directors of adass adult social services

ADASS SPRING SURVEY

2021

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The Association of Directors of Adults 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.

FOREWORD

Every Prime Minister since 1997 has promised reform and sustainable funding for adult social care but all have left office without delivering on that ambition. This is the eighteenth year that the ADASS Spring Survey (previously known as the ADASS Budget Survey) has tracked the financial position and adult social care budgets of local authorities in England. This year, we have changed the title of the survey as increasingly this survey has looked at so much more than budgets.

Covid-19 has had a profound and disproportionate impact upon those of us with care and support needs. Those who have sadly lost their lives to Covid-19, who have lost family members, those who have been required to shield in many cases for more than a year, who have been unable to access vital services, and those who have taken on additional caring responsibilities, have endured an intolerable year and it is important that we collectively acknowledge and recognise every single one of them. We also owe to all of us as a society to push for sustainable funding and a once in a lifetime transformation of care and support.

It has been an extraordinary year by any set of measures. Additional funding from the Government has been welcome and it has helped mask the worst of the issues that we would otherwise have seen. However, it has largely helped paper over the cracks that we have long known existed and without a commitment to longer term sustainable funding the reality is that the current budgets will not stretch.

Every year we have seen the pressure on local authorities grow, with ever more difficult decisions being required. I and my fellow Directors are acutely conscious that every one of these critical decisions affect the lives of millions of us, whether we are disabled, older, homeless, at risk of abuse or exploitation, experiencing mental ill health, or caring for a family member with care and support needs.

Earlier this year we undertook an additional survey of our ADASS members to gauge whether care and support needs were changing as we emerge into the next phase of the Covid-19 pandemic. Our Activity Survey (June 2021) painted a picture of growing levels of need and requests for support across most aspects of care and support. This survey provides further evidence of unmet and undermet need. It also underlines that the money is not there to address increasingly complex needs despite the ingenuity, commitment, compassion and courage that have been demonstrated by those who work in care and who care for family members, and despite the forbearance of people needing care, support and safeguards, people who are, in many cases, least able to make their voices heard.

This will increasingly mean that more people in this country will miss out on the support that we need. This is vividly illustrated in this survey by the finding that more than 75,000 older and younger disabled people are waiting for assessments which will determine the type of care and support that they get. While they wait, there are significant risks. Whilst social work teams do their best to prioritise based on the information they glean, it is inevitable that many people will deteriorate, become mentally or physically unwell, lose confidence, fall, or that unreported or concealed abuse or neglect will worsen.

This survey lays bare that that local authorities will continue to have to make increasingly difficult decisions, paying less than they want to for care, providers will continue to offer prices that are less sustainable, millions of people will miss out on care and support, and there will be ever growing pressure on millions of carers. It makes clear that local authorities are increasingly having to rely on short-term funding and use of reserves to deliver care and support. This is not sustainable, and it is not in the interests of any of us or our communities. Even since this survey was completed and as people are returning to work and the country is opening up we are hearing of further significant requests for support and care at home and staff leaving care for retail and hospitality. This all leads to fewer people getting less care and support. We will be left to continue to manage decline.

Directors are working hard with their partners to transform local models of care and support, to supporting the extension of person-centred models of care, promote independence and connectedness and enable their local care markets to evolve. However, these ambitions are being thwarted by resource constraints.

Prioritising care and support is essential; millions of lives, the well-being of our communities, the performance and recovery of the NHS post-Covid and our economic recovery are all dependent upon it.

Adult social care has the ability to fundamentally transform lives. It enables us to live, to work, carers to care, for us to be active members of our communities and to ultimately live good lives. Every year that we delay reform and sustainable funding means fewer people getting less care and support. We need to unleash that potential. Over the coming year, the Government has the chance to do exactly that by publishing its promised plans and using the upcoming Spending Review to prioritise the funding of life-enabling, life changing, life enhancing care and support. We stand ready to work with the Government and those across the political spectrum to transform how care and support is delivered and most importantly experienced.

Stephen Chandler
ADASS President

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KEY MESSAGES

Under investment means that more people are in need of social care and support but fewer are getting it and many are getting less. From 2017/18 to 2019/20 the proportion of people accessing long-term support has fallen by 3% for people aged 65+ and 1% for people aged 18-64. Relentless real-term reductions in social care funding to meet the needs of those of us who are older and disabled, care for family members or work in social care were apparent before the pandemic. Covid-19 has exacerbated this and hit those of us who are in the most vulnerable circumstances hardest. This will increase over the year to come. The levels of unmet and undermet need will continue to grow without urgent action from Government.

Delays to assessments and reviews are having a detrimental impact on people's lives: 54,783 people (extrapolated nationally) are waiting for a social care needs assessment for care, support or safeguards and 12% have been waiting for more than six months. Another 159,271 people are waiting for care reviews (annual). These assessments and reviews are vital and each and every one is a person waiting for care, support or safeguards, or at risk of their well-being deteriorating, or of abuse or exploitation.

Government funding through the Adult Social Care Precept and Social Care Grant are insufficient to fund the costs of Demographic Pressures and the National Living Wage (NLW). In 2021/22 Directors have indicated that NLW and demographic pressures amount to £1.15bn. Adult social care will not access the £1.09bn in full as not all local authorities took up the option to use the precept to its maximum level. 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.

Local authorities are increasingly reliant on local taxation and short-term and unsustainable funding sources: Many local authorities are drawing down council reserves and relying in one-off and temporary sources of funding to cover adult social care locally. 34% of Directors report that overspends in 2020/21 were funded from council reserves (compared to 1% in 2016-17 and 4% in 2018-19) and 75% using Covid-19 funding. This appears to be a trend that has been exacerbated by the pandemic, rather than an unusual set of circumstances.

We must prioritise funding for care and support for working age adults as well as for older people: Whilst much of the media and political focus is on care and support for older people, 40% of Directors report that they are most concerned about funding increasingly complex care and support for working age disabled people, compared to 3% for financial pressures relating to older people. 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.

There is a growing disconnect between increasing adult social need and the financial ability and confidence of Directors (on behalf of local authorities) to meet that need: The ADASS Activity Survey 2021 found evidence of increasing need and referrals across most aspects of adult social care. This survey adds further evidence with spending on adult care £61 million over budget (all local authorities) in 2020/21, and Directors expected to collectively find £601 million in savings in 2021/22. This translates into low levels of confidence amongst Directors in their ability to meet what they are required to do by law.

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 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 home-based 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.

Much of the voluntary, community and social enterprise (VCSE) sector is at risk over the next year: VCSE organisations sit at the heart of care and support. We know that Covid-19 has had a profound impact on the sector and this survey finds 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. Looking ahead to 2022/23, just 30% of Directors plan to increase VCSE funding.

Care markets have been further hit by the pandemic: 82% of Directors report that they are concerned about the sustainability of some of their home care providers, and 77% about some of care home providers. Covid-19 short term funding has helped to prevent failure but there is profound uncertainty about the future.

There is an impending crisis in the retention of social care staff. We must reward as well as recognise the role that staff in adult social care play: Society has recognised the contribution social care staff have made during the pandemic. We now need to properly reward them for the invaluable work they do. Directors indicated the most important factor in recruitment and retention is an increase in salary, followed by improved terms and conditions and improved career structures and progression opportunities. Even since collecting the data for this survey we have reports of staff leaving for better pay in retail, hospitality and the NHS.

We will only enable the NHS to recover post-Covid by prioritising adult social care: Our Activity Survey showed that local authorities are receiving increased numbers of requests for support from people unable to access hospital services, or after being discharged after a stay in hospital. Covid-19 has left many people with additional long-term care and support needs. However, Directors report that fewer people are being assessed as eligible for NHS funded Continuing Health Care. NHSEI is prioritising recovery, however, it will only achieve this by supporting more people at home. There needs to be a recovery plan for social care, as well as the NHS.

This is about people, not numbers: This survey and the experiences of the pandemic show why we need to put adult social care on a firm, sustainable footing for the future. Meeting the needs of older and disabled people, carers and families must be pivotal in rebuilding the economy through the creation of new and rewarding jobs in all parts of the country.

1. CONTEXT

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 last decade. Directors of Adult Social Care across England were grappling with reduced budgets, increasing numbers of older and working age disabled people, many with more complex care and support needs, fragile care markets and the challenge of transforming and integrating care and support for their local communities.

The Covid-19 pandemic has added layer upon layer of complexity to an already difficult position. The House of Commons Library recent report gives an overview of a number of these issues. The death toll of people needing and working in care has been terrible. Many services stopped or had to be delivered in fundamentally different ways, people were required to self-isolate, carers took on greater levels of responsibility, and many people were unable to access key NHS services which meant their underlying physical condition and mental well-being deteriorated. The plight of those in care homes is well documented. Funding and planning by and with government has helped address the issues of infection control, but many care homes are now operating with stop gap funding and occupancy levels that are not sustainable. Many people have looked to care at home as an alternative and developing longer term housing-based options for people is essential.

As we have slowly emerged into the latest phase of the pandemic, we are just starting to see the full impact of the pandemic and of the prolonged lockdowns, with the increasing number of people reaching out for support because of mental ill health, carers returning to work, homelessness, exploitation and abuse and for so many other reasons. Care and support are vital to the post-Covid recovery, millions of individuals, and households, and to our wider communities. The sustainable, long-term funding of that care and support has never been so vital.

