

ADASS Submission to the Budget and Comprehensive Spending Review September 2021

Recommendations

Winter 2021/22

- i) ***To enable adult social care to mitigate existing financial, workforce and capacity issues this winter Government should:***
- Provide an additional £1.5 billion to stabilise care supply and build up and strengthen care at home, enhance community support, meet unmet needs and mitigate ongoing and intensifying recruitment and retention challenges. Without additional funding there is an increased the risk of care providers fail for financial or workforce reasons.
 - Invest £1.5 billion to provide a significant package of support for unpaid carers, including extra payments for those on Carer's Allowance- to enable them to have a break – whether weekly or saved up for a longer break- in order to protect their physical and mental health and wellbeing. The investment will far outweigh costs of carer' breakdown and admission to hospital
 - Commit to provide at least £300m through the infection prevention control funds to enable local authorities and care providers to mitigate, in part, some of the additional and ongoing costs that have occurred due to Covid-19.

Comprehensive Spending Review 2022/23- 2024/25

- ii) ***To provide stability and certainty for the adult social care sector by:***
- Baseline or guarantee the continuation of all existing funding streams for adult social care, recognising that the £1.3bn Social Care Grant covers children's and adults' social care and is not ringfenced to adult services. Streamline and consolidate the multiple, confusing and uneconomically short-term funding streams
 - Provide a minimum of £1.3bn to fund demographic and inflationary pressures, recognising that existing funding streams under-funded these cost pressures in 2021/22.
 - Provide a financial settlement that ensures the sustainability of all essential local government services, or risk adult social care having to make additional savings to contribute to local authorities delivering a legally required balanced budget.

To properly address the challenges facing the sector to enable the payment of sufficient wages to social care staff to increase recruitment and decrease turnover rates, make the provider market sustainable and increase access to care and support, ADASS support the Health Foundation's modelling that upwards of £9bn higher than projected spending power for adult social care is required by 2024/25.¹

Above and beyond this modelling, we recommend that:

- iii) ***The Government should implement a new employment deal for care staff, including a workforce strategy, adult social care minimum wage, enhanced training, development and career progression, recognition and regulation.*** This

¹ [REAL Centre Health and social care funding to 2024/25, Health Foundation, September 2021](#)

must include the introduction of a specific Adult Social Care Living Wage that is level with Band 3 NHS of approximately £11.50.

- iv) **Fully-fund the ongoing, legacy costs and loss of income relating to Covid-19.** This includes, but is not limited to, the following:
- The continuation of funding for Infection Prevention Control measures whilst they are necessary.
 - Either continue to provide free PPE post March 2022 or increase funding to local authorities so they can help providers with the ongoing cost of enhanced PPE
 - Funding to support local authorities to meet the increased needs of people as a consequence of outbreak management (including mental health and safeguarding/ domestic abuse needs), delays to elective surgery, to level up exacerbated inequalities.
- v) **Ensure that scheduled and emerging policy commitments are fully funded.** These include, but are not limited to:
- The commitments set out in the Government's Health and Social Care Plan, including the care cap, the establishment of care accounts, implementing a 'fair cost of care', and addressing the impact of market equalisation as a direct consequence of the 'duty to arrange' care and support for self-funders being enacted. Funding must include implementation and ongoing maintenance costs.
 - The establishment and implementation of the Assurance Framework for adult social care set out in the Health and Social Care Bill, (to be implemented after longer term funding and reform is sorted), including additional funding for Sector Led Improvement (SLI) and increased data requirements
 - The implementation and ongoing delivery costs of Liberty Protection Safeguards
 - The full costs of the Building the Right Support programme and Mental Health Act reforms (including the proposed responsibility to ensure sufficiency of care)
 - All of the above must include fixed audit points to ensure that the funding provided is sufficient to meet the costs of delivering on Government policy to adult social care as a sector.
- vi) **To provide a significant uplift in funding for local authorities to enable them to deliver on their statutory duties in the Care Act and the Health and Social Care Bill and to Transform care and support:**
- Investing in recovery, reablement, rehabilitation, and crisis resolution services for adults of all ages (including mental health and people currently in ATUs) so as to support the avoidance of hospital admissions and to enable recovery and, if longer term care is indicated, assessment, consideration of options and long-term planning
 - Invest in housing-based models of support, including Occupational Therapy, Floating Support, Mental Health and Targeted Support to enable people who are mentally ill, with learning disabilities or who misuse substances to avoid hospital, residential care, or the criminal justice system.
 - Provide funding for local authorities to invest in the local Voluntary and Community and Social Enterprise Sector (VCSE) to maximise the community assets available to enable an individual, or their carer, to live the life they want to lead.
- vii) **To support Government to deliver its ambition to 'Build Back Better', provide local authorities with a significant package of capital funding to:**
- Ensure access to high quality digital infrastructure is available across all care and support settings, e.g. day services, care homes, supported living, etc
 - Invest in digital and technology solutions that enable people to live the lives they want to lead, e.g. assistive technology, etc...

- To pump prime a significant increase in the building of supported living/extra care housing through a multi-year capital settlement that would enable to people to live as independently as possible for as long as possible. Every decision about care and support is also a decision about housing and accommodation.
- This should be supported by the “accessible and adaptable” design standard (set out in volume 1 of the Building Regulations M4 Category 2) being the mandatory baseline for all new homes. This would ensure all new homes would have basic accessibility features that make them suitable for a range of occupants

Context

1. Adult social care is an essential part of the fabric of our society. Social care at its best enables and transforms lives. It enables millions of us to live the lives we want to lead, where we want to live them. Whether we need support with our mental health, because of physical disabilities, learning disabilities, or because we are older and need additional support. It supports us to work; to socialise; to care and support family members; and to play an active role in our communities.
2. For too long social care has been talked about as a problem; an impossible challenge; a crisis; and as a cost for the state. However, the reality is quite different. As well as supporting the wellbeing of millions of us and our families, social care also contributes to the economic wellbeing of our communities and is estimated to contribute £41.2 billion annually to the economy.² It is a major local employer, with a total of 1.62 million jobs and 1.52 million people working in social care in England, and any expansion of social care means new businesses, new job opportunities, increased tax contributions and a significant net contribution to the local and national economies.
3. The sector will need to grow and evolve to support people with care and support needs. Skills for Care have estimated that ‘*if the adult social care workforce grows proportionally to the projected number of people aged 65 and over in the population then the number of adult social care jobs will increase by 29% (480,000 jobs) to around 2.16 million jobs by 2035*’.³ This modelling does not consider the workforce required to support people aged 18-64, which means this figure will be much higher. It also cannot consider how technological and medical advances or a shift away from traditional care models would impact on the size and shape of the future workforce.
4. There are wider economic benefits of adult social care through prevention, early intervention and wellbeing by supporting people to remain independent, adult social care reduces the need for more costly interventions. Social care also supports people with care and support needs remain, or become, economically active through supportive care planning. Direct payments mean many people with care needs are themselves employers. Adult social care is a positive force in our lives and within our society.
5. However, adult social care was already experiencing distress long before the onset of the Covid-19 pandemic, with its position well documented by numerous parliamentary inquiries, think tanks, stakeholder reports and successive ADASS Spring/Budget surveys over the course of the past decade. Directors of Adult Social Care (DASS) across England were grappling with significant challenges prior to March 2020, these include, but are not limited to the following:

² [The State of the Adult Social Care Sector and Workforce in England, Skills for Care, October 2020](#)

³ [The size and structure of the adult social care sector and workforce in England, Skills for Care, July 2021](#)

- **Adult social care has had to make significant budgetary savings to deliver legally required balanced budgets** - In the past decade DASSs made cumulative savings of £7.7bn. £608m of savings were planned for 2020/21, however, the level to which these were achieved was severely impacted by the onset of the pandemic. A further £601m of savings are planned in the current financial year.⁴
 - **Under investment means that more people need adult social care and support, but fewer are getting it, and many are getting less.** For example, from 2015/16 to 2019/20 the proportion of people aged 65 and over accessing long-term support during the year to 31st March fell by 7% from 587,490 to 548,455.
 - **Complexity of need is increasing** for those people who access state-funded care and support. From 2014/15- 2019/20 the proportion of people who have difficulty or can't feed themselves has increased from 23.1% to 24.4%, get dressed and undressed from 58.9% to 60%, and use the toilet from 40.5% to 42.3%.
 - **Recruitment and retention issues have been a long-standing issue** - Pre Covid-19 the sector had a high vacancy rate of 122,000 FTE, with the highest turnover of any sector at 30.8%.⁵
 - **Care markets are teetering on the brink of becoming unsustainable** - From November 2020-April 2021 53% of local authorities reported that care providers in their area had closed, ceased trading or handed back local authority contracts, impacting upon 2,487 people in total.⁶ Individual reports from Directors are that this has accelerated over the last couple of months linked to workforce shortages. One county council stated that they have received 60 contract hand backs of care in the last month.
 - **There is a mismatch between need and care market capacity** - Our recent Home Care and Workforce Snap Survey indicated that the current circumstances are such that whilst the delivery of care has increased, it is not commensurate with the increase in need. The number of people waiting for assessment, care or review increased by 26% over the previous quarter and 13% of people are being offered care and support, such as residential care, that they would not have chosen due to recruitment and retention issues.⁷
 - **The over-reliance upon unpaid carers is having detrimental impact on their wellbeing** - It is estimated that 600 people give up work every day to care for an older or disabled family member, that 72% of carers have suffered mental ill health because of caring and 61% said they had suffered physical ill health as a result of caring.⁸
6. Whilst much of the media and political focus is on care and support for older people and care homes, the needs of people aged 18-64 are an increasing focus for DASSs. This is evidenced by the fact that:
- 40% of Directors report that they are most concerned about funding increasingly complex care and support for people aged 18-64, compared to 3% for financial pressures relating to people 65 and over.
 - Care and support for people aged 18-64 also now accounts for 63% of demographic pressures, the amount of additional funding required to meet the same level of need as the previous year.⁹

⁴ [ADASS Spring Survey, Association of Directors of Adult Social Services, July 2021](#)

⁵ [The state of the social care sector and workforce in England, Skills for Care, September 2019](#)

⁶ [ADASS Activity Survey, Association of Directors of Adult Social Services, June 2021](#)

⁷ [ADASS Home Care and Workforce Snap Survey, Association of Directors of Adult Social Services, September 2021](#)

⁸ [Facts & figures, Carers UK, 2019](#)

⁹ [ADASS Spring Survey, Association of Directors of Adult Social Services, July 2021.](#)

- From 2015/16 to 2019/20 the proportion of people aged 65 and over accessing long-term support during the year to 31st March increased 2% from 285,020 to 290,075.
7. The statistics above highlight that any Government proposals for reform must be multi-faceted, recognising the needs of people aged 18-64, and those over 65 years of age, and delivering a funding model that is intergenerational.
 8. The National Audit Office (NAO), in a report in early 2021, summarised the challenges facing adult social care in England very succinctly:

*'The lack of a long-term vision for care and short-term funding has hampered local authorities' ability to innovate and plan for the long term, and constrained investment in accommodation and much-needed workforce development.'*¹⁰
 9. We challenge that statement to the extent that the sector has a clear vision of the Care We Want – it is in the Care Act supported by safeguards from the Mental Capacity Act and the Mental Health Act, together with Domestic Abuse and Human Rights Legislation. The Social Care Future statement exemplifies this: 'We all want to live in the place we call home, be with the people and things that we love and do the things that matter to us, in communities where we all care about and support each other. If we, or those close to us, have a health condition or disability during our lives, we might sometimes need some extra support to achieve this. This is the role of social care'.¹¹

The Impact of Covid-19

10. We are yet to see the full impact of Covid-19 translate into pressures on the sector in terms of increased levels of need and consequently on local authority finances. This means that we go into this Comprehensive Spending Review (CSR) with a significant amount of ambiguity and uncertainty.
11. In financial terms, it is unclear for how long and to what extent the period for which increased Infection Prevention and Control (IPC) – including PPE, testing, vaccination, isolation, sickness and staff pay- will continue to be needed and whether this is a permanent feature of the cost of care. Therefore, Government should consider the continuation of this funding for the foreseeable future as enhanced levels of PPE, testing and self-isolation will still be required. Any ongoing costs relating to Covid-19 must be fully funded by Government, or they risk further exacerbating the financial pressures already facing local authorities set out earlier in this paper, which in-turn will lead to further market instability.
12. Covid-19 has added significant additional need, activity and challenges to an already overstretched and under-resourced set of services and supports for older and disabled people since March 2020. The ADASS Activity Survey, published in June 2021, reported that local authorities had seen increased numbers of people seeking support for mental ill health, domestic abuse and safeguarding, and homelessness.¹² We are also now seeing increased need for residential care and home care as a year and half of inactivity and isolation has meant many older people have experienced a deterioration in their condition to the point that they now require formal support.

