social care is a crucial service that transforms peoples' quality of life. Years of significant underfunding coupled with rising demand and costs for care and support, have combined to push adult social care services to breaking point. Councils have protected adult social care in comparison with other services. Despite this, councils face an overall

funding gap of £8 billion by 2025,<sup>1</sup> the shortfall in adult social care makes up £3.6 billion of this gap and comprises two main elements: first, ‘core pressures’ posed by demography, inflation and the National Living Wage; and second, the provider market pressure (for example, the difference between what providers say they need and what councils pay).

Spend on adult social care accounts for a growing total of councils’ overall budgets, up from 36.9 per cent in 2017/18 to 37.8 per cent in 2018/19<sup>2</sup>. As a result, by 2019/20, 38p of every £1 of council tax will go towards funding adult social care. Councils’ budgeted expenditure on adult social care for 2018/19 stands at £16.1 billion.<sup>3</sup> Latest figures show that councils in England receive 1.8 million new requests for adult social care each year – the equivalent of nearly 5,000 a day<sup>4</sup>.

Whilst we welcome the Government’s recent cash injections for social care, we are clear that short term bailouts are not the answer, and the Government must find a long-term funding solution for adult social care and support. The short-term funding gap must be closed as an urgent priority and as an initial step in securing the sustainability of care and support.

Government responses to the challenge of adult social care funding in recent years has been short-term and incremental in nature. One-off grants, the council tax precept for social care and increases in improved Better Care Fund funding have been helpful. But each mechanism has its limitations and they have not been sufficient to deal with all short-term pressures, let alone address the issue of longer-term sustainability. They also cease in 2019/20 with no clarity from 2020 onwards, which makes even short and medium-term planning extremely difficult. It is vital that the Government uses the Spending Review and its forthcoming green paper to deliver sustainable funding for social care for the long-term.

#### *Impact on care providers*

Providers of social care are an absolutely vital part of the social care landscape, delivering practical care services with an essential human touch both to self-funders who pay for their own care and those who are funded by their council. But the provider funding gap outlined above, coupled with new pressures (such as the potential future uncertainty on liabilities for ‘sleep in’ care) is putting providers under impossible pressure.

In more than 100 council areas, residential care homes and home care providers have ceased trading, or handed back their contracts to councils, affecting more than 8,000 people in the last six months<sup>5</sup>.

#### *The importance of social care and support*

Adult social care is a vital service, supporting people’s independence and wellbeing. It strengthens our communities, helps sustain our NHS and adds essential economic value to our country. We estimate that, since 2010, councils have had to bridge a £6 billion funding shortfall just to keep the adult social care system going.

Following the Government’s repeated delays to its care and support green paper, we published our own last summer. [\*The lives we want to lead: The LGA green paper for adult social care and wellbeing\*](#) was a starting point for a public debate about how to fund care and how the care and health system can better support and improve people’s wellbeing.

The consultation considered adult social care provision in the context of the role councils’ play in shaping people’s lives and communities. It posed a series of 30 questions covering issues including: the importance of care and support and wellbeing, the consequences of underfunding, how to make the system better and the options for implementing those changes, the role of public health and the relationship between care and health. The consultation was a real success and we received over 500 responses from members of the public, professionals, voluntary organisations and charities.

Our [response to our consultation](#) was published in November last year and sets out key findings, implications and recommendations, including on how to fund social care. It recommended that in consulting on the shape of, and sustainable funding for, social care through its green paper, the Government should make the case for increases in Income Tax and/or National Insurance and/or a social care premium.

### *Public Health*

Councils have statutory responsibilities around public health, and as such have a stake in the future arrangements around these areas. There needs to be a greater shift away from health and care investment in treatment and towards prevention. We are pleased that the recent NHS Long Term Plan recognises this. By joining up care, health, planning, housing, transport, welfare and education, councils have made positive strides in tackling the social determinants of health and wellbeing from early childhood and throughout life.

We must place an emphasis on prevention, rather than cure, as this is better for people and the public purse. Prevention involves tackling the wide range of determinants that contribute to poor health amongst individuals and populations, with the aim of promoting health and wellbeing, and reducing health inequalities. Prevention has become increasingly important in recent years as the cornerstone of the drive to reduce people's need for high cost health treatments and care services.

Good public health has the potential to make a real and large-scale difference to our society. As well as improving people's quality of life, early interventions can also help save money further down the line. For example, a recent Public Health England report on falls prevention programmes shows that every £1 spent on home assessment and modification schemes for older people has generated savings of £2.17 on primary and secondary care spending. It has also been shown that this investment reduced the number of falls requiring admission to hospital over two years by an estimated 23 per cent, and that the societal (quality of life) return on investment was £7.34 for every £1 spent.

Since the transfer of public health to local government, councils across England have seized new opportunities to make health everybody's business. They have done this despite cuts to public health budgets of £700 million by the end of 2020. The ability for local authorities to innovate and increase efficiency is nearing its end. Investment in public health must be increased. Reductions to public health budgets must be reversed and public health needs to be put on a sustainable footing.

