

Publication of government proposals for the reform of social care

House of Lords, Oral Question, 28 October 2020

NHS Providers is the membership organisation for the NHS hospital, mental health, community and ambulance services that treat patients and service users in the NHS. We help those NHS trusts and foundation trusts to deliver high-quality, patient-focused care by enabling them to learn from each other, acting as their public voice and helping shape the system in which they operate.

NHS Providers has all trusts in voluntary membership, collectively accounting for £87bn of annual expenditure and employing more than one million staff.

KEY POINTS

- Following a decade of numerous commissions, reviews and the much-delayed social care white paper, it is vital that political parties work cross party to ensure that social care is placed on a sustainable footing as soon as possible.
- Demand for health and social care services is increasing year-on-year, largely driven by an ageing population with increasingly complex care needs.
- Even prior to COVID-19, the social care sector was under extreme pressure, due to years of underfunding, **122,000 workforce shortages** and a fragile provider market.
- Cuts to local authority budgets have created a significant funding gap in social care, and are **estimated to be £2.6bn in 2020/21**. This has inevitably placed additional pressure on NHS services and meant that patients and service users have not always benefitted from the right forms of support to meet their needs.
- The care home sector suffered considerably during the first wave of the pandemic, with high numbers of excess deaths and emergency funding unable to repair the damage caused by years of underinvestment. A public inquiry into the UK's response to COVID-19 will need to examine why this was the case.

Reform

Calls for social care reform have been on the political agenda for years. In the short term, the government must stabilise the current system by increasing staff pay and funding levels to restore access to 2010/11 levels. However, the social care sector also needs much more fundamental reform, not least because increased funding to local authorities does not automatically filter down to social care services. NHS Providers has supported these calls as the NHS needs a well-functioning social care system to provide the best outcomes for patients and most efficient use of health and social care funding, otherwise we risk devaluing every pound of investment in the NHS. Until the health and care system treat cancer and dementia equally, we will not have an effective, fair health and care system.

Trusts are working closely with social care providers at a local level to integrate care pathways and ensure people receive joined-up care. It will be crucial to build on these positive ways of working, such as NHS community services working with primary care colleagues to increase support for care homes.

COVID 19 and its impact on social care

COVID-19 has shone a light on the fundamental role played by the social care sector during the pandemic, once again drawing attention to the urgent need for a long-term funding settlement and accompanying reform to place the social care system on a sustainable footing. [The Local Government Association has recently suggested](#) that councils face an estimated a funding gap of £5.3 billion by 2023/24 which could grow to as high as £9.8 billion due to the uncertainty resulting from the continued impact of COVID-19.

The care home sector has clearly suffered considerably during the pandemic, with high numbers of excess deaths and emergency funding unable to repair the damage caused by years of underinvestment. Workforce issues are also likely to have played a part, with agency workers transmitting the virus when moving between different care homes. We also note the care sector's view that the government did not focus on its concerns sufficiently or soon enough, and that additional funding took too long to get to the frontline. [The DHSC's initial review of the factors impacting the care sector](#) including a mobile workforce is helpful reading.

Throughout the crisis, trusts have been committed to supporting their partners in the care sector, who look after the most vulnerable members of society, and this commitment has never been stronger than during the COVID-19 pandemic. There is much to be learned from the tragic deaths in care homes during the pandemic. However trust leaders strongly refute the suggestion that they

“systematically” discharged those known or suspected of having COVID-19 into care home settings; discharge procedures were agreed on the basis, as they always have been, of a measurement of the overall balance of risk to individual patients, taking into account that acute hospitals are not safe environments once they have recovered.

With hindsight, it seems clear that everyone discharged from hospitals into care homes should have been tested for COVID-19 at an earlier stage. However, this was not possible as the UK’s testing capacity did not allow for this at that time; it is also likely that community transmission reached care homes faster than expected.

During the first wave, it became clear that there was a lack of joined-up planning across health and social care, with the sector feeling as if it was being treated as an afterthought. For example, when NHS England published its discharge guidance for trusts, it was not accompanied by equivalent guidance for the care sector. Other challenges which emerged for care providers during the first wave were access to PPE, due to the lack of a national supply chain for the sector and slow access to testing for staff and residents, which proved a challenge in preventing the spread of the virus in settings such as care homes.

We welcome the government’s recently published [COVID-19 winter plan for adult social care](#) which aims to address some of the issues identified during the first wave – for example, working to ensure sufficient appropriate COVID-19 testing capacity, improving the flow of testing data to those who need it and providing free PPE for COVID-19 needs to care homes and domiciliary care providers until the end of March 2021. We hope that measures set out in the plan will protect the care sector throughout the winter and further possible waves of the virus.

Funding

Cuts to local authority social care budgets have placed significant, avoidable pressure on the NHS in the context of rising demand for social care fuelled by population changes, including rising numbers of older people and more complex care needs. In real terms, [funding for social care remains below 2010/11 levels](#), as local authority funding cuts have eroded social care provision at the same time as demand has risen. The [Health Foundation](#) estimates that the social care funding gap will be between £2.1bn and £12.2bn by 2023/24. A report by the [Institute for Fiscal Studies and the Health Foundation](#) calculated that social care funding would need to increase by 3.9% a year.