This report reflects the complexity of the circumstances. On top of a number of short-term grants and funding sources prior to the pandemic, there were a number of additional grants from government during the year with different conditions and durations, many of which continue into 2021/22. It attempts to make sense of both the long-term impact associated with failure of successive governments of all political colours to deliver the promised reform and sustainable funding, and the short-term, but equally devastating and disproportionate impact of the Covid pandemic for those of us with care and support needs.

2. METHODOLOGY

The ADASS Spring Survey (formerly known as the Budget Survey) is an annual survey conducted by the Association of Directors of Adult Social Services (ADASS) and is sent to every Director of Adult Social Services (Directors) in 152 English local authorities. These directors are all full members of ADASS.

The survey is conducted around the same period each year to enable comparability. Where possible, the survey questions have remained consistent over the last eight years to provide a longitudinal narrative, specifically tracking budgets, levels of savings, demographic pressures, where savings have been made and Director confidence in delivering on their statutory duties. Additional questions have been included over this period to strengthen the understanding of the financial position of adult social care and a number of specific topical questions are asked in each survey to reflect particular issues at that time.

There are 152 local authorities in England with adult social care responsibility and there were 147 completed returns, a 97% response rate. The survey was distributed via an online link and remained open between 20 May and 18 June 2021. Not all questions have been completed by all respondents, so where relevant we make clear the sample sizes used to make national projections. We would like to thank the councils that took the time to submit responses.

The survey report is anonymised and aggregated to a national level. No individual council data is shared with third parties unless this was agreed prior to the survey and received consent from each individual local authority, and the details of the report remain the property of ADASS.

3. FINDINGS

3.1 WHOLE COUNCIL BUDGETS AND SAVINGS

Local authorities have a broad range of responsibilities in shaping lives and delivering services locally. To provide context for adult social care budgets we ask Directors to report on the overall council budget and planned savings for 2021/22. 147 respondents gave budget and savings figures for the current financial year.

Total council budgets and planned savings are:

- Expected council total net budget 2021/22 (excluding schools): **£43.5bn**

- Council savings (totals are extrapolated up to 151 councils in 2018/19 and 2019/20, total for 152 councils in 2021/22):
    - 2018/19: £2.4bn
    - 2019/20: £2.1bn
    - 2021/22: £1.9bn

Figure 1 sets out the proportion of local authorities who levied base Council Tax and the level to which they have done so for 2021/22. The table below shows that the majority of local authorities (97%) raised Council Tax by at least 1.8%.

Figure 1: Councils raising base council tax in 2021/22 (aside from the social care precept)

Response		Percentage
No		3%
Yes	By other amount (average 1.8%)	49%
	By the referendum cap of 2%	48%

Since 2016/17 councils have been able to offset some of the reduction in core funding from national government by applying an Adult Social Care Precept. The introduction of the precept has enabled local authorities with responsibility for adult social care (county and unitary authorities) to increase council tax levels in their area above the usual Council Tax referendum threshold of 2% for each year. The money raised through the precept is required to be spent exclusively on adult social care. Although adult social care continues to be faced with challenging budgetary issues, raising Council Tax and the Adult Social Care 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 becoming 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. Government has attempted to dampen the relative inequity between areas by weighting the funding formula for the Improved Better Care Fund so that areas that receive less funding via the precept receive more funding via this avenue. Is it right that essential services such as adult social care are reliant upon funding sources which are the subject of difficult political decisions to be able to continue to deliver vital, and in some instance life critical, services? Looking forward, government must seek to create a stable environment for adult social care to enable the investment in and transformation of services over a number of years.

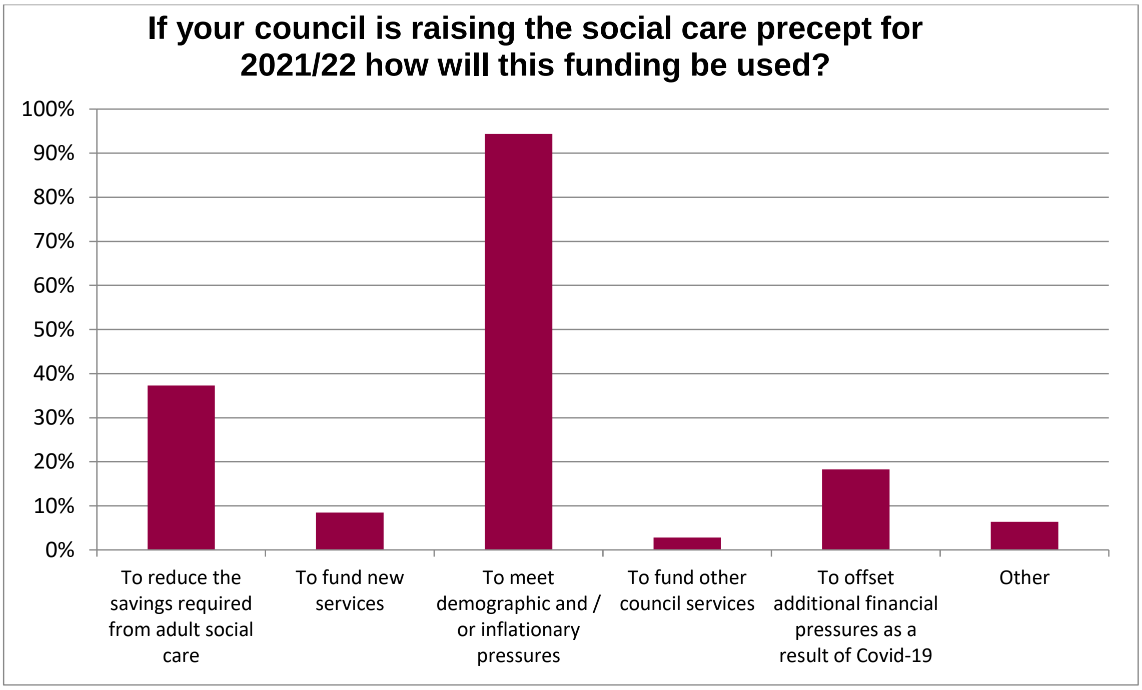
Figure gives an overview of the proportion of local authorities that levied the Adult Social Care Precept for 2021/22 and the level to which this was applied.

Figure 2: Councils raising the Adult Social Care Precept for 2021/22

Response		2021/22
No	Local decision not to raise the precept	3%
Yes	At the full 3% value	67%
	At 2% value	13%
	At 1% value	6%
	By other amount (average 1.6%)	11%

Of those local authorities that took the decision to use the precept in 2021/22, 94% plan to use the funding raised to meet demographic or inflationary pressures (see Figure 1). This proportion has increased since 2019/20, when 74% of councils planned to use the adult social care precept funding, at least in part, to meet demographic and/or inflationary pressures, with just under 40% planning to spend the extra money raised on reducing the savings required from adult social care and 10% to fund new council services. This question was not asked in the 2020 ADASS Budget survey due to the need to focus on pressures on adult social care as a result of the onset of Covid-19.

Figure 1: Use of adult social care precept by those councils that have raised it (142 responses)



3.2 ADULT SOCIAL CARE BUDGETS

Overview

Directors were asked to specify their council's budget for adult social care (see Figure 2 below). Councils have to make critical decisions every year when setting budgets. These decisions involve invidious choices which attempt to balance:

- The numbers of people who get care and support (and those who don't)
- The levels and types of support that individuals get
- The price that is paid to providers
- The quality of provision
- The legal requirement that they balance their budgets.

Budgeted spend by councils on adult social care rose from £15.6 billion in 2020/21 to £16 billion in 2021/22, this excludes any specific short-term grants relating to Covid-19. The high-level figures below conceal the fact that there was an overall overspend of £61 million in 2020/21. The proportion of councils' overall budgets being spent on adult social care has remained fairly consistent since 2017/18, at around 37% of all spending. In 2021/22 this was 36.9%.

Figure 2: Adult Social Care (ASC) Gross and Net Budgets [years]

	2017/18	2018/19	2019/20	2020/21	2021/22
ASC net budget	£14.5bn	£14.8bn	£15.1bn	£15.6bn	£16.0bn
ASC outturn	£14.5bn	£14.6bn	£15.3bn	£15.6bn	
Outturn	***Aggregate break-even***	+£98m	- £197m	+61.1m	
ASC net budget as % of whole council net budget	**36.9%**	***37.8%***	***37.4%***	***37.4%***	***36.9%***

Explanatory note: *Gross budget includes any BCF money to be spent on social care, any product of the council tax precept, any specific grants and any Supporting People spend. Net budget is defined as gross budget less specific grants, less charges and less any other income.*

Overspends

Although the budgetary position above shows an overspend of £61.1m on adult social care budgets in 2020/21 it oversimplifies a complex national picture. Of the 145 local authorities that reported an outturn position for 2020/21 in response to our survey, 65 of them (45%) indicated that they overspent on their adult social care budget. A small number of local authorities (3%) reported a breakeven position, with the remaining 76 local authorities (52%) reporting that they underspent in the last financial year. This may be due to a number of factors including the ongoing uncertainty created by short-term funding from government and late grant announcements. It may also be as a result of local care homes operating significantly below capacity as a result of an increased number of deaths and anxieties from individuals and their families about entering buildings-based care settings due to a higher perceived risk of contracting Covid-19.