¹⁰ [The adult social care market in England, National Audit Office, March 2021](#)

¹¹ [Social Care Future Vision](#)

¹² [ADASS Activity Survey, Association of Directors of Adult Social Services, June 2021](#)

13. Over last winter and beyond, time-limited Covid-19 grant funding, such as the Infection Control Fund, is reported to have prevented or delayed some provider failures by way of closures and there were fewer contract hand-backs to local authorities by providers.¹³ However, workforce challenges appear to be reversing that.
14. The adult social care workforce has been severely impacted by the pandemic, not only in terms of recruitment and retention, but also people's wellbeing has suffered a consequence of their experiences since March 2020. Research has found that in the UK, it has been estimated that 45-58% of the frontline health and social care workforce met criteria for clinically significant levels of anxiety, depression, and/or PTSD shortly following the first wave of the pandemic.¹⁴
15. The impact of the record number of people (currently 5.45m) waiting for NHS treatment in England on their longer-term health and wellbeing outcomes and consequently their current or future social care needs is something that Government must consider. For example, the consequences of people not being able to access much needed elective surgery is resulting in Directors' reporting increased needs for social care: a deterioration in their mobility and consequently may either lead to them requiring care and support earlier than would have otherwise been the case, or if they already access care services, it may increase the level of support they require.
16. Acute hospitals are also discharging people at an earlier stage than they would have done previously due to increased demand, shortages of beds and availability of staff. This means that people who are being discharged consequently are sicker, have a high level of need than they would have had prior to Covid-19, meaning additional and more intensive support is required in the community and via local authority funded adult social care.
17. It is imperative that Government ensures that there is scope for additional funding to be put into the sector within the CSR. This will ensure that there is sufficient workforce to meet people's needs in appropriate places and that carers are supported to be able to carry on caring. We asked last year for £1.5bn over winter to build up care and support at home and £1.5bn to give carers a break so that they can carry on. Together with primary health care these are the foundations of the health and care system. Without them the rest of the system, including acute hospitals, is compromised.

Winter & Service Continuity

18. The funding and reform announcements from Government on 7th September 2021 did not address the immediate, ongoing and intensifying pressures facing adult social care. There are a range of issues that require immediate action from Government to stabilise the sector and provide the building blocks for sustainable reform relating to the availability of the workforce, winter pressures and ongoing (direct and indirect) costs relating to Covid-19.
19. Local authorities and care providers are struggling to recruit staff to meet need and to deliver high quality and safe services. The ADASS Home Care and Workforce Snap Survey reported that the amount of home care hours that were needed, based on people who have received an assessment, that providers were unable to meet due to a

¹³ [ADASS Activity Survey, Association of Directors of Adult Social Services, June 2021](#)

¹⁴ [What support do frontline workers want? A qualitative study of health and social care workers' experiences and views of psychosocial support during the COVID-19 pandemic, Plos One, 2 September 2021](#)

lack of staff capacity has doubled in the past six-month period from 161,970 hours (extrapolated to 152 local authorities) to 355,554 hours.¹⁵ These figures are likely to reflect both increased requests for support as well as the impact of growing workforce shortages.¹⁶ These issues have been substantiated by a number of local authorities, including the Isle of Wight and North Yorkshire, stating publicly about the adult social care workforce challenges, particularly around home care, that they are facing in their local areas.¹⁷¹⁸ The Homecare Association (previously UKHCA) also highlighted the issues facing their members.¹⁹ To refer back to the Migration Advisory Committee, the current situation is that there is neither the ability to increase vital workforce via immigration, nor the means to offer competitive terms and conditions to attract staff within England.

20. There are nearly 300,000 people awaiting an assessment, care and support or a review for their adult social care needs, which represents unmet and under met need for people with care and support needs. Such delays are in a large part a consequence of these workforce challenges.
21. The recent ADASS Home Care and Workforce Snap Survey also asked DASSs what would help most to alleviate the workforce challenges facing the sector over the winter period. Nearly half of Directors (46%) indicated that increased funding to enable an uplift in wages for frontline staff would be the most effective measure. This was followed by reintroducing the Workforce Grant to the end of March 2022, and better recognition from the Prime Minister and senior politicians in relation to valuing the role and contribution of social care colleagues.²⁰
22. We are recommending that Government provide an additional £300m through the Infection Prevention Control and Workforce Funds to mitigate some of these pressures over the winter period.
23. The situation and pressures set out above could have been significantly worse had it not been for unpaid carers. The onset of Covid-19 has only exacerbated the situation, with an estimated 4.5 million people in the UK having become unpaid carers because of the pandemic, this is on top of the 9.1 million unpaid carers who were already caring before the outbreak.²¹ It is estimated that carers in the UK provide unpaid care to the value of £132 billion a year. Therefore, mirroring our asks of Government in 2020, we are calling on Government to provide £1.5bn to fund a significant package of support for unpaid carers. This should include extra payments for those on Carer's Allowance, to enable them to have a break to protect their physical and mental health and wellbeing.
24. In early September 2021 Government announced that the NHS has been provided with £5.4bn for the period until 31 March 2022 'to support its response to COVID-19 and help

¹⁵ [ADASS Home Care and Workforce Snap Survey, Association of Directors of Adult Social Services, September 2021](#)

¹⁶ [ADASS Home Care and Workforce Snap Survey, Association of Directors of Adult Social Services, September 2021](#)

¹⁷ ['We are running out of care staff and facing a real emergency' says Isle of Wight Council Cabinet member, On the Wight, 11 August 2021](#)

¹⁸ [North Yorkshire: 'Unrelenting' staffing pressures in social care, BBC, 18 August 2021](#)

¹⁹ [Shortage of careworkers in homecare, UK Home Care Association, July 2021](#)

²⁰ [ADASS Home Care and Workforce Snap Survey, Association of Directors of Adult Social Services, September 2021](#)

²¹ [Carers Week 2020 Research Report, Carers UK, June 2020](#)

tackle waiting lists'.²² The announcement included £478m to continue the discharge to assess programme that enabled 'staff can ensure patients leave hospital as quickly and as safely as possible, with the right community or at-home support'.

25. The failure to increase funding over the same period, in a proportionate manner, for adult social care compared to the NHS is a false economy and without action is likely to reduce the efficiency and effectiveness of the discharge process. This in turn will have a detrimental impact on the Government's policy ambitions to reduce waiting lists and to discharge people with the right community or at-home support. This is evidenced by the fact that over 1 in 10 people are people are being offered care and support they would not have chosen due to recruitment and retention issues in adult social care. This potentially conceals a whole series of important issues, including people ending up in residential care when they do not want or need to be there, the unnecessary costs of the public purse, the inability in some areas to provide sufficient care at home, and the resulting increased burdens upon many unpaid carers.²³
26. It is imperative that the short-term funding we have requested to stabilise the sector this winter is embedded in the resources attributed to adult social care longer-term across the CSR period. Even prior to Covid, each winter period triggered discussions about the need for additional capacity and then one-off grants were subsequently provided by Government. The security of a multi-year funding settlement will enable proper planning to take place in local areas with partners, such as the NHS and housing, to enable more efficient and cost-effective supports including for discharge and reducing length of stay in acute hospitals.

