



The voice of NHS leadership

Health and Social Care Select Committee inquiry submission on social care funding and workforce

Written evidence from the NHS Confederation: June 2020

About the NHS Confederation

The NHS Confederation is the membership body that brings together and speaks on behalf of organisations that plan, commission and provide NHS services in England, Wales and Northern Ireland. In England, we represent hospitals, community and mental health providers, ambulance trusts, primary care networks, clinical commissioning groups and integrated care systems. Also, we run NHS Employers, which supports the health service in its role as the nation's largest employer, negotiating pay, supporting workforce development, and fostering good practice in recruitment and retention. In Wales, we represent local health boards, and in Northern Ireland, we represent health and social care trusts. Our Brussels office focuses on EU legislation, Brexit developments and our international engagement.

Introduction

The NHS was set up to make sure that everyone had access to good healthcare, regardless of their ability to pay. The same should apply to social care. This is vital not only to support some of the most vulnerable in our society, but also to enable the NHS to function effectively.

The deep structural cracks in the system, a desperate shortage of resources and the lack of joined up working between the health and social care sectors have been exposed. Our members know that the shortcomings in social care have considerably exacerbated pressures on the NHS services for which they are responsible.¹

That level of concern is also evident in the Health for Care coalition, which the NHS Confederation established last year. Health for Care brings together 15 national bodies concerned with healthcare to campaign for social care reform. It is unusual for one part of the public sector to lobby on behalf of another, and the commitment of the coalition's members underlines the interdependency of both health and social care services.

Population growth has ultimately resulted in increased levels of demand for care and support. As a result, the current level of real terms expenditure on social care is around £0.4 billion lower than it was in 2010/11.² It should be added that even though

¹ https://www.nhsconfed.org/-/media/Confederation/Files/Publications/Documents/Fit-for-the-future-5_LC1.pdf

² <https://www.kingsfund.org.uk/publications/social-care-360/expenditure>

real terms overall spending on social care has been increasing since 2015/16, the number of people receiving formal care packages from councils has fallen by two per cent, while requests to councils for social care support have risen by six per cent since 2016.³

Alongside funding, it is worth noting the complexity and diverse nature of the care market and the importance of involving these services as part of the health service integration agenda. In residential, nursing, and domiciliary care alone, there are 37,000 registered organisations⁴ of differing shapes and sizes providing care across the UK in a variety of establishments and in people's own homes. These care-providing organisations span public, private, and voluntary sectors, yet the financial reality across the sector is fragile, with many providers having to close or cease services due to increasing costs during the COVID-19.

The impact of COVID-19 has fundamentally exposed how ill-equipped, under-resourced and isolated the care sector has been from the national and local-level health service response. The structure, funding mechanisms, and accountabilities governing the NHS on the one hand and social care on the other, have exposed the alienation between two interdependent services.

Where cooperation and collaboration work, they do so in spite of, not because of, the environment in which they operate. The case for change has been made and debated for many years; the current crisis presents an unarguable case for root and branch reform.

³ <https://www.kingsfund.org.uk/blog/2020/01/social-care-funding-cuts-are-biting-hard>

⁴ <https://www.nuffieldtrust.org.uk/news-item/responding-to-covid-19-the-underlying-complexities-of-the-social-care-provider-market>

Key points

- **Impact of COVID-19 on social care:** For a variety of reasons, social care has been particularly hard hit by the pandemic. For understandable reasons, the initial focus of national policy was to prevent the NHS from being overwhelmed by severely ill COVID-19 patients. However, while there was early recognition of the vulnerability of residential care settings, the policy response and guidance was weak and the anguish and trauma of what was happening in residential care remained unrecognised for too long. In particular, there were significant issues with PPE and testing⁵ in the NHS, but there did not appear to be any pre-emptive or emergency planning considerations given to making sure social care settings and those requiring support in their own homes had access to the right equipment, training and support for infection control, that was so badly needed.
- **Establishing integration between the health and social care architecture:** COVID-19 has had a profound impact on both health and social care sectors. Despite the challenges that lie ahead there is some optimism that new ways of working can transform care. At the interface of health and care this has led to huge strides being made in places to ease the transition from one sector to another. For example, NHS leaders have seen previous obstacles to discharging patients evaporate because bureaucratic impediments have been removed and NHS funding has followed the patient into residential care.