For those local authorities that indicated that they overspent on their adult social care budget in 2020/21, Figure 5 sets out how sources of funding have been utilised by their local authorities to address their overspends.

Figure 3: Planned sources of funding to cover overspends on adult social care

Response (respondents were able to select more than one)	2016/17	2017/18	2018/19	2020/21
Use of Covid-19 funding from Government	N/A	N/A	N/A	75%
From council reserves (which do not have to be paid back)	1%	1%	4%	34%
From under spending in previous financial year by other council departments (which does not have to be paid back)	66%	41%	51%	30%
Other one-off sources of funding	9%	8%	25%	16%
Using a proportion of iBCF allocation	N/A	27%	27%	4%
By requiring adult social care to pay back by making additional savings in the following financial year	67%	50%	43%	1%

For the current financial year, 2021/22, 12% of local authorities said that they would be using non-recurrent funding, for example council reserves, to fund their adult social care base budgets. This is significantly lower than the quarter of local authorities that used non-recurrent funding to fund their base adult social care budgets in 2020/21. It is not clear at this time what role, if any, the availability of other short-term sources of funding related to the Covid-19 pandemic for 2021-22, or depleted levels of local authority reserves have had on these figures.

Social Care Grant

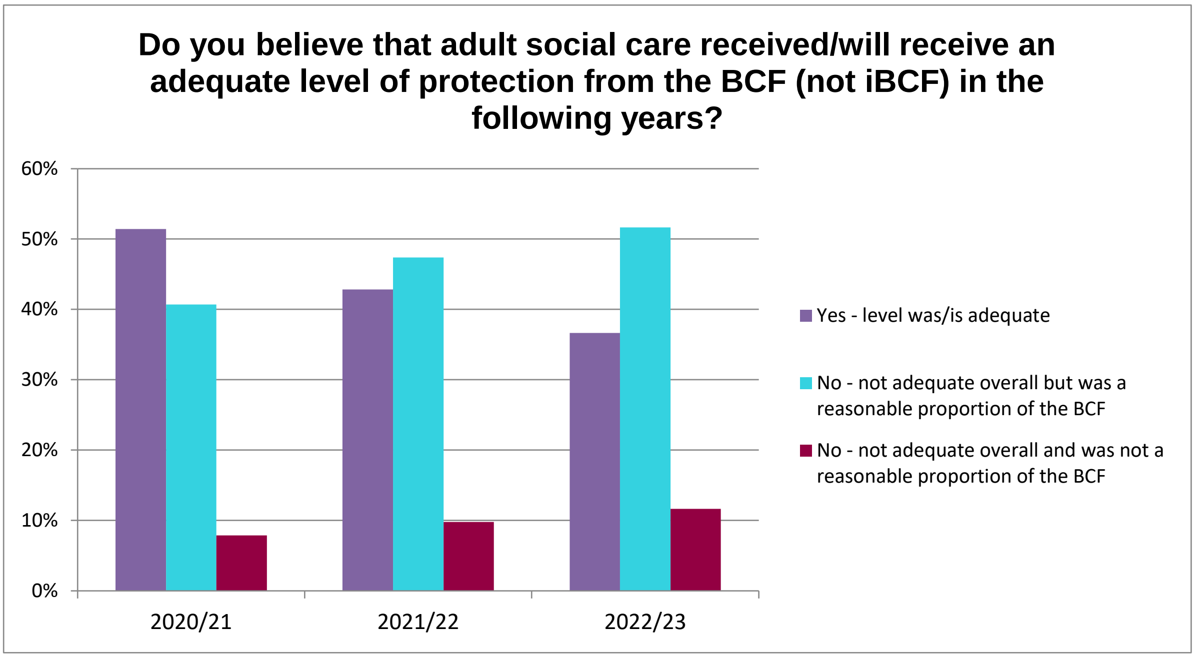
The Local Government Finance Settlement for 2021/22 included the continuation of the Social Care Grant, which totalled £1.71 billion. The grant can be used for either children's or adult social care, the proportion allocated to each service area is determined by each local authority. Directors were asked what proportion of this was allocated to their service area in 2021/22, with respondents indicating that 52% of the grant was allocated to adult social care for the current financial year.

The Better Care Fund

51% of Directors believed that adult social care received an adequate level of protection in 2020/21. 40% of Directors believed that adult social care did not receive an adequate level of protection overall, although they believed that it was a reasonable proportion of the BCF. Only 8% of Directors believed that adult social care did not receive an adequate level of protection overall, and that it was not a reasonable proportion of the BCF.

For 2021/22 and 2022/23 (see figure 6) the proportion of Directors believing that adult social care will receive an adequate level of protection decreases, while the proportion stating that adult social care will not receive an adequate level of protection overall (although the proportion of BCF is reasonable) increases. Similarly, the proportion believing that adult social care will not receive an adequate level of protection overall, and that it is not a reasonable proportion of the BCF, increases slightly each year.

Figure 6: Views on adequacy of protection for adult social care from the Better Care Fund



Pressures associated with ASC budgets

Directors were asked which groups they were most concerned about in terms of financial pressures on adult social care budgets related to increasing need and complexity. The responses confirm a trend identified in recent years' surveys, which is that the biggest area of concern is for younger adults accessing care and support, many of whom have increasingly complex needs resulting from learning disabilities and mental health issues (see Figure 7). The proportion of Directors indicating that this is the case has risen from 17% in 2017/18 to 40% in 2021/22. Whilst the number of younger adults with complex needs is increasing, expectations are too, particularly in relation to support for people to live good lives in the community rather than in hospitals or other long-term institutions.

The concern from Directors is supported by the fact that the number of people aged 65 and over accessing long-term care has fallen by 3% from 565,385 in 2017/18 to 548,540 in 2019/20. By comparison, the number of people aged 18-64 accessing long-term support has only reduced by 1% from 292,380 in 2017/18 to 290,075 in 2019/20.[1] These figures mask the fact that complexity of need has also been increasing year on year.

The proportion of Directors indicating that older people are the greatest area of concern in relation to budgetary pressures has dwindled significantly since this question was last asked in 2019/20 from 11% to 3%. The proportion of Directors indicating that they are concerned about older people and working age adults in equal measure has increased slightly since 2019/20 from 51% to 54% in 2021/22.

[1] Adult Social Care Activity and Finance: England 2019-20, NHS Digital, December 2020

Figure 7: Proportion of councils identifying older people, working age adults or both as the greatest areas of concern in terms of budgetary pressure (This question was not asked in 2020/21 due to the need to focus on Covid-19 related questions)

Response	2017/18 (143 responses)	2018/19 (150 responses)	2019/20 (150 responses)	2021/22 (146 responses)
Older people	19%	12%	11%	3%
Working-age adults	17%	32%	39%	40%
Both, equally	64%	56%	51%	54%

When asked what the issue of biggest concern was about future financial pressures, respondents ranked "unit price for care packages to support people with increasing complexity of care needs" as their top concern, followed by demographic pressures. These areas of concern are consistent with the answers provided by Directors for the ADASS Budget Survey 2019 when this question was last asked. The concerns in ranking order were:

1. Unit price for care packages to support people with increasing complexity of care needs
2. Demographic Pressures
3. Covid-19 related pressures (new category for 2021/22)
4. Unit price of care relating to staffing costs (NLW)
5. Reduced occupancy/client levels driving up costs (new category for 2021/22)
6. Reducing capacity in the market driving up costs
7. Unit price of care increasing for other reasons

Respondents also identified the impact of Covid-19 as a significant area of concern on future financial pressures, with this new category ranked 3rd by Directors.

3.3 ADULT SOCIAL CARE SAVINGS

Planned savings and confidence to deliver

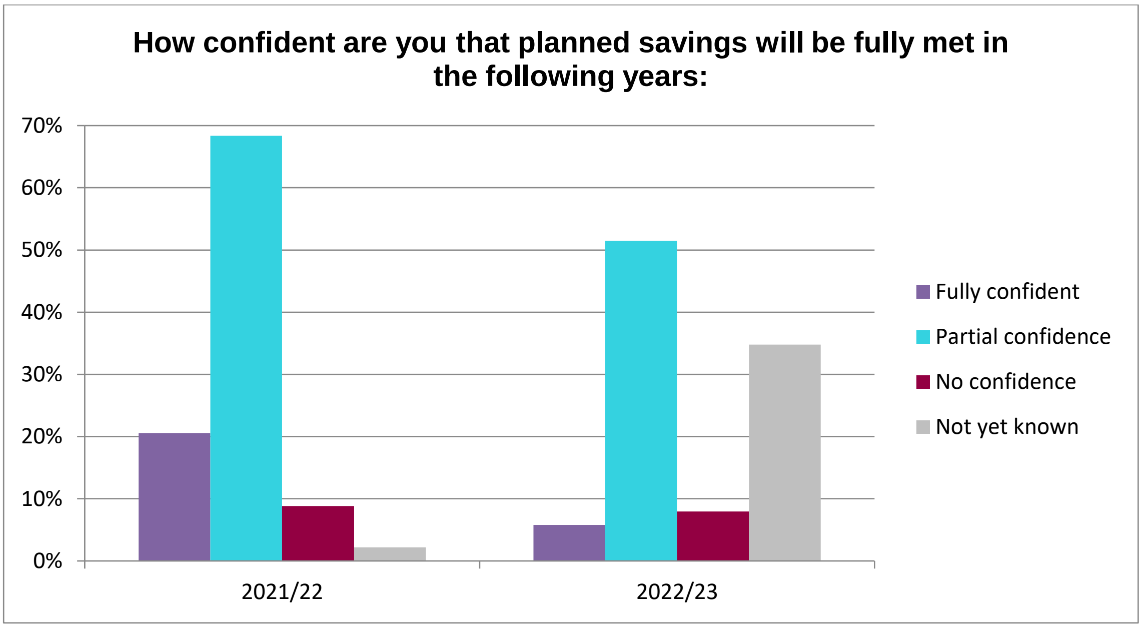
Directors are reporting that for the current financial year (2021/22) they have planned to deliver £601m in savings to their adult social care budgets, equating to 3.7% of net adult social care budgets. In 2020/21 Directors indicated that they had planned to make £608m in savings to their adult social care budgets, however, the onset of Covid-19 meant that nearly three-quarters of councils (69%) indicated that over 60% of their planned savings would be at risk.