Care Markets

27. Care markets are teetering on the edge, with an increasing number of care providers becoming financially unviable or handing contracts back to local authorities due to being unable to recruit and/or retain sufficient staff to deliver care and support in a safe manner.
28. There is significant concern amongst Directors about provider sustainability, with 82% stating that they are concerned about the sustainability of some of their home care providers, and 77% about some of care home providers.²⁴ Over half (53%) of local authorities reported that care providers in their area had closed, ceased trading or handed back local authority contracts from November 2020- April 2021). Covid-19 short-term funding from Government, such as the Infection Control and Workforce Capacity Funds, have helped to prevent failure but there is profound uncertainty about the continuation of these grants in the coming months.
29. The workforce challenges set out in this document can also have a direct impact on the sustainability of care markets. For example, in Cornwall, care providers handed back the care of 102 people to the local authority as they were unable to fulfil their care packages.²⁵

²² [Additional £5.4 billion for NHS COVID-19 response over next 6 months, Department of Health & Social Care, 6 September 2021](#)

²³ [ADASS Home Care and Workforce Snap Survey, Association of Directors of Adult Social Services, September 2021](#)

²⁴ [ADASS Activity Survey, Association of Directors of Adult Social Services, June 2021](#)

²⁵ [Cornwall health and care system under 'ongoing extreme' demand, BBC, 18 August 2021](#)

30. The onset of Covid-19 and continual need to mitigate against infection has led to a range of new cost pressures on care providers and local authorities. Several new cost pressures have also emerged more broadly, in part because of Covid-19 and recruitment issues facing key sectors of the UK workforce, these include an increase in insurance premia, increased fuel costs and also some providers struggling to secure loans from banks or access new services.²⁶ Care providers will also be subject to an increase in their National Insurance payments because of the Health and Social Care Levy.
31. Given these ongoing and increasing cost pressures it is highly likely that care providers will be seeking conversations with local authorities to increase fee rates significantly going into the first year of the CSR. It is imperative that Government fully funds the additional costs that have arisen both directly and indirectly from the pandemic, or risk pushing local authority, adult social care and care provider budgets into untenable financial positions at the detriment to those people who access care and support. At the time of writing, it is unclear what level of funding, if any, will be attributed to adult social care in the first year of the CSR due to the introduction of the Health and Social Care Levy to fund such cost pressures.
32. Looking forward to the start of the CSR period, from 1st April 2022, inaction from Government could have significant consequences for those people who access care and support. Three-quarters (75%) of DASSs indicated in the ADASS Spring Survey that they either have partial or no confidence that their budgets will be sufficient to meet statutory duties relating to care markets.

Workforce

'The paradox is that some of the lowest paid care workers are those who we expect to work the most independently, walking into the homes of strangers, and having to tackle what they find there, without any direct supervision. This requires a high level of maturity and resilience. Calling this "basic" care does not reflect the fact that getting it right is a deeply skilled task'.²⁷

33. The Government's recently published Health and Social Care Plan stated that:

'A qualified and skilled workforce that is rewarded and feels valued is essential for high quality care that is sensitive to individual needs.'²⁸
34. It is vital that through this CSR and subsequent plans for reform, Government seek to turn this rhetoric into reality.
35. Adult social care has, and continues, to face significant workforce challenges which have only intensified because of Covid-19. Pre-pandemic the sector had high vacancy rates of 122,000 FTE, with 77,000 of these vacancies being for care worker jobs.²⁹ Domiciliary care services had the highest vacancy rates at 10.0%.
36. As a nation we are now at a stage where much of the economy, if not all, has reopened. The number of job vacancies in the UK in June to August 2021 was 1,034,000, the first-

²⁶ [UK care homes face funding crisis as banks refuse loans, The Guardian, 27 September 2021](#)

²⁷ [Cavendish Review, July 2013](#)

²⁸ [Build Back Better: Our Plan for Health and Social Care, HM Government, September 2021](#)

²⁹ [The State of the Adult Social Care Sector and Workforce in England, Skills for Care, September 2019](#)

time vacancies has risen over 1 million since records began.³⁰ Consequently, this means that adult social care has significant competition to attract staff into the sector.

37. However, local authorities and care providers simply do not have the financial resources to increase hourly rates or offer golden hellos to try and fill vacancies in the same way. For example, large employers such as Aldi are advertising for an additional 2,000 staff before the end of 2021 with Store Assistants potentially earning up to £10.57 per hour nationally.³¹ Added to this some companies are offering joining bonuses, for example, Amazon were offering £1,000 to recruit warehouse pickers and packers.³²
38. People working in adult social care have been undervalued for a long time, both in recognition of the vital work they do and in monetary terms. The median hourly rate for a care worker in the independent sector was £8.50 as at March 2020 (29p above the NLW), with around a fifth (22%) of care workers in this part of the adult social care sector being paid the 2019 NLW rate of £8.21 or less.
39. Whilst the introduction of the National Minimum and National Living Wages have been a positive development, it has only served to close the pay gap between those new to the sector and those with five or more years of experience. The pay gap has halved from 29p (4%) in March 2016 to 12p (1%) in March 2020. The sector will struggle to promote adult social care as an appealing career choice, with good progression and rewards, if there is a 12p pay differential between experienced professionals and new starters.
40. Adult social care also has the highest turnover of any sector at 30.8%.³³ The turnover rate was higher for domiciliary care providers than other service types, with a third of all staff leaving their roles within the past 12 months (33.8%). This was highest for care workers, with a turnover rate of 43.7%.
41. Security of employment is also a factor that may have a detrimental impact on retention and turnover of staff to roles in adult social care. Almost a quarter of the adult social care workforce (24%, or 375,000 jobs) were employed on zero-hours contracts.³⁴ Case Study 1, below, highlights a positive example of where a care provider has increased the number of salaried staff they employ and this in turn has reduced the rates of turnover and recruitment costs.
42. Research by Skills for Care found that workers with fewer contracted hours were more likely to leave their role, with turnover rates up to 7.4 percentage points higher for care workers with zero contracted hours per week, compared to those with 16-45 contracted hours per week. Domiciliary care services had the highest proportion of workers on zero-hours contracts with 56% of care workers compared to 11% working in residential care. This is of note given the shift in preference for people towards care at home, which has subsequently accelerated since the onset of Covid-19. The use of such practices, mixed with short visits to individuals with care and support needs, has a detrimental impact the subjective dimensions of care quality.³⁵

³⁰ [Vacancies and jobs in the UK: September 2021, Office for National Statistics, September 2021](#)

³¹ <https://www.aldipresscentre.co.uk/business-news/aldi-to-create-more-than-2000-new-roles-between-now-and-christmas/>

³² [Amazon offers £1,000 joining bonus for new UK staff, BBC, 24 August 2021](#)

³³ [The state of the social care sector and workforce in England, Skills for Care, September 2019](#)

³⁴ [The state of the social care sector and workforce in England, Skills for Care, October 2020](#)