During the pandemic, the guidance was amended to enable faster discharge of patients from hospital to community and social care settings, when it was clinically safe to do so. The NHS is keen to maintain the gains that have resulted for patients.

There is a recognition across the NHS that we should be moving to a new approach in which patients and residents are regarded as belonging to a united system. The enhanced support for the social care sector, as provided by the government's adult social care action plan,⁶ is a step forward, but we still are some way from what one acute and community NHS trust chief executive described as their role and responsibility in the care of patients requiring community care becoming a widespread reality:

“We regard care homes in our patch as we regard wards in our hospitals and all our staff are there to support them as they are needed”. (Anon)

⁵ <https://www.gov.uk/government/news/further-expansion-of-access-to-coronavirus-testing-helps-protect-the-most-vulnerable>

⁶ <https://www.gov.uk/government/publications/coronavirus-covid-19-adult-social-care-action-plan>

It is imperative that a new framework for funding, commissioning, and ensuring accountability for delivering care – whether in a patient’s home, or on a hospital ward – is realised.

The future must lie in some form of collaboration to plan, commission and deliver health and care services. We can and should no longer regard health and care as two separate systems.

- **Immediate funding to stabilise the social care sector:** The story of recent years has been of a sector in crisis.⁷ Our members have been clear that without a long-term funding settlement for social care, the NHS will have to spend its resources treating people with complex conditions who could have been supported in the community, which would be better for them and be a better use of public money.

Our assessment of existing financial analyses – which is based on the Health for Care’s Chink of Light report – suggests that immediate government funding of around £2.5 billion is needed to stabilise the care sector in England.⁸

- **Long-term funding to secure better social care for all:** There is wide consensus that access to social care needs to be expanded to more people and a wider range of conditions. The case for investment in social care is in many respects a moral one, concerning the treatment of the vulnerable people, and our willingness as a society to protect them and support their independence. But it is also about targeting resources wisely and making sure investment in the NHS is used most effectively.
- **Workforce:** The pandemic has highlighted the undervaluing of care staff, who are paid significantly less than their health service counterparts. In addition, many of them lack the training and support in areas such as infection control which is standard in the NHS.

There was an attempt in 2018 to draw up a combined health and care workforce plan for England but this was subsequently abandoned in favour of a separate NHS People Plan. We regard this as a mistake.

Some movement between sectors is positive and inevitable, but the current migration whereby far more staff move from social care to health than in the other direction is indicative of the root and branch problems of structuring a

⁷ <https://www.cqc.org.uk/news/stories/state-care-report-warns-adult-social-care-approaching-tipping-point>

⁸ <https://www.nhsconfed.org/-/media/Confederation/Files/Publications/Chink-of-light-briefing-DJP-final.pdf>

workforce in this way. Our members believe the aim should be for many more NHS staff, including GPs, to work routinely in social care settings.

Our members have identified that a national, integrated health and care strategy is needed to tackle the many issues caused by a workforce which is under-trained, under-paid, under-appreciated, and overly reliant on agency staff.

- **Seven key principles for a sustainable care sector:** Health for Care has set out seven principles which should underpin a new social care system. The principles cover:
 - sharing costs
 - fair eligibility
 - improving integration
 - sustainability
 - valuing the workforce
 - supporting carers
 - accessibility

What impact is the current social care funding situation having on the NHS and on people who need social care?

Increasing numbers of people in England and across the UK are living with co-morbidities and relying on care services. Importantly, the increasing number of those with co-morbidities will mean that without community social care there will be more frequent hospital admissions to acute care, including emergency care. Analysis published in 2019 found that more than four in ten emergency admissions to hospital from care homes could have been avoided through better care in the community.⁹

Not long before the outbreak of COVID-19 in the UK, we surveyed our members on what they believed were the most pressing challenges facing the health service. In response, 98 per cent of leaders told us that the worsening social care crisis was having a knock-on effect on the performance of the NHS and damaging patient care.¹⁰

Continuing healthcare (CHC) was one policy response to manage this reality. One of the requirements of CHC is that the needs of the individual are assessed annually for the duration of their eligibility. However, there is sometimes variability in the way that these assessments are carried out, often without a change in someone's needs, which then impacts the funding available. We believe this system needs to be overhauled due to its inherent limitations and inequity.