In the past decade Directors reported cumulative savings of £7.7bn.

Directors were asked about their confidence levels in delivering their planned savings in 2021/22. Only 21% of Directors are fully confident that planned savings will be fully met in the current financial year, pre-Covid-19 in 2019/20 this figure was 33%. For 2021/22, 68% of respondents report partial confidence, compared to 65% in 2019/20. 9% of Directors have no confidence that they will be able to meet their planned savings in full this year, whereas in 2019/20 this figure was 2%.

Looking ahead to 2022/23 Directors' confidence in fully meeting planned savings significantly deteriorates, with only 6% fully confident, 51% partially confident and 8% stated that they have no confidence. Unsurprisingly, 35% of Directors stated 'not yet known'. This is likely to be a consequence of the ongoing ambiguity around what the financial settlement will look like for adult social care next year, with both reform and Comprehensive Spending Review proposals due for publication in late 2021.

Figure 4: Confidence in ability to make savings



Areas where savings are planned

Directors were asked how they would make savings in 2021/22. Overall, the priorities highlighted in Figure 9 suggest that councils are trying to manage the financial challenges by making a fundamental shift towards an asset-based approach and attempting to avoid an adverse impact on service users and carers. The increasing importance of investment in assistive technology is a notable trend in recent years.

On the whole results were highly consistent with the last three years' findings. Developing asset-based and self-help approaches to reduce the numbers of people needing long-term care is very important for 77% of Directors. Asset-based approaches seek to build on an individual's strengths and aspirations and seek to maximise the use of local community networks, rather than more formal models of care and support.

Assistive and communications technology and working with housing providers to develop more effective housing solutions were also seen by around half of Directors as very important in the drive to make savings.

67% of Directors said that reducing the number of people in receipt of formal care is either important or very important for them.

It is notable that the approaches which are most important to councils are those which are longer term in nature, and which will change the ways in which people experience care and support.

This is of course complex. Using direct payments and personal budgets to enable people to make informed choices about the kind of support they need to live the lives they want to lead is critically important. Relying on informal community assets is double edged. There is a fine line between independence and abandonment.

This data is perhaps also an indication that reducing costs or finding cheaper ways to do the same things are no longer a viable option for making savings, partly because the scope to do this has now been exhausted and partly because external constraints, such as the National Living Wage, the labour market and the fragility of the care market, limit councils' ability to do so.

Figure 9: Importance of areas of savings 2021/22 (144 responses)

Responses	Not applicable	Not important	Quite important	Very important
Developing asset-based and self-help approaches so as to reduce the numbers of people receiving long-term care	2%	1%	18%	77%
Increased prevention / early intervention	3%	1%	23%	73%
Working with housing to develop more effective housing solutions	5%	6%	35%	54%
Assistive and communications technology	3%	5%	39%	53%
Integration of health and social care	7%	13%	36%	40%
Better procurement	8%	10%	43%	37%
Reducing the number of people in receipt of care	15%	15%	34%	33%
Shifting activity to cheaper settings	16%	19%	38%	22%
Expanding independent sector provision	15%	26%	41%	15%
Reducing level of personal budgets	37%	35%	16%	7%
Controlling wage increases	30%	31%	28%	6%
Increased user charges	28%	31%	33%	5%
Reverting to in-house provision	43%	35%	17%	3%

* *Percentages in each row may not add up to 100% as figures based on total respondents to the question overall.*

Local authorities continue to evolve and find new approaches to release more savings through further efficiency savings, doing more for less, as they have been doing for a significant number of years to enable them to deliver statutorily required balanced budgets year on year. In 2021/22 this approach is expected to deliver savings of £228 million nationally.

The remaining areas listed in Figure 10 below are deemed by Directors to be less significant in delivering savings in the current financial year. In particular, delivering savings through holding down wage increases and from user fees and charges are both deemed to be either not applicable or not important by Directors in terms of delivering savings (Figure 9 above) and this is reflected in the level of planned savings attributed to these areas below.

Figure 10: Breakdown of planned savings for 2021/22 (figures for 2019/20 in brackets)- % figures calculated from answers to this question and not total planned savings figure set out above

Response *(number of respondents who provided a figure over 0)*	Total	Proportion of total savings
Efficiency - doing more for less *(112 responses)*	£228m (£248m)	40% (36%)
Developing asset-based and self-help approaches so as to reduce the numbers of people receiving long-term care *(85 responses)*	£198m (£220m)	34% (32%)
Other *(54 responses)*	£76m (£144m)	13% (21%)
Reducing services/personal budgets *(40 responses)*	£44m (£47m)	8% (7%)
Income from charges increased above inflation *(35 responses)*	£22m (£19m)	4% (3%)
Provider fees increased by less than inflation *(10 responses)*	£6m (£11m)	1% (2%)
Pay increased by less than inflation *(0 response)*	£0m (£0.2m)	0% (0%)

3.4 COST PRESSURES

Demographic pressures

Demographic cost pressures relating to the increased numbers of older and disabled people needing care equate to 4.1% of the adult social care net budget in 2021/22. This figure was 3.3% in 2020/21. In cash terms £660m is required in additional funding in 2021/22 to meet the same level of need as in the previous financial year. This compares to £520m in 2020/21. The 2021/22 figures have been extrapolated to represent pressures on 152 local authorities to enable comparison across a number of years.

A majority (92%) of demographic pressures will be funded in 2021/22. This is a significant uplift on 2019/20, when this question was last asked, which saw only 83% of demographic pressures being funded.

The majority of demographic funding is focused on services for working age adults. These now account for 63% of the demographic pressures on adult social care budgets, this figure has remained consistent with 2020/21 when the proportion was 64% (See Figure 11). This is also consistent with Directors increasing concern in terms of budgetary pressures resulting from people aged 18-64 set out in Figure 7. By comparison older people only account for 37%. The increasing pressures relating to working age adults are not being adequately reflected in national conversations around funding reform and adult social care reform more broadly, where a large proportion of the narrative is focused on older people.

Figure 11: Financial pressure from demographic growth in the 2021/22 net ASC budget– 2020/21 responses in brackets for comparative purposes

Response	% of ASC net budget under pressure for client group	Additional cash required	% funded
Older people	1.5% (1.2%)	£243m (£189m)	87% (82%)
People with learning disabilities	1.5% (1.3%)	£240m (£200m)	95% (86%)
People with physical disabilities	0.6% (0.4%)	£95m (£63m)	96% (70%)
People with mental health needs	0.5% (0.4%)	£81m (£68m)	94% (93%)

Financial Outlook for Health and Social Care

Concerns about financial constraints are not limited to adult social care budgets. Directors were asked how they feel about the financial state of the wider health and care economy in their local area (See Figure 12).

Only 12 of the 145 directors who responded to this question feel at all optimistic about the future financial state of the local health and care economy in their own areas. This figure is lower than in 2019/20. The proportion who report feeling fairly or very pessimistic has remained constant. Concerns about the state of the health and social care economy predated the Covid-19 pandemic and persist in the context of short-term funding and the absence of proposals for a sustainable funding settlement for people needing social care and support.

Figure 12: Overall, how do you feel about the financial state of the wider health and social care economy in your area over the next 12 months? (145 responses)

Response	Percentage 2017/18	Percentage 2018/19	Percentage 2019/20	Percentage 2021/22
Very optimistic	0.0%	1 council	0%	0%
Fairly optimistic	7%	6%	10%	8%
Neutral	19%	23%	16%	19%
Fairly pessimistic	56%	58%	62%	65%
Very pessimistic	19%	13%	12%	8%

This has potentially significant implications for the development of cross-sector working and Integrated Care Systems (ICS).