### *Social care workforce*

It is essential that the high turnover and vacancy rates across the social care workforce is addressed as this can impact on the care and support that people receive. In 2016-17, the annual turnover of all care staff was 27.8 per cent. The proportion of vacancies in care rose from 5.5 per cent in 2012-13 to a peak of 7.0 per cent in 2015-16, falling slightly to 6.6 per cent in 2016-17. Two roles in particular – care workers and registered nurses – have high vacancy and turnover rates compared with other roles within social care. High vacancy rates and turnover can disrupt the continuity and quality of care for service users, and also mean providers incur regular recruitment and induction costs.

There is a national drive towards better integration of health and social care in the UK, and greater recognition of the interdependencies between the two systems. The NHS Long Term Plan rightly recognises the health and care workforce as a key part of this integration process.

Councils are best-placed to understand the needs of their residents and local economies and the importance of skills training and employment support in their area.

### *The NHS Long Term Plan*

We welcome many aspects of the NHS Long Term Plan (LTP), in particular the focus on expanding community care, support and prevention to ensure that more people receive timely care, treatment, support and advice as close to their homes as possible. This is however, a plan for the NHS rather than a comprehensive plan for the wider health and care system so, inevitably, it offers only part of the solution to the health, social care and wellbeing challenges facing our communities.

The LTP recognises that partners, in particular local government, have a leading role in promoting health, wellbeing and independence but the measures it outlines focus primarily on the NHS. Much will depend on the local implementation of the national objectives. There must be genuine collaboration between the NHS and social care, including ensuring that any spending decisions are made locally on a devolved basis. There can be no real integration if we continue with existing siloed structures and we will therefore continue to lose opportunities to develop a true community based care system. It will be important that local leaders across the NHS and local government take a wider approach to ill-health and prevention, building on existing place-based plans for improving health and wellbeing to create new models of care and support.

The LTP recognises the need to fund adult social care adequately, however the plan has been produced with the aspiration of reducing the pressure on the NHS. As the NHS and social care are inextricably linked, social care also needs to be seen as a vital service in its own right, not simply an adjunct to the NHS. For the NHS, there is a real risk that reductions in adult social care will jeopardise the priorities in the NHS LTP.

We strongly support the renewed focus on prevention, health inequalities and a population health focus. NHS commitments to promote prevention are welcome, but cuts to local government funding for public health services underline the need for government to take a consistent approach to population health. Public health grant funding has reduced by over £700 million in real terms between 2015/16 and 2019/20. The contribution of public health is being undermined and services vital for improving population health are not being implemented, or are being cut back. This risks the future sustainability of the NHS and social care. Without additional resources, many councils will be forced to make tough decisions about which services to scale back, or cut completely. In the past six years 80 per cent of the 112 indicators in the public health outcomes framework have been level or improving<sup>6</sup>.

We support the place-based focus of integrated care systems (ICS) and the requirement for partnership governance. But we are concerned that health and wellbeing boards are not mentioned as they are the only statutory forum bringing together local clinical, political and community leaders. The LGA supports many of the proposals to change the legal framework for the NHS, in particular changes to promote collaboration across local health systems. The LGA has long supported such a duty and we support combining existing duties on councils, CCGs (clinical commissioning groups) and health and wellbeing boards to create a single duty on all partners to improve the health and wellbeing of local populations. We would expect this duty to include a requirement to engage partners in the development of local implementation plans and, for health and wellbeing boards to have a clear role in every ICS.

With regard to the proposed review of commissioning of some public health services – sexual health services, health visitors and school nurses – the rationale for local government to lead on public health remains unchanged. The plan implies that councils are delivering worse outcomes than when services were commissioned by the NHS. This is not supported by the evidence. In the past six years 80 per cent of the 112 indicators in the public health outcomes framework have been level or improving. The joint review must ensure that we have the best possible join-up between the NHS and local government, and that services are appropriately resourced. Now is not the time for further distractions around structures and responsibilities for commissioning preventative services. The most effective health and care systems work collaboratively and we should focus on strengthening effective joint commissioning.

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- <sup>1</sup> LGA, Moving the conversation on: A sustainable adult social care and support system for the long term, [https://www.local.gov.uk/sites/default/files/documents/3\\_july\\_22.24%20LGA%20think%20piece%20series%20the%20care%20and%20support%20green%20paper\\_v03\\_0.pdf](https://www.local.gov.uk/sites/default/files/documents/3_july_22.24%20LGA%20think%20piece%20series%20the%20care%20and%20support%20green%20paper_v03_0.pdf)
- <sup>2</sup> Directors of Adult Social Services budget survey report, <https://www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf>
- <sup>3</sup> MHCLG, Local Authority Revenue Expenditure and Financing, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/720336/RA\\_Budget\\_2018-19\\_Statistical\\_Release.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/720336/RA_Budget_2018-19_Statistical_Release.pdf)
- <sup>4</sup> Adult Social Care Activity and Finance Report, 2017-18, <https://files.digital.nhs.uk/35/6A192B/Activity%20and%20Finance%20Report%20201718.pdf>
- <sup>5</sup> ADASS budget survey, <https://www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf>
- <sup>6</sup> LGA, Improving the public's health Local government delivers, [https://www.local.gov.uk/sites/default/files/documents/1%2088\\_LGA\\_Improving%20the%20publics%20health%20local%20government%20delivers\\_February%202019.pdf](https://www.local.gov.uk/sites/default/files/documents/1%2088_LGA_Improving%20the%20publics%20health%20local%20government%20delivers_February%202019.pdf)