It is estimated that in 2016/17, around 41 per cent of emergency admissions from care homes could have been avoided.¹¹ The same analysis found that once admitted, care home residents aged 65 and above spent an average of 8.2 days in hospital that year.¹² Emergency admissions are costly and cause undue stress to patients, with independence often adversely impacted.¹³

Delayed discharge from hospitals back into the community is a well-known issue and often caused by not having adequate provision in the community or in a patient's home. This can also include waiting for some service provision to be funded. This then often has an impact on NHS services.

In spite of targeted funding to local authorities since the start of the COVID-19 outbreak, social care providers have not received financial assurances from the government that have been as extensive as those afforded to the providers of NHS services. For example, £1.6 billion of additional funding was announced in March 2020 for health providers to meet rising costs experienced during COVID-19. A

⁹ <https://www.health.org.uk/publications/reports/emergency-admissions-to-hospital-from-care-homes>

¹⁰ https://www.nhsconfed.org/-/media/Confederation/Files/Publications/Documents/Fit-for-the-future-5_LC1.pdf

¹¹ <https://www.health.org.uk/sites/default/files/upload/publications/2019/Emergency-admissions-from-care-homes-IAU-Q02.pdf>

¹² <https://www.health.org.uk/sites/default/files/upload/publications/2019/Emergency-admissions-from-care-homes-IAU-Q02.pdf>

¹³ <https://www.health.org.uk/sites/default/files/upload/publications/2019/Emergency-admissions-from-care-homes-IAU-Q02.pdf>

further £1.3 billion was announced in April 2020 to help the NHS and local authorities to work together as part of hospital discharge service requirements. Amendments made to the hospital discharge guidance including meeting the cost of new or extended out-of-hospital support packages for people being discharged from hospital will help to reduce some of the impact on the social care sector. However, once this element of financial support is taken away, it may lead to a re-emergence of the widening disparity in social care funding.

What level of funding is required in each of the next five years to address this?

In 2018, the NHS Confederation commissioned the Institute for Fiscal Studies and the Health Foundation to undertake a study into the funding needs of health and social care systems over the next 15 years. The report found that social care funding in England would need to increase by 3.9 per cent a year to meet the needs of an ageing population and an increasing number of younger adults living with disabilities. The report found that if the widely acknowledged problems with England's social care system – of limited eligibility, low quality and the perceived unfairness of the current system – resulted in reform, spending on social care would need to increase at a faster rate.¹⁴ For example, there are around 1.4 million older people who are not able to access the support they need,¹⁵ and as things stand, it is inevitable that this number will rise. There are 850,000 people with dementia in the UK,¹⁶ and that figure will increase to more than one million by 2025.¹⁷ Already up to 58 per cent of people over 60 are living with at least one long-term condition, such as diabetes, arthritis or hypertension, and the numbers with co-morbidities has been rising each year.¹⁸ The task then is to support an ageing population with increasingly complex needs.

We are also conscious of the families who struggle to support themselves and their loved ones.

There are at least 5.4 million unpaid carers,¹⁹ and half of all homeowners are not confident of having enough money to fund their own care, even if they sell their home.²⁰ The personal impact on individuals and families can be devastating.

Failing to reform social care will continue to impact other public services, and particularly the NHS.

Expanding and improving social care provision will require increased funds. The House of Lords Economic Affairs Committee – which has argued for the restoration of care quality and access to 2009/10 standards – has stated that around £8 billion per year in additional funding is required for adult social care, with this figure increasing in each subsequent year as the combined population of older people and working-age people with care need grows.²¹

¹⁴ <https://www.nhsconfed.org/-/media/Confederation/Files/public-access/Securing-the-future-FNL.pdf>

¹⁵ <https://www.ageuk.org.uk/latest-news/articles/2018/july/1.4-million-older-people-arent-getting-the-care-and-support-they-need--a-staggering-increase-of-almost-20-in-just-two-years/>

¹⁶ <https://www.alzheimers.org.uk/about-us/policy-and-influencing/dementia-uk-report>

¹⁷ <https://www.nhs.uk/conditions/dementia/about/>

¹⁸ <https://www.kingsfund.org.uk/projects/time-think-differently/trends-disease-and-disability-long-term-conditions-multi-morbidity>

¹⁹ <https://www.england.nhs.uk/commissioning/comm-carers/carers-facts/>

²⁰ <https://yougov.co.uk/topics/politics/articles-reports/2016/01/24/who-should-pay-social-care>

²¹ <https://publications.parliament.uk/pa/ld201719/ldselect/ldeconaf/392/392.pdf>

What is the extent of current workforce shortages in social care, how will they change over the next five years, and how do they need to be addressed?