³⁵ [Adult Social Care, Greater Manchester Independent Prosperity Review, March 2019](#)

43. Workers on zero-hours contracts do also not have access to occupational sick pay, which means that are on Statutory Sick Pay and may come into work when they are unwell as they cannot afford a drop in income, this issue has come into particular focus during the pandemic.
44. Skills for Care estimated in 2017 costs of £3,642 to replace a member of staff, taking inflation into account this figure is now likely to be much closer to £4,000. This includes buying in agency cover until the vacancy is filled, advertising the post, interviews, checks, induction and a probation period with additional supervision.³⁶ It would seem logical that if turnover across the industry could be reduced by increasing the salary of care workers this would, in part at least, free-up existing funding to partly fund the increased wage costs.
45. It is important that Government seek to address the recruitment and retention challenges facing the sector as a matter of priority, most importantly as otherwise it is likely that the quality of care provided will be negatively impacted at the detriment to those people who access care and support. Skills for Care also found a link between levels of turnover and quality. Establishments with overall ratings of inadequate or requires improvement had higher turnover rates compared to those that had good or outstanding ratings (32.2% and 29.5% respectively).³⁷ A report on homecare in 2019 found that there is a 'connection between a higher price paid by commissioning authorities, higher pay for carers and the likelihood of delivering the highest quality of care as assessed by the Care Quality Commission'.³⁸ Case Study 2 below also highlights that where local authorities commission at a higher rate and subsequently staff are paid more, there is a direct correlation with lower rates of staff turnover.
46. ADASS are advocating for a specific Adult Social Care Living Wage to address aspects of the recruitment and retention issues facing the sector. In the context of the economy, this should not be seen purely as a cost to the Treasury, instead this must be viewed as an investment in people, in particular those people that access care and support services and those people that work in the sector.
47. The Resolution Foundation have previously undertaken work that examined the costs of increasing wages in 2013/14 to the National Living Wage (which was not statutory at that point in time).³⁹ They found that implementing a living wage would have increased the gross total cost of care services (public and private) by £2.3 billion in 2013-14. For publicly funded adult social care they estimated that the total costs associated with services procured by local authorities would have increased by £1.4 billion. They calculated that if public money were used to fund a living wage for care workers, just under half (47 per cent) of public costs would be returned to the Exchequer through higher personal tax receipts and lower benefit payments, with an estimated a net public cost of £726 million in 2013-14.

Case Study 1- The Positive Impact of Salaried Staff on Turnover, Recruitment Costs

We have been provided with the following information, on an anonymous basis, from a Social Enterprise that provides a variety of home care services and support in the home. All

³⁶ [Calculating the cost of recruitment, Skills for Care, 2017](#)

³⁷ [The state of the adult social care sector and workforce in England, Skills for Care, September 2019](#)

³⁸ [Hidden Dynamics of Homecare 2019, The Access Group, 2019](#)

³⁹ [As if we cared- The costs and benefits of a living wage for social care workers, Resolution Foundation, March 2015](#)

of their services, across a range of localities, are rated 'Good' by the Care Quality Commission.

Since the introduction of recruiting new starters on block pay i.e. paying them for the full amount of time they are out at work including when clients are in hospital, clients pass away, travel, down time etc at 10p above the national foundation living wage i.e. £9.40 they have seen the following metrics:

- Turnover has reduced from 42% to 17%.
- The service has grown by 25% in 5 months as they are recruiting to grow and not to stand still.
- With growth comes economies of scale so by keeping the infrastructure lean they are able to prioritise resources to the front line.

The impact on the finances is as follows:

- Increase of 5% resources paid to the front line
- 18% decrease in management, co-ordination and recruitment as colleagues feel valued and are happier hence easier to manage.

Their intention is to continue the growth to be able to salary 100% of the workforce. Their ultimate goal is as follows, which they hope to achieve by April 2021:

- Salary 100% of the workforce
- Increase Resources to the front line by 10%
- Reduce management and recruitment cost by 33%

Case Study 2- Homecare Provider- Higher Pay = Lower Turnover

We have been provided with the following information on an anonymous basis from a homecare provider whose registered services are all rated Good by the Care Quality Commission.

Context

They have some contracts that pay off planned (commissioned) time, some that make payment based on actual time with a client and supported by carer timesheet and those that are paid off actual care delivered and are monitored electronically (ECM). Each of the above type of contract and associated charge / pay rates generally determines the churn of carers within the business.

The following data is based on the provider ordering their branches by staff turnover based on local authority contracts in the last 12 months (up to end of June 2020).

Staff Turnover Rate	Contract Types	Pay Level	Gross Margin
69%	Generic framework / ECM contract based on actual care delivered	low pay rates	25%
58%	Generic framework / ECM contract based on actual care delivered	low pay rates	27%
46%	Generic framework / ECM contract based on actual care delivered / low pay rates	low pay rates	29%
44%	Preferred provider agreement / based on actual time with client	low pay rates	27%

28%	Generic framework / based on actual time with client	Good pay rates	32%
24%	Spot purchase / Carers paid off planned (commissioned) time /	High pay rates	34%
15%	Preferred provider agreement / Carers paid off planned (commissioned) time	High pay rates	27%
6%	Generic framework & preferred provider / Carers paid off planned (commissioned) time	High pay rates	40%

From the above it is clear, better margins allow providers more scope to pay carers in better ways and at higher rates which leads to significantly better retention and lower staff turnover rates.

The provider also highlighted the following:

- Higher wages for care staff must be supported by better commissioning arrangements to enable carers to be paid planned time as a minimum and working towards full shift payments in the future.
- We need to also invest in people and services to create better recognition, creating different tiers within the role to recognise experience and ensure that skills are rewarded, e.g. paying significantly higher wages to those with NVQ qualifications.
- Other options may include; actively promoting nurse associate programmes, management training skills, graduate recruitment schemes to fast track the next generation of managers, courses to improve numeracy and English skills, paid sick leave (not just SSP), and clear promotion pathways.

48. A range of reports over the past decade have called on the development of a career structure and pathway for adult social care that allows people to move between adult social care and the NHS.⁴⁰ We would argue that people can have a great career just in social care (moving to social work, occupational therapy, commissioning, management and beyond, in the NHS and social care and in other fields supporting people, including housing related support, work in homelessness, substance misuse, drugs and alcohol and in the police and criminal justice system).

49. Where we have seen care providers improve how they retain staff, this has often been because of working with other social care and healthcare providers to create career progression opportunities – for example, local authorities, providers and other partners coming together to pool resources, reduce costs and create smoother career pathways.⁴¹

Impact of EU Exit on Workforce Availability

50. ADASS agrees with the Migration Advisory Committee’s (MAC) conclusion that the ‘*the root cause of the problems (recruitment in adult social care) is the failure to offer competitive terms and conditions*’.⁴² However, at present there are no published plans, beyond Government’s Plan for Health and Social Care, to improve the recruitment and retention of social care staff in England, supported by a significant uplift in local government funding to facilitate improved terms and conditions across the workforce.