Confidence in ability to meet statutory duties

Respondents were asked about levels of confidence in being able to do what they are required to by law, which is to meet specific statutory duties over the next two years. These duties include:

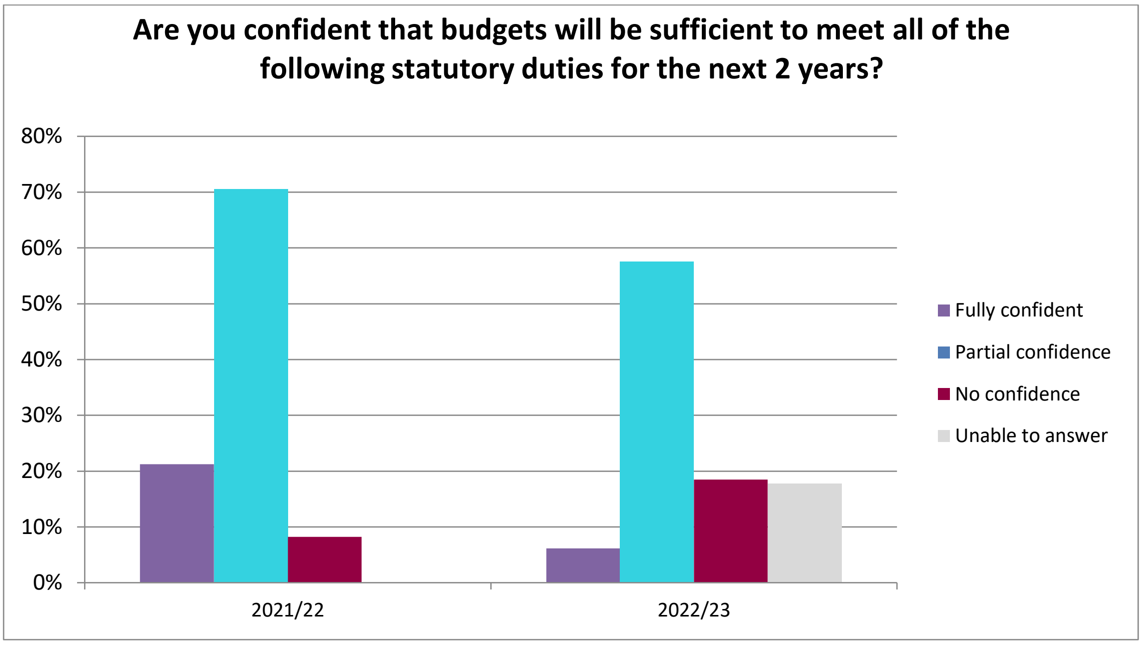
- Information and advice
- Prevention and wellbeing
- Assessment (carers and people using services)
- Personal Budgets/services sufficient to meet eligible needs
- Safeguarding
- DoLS/LPS
- Market Sustainability (including National Living Wage)

In 2021/22 just over one-fifth of respondents (21%) indicated that they are fully confident that their budget will be sufficient to meet their statutory duties (see Figure 13), this compares to only 4% of Directors in 2020/21. It should be noted in 2020/21 these questions were asked during the early stages of the onset of Covid-19, prior to additional government funding being made available to address some of the additional pressures facing local authorities which may explain, to an extent at least, the low levels of confidence.

For the current financial year 71% of Directors indicated that they are partially confident in meeting their statutory duties, compared to 56% of Directors in 2020/21. The proportion of Directors who stated that they have no confidence that their budgets will be sufficient to full meet their statutory duties in 2021/22 is 8%, whereas this figure was 35% in 2020/21.

Looking forward to 2022/23, it is concerning that 75% of Directors either have partial or no confidence that their budgets will be sufficient to meet statutory duties, this breaks down to 18% of Directors who have no confidence and 57% that only have partial confidence. This is likely to be, in part at least, a reflection of the ongoing uncertainty around Covid-19 and the labour market (particularly competition from retail and hospitality, government reform proposals and the uncertainty at this stage as to what the local government and adult social care funding settlements will look like for the next financial year. Only 6% of Directors are fully confident that their budgets will be sufficient to fully meet their statutory duties.

Figure 13: Levels of confidence that budgets will be sufficient to meet statutory duties



Directors were also asked which statutory duties they felt least confident about being able to meet for 2021/22 and 2022/23. As was the case in 2019/20, ensuring market sustainability was the area of most concern with 54% of Directors indicating this for 2021/22. Concerningly for 2022/23 this increases to three-quarters of Directors (see Figure 14). It would seem reasonable to assume that this also reflects the potential or probable ending of Covid-19 related funding in the last year which temporarily stabilised care markets.

Similarly to 2019/20, this was followed by Deprivation of Liberty Safeguards (DoLS)/Liberty Protection Safeguards (LPS) with 45% of Directors identifying this as a statutory duty that they are less than confident their budgets will meet. This figure climbs significantly in 2022/23 to 69% which is likely to be related, in part at least, to the new LPS reforms due to go live and some ambiguity around the resources available to support this.

Prevention and wellbeing remained as the third highest ranked statutory duty that Directors are less than confident in meeting in 2021/22 (37%) and in 2022/23 (50%). This question was not asked in 2020/21 due to the focus on Covid-19.

Figure 14: Number of respondents who feel less than confident that budgets will meet specific statutory duties (respondents could choose more than one response)

Specific statutory duties	**Number of councils 2019/20 (150 responses)**	**Number of councils 2021/22 (131 responses)**	**Number of councils 2022/23 (131 responses)**
Market Sustainability (including National Living Wage)	62%	54%	75%
Prevention and wellbeing	35%	37%	50%
DoLS/LPS	43%	45%	69%
Personal Budgets/services sufficient to meet eligible needs	15%	24%	33%
Information and advice	17%	15%	21%
Assessment (carers and people using services)	17%	20%	23%
Safeguarding	9%	13%	18%

Individuals and carers are directly impacted by all of these and equally notable is the increasing lack of confidence to undertake assessment and care planning, to provide personal budgets that are enough to meet eligible need and to safeguard people at risk of or experiencing abuse or neglect.

These tables represent more than just numbers. Each and every person waiting for an assessment, care and support or a review of their care plan is someone that is potentially suffering, their mental or physical wellbeing deteriorating or at risk of abuse or neglect being missed.

The number of people on the waiting list for a social care needs assessment is 54,783 (when extrapolated to 152 local authorities). Needs assessments are free and anyone can ask for one if they, or someone they know, thinks they need care, support or safeguards. Approximately 12% of those people on the waiting list for an assessment have been doing so for over six months.

There are a significant number of overdue reviews of care and support plans, with Directors identifying this is the case for 159,271 people (See Figure 15). Under the Care Act 2014's statutory guidance, councils should review care plans no later than every 12 months. These reviews are important. They are particularly important if people are living in institutions (especially closed institutions a long way from home), in relationships where there are tensions or carer stress or where an individual is isolated and solely reliant on paid carers. Clearly this is particularly an issue during the pandemic when care homes have been closed to visitors, staffing has been stretched, recruitment and retention is difficult, where there have been outbreaks, and where people have been isolated at home with less access to healthcare or other social contact.

Figure 15: Number of people currently waiting for assessment and care plans (actual numbers):

Number of people (No. LAs that answered question)	**Total**	**Extrapolated to 152 LAs**
On a waiting list for an assessment (121 LAs)	43,610	54,783
Have waited over 6 months for an assessment (114 LAs)	5,110	6,813
Have had an assessment and are now waiting for care and support or for a direct payment to be made (96 LAs)	12,181	19,287
Number of overdue reviews of more than 12 months (125 LAs)	130,979	159,271

3.5 PROVIDERS

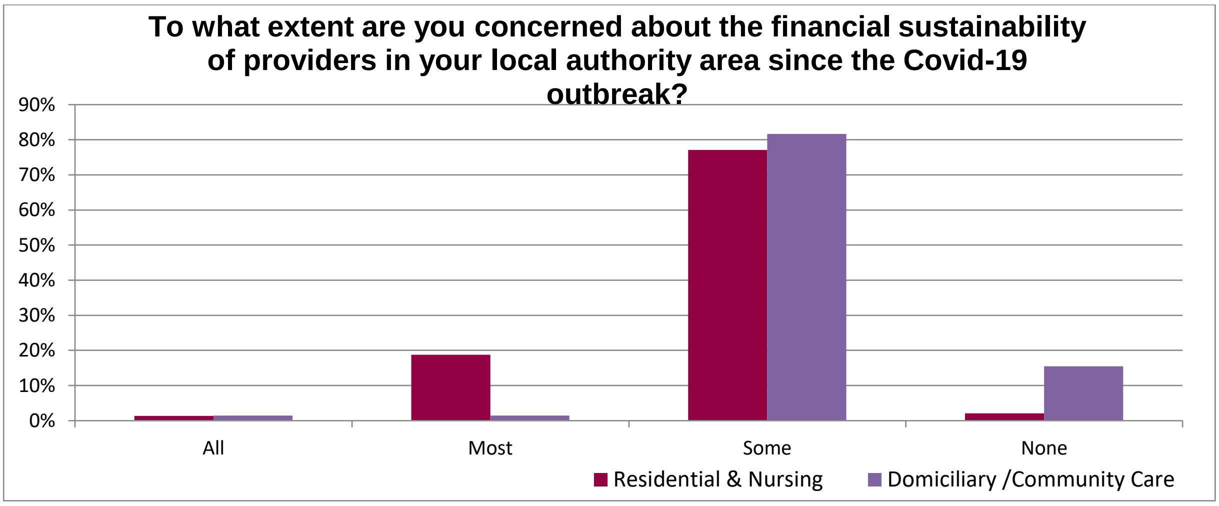
Financial sustainability

The impact of Covid-19 funding for social care has skewed trends in Directors' views of the financial sustainability of providers.

In the current financial year, 77% of Directors are concerned about the financial sustainability of some of their residential and nursing providers (see Figure 16). In 2020/21, after the emergence of Covid-19 this figure was 66%. In 2021/22, 19% of Directors are concerned about the sustainability of most of their providers, compared to 25% in 2020/21. Only 2% of Directors are concerned about none of their residential and nursing providers in 2021/22, this figure has remained static since 2020/21. In 2021/22, 1% of Directors are concerned about all of their providers, this figure has reduced from 7% in 2020/21.

