

Budget Survey 2016



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.

Overview

- Fieldwork completed prior to the EU referendum
- 100% return rate (excludes Jersey, Guernsey, Isle of Man and Isles of Scilly)

Adult Social Care Budgets 2015/16:

ASC Gross Budget 15/16	£19.6bn
ASC Net Budget 15/16	£13.65bn
ASC Net Budget 15/16 Outturn	£13.82bn
Variance	£168m overspend

Adult Social Care Budgets 2016/17:

ASC Gross Budget 16/17	£19.7bn
ASC Net Budget 16/17	£13.82bn
% change in ASC Net Budget between 15/16 and 16/17	+1.2%
% ASC Net Budget 16/17 of 16/17 Council Net Budget	35.6%

Needs, costs and funding

- There are more older and disabled people needing care and support and their needs are more complex.
- To maintain last year's levels of service would require more than £1.1bn more. (i.e. demography, NLW, DOLS)
- This year's budgets have only increased slightly though, by £170m and there is wide variation (70 councils reported a reduction):
 - The precept was raised by most and overall came to £380m. However, it raises least in areas with the greatest need for social care
 - Councils continue to try to protect spend on older and disabled people despite reductions in central grant. ASC this year, like the last 2 years, accounts for 35% of total council spend. Overspends last year were met from reserves or through cutting other services.

Increasing costs

The total cost of the NLW, (including compliance with the existing National Minimum Wage), is calculated to total over £600m. The precept raises less than two thirds of this



Savings and duties

- Adult Social Care planned savings for 2016/17 are £941m (8% of the net Adult Social Care budget and 29% of total council savings).
- Directors' confidence in making these savings is falling: last year 45% of directors were fully confident planned savings would be met. This year it is just 31%. It reduces to 6% for 2017/18.
- Applications for DoLS have risen more than tenfold and 2015/16 saw the first full year of the Care Act. Only 36% of directors are fully confident of being able to deliver all of their statutory duties this year, falling considerably to just 8% who think they can do so next year.

More people are affected

- 3% increase in older population, *but we found no increase in the numbers of older people actually receiving services in 15/16*
- At least 39% of this year's savings will come from *cutting services, reducing the personal budgets of people who receive care and support, or other service reductions*

The continuity of the care market is under threat

- 82% of councils increased fees to providers: nearly a quarter by more than 5%.
- 80% of Directors report that providers in their area are facing financial difficulties now.
- Providers are increasingly selling up, closing homes or handing back the contract for the care they deliver to older or disabled people. This affected thousands of people across the country last year.

Investment in prevention is further squeezed

- Directors see increased prevention and the integration of health and social care as the two most important ways in which savings could be made over the next three years.
- But this year Councils will be spending 4% less on prevention than last year. As budgets reduce further it becomes harder for Councils to manage the tension between prioritising statutory duties towards those with the greatest needs and investing in services that will prevent and reduce future needs.

Reduction in funding for social care has wider impact

Directors' experiences to date:

- The NHS is under increased pressure 85%
- More providers face quality challenges 85%
- Providers are facing financial difficulty 84%

“The whole sector, including senior leaders from the NHS, local government and the independent sector, are united in recognising the importance of an adequately funded social care system in promoting the country’s wellbeing and ensuring the right care is available. More people work in adult social care than in the NHS and they make a positive difference every minute of every day”.

“We are at the tipping point where social care is in jeopardy and this impacts on the millions of people needing care and support and the staff who care for them.”