⁴⁰ [An Independent Review into Healthcare Assistants and Support Workers in the NHS and social care settings, Cavendish Review, July 2013](#)

⁴¹ [The state of health care and adult social care in England 2018/19, Care Quality Commission, October 2019](#)

⁴² [A Points-Based System and Salary Thresholds for Immigration, Migration Advisory Committee, January 2020](#)

51. We believe that to counter the recruitment and retention challenges set out above, adult social care requires access to the broadest possible pool of candidates to ensure the availability of high-quality care and support across the country.
52. At present 7% of the adult social care workforce (113,000 jobs) had an EU nationality.⁴³ This figure has fallen from 8% in the previous year. There is significant variation across the regions in reliance on EU workers.
53. The Government's decision to exclude a significant proportion of adult social care job roles from the shortage occupation list, set out as part of UK's points-based immigration system, means that the available pool of workers has been reduced. The subsequent addition of senior care workers and registered managers to the shortage occupation list in March 2021 was welcome.⁴⁴ However, this has done little to resolve workforce shortages in frontline roles especially for homecare.
54. ADASS welcomes Government's decision in July 2021 to commission the MAC to advise on the impacts of ending freedom of movement on adult social care.⁴⁵ However, with the MAC not due to report until the end of April 2022, the findings will not help to mitigate the ongoing and intensifying pressures currently facing the sector.

Reform

Build Back Better- Health and Social Care Plan

55. ADASS initially welcomed the announcement of reform plans and funding in early September 2021.⁴⁶
56. After analysing and reflecting upon the documentation from Government we stated that '*We have been left perplexed and concerned that the proposals pose more questions than answers*'.⁴⁷
57. ADASS are extremely concerned at the proposition in the Plan that '*We expect demographic and unit cost pressures will be met through Council Tax, social care precept, and long-term efficiencies...*'. Raising Council Tax and the Adult Social Care (ASC) Precept are local political decisions and must balance the need for additional resources to deliver a legally required balanced budget against the economic circumstances facing local people. Year on year adult social care budgets are increasingly reliant upon locally raised taxation, including the social care precept. The amount of funding raised by local authority varies significantly between areas, with those that are more deprived able to raise significantly less than those areas that are less deprived. However, need for care and support is higher in more deprived areas.
58. Findings from the ADASS Spring Survey found that existing funding streams are insufficient to meet the costs of demographic pressures and the National Living Wage

⁴³ [The state of the adult social care sector and workforce in England, Skills for Care, October 2020](#)

⁴⁴ [Government opens migration route for some overseas care staff but providers say more must be done, Community Care, 9 March 2021](#)

⁴⁵ [Commissioning letter to the MAC for the review of adult social care, Home Office, 7 July 2021](#)

⁴⁶ [ADASS Responds to PM's Announcement on Adult Social Care Reform Plans and Funding, Association of Directors of Adult Social Services, 7 September 2021](#)

⁴⁷ [ADASS Seeks Clarifications following this week's announcement regarding adult social care funding and reform, Association of Directors of Adult Social Services, 12 September 2021](#)

(NLW). Directors have indicated that NLW and demographic pressures for 2021/22 are £1.15bn. In the current financial year adult social care was given access to up to £1.09bn through the ASC precept and Social Care Grant in new funding by Government (excluding Covid-19 specific grants). However, only 67% of local authorities chose to raise the ASC precept at the maximum 3% limit, meaning that it was not accessed in full for the reasons set out above. Directors indicated that they have received 52% of the additional Social Care Grant, totalling £156m, meaning that there is a shortfall in funding of at least £204m just for local authorities to stand still in the current financial year.

59. More broadly, Directors will be required to also meet other inflationary costs, such as increased fuel costs, through locally raised resources. It should also be noted that other funding streams for adult social care, including the Improved Better Care Fund, have not been subject to inflationary uplifts in recent years which in essence mean that they have been subject to real terms cuts year on year.
60. It is our understanding that adult social care will have access to £5.4bn, out of a total of £36bn, raised through the Health and Social Care NI Levy of 1.25% that will be leveraged from April 2022. A significant proportion of this funding, from what we can ascertain, will be attributed to meeting the costs associated with the set-up and implementation of the £86,000 care cap, moving local authorities towards paying a fair cost of care. We are not yet in a position to be able to judge the sufficiency of this to meet intended aims and look forward to seeing more detail.
61. We are extremely concerned and sceptical that the funding attributed to meeting the implementation costs of the proposed cap on care, set at £86,000, will be sufficient given past experience relating to the implementation of the Care Act. The impact assessments that were drafted to support the Care Act clearly set out assumptions on the additional workforce requirements to undertake assessments for those people wishing to start the clock ticking towards the care cap. Therefore, if there are to be a significant increase in requirements for assessments to be undertaken by social care staff additional funding will be required, as well as investment to clear the existing backlog. As the ADASS Home Care and Workforce Snap Survey highlighted, that there are nearly 300,000 people awaiting an assessment, care and support or a review. This figure increased by 26% from June-August 2021, in a large part as a direct consequence of the ongoing and intensifying workforce shortages facing adult social care.⁴⁸
62. The Government's Health and Social Care Plan stated that '*Under the current system, people who fund their own care often pay more than people who are funded through their Local Authority for equivalent care. For the first time, using legislation included in the 2014 Care Act, we will ensure that self-funders are able to ask their Local Authority to arrange their care for them so that they can find better value care*'. At present this cross-subsidisation, rightly or wrongly, by people who fund their own care is a fundamental to the sustainability of a significant number of care providers. As stated above, implementing Section 18.3 of the Care Act 'The Duty to Arrange' is likely to lead to increased transparency of local authority fees, which in turn will lead to market equalisation between the fees local authorities pay to providers and self-funder fees. To make this sustainable the fees local authorities pay to providers will need to increase to fund this differential and not further destabilise care markets, LGA estimate this will cost £4.5bn over the CSR period.