The NHS is directly impacted by local authority budget cuts, through increased demand and delays in discharging patients from hospital to care settings. Some of this increased demand comes as a result of people being unable to access early intervention services provided by local authorities. The suspension of NHS Continuing Healthcare (CHC) assessments and accompanying financial negotiations during the pandemic greatly reduced demand for hospital beds with a positive effect on timely discharge. It is therefore deeply disappointing that CHC funding negotiations resumed from 1 September 2020. Trusts and their partners would welcome a further suspension of CHC particularly given the likelihood of entering a second wave of the pandemic in tandem with winter pressures. Current discharge to assess arrangements should be funded on a permanent basis to ensure people can return home as soon as it is appropriate.

NHS Providers has long been calling for a sustainable solution to the social care crisis, with a properly funded social care system that meets the needs of older and vulnerable people and ensures that all individuals with care needs can be supported to live independently and stay well in the community. There is widespread recognition that social care funding must increase to meet changing demographic needs. There are several options for funding an increase in the adult social care budget, including changes to tax contributions, a social care premium, and changes to the self-funding model. The merits and drawbacks of these have been explored at length across numerous publications over the last five years. The choice of which option to pursue is ultimately a political decision for the government to take and should be discussed in an open public debate.

Substantial funding cuts have forced local authorities to tighten eligibility criteria for social care services. Unlike the NHS which is free at the point of use, social care services are means tested. Only individuals with low levels of savings and other assets are entitled to publicly funded social care services. Since 2010/11, the government has not increased the means test thresholds to take account of inflation. While the **number of requests for social care support are increasing, fewer people are receiving the care they need**. This has inevitably placed additional pressure on NHS services and has meant that patients and service users have not always benefited from the right forms of support to meet their needs. The social care system needs broader reform to improve access, quality and sustainability to respond to increased demand driven in part by a growing older population but predominantly by the increasing number of working age adults with care needs.

The social care provider market was fragile prior to COVID-19 and subsidised by increases in the fees that local authorities and self-funders paid for residential, nursing and home care. Self-funders pay higher fees to cross-subsidise the lower fees paid by local authorities. Despite this extra financial

support, care providers continue to hand back contracts or fail, leading many to conclude that the care system is unsustainable in its current form.

Social care workforce

Our social care workforce plays a vital role in caring for some of the most vulnerable people in society. There are 122,000 vacancies in the social care sector and we are concerned that the new immigration system due to come into force from January 2021 does nothing to address dire staff shortages we are seeing in the sector.

Care providers also face high turnover rates, as providers struggle to retain highly valued staff on poor wages. More staff need to be recruited to, and retained within, the care sector. To achieve this, as a society we must address poor pay, terms and conditions of a section of key workers offering high value care to our most vulnerable.

In addition to workforce shortages, the National Living Wage increases from April 2020 will place increasing pressure on care providers and risks destabilising the fragile provider market even further. There is a greater need to recognise the value of the social care workforce and those working in the care sector should be offered sufficient pay, higher quality training, opportunities for career progression and new career paths.

The short-term solution to increasing the workforce supply would be to ensure immigration policy enables the recruitment of care staff from overseas, given that the care sector relies heavily on international recruitment. For example, [international staff make up 40% of the care workforce in London](#). However, we are deeply concerned that the new points-based immigration system will make it much harder to recruit social care staff internationally.

Social care professionals are not on the shortage occupation list and will be in effect ruled out from gaining a visa through not meeting the essential criteria requirements and not meeting the salary threshold.

NHS Providers' view

Reform to place social care on a sustainable footing is long overdue, and we urgently need to secure a long-term sustainable funding settlement for the sector. Without addressing the social care crisis, we risk devaluing every pound of investment in the NHS. Pressures on social care are making it more difficult to support vulnerable or older people to live independently and closer to home, often

contributing to a rise in admissions and long stays in hospital. Securing a sustainable, properly funded and fair social care system has to be a priority for the government if we are to meet demand for appropriate care in the right setting, now and in the future.

The unprecedented challenges of COVID-19 have piled more pressure on the care sector, with high numbers of excess deaths and emergency funding unable to repair the damage caused by years of underinvestment. There is much to learn from the experience of the care sector during the pandemic including with regard to strengthening testing as one means to support safe discharge. Our members tell us that trusts did everything they could locally to support the care sector, including mutual aid of PPE, temporary staffing and training on infection prevention and control and trust leaders refute the suggestion that they “systematically” discharged those known or suspected of having COVID-19 into care home settings; discharge procedures were agreed on the basis, as they always have been, of a measurement of the overall balance of risk to individual patients, taking into account that acute hospitals are not safe environments once they have recovered.

However, we know that many colleagues in social care felt left without sufficient information and support during this critical time and it is clear that the care home sector has suffered significantly during the COVID-19 outbreak – we believe that a public inquiry into the UK’s response to COVID-19 will need to examine why the care sector was so badly affected during the pandemic and what steps should be taken in future to ensure that this doesn’t happen again.