

Budget Survey 2015: Key Messages

A call to government to protect essential care and support services to the most vulnerable members of our community.

Service reductions: cuts are deepening

More people are living longer with more complex needs that require vital care, support and protection from adult social care in councils. *But this year (2015/16) councils are running out of 'efficiencies' and will make service reductions of £420 million to people needing that care and support and their carers.*

There have been 5 years of funding reductions totalling £4.6 billion and representing 31% of real terms net budgets. This year, adult social care budgets will reduce by a further £0.5 billion in cash terms. Taking the growth in numbers of older and disabled people into account, this means that an additional £1.1 billion would be needed to provide the same level of service as last year.

There are more than 400,000 fewer people receiving social care services since 2009-10ⁱ and *of those who are still supported, a significant number will get less care. Most directors expect that still fewer people will get access to services over the next 2 years.*

Only 7% of directors are fully confident that planned savings can be met in 2016-17 and 5% in 2017/18.

More Fragile Markets

Councils have kept provider fees frozen for a number of years. This year directors report that only £32 million of efficiencies will be found through this route (just 3% of overall savings). In the context of providers selling up, staff turnover, quality, wages, and the need for a million more care workers in the future, *maintaining a caring, compassionate and trained workforce in a sustainable provider market is now a key concern.*

56% of directors report that providers are facing financial difficulties now. Additionally there are concerns about the quality of care: in CQC's published data in April 2015, 8.7% of adult social care providers inspected were rated as inadequate and a further 31.9% as 'requiring improvement'. Most local authorities are not going to be able to make further savings by squeezing the prices that providers are paid. Indeed it is likely that many are going to have to pay more if providers are to be able to attract workers as unemployment falls.

Spend on Prevention is Squeezed

Spend on prevention forms 6.6% of budgets this year, a reduction in cash terms of 6% from the previous year. Yet directors see increased prevention and integration as their top two areas for savings for this year, next and beyond. Many are struggling to balance investment in reducing future demand and costs at a time when budgets to meet existing statutory duties to provide care and support to those most in need are under such pressure.

The NHS and Councils

In the context of local government, councils have prioritised adult social care in the context of ongoing and significant reductions to their budgets. The survey shows that this year, as last, 35% of council budgets relate to adult social care: adult social care is 30% of total council savings. Councils have tried to protect social care spending at the cost of other services but are running out of ability to do this in the future.

In the context of the NHSⁱⁱ, health funding has increased from £97.5billion in 201-11 to £116.4billion in 2015-16, an increase of 19.3%. Over the same period, social care funding has decreased from £14.9billion to £13.3billion, a reduction of 10.7% and more in real terms when demography is taken into account. *The money being transferred from the NHS is not enough to mitigate these spending reductions.*

Senior NHS leaders have already publically shared concerns about the funding for social care services to support people in greatest need.

Future Funding

ADASS wants to see a social care system that is protected, aligned and re-designed. To achieve this, ADASS is calling upon the Government to urgently ensure that social care funding is protected and aligned with the NHS, including making provision for the social care funding gap alongside the funding gap for the NHS. This is paramount to securing adequate health and wellbeing outcomes for individuals and their carers and to ensuring that councils do not run out of money.

Councils are doing what they can to protect adult social care funding: the government now needs to protect people needing care and support in the forthcoming budget and spending review.

About Us

The Association of Directors of Adult Social Services is a charity. Our objectives include;

- Furthering comprehensive, equitable, social policies and plans which reflect and shape the economic and social environment of the time
- Furthering the interests of those who need social care services regardless of their backgrounds and status and
- Promoting high standards of social care services

Our members are current and former directors of adult care or social services and their senior staff.

ⁱ NHS Information Centre – Community Care Statistics, Social Services Activity, England 2013/14

ⁱⁱ Department of Health – Accounts and Departmental Expenditure Limits – 2010-11 through to 2015-16.