⁴⁸ [ADASS Home Care and Workforce Snap Survey, Association of Directors of Adult Social Services, September 2021](#)

63. The Plan and supporting funding, over a 3-year period, has committed to making ‘*care work a more rewarding vocation*’ and to develop ‘*a plan to support professional development and the long-term wellbeing of the workforce*, which are welcome and align with ADASS calls for a ‘*social care workforce strategy*’ to be developed.⁴⁹ The £500m identified for workforce related measures, on the face of it and whilst welcome, will do nothing to counter what the root cause of the recruitment and retention issues facing adult social care which, as the Migration Advisory Committee previously stated, ‘*is the failure to offer competitive terms and conditions*’.⁵⁰ The funding is for training and development and for welfare/ wellbeing measures. For staff working double shifts to cover it will be extremely difficult to take these up and we are not yet clear if, even if there were sufficient staff, this will cover payment for their time. This means that there will be no additional funding to enable us to deal with the overwhelming workforce pressures and increased levels of need that we are experiencing right now and going into what is likely to be one of the most challenging winters on record.
64. The announcement of the Government’s Plan for Health and Social Care includes little detail about the level of funding that will be attributed to policy commitments on unpaid carers, the disabled facilities grant, supported housing and improved information for service users. It is unclear at the time of writing the if the funding of these commitments will be expected to come from the £5.4bn raised through the Health and Social Care NI Levy that has been allocated for adult social care, or through another funding route.

Transformation

65. The Health and Social Care Plan published by Government included the commitment to publish Reform and Integration White Papers by the end of this year. These White Papers present significant opportunities to shift the policy focus of social care from crisis support to prevention and early intervention.
66. The announcement of the care cap will see one part of the Care Act coming to fruition to support those people with the more complex needs to avoid catastrophic care costs. However, as a society we must work together to enable the wellbeing principle in the Care Act to become a reality, underpinned by renewed funding and policies that support local authorities to deliver preventative approaches that actively ‘*promote wellbeing and independence, and does not just wait to respond when people reach a crisis point*’.⁵¹ Such an approach would underpin the true reform and transformation of adult social care.

Investing in Prevention and Early Intervention

67. The budgetary pressures that have, and continue, to face local authorities over the past decade and beyond have severely diminished the ability for adult social care to invest in preventative activity. Such activity would have enabled people to live more independent lives and limit the need for more expensive ongoing care and support, which is intrinsic to the Care Act 2014.

⁴⁹ [ADULT SOCIAL CARE – SHAPING A BETTER FUTURE - Nine Statements to Help Shape Adult Social Care Reform, Association of Directors of Adult Social Services, July 2020](#)

⁵⁰ [A Points-Based System and Salary Thresholds for Immigration, Migration Advisory Committee, January 2020](#)

⁵¹ [Care and Support Statutory Guidance, Department of Health and Social Care, 2014](#)

68. Directors want to prioritise investment in earlier intervention and prevention and new ways of working, but do not have adequate resources to do so. Nearly three-quarters (73%) of Directors identified in the ADASS Spring Survey that investing in prevention as the second most important approach to delivering savings. They want to invest in housing-based options with technological support to offer more homebased support as alternatives to institutionalised care. However, 50% of Directors state that they are less than confident about meeting their statutory duty in respect of prevention in 2021/22.
69. However, councils remain trapped in a vicious circle of having insufficient funds to be confident they can meet all their statutory obligations, whilst being unable to release funding to invest in approaches that might reduce the number of people with higher needs in the future. This situation is evidenced by the fact that spend on prevention as a proportion of adult social care budgets is now 7.5%, whereas in 2019/20 this was 8.4%.
70. Pressures on NHS and adult social care services have been further increased due to cuts to many of the programmes supporting people in communities over the last decade (including Supporting People schemes, mental health early intervention and assertive outreach, work in relation to substance misuse and to help keep people with mental health and learning disabilities out of the criminal justice system). Under a reformed system increased investment is required if we are to deliver a system that truly focuses on prevention and early intervention. This must be done alongside the full implementation of the commitments made in the NHS Long-Term Plan on upscaling the availability of primary, mental health and community services.
71. To support this transformation and reform, it is imperative that we meaningfully explore the broadest range of models of care available, with a strong encouragement to user and carer-led organisations, providers, social care staff and local authorities to propose and develop innovative forms of person-centred care that better meet our aspirations.
72. Decisions on Models of Care should be guided by the principle of locally determined care that achieves person-centred, person-led, co-ordinated care, treatment and support.⁵² They should seek, where possible, to maximise an individual's ability to live the life they want to lead. There are key needs for transformation to develop better models of support and care for the population of the country. Key components of this are:
- Stability and long-term funding
 - Frameworks for recovery and transformation
 - Increased investment (alongside the delivery of the NHS Long Term Plan) in:
 - o Greater prevention at all levels, including in relation to rough sleeping, mental ill health, substance misuse and to avoid the unacceptably high levels of people with learning disabilities, mental illness in prisons
 - o Increased crisis resolution and support of all types
 - o Increased capacity for recovery, rehabilitation, assessment (and planning time if longer term care is needed) including on a 24-hour basis after hospital
 - o Housing based models of support and care at all levels – from floating support for people with learning disabilities or mental ill health to enable them to remain independent, to extra care housing or intensive models of support as alternatives to Assessment and Treatment Units for people with learning disabilities and/or autism and mental ill health

⁵² [ADULT SOCIAL CARE – SHAPING A BETTER FUTURE - Nine Statements to Help Shape Adult Social Care Reform, Association of Directors of Adult Social Services, July 2020](#)

- Communities, on the basis of building on the responses during the pandemic and enabling people to support each other with dignity
- Addressing the inequalities that the pandemic exacerbated

73. The shift towards prevention must include a significant upscaling in investment for rehabilitation and reablement services. For example, there is significant evidence that investment in Occupational Therapy could deliver improved outcomes for individuals and maximise the chances of them living the life they want to lead. Royal College of Occupational Therapists data indicates that despite making up just 4% of the regulated workforce, occupational therapists address 35 – 45% of local authority referrals. This demonstrates that funding occupational therapy services delivers a significant return on investment.⁵³ Case Study 3 below highlights the positive outcomes that can be achieved for people accessing care and support through investment in Occupational Therapists and also the potential return on investment.

Case Study 3

A Review of Double-Handed Packages of Care in Thurrock by Occupational Therapists led to a reduction and change of care and equipment provision for 28% of clients, with the reductions in care hours ranging from 1.5 hours per week to 33.5 hours per week. The reductions achieved equated to a total 214.75 hours per week in reductions in care hours. Analysis of the figures identified that for every £1 spent on the project by Thurrock, including equipment provision, the return on investment was £2.41.⁵⁴

Care Market Reform

74. The Government's statutory Care and Support guidance states:

'Local authorities should encourage a genuine choice of service type, not only a selection of providers offering similar services, encouraging, for example, a variety of different living options such as shared lives, extra care housing, supported living, support provided at home, and live-in domiciliary care as alternatives to homes care, and low volume and specialist services for people with less common needs'.⁵⁵

75. In our *Nine Statements to Help Shape Adult Social Care Reform* we set out that any reform proposals from Government must include a *'complete review of how care markets operate'*.⁵⁶ We also set out several principles that must underpin market reform and the development of new models of care that would support the delivery of the vision above, these include:

- The promotion of social value, with a much stronger emphasis on the contribution providers make to the lives of the people they support, their contribution to the communities in which they operate and to wider society.
- Exploration of how we can support small and medium sized local companies and 'not for profit' providers so that can evolve and change to deliver new models of care. This will enable them to become key components of our future care markets.