In 2021/22, 82% of Directors stated that they were concerned about the financial sustainability of some of the domiciliary and community care providers in their local authority area since the Covid-19 outbreak. In our 2020 Coronavirus Report this figure was 75%. Only 1% of Directors are concerned about most of their domiciliary and community care providers in 2021/22, whereas this figure was 15% in 2020/21. Only 9% of Directors were concerned about none of their domiciliary and community care providers in 2020/21, with this figure increasing to 15% in 2021/22. A very small proportion of respondents were concerned about all of their providers in 2020/21 and 2021/22, with 2% and 1% respectively indicating that this was the case.

Figure 5: Concern about provider sustainability



Provider fees

Average hourly rates for home care were requested for each local authority area. At the time of completing the survey, the national average hourly rate for home care was £18.25 (based upon 145 responses). These figures do not include temporary uplifts in hourly rates for Covid-19 reasons, instead they provide an indication of the base rates paid by local authorities. It is important to understand that it is impossible for such a national average to reflect the complexities of the economic circumstances of different council areas, or the variations in geography and demographic make-up. This figure represents an increase of 3.3% when compared to last year's average rate of £17.67

The majority of councils are increasing fees by between 2% and 2.9%, with a significant number also increasing fees across the board by 3-4.9% (see Figures 17 and 18). The areas where the highest proportion of Directors indicated that they have increased fees by 2-2.9% are for residential provision for people with physical and learning disabilities, as well as home care for older people.

Figure 17: Changes in fees paid to independent sector providers (including inflation) for older people between 2020/21 and 2021/22 (excluding temporary changes made as a direct result of Covid-19)

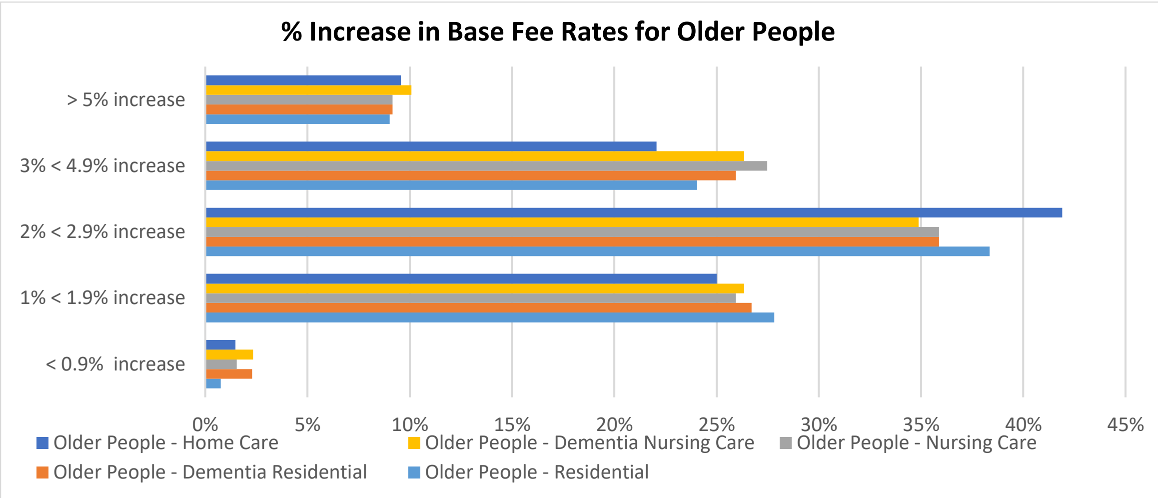
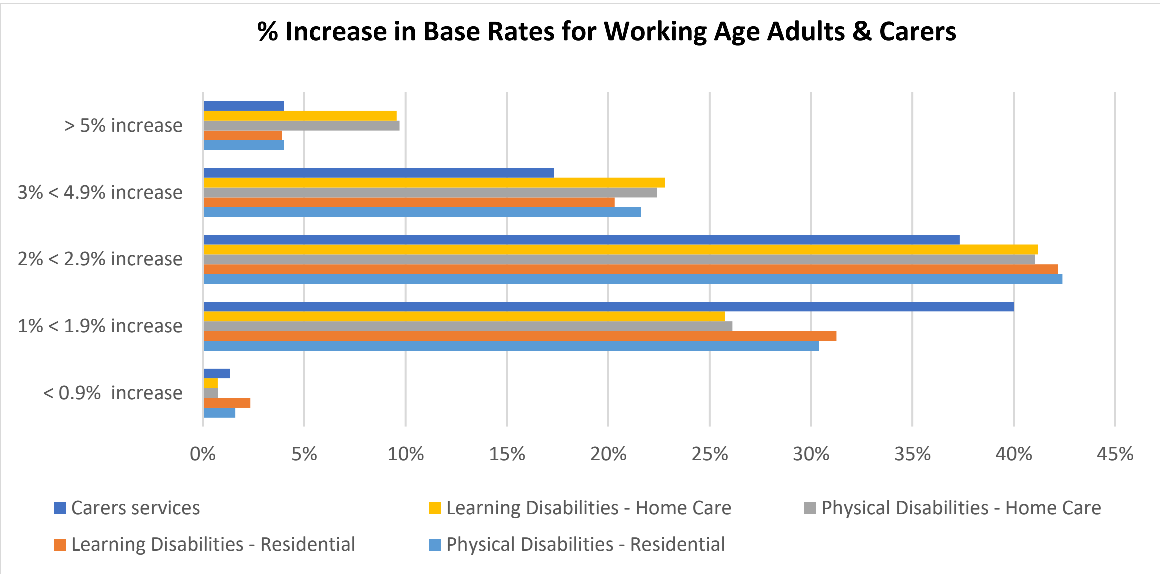


Figure 68: Changes in fees paid to independent sector providers (including inflation) for working age adults between 2020/21 and 2021/22 (excluding temporary changes made as a direct result of Covid-19)



Directors were asked to identify the key drivers for unit costs for residential and nursing care in their area (Figure 19). For residential and nursing care it is of no surprise that 76% of Directors indicated that new, additional costs, which are predominantly linked to Covid-19, are likely to be the key driver of unit costs in 2021/22. This is closely followed by the likely impact of occupancy levels being markedly lower than the usual levels as a result of the pandemic, with 56% of Directors identifying this as a key driver of unit costs for residential and nursing care.

Figure 19: Key drivers for increases in unit costs for residential/nursing care in 2019/20 & 2021-22 (144 responses)

Driver	Importance 2019/20 (cost drivers rated as high %)	Importance 2021/22 (cost drivers rated as high %)
New burdens, e.g. increased insurance premiums, infection control, impact of accelerated hospital discharge, etc...	N/A	76%
Occupancy levels	N/A	59%
National living wage	86%	54%
Workforce - recruitment and retention	65%	54%
Other pay pressures (uplifts, difficulties recruiting staff, etc.)	68%	39%
Local market issues (lack of capacity, competition etc.)	46%	19%
Reduction in cross subsidisation	9%	18%
Overheads (food costs, rent, borrowing costs etc.)	16%	16%
Premia to cover winter pressures, quality issues	12%	8%
Travel time	7%	1%

There are some similarities between the key drivers of unit costs identified for residential and nursing care and home care (see Figure 20). However, the onset of Covid-19 has in the main increased the need for home care, in part as a result of individuals and their families being reluctant to enter residential and nursing care settings at this time due to a perceived increased risk of contracting Coronavirus and concerns about being able to have visits. This difference is particularly highlighted by the fact that only 12% of Directors think that 'occupancy levels/client numbers' would be a key driver of homecare, compared to 56% for residential and nursing care. The key drivers of unit costs identified by Directors for home care have remained largely consistent from when this question was last asked in 2019/20 pre-pandemic. The recruitment and retention of the workforce (65%) and National Living Wage (58%) have remained in Directors' top three key drivers of unit cost, with the main change being that new burdens, largely associated with the onset on continued management of Covid-19, is now identified as one of the key drivers of unit cost for the current financial year.

Figure 20: Responses to the question 'What do you think will be the key drivers of any increase in unit costs for home care in 2019/20?'

Driver	Importance 2019/20 (cost drivers rated as high %)	Importance 2021/22 (cost drivers rated as high %)
Workforce - recruitment and retention	75%	65%
National living wage	89%	58%
New burdens, e.g. increased insurance premiums, infection control, impact of accelerated hospital discharge, etc...	N/A	54%
Other pay pressures (uplifts, difficulties recruiting staff, etc.)	76%	50%
Local market issues (lack of capacity, competition etc.)	49%	24%
Travel time	36%	17%
Premia to cover winter pressures, quality issues	13%	12%
Occupancy levels/Client numbers	N/A	12%
Overheads (food costs, rent, borrowing costs etc.)	10%	5%
Reduction in cross subsidisation	7%	3%

Cost of Care

Directors were asked for the first time about whether their local authority has undertaken cost of care exercises for a range of different settings. Of those Directors that chose to answer this question, 83 local authorities have done this for residential/nursing/extra care for older people, with 56 having completed such an exercise for adults aged 18-64. 67 local authorities have undertaken a cost of care exercise for care at home for older people in the past five years, with 55 respondents indicating they have done this for adults aged 18-64.