Published data clearly documents a workforce shortage in social care. Around 1.1 million people work in adult social care,²² but it is estimated that there are over 100,000 vacancies in the sector, and there is a high staff turnover rate, equivalent to approximately 440,000 leavers over the past year.²³ Addressing this issue involves tackling low pay for social care staff. It is reported that the average hourly pay for social workers is £9.14.²⁴ Skills for Care recently reported that sales and retail assistants earned, on average, 10 pence per hour more than care workers.²⁵

Moreover, the adult social care sector relies heavily on recruiting staff from overseas.²⁶ The NHS Confederation has been vocal in its concerns about the government's Immigration and Social Security Coordination (EU Withdrawal) Bill through its leadership of the Cavendish Coalition.²⁷ We have noted that most care workers do not earn above the government's proposed £25,600 salary threshold, and despite severe workforce shortages, social care is not classed as a "shortage occupation".

COVID-19 has also highlighted differences in terms and conditions and other benefits, such as eligibility for sick pay. Any future strategy addressing the social care workforce must improve the perception of social care as a profession. To meet the workforce demand during COVID-19, the Department of Health and Social Care launched the recruitment campaign: Care for Others, Make a Difference.²⁸ However, the recruitment and retention of social care staff will ultimately rely on a national strategy that directs resources towards increased pay, better working conditions, and improved training and development opportunities. A recruitment campaign – although welcome – is not alone a sufficient policy response. Without a broader strategy, social care will continue to lose workers.

²² <https://www.kingsfund.org.uk/publications/social-care-360/workforce-and-carers>

²³ <https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/national-information/The-state-of-the-adult-social-care-sector-and-workforce-in-England.aspx>

²⁴ <https://www.ippr.org/files/2018-11/fair-care-a-workforce-strategy-november18.pdf>

²⁵ <https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/documents/State-of-the-adult-social-care-sector/State-of-Report-2019.pdf>

²⁶ . Skill for Care report that around 115,000 jobs are held from people within the EU and around 134,000 jobs are held by non-EU workers. <https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/Topics/Workforce-nationality.aspx>

²⁷ <https://www.nhsemployers.org/media-centre/2020/05/cavendish-coalition-immigration-bill>

²⁸ <https://www.gov.uk/government/news/adult-social-care-recruitment-care-campaign-launched-to-boost-workforce>

What further reforms are needed to the social care funding system in the long term?

In England, debate is beginning on the appropriate structure for NHS services. We have established a process for creating integrated care systems (ICS). The governance arrangements of ICSs are still being determined, but our ICS leaders are clear that if ICSs are to work, they cannot be NHS bodies with social care as ‘a partner’ – they must be integrated into systems.

Our ICS leaders and other members are clear that the future of social care provision needs to be linked much more closely to that of the NHS.

Every independent review over the last 20 years of how social care should be funded – [Sutherland](#), [Wanless](#), [Dilnot](#), [Barker](#) – has concluded that the bulk of the resources needs to come from public funding, through general taxation, a mandatory social insurance scheme and/or redirected public expenditure.

As the Barker Commission concluded, higher public spending is affordable if phased in over time. Ultimately, the government must decide on a sustainable funding mechanism and stick to it. The public’s current awareness of the importance of social care make now an optimal time to decide how the country should pay for better social care.

The NHS Confederation, which leads the Health for Care coalition, has adopted [seven key principles](#) upon which a new social care system in England should be based. These key principles concern: sharing costs, fair eligibility, improving integration, sustainability, valuing the workforce, supporting carers, and accessibility.

Building a social care sector on these foundations will make it fairer for all. It will come with a significant, but worthy, price tag.

Conclusion

Accessible, and affordable healthcare is one of the UK's greatest achievements. In England, an equally well-resourced social care system is needed, which has secure, long-term funding, based on need, not ability to pay. The challenges raised by the pandemic have shown conclusively the urgent need for reform to deliver a social care system that is fit for purpose and that complements our NHS.

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