⁵³ [Relieving the pressure on social care the value of occupational therapy, Royal College of Occupational Therapists, 2019](#)

⁵⁴ [Double-Handed Care Reviewed, Independent Living, 2019](#)

⁵⁵ [Care and Support Statutory Guidance, Department of Health and Social Care, 2014](#)

⁵⁶ [ADULT SOCIAL CARE – SHAPING A BETTER FUTURE - Nine Statements to Help Shape Adult Social Care Reform, Association of Directors of Adult Social Services, July 2020](#)

- The market must give those organisations that provide care and support much greater certainty about funding and income. This will give providers the certainty they need to plan for the medium to longer term, to invest in technology and innovation and develop their workforce, whilst giving those of us needing care greater certainty about the care we will receive.
 - In return, we should require greater transparency from providers about their finances, ownership and tax contributions.
 - We must look at care across both the NHS and social care and the wider public and private sectors.
76. Reform must be underpinned by the 'Home First' principle. This is likely to mean a much stronger emphasis on some existing types of care and support which are housing based, such as 'supported living' and 'extra care housing', as well as new and innovative forms of care.
77. This in turn should mean a shift away from existing types of residential care, for example, a lesser reliance on long stay, larger scale care homes although they may continue to play a key role in reablement and short-term care. The models of care we have at present have developed because of local authorities being left with little choice, because of challenging funding settlements from Government, but to relentlessly drive down price to deliver legally required balanced budgets, rather than on delivering what people want. Very large nursing homes for older people are because of years as doing this. They would be completely unacceptable for people with learning disabilities or other working age adults. There is an inverse relationship between size and quality and size and the impact of Covid-19.
78. Home and care are intertwined, the future must be about creating a diversity of provision which supports working age disabled people and older people to live as independently as possible to be supported to live in their own homes, with the care and support they need, for as long as possible.
79. To achieve this aim we are advocating for a significant national expansion in extra care housing, sheltered housing and floating support through dedicated funding, with local authorities given an expectation of a significant multi-year capital programme. We should review current housing rights for people in care settings to strengthen the right to live at home, to remain at home following a change of care needs, and to be discharged home after a spell in hospital.
80. There is significant evidence to support such a shift including, but not limited to:
- A third of the 421,000 over 65-year-olds in residential care, pre Covid-19, could have been housed and cared for more effectively in specialist housing (Housing with support/retirement living and Housing with care/Extra care housing).⁵⁷ This could generate fiscal savings to central government and local authorities of at least £1.4bn a year within a decade.⁵⁸
 - Extra care housing, as an example, can support improved mental and physical health outcomes for individuals. Analysis from the Extra Care Charitable Trust estimates

⁵⁷ [Healthier and Happier, Homes for Later Living, 2019](#)

⁵⁸ Assuming average household sizes of around 1.33 in homes for later living, building 30,000 homes for later living every year.

that living in extra care housing saves the NHS around £1,994 per person, on average over 5 years.⁵⁹

81. Looking beyond the financial benefits for health and social care, as a result of preventing or delaying people accessing higher cost care and support, the social value of additional provision should not be underestimated. For example, the reduction in the level of loneliness as a result of living in an environment with communal spaces and the ability for older people to release capital from existing properties which in-turn can help counter pensioner poverty.⁶⁰

Investment in the Voluntary and Community and Social Enterprise Sector (VCSE)

82. The investment in preventative services must be complemented by additional resources, channelled through local authorities, for the Voluntary and Community and Social Enterprise Sector (VCSE). The role of these organisations has been vital to the community-based response to minimising the impact of Covid-19. However, the income of a number of these organisations has been severely diminished because of the onset of the Coronavirus pandemic. This means that many of these organisations may cease to operate at the detriment to the individuals and communities they support.
83. However, much of the VCSE sector is at risk over the next year. We know that Covid-19 has had a profound impact on the sector and the ADASS Spring Survey found that Directors, seemingly driven by the need to prioritise funding on meeting their statutory duties and pressures on discretionary spending, have budgeted for a 6.1% reduction in VCSE funding in 2021/22. Looking ahead to 2022/23, just 30% of Directors plan to increase VCSE funding.
84. It is imperative that the VCSE sector, with its expertise, huge volunteering workforce and extensive reach into communities, is not only part of the continued response to Covid-19, including winter, but also the recovery phase into the 'new normal' or 'Build Back Better'. VCSE organisations are often closer to and better at connected to marginalised groups than other sectors and are ideally placed to implement more [community-centred approaches](#), such as befriending services. Their role in reducing health inequalities is also essential.⁶¹
85. The shift in the NHS Long-Term Plan towards a more personalised model of care, with increased investment in community services, is welcome and must not be lost as we begin to emerge from the impacts of the pandemic. It should also provide the basis for local authorities, including adult social care and public health, to build upon their role as community leaders and work in partnership to build upon existing VCSE infrastructure to maximise its effectiveness. This will of course require increased funding from Government, channelled through local authorities, to deliver. At present, grant funding for VCSE organisations, which is largely discretionary, is at risk due to the financial challenges facing local authorities previously set out in this document.

Conclusion

⁵⁹ [INTEGRATED HOMES, CARE AND SUPPORT - Measurable Outcomes for Healthy Ageing, Extra Care Charitable Trust, March 2019](#)

⁶⁰ [Unlocking the housing market- Helping first time buyers by helping later life buyers, Demos, November 2017](#)

⁶¹ [The community response to coronavirus \(COVID-19\), UK Health Security Agency, June 2020](#)

86. Adult social care was already experiencing significant distress long before the onset of Covid-19. The pandemic has exposed and exacerbated recruitment and retention issues, pushed already fragile care markets closer to failure and increased reliance on unpaid carers. This has led to higher levels of acuity and need, had a negative impact on the mental health and wellbeing of people who access care and support, heightened pressures on the workforce and unpaid carers and increased levels of unmet and under met need.
87. The CSR and White Papers on reform and integration are an opportunity to ‘build back better’ with social care at the heart of a sustainable recovery. This can only be achieved if Government seek to tip the balance by putting prevention, early intervention and wellbeing front and centre of policy and spending priorities. Otherwise, we risk pushing social care into the realms of just being a crisis support service.
88. Our recommendations put forward constructive actions that would stabilise the care and support this winter, lay the foundations for reform and then deliver the sustainable transformation and evolution of adult social care focused on enabling people to live the lives they want to lead.

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, including Principal Social Workers.

If you have any questions regarding this submission please do not hesitate to contact Michael Chard, Assistant Chief Officer, email- michael.chard1@adass.org.uk