Directors were asked of the fees paid to providers what proportion are lower than those determined by their cost of care exercise. For care at home for older people 83% stated this was either 0% or 1-5%, with a similar proportion (82%) indicating this was the case for adults aged 18-64. For residential/nursing/extra care settings the picture was slightly different with 70% of Directors stating this was either 0% or 1-5% for adults aged 18-64, compared to 65% for older adults. Concerningly, 16% and 15% of Directors indicated that 26+% of their fees paid to providers are lower than that determined by their cost of care exercise for residential/nursing/extra care settings for older people and people aged 18-64 respectively.

The context for why local authorities pay below the cost of care calculated in local exercises is extremely important. 44% of the Directors that responded to this question stated that the availability of resources from government are not sufficient to enable adult social care in my local authority to commission services at the level identified through our cost of care exercise. This was followed by 43% of Directors stating that providers proposed fees at levels below the calculated Cost of Care. The impact of local funding decisions relating to the social care precept/council tax was considered to have less of an impact, with only 16% of Directors stating that this was a contributing factor and only 14% stating that this was the case in relation to local funding decisions that prioritise investment in other services.

3.6 WORKFORCE ISSUES

National Living Wage pressures

The increase in the National Living Wage (NLW) rate of 2.2% from 1 April 2021 will cost councils in the region of £228m plus at least £266m in further costs in the current financial year. This additional financial pressure totals £494m (See Figure 21). These costs comprise both costs of council-run services and costs of independent sector provision purchased by councils or by individuals with direct payments.

ADASS continues to be supportive of the Government's policy of increasing wages of the lowest paid workers, indeed it has advocated for a minimum social care wage above the level of the NLW. This recognises the skilled and compassionate work that care workers undertake each and every day and the significant vacancy levels and turnover of staff, particularly in the context of pay in the NHS, retail and hospitality opening up and Brexit. However, we have, and continue to be clear that the Government need to fully fund this.

Figure 21: Estimated cost to councils in 2018/19-2021/22 of the National Living Wage relating to adult social care (Answers extrapolated from number of responses stated to 151 local authorities for 2018/19-2021/22 and to 152 local authorities for 2021/22)

	Total 2018/19	No. of Responses	Total 2019/20	No. of Responses	Total 2020/21	No. of Responses	Total 2021/22	No. of Responses
Direct wage costs	£173m	*(98)*	£151m	*(100)*	£348m	*(84)*	*£228m*	*(105)*
Indirect costs (fees, etc.)	£293m	*(82)*	£297m	*(93)*	£342m	*(93)*	*£266m*	*(94)*

Ensuring sufficient numbers of care workers

Councils were asked to rank in order of importance (from 1 to 8, with 1 as the greatest importance) what they believe is needed to ensure the sufficiency of care workers in their local area. Results are shown in Figure. The clear and unequivocal message is that care workers need to be paid more and treated better. An increase in salary is ranked, as in 2019/20, as the most important factor in recruitment and retention; as councils are aware, there is only so much that can be achieved by other initiatives when the social care workforce is amongst the lowest paid in the economy.

Figure 22: Relative importance of factors in the recruitment and retention of care workers

Options	Overall Ranking score 2018/19	Overall Ranking score 2019/20	Overall Ranking score 2021/22
Increase in salary	7.06	7.13	7.46
Improved working terms and conditions	6.00	6.21	6.3
Improved career structures and progression opportunities	4.97	4.91	5.09

A focus upon improving the quality of care provided (job satisfaction)	4.41	4.54	4.4
Improvement in management and leadership	4.10	4.03	3.69
Celebrate the care sector (raise the public profile of social care roles)	3.30	3.49	3.45
Affordable housing	3.31	3.22	2.96
Improved / better use of technology to maximise efficient use of staff time	2.87	2.47	2.82

3.7 EARLY INTERVENTION AND PREVENTION

There is a clear recognition amongst Directors about the importance of investing in prevention and early intervention, not only to deliver savings, but most importantly to enable people to live to independent, connected and healthier lives for as long as possible. The importance of increased prevention and early intervention to delivering savings was highlighted earlier in this report, where nearly three-quarters (73%) of Directors identified this as the second most important approach to delivering savings (See Figure 9).

However, the reality of the ongoing budgetary challenges facing adult social care means that over one-third of Directors are less than confident about meeting their statutory duties relating to prevention and wellbeing in 2021/22 (see Figure 14). 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%. Spend on prevention has increased by 3.5% since 2020/21, however, this is only after a 7% reduction between 2019/20 and 2020/21.

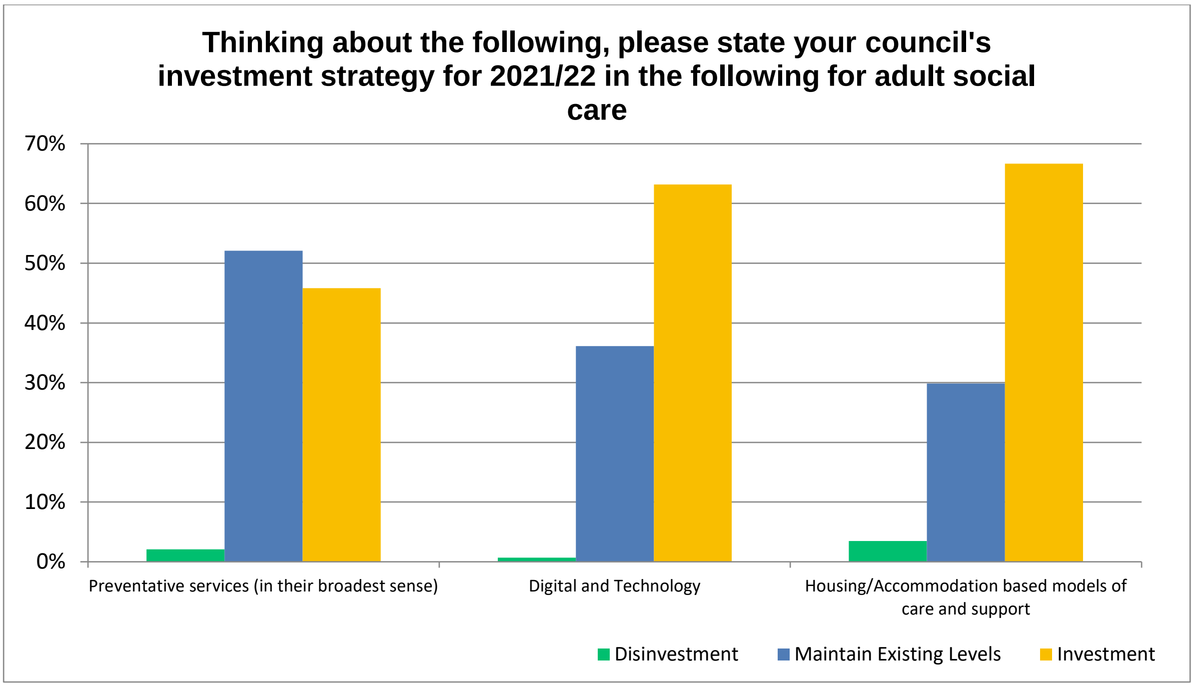
Figure 23: Spend on prevention services that can be accessed by people whose needs did not cross the National Eligibility threshold from 2017/18-2021/22 (2021/22 figures based on 128 responses, extrapolated to 152 LAs)

	2017/18	2018/19	2019/20	2020/21	2021/22
Spend on prevention	£1,201m	£1,187m	£1,251m	£1,163m	£1,204m
% spend on prevention as % of budget	8.3%	8.0%	8.4%	7.4%	7.5%
Difference in spend from previous year	**N/A**	**-1.2%**	**+5.4%**	**-7%**	**+3.5%**

Directors were asked about their investment strategy. Whilst some councils are investing in preventative services, the focus on meeting the care and support needs of those that meet the highest eligibility criteria remains the priority within limited resources. In 2019, 53% of respondents stated that they were maintaining existing levels of expenditure on preventative services, whilst 11% were disinvesting and the remaining 36% were investing. In 2021, there has been a significant shift in strategy, with 46% of Directors stating that they are investing in preventative services, with 52% maintaining existing levels and the remaining 2% disinvesting (see Figure 7).

For the first time Directors were asked about their local authority's investment strategy for digital and technology and also housing/accommodation models of care and support. Nearly two thirds of Directors indicated that their local authorities are taking positive investment strategies for both digital and technology (63%) and housing/accommodation models of care and support (67%). This is also consistent with the areas that are seen as most important to delivering savings in the current financial year (See Figure 9). Although such approaches may deliver savings to adult social care budgets, they most importantly are key to supporting people to living healthier and more independent lives. Very few Directors indicated that their local authority is disinvesting, with only 1% stating this was the case for Digital and Technology and 3 % for housing/accommodation models of care and support.

