

Local Government Association (LGA)

House of Commons debate on budgets for health and social care

Tuesday 14 March 2017



Key messages

- The LGA has been leading efforts to highlight the significant pressures facing adult social care and we are pleased that the Government has started to act on our concerns. The announcement in the Budget of £2 billion for adult social care marks a significant step towards protecting the services caring for older and disabled people in our communities.
- Councils must have full flexibility over how they use this funding. Adult social care is vital in its own right as it helps people of all ages live independently in their communities. Any measures associated with the funding must be proportionate and agreed with local government leaders.
- With local government facing an overall funding gap of £5.8 billion by 2020, all councils will need to make continued cutbacks to local services, including social care, over the next few years. As helpful as the Budget's announcement is, short-term pressures remain and the challenge of finding a long-term solution to the social care crisis is far from over. To close the funding gap facing social care additional funding needs to be recurrent and put into local government baselines.
- The publication of a Green Paper will be vital to securing sustainable, long-term funding for the sector. Local government leaders must play a fundamental part in reaching a solution. All options must be on the table and it needs cross-party national support.

Adult social care

The LGA, working closely with partners from across the care and support sector, has led national efforts to highlight the extreme pressures facing adult social care, their consequences for people and communities, and the urgent need to address them with genuinely new government funding.

Government's announcement of an additional £2 billion for adult social care over the next three years is therefore welcome, and £1 billion in 2017/18 will be of significant benefit to the sector. It will help to alleviate some of the pressures within the system, bring much needed short-term stability to a sector that is universally regarded to be in crisis. The LGA has previously identified a need for £2.6 billion to address social care pressures by the end the Parliament.

Councils have a track record on value for money and innovation. If there are to be measures to assess councils' performance in the light of this additional money they must be proportionate and efficient and local government must be part of

Briefing

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their design. There is no point introducing costly reporting mechanisms into a system which is in desperate need of resources.

We recognise the need for health and care systems to work well together in the interests of people who need care. However, adult social care is not simply an adjunct to the NHS and is vital in its own right, supporting adults of all ages, with a range of needs, to live independently and well. Equally, delayed transfers of care are not the only issue facing health and care and we caution against an over-focus on this particular problem at the expense of addressing other, more systemic, issues.

As helpful as this injection of immediate funding is, it does not deal with the full scale of the funding challenge by the end of the decade and beyond. Pressures will therefore remain, including the concerns about the stability of the provider market. To close the funding gap, additional funding needs to be recurrent and put into local government baselines.

We therefore welcome the Government's intention to publish a green paper on adult social care funding to develop a much-needed longer-term solution. To ensure this delivers real solutions which can be implemented local government leaders must be at the heart of the review, and party politics must be transcended so we have a solution that has full cross-party consensus. The review must include an honest debate of all potential options and nothing should be ruled out at the start.

Councils are committed to providing an adult social care system that promotes everybody's wellbeing and ensures that all people with care and support needs, and their carers, can live independently and with dignity. The announcements in the Budget will certainly help with this aim in the short-term but there can be no room for complacency. We need a system that is fit for future generations and that will not be possible without a long-term solution to how adult social care is funded.

Communities and Local Government Committee pre-Budget report: Adult Social Care

Ahead of the Budget, the House of Commons Communities and Local Government Committee published its [pre-Budget report](#) on adult social care. The committee recognised the LGA's concerns and recommended the Government needed to plug the funding gap in adult social care, bring forward the Better Care Fund and undertake an urgent review into social care in the longer term. Our LGA Chief Executive Mark Lloyd and Deputy Chief Executive Sarah Pickup both gave evidence to the committee to highlight the scale of the funding challenges ahead. It's positive to see this recognised in the committee's report and reflected in the Government's Budget announcement.

Accident and Emergency Capital Investment

GP triage is a useful and effective way of directing people who present at A&E departments who do not require A&E towards alternative sources of help and treatment. Additional capital resources for GP triaging is welcome but revenue funding is needed to ensure the services are effective on an ongoing basis.

Furthermore, GP triaging does not prevent people arriving at A&E services, it seeks to divert them once they have presented at the hospital. It is also important to recognise that GP triaging is effective only if there is a prompt access to community health and support services as an alternative to A&E. The LGA

believes that any capital available to help manage A&E demand should be used in accordance with locally determined priorities.

Sustainability and Transformation Plans

The additional £325 million for the NHS is welcome but it is just a tiny proportion of the approximately £9.5 billion identified by STPs as additional capital requirement. The LGA supports further investment in transformation of NHS services but this needs to be directed towards community-based and preventative services that maintain health and independence and support people in the community. We recognise that the Government needs to be sure that the additional resources will be used to greatest effect but it is important that they do not focus just on health economies that are in the strongest position.

It is essential that any additional money for NHS transformation is invested in services that have the full support of local citizens and their democratically elected representatives. The next stage of development for STPs must prioritise local engagement and a careful focus on governance and effective implementation.

ComRes polling on local government finances

In a ComRes poll commissioned by the Local Government Association (LGA) in November and December 2016, MPs and Peers were asked to what extent they agreed or disagreed with the statement about social care funding. The poll surveyed 152 MPs and 100 Peers.¹ The poll found:

- The vast majority of parliamentarians (MPs 78 per cent and Peers 84 per cent) agreed that additional funding should go to councils' social care budgets to tackle the funding crisis.

LGA Budget Tool

To demonstrate the scale of the challenge facing councils in meeting the £2.6 billion adult social care funding shortfall by 2020, the LGA has developed an illustrative [budget tool](#) that puts people in control of the purse strings to try and set a budget. The figures used are based on an average English local authority where the council must find £17.1 million to make up the adult social care funding gap.

¹ Further information available at: <http://www.comresglobal.com/>