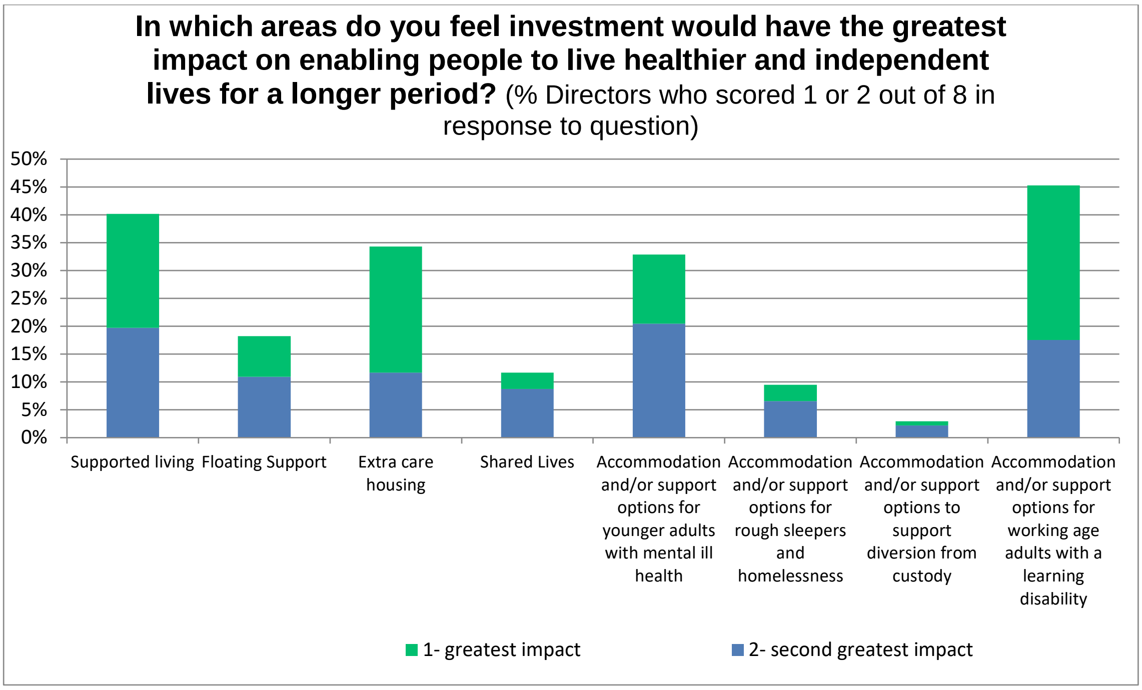
Figure 7 Councils' investment strategy for prevention services in 2021/22



For the first time, Directors were asked which areas they thought would have the greatest impact on enabling people to live healthier and independent lives for a longer period. Respondents were asked to rank the options listed from 1 (greatest impact) to 8 (least impact). Figure 25 shows the proportion ranked as 1 and 2, to highlight those which Directors indicated would be most impactful.

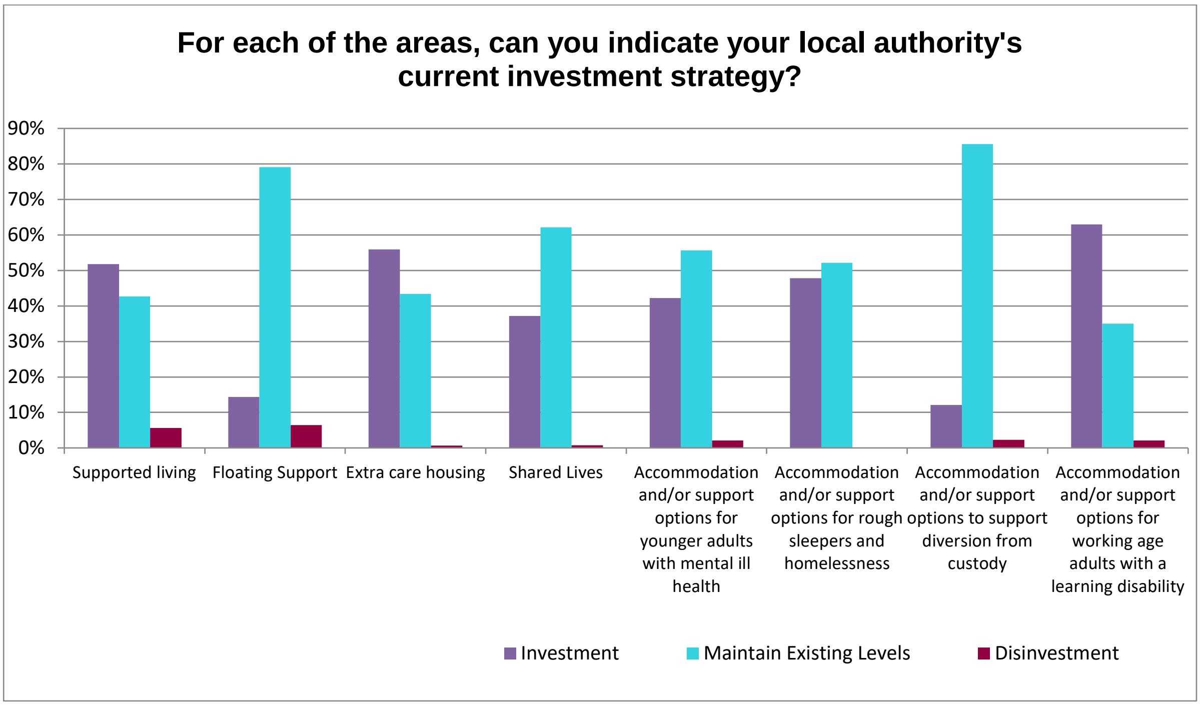
Investment in accommodation and/or support options for working age adults with a learning disability is seen as the area of investment that would have the greatest impact on enabling people to live healthier and independent lives for a longer period. Nearly half of Directors (45%) ranked this as having either the greatest or second greatest impact. This was followed by Supported Living, which is a service designed to help people with a wide range of support needs retain their independence by being supported in their own home, which was ranked as having either the greatest or second greatest impact by 40% of respondents. Extra care housing was ranked as the third most impactful area for investment, with 35% of Directors ranking this as having the greatest or second greatest impact.

Figure 25: Views on likely impact of different areas of investment



Directors were also asked to give more information about their authority's current investment strategy in each area. Over 60% of councils are planning to invest in accommodation and/or support options for working age adults with a learning disability, and over 50% are planning to invest in supported living and extra care housing. These plans are consistent with Directors' views on the relative importance of each approach (see Figure 26).

Figure 26: Councils' current investment strategies



Directors were asked how much adult social care plan to spend on voluntary, community and social enterprise (VCSE) sector services over several years, excluding regulated services (See Figure 27). In the current financial year Directors have budgeted to spend £465m on VCSE services, which was a reduction of 6.1% on the previous year's allocated expenditure and

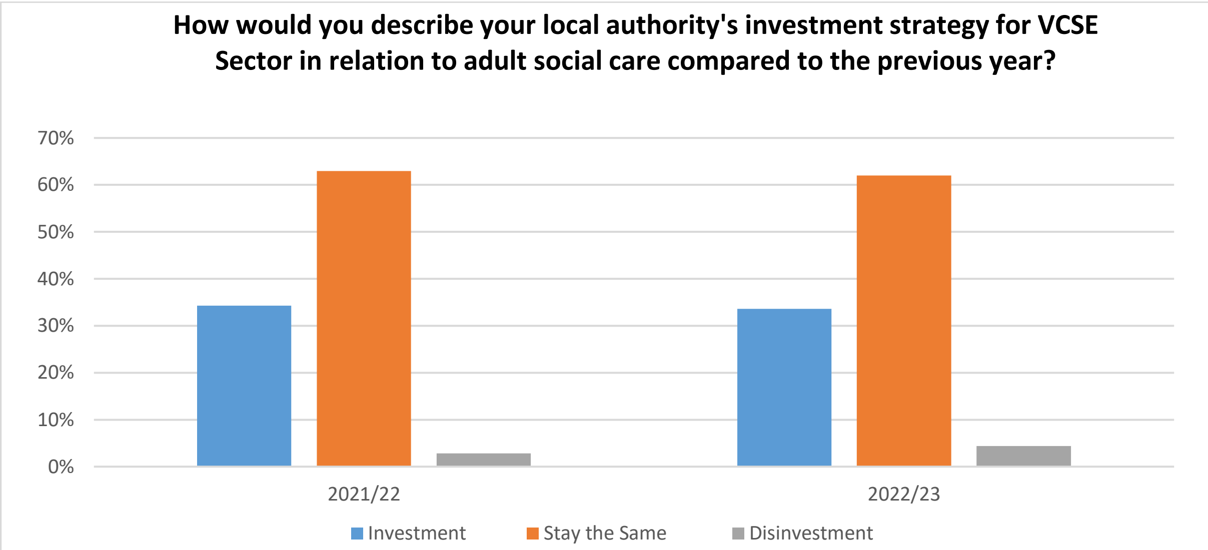
£39m reduction on 2019/20. This is significant as Directors also said that they saw the development of asset-based approaches, including working with individuals on their strengths, self-help and community as important for making savings. Whilst identifying this as the right thing to do, making it happen is clearly difficult. It is likely that this reduction is, in part at least, a consequence of the challenging budgetary situation facing adult social care and the need for Directors to prioritise funding on meeting statutory duties which consequently means that budgets for discretionary services have had to be reduced year on year.

*Figure 27: Adult social care planned expenditure on VCSE services in the following years (excluding regulated services) * figures extrapolated to 152 LAs for comparative purposes*

	2019/20	2020/21	2021/22
ASC expenditure on VCSE services (excluding regulated services)	£504m	£495m	£465m
% change on previous year		-1.8%	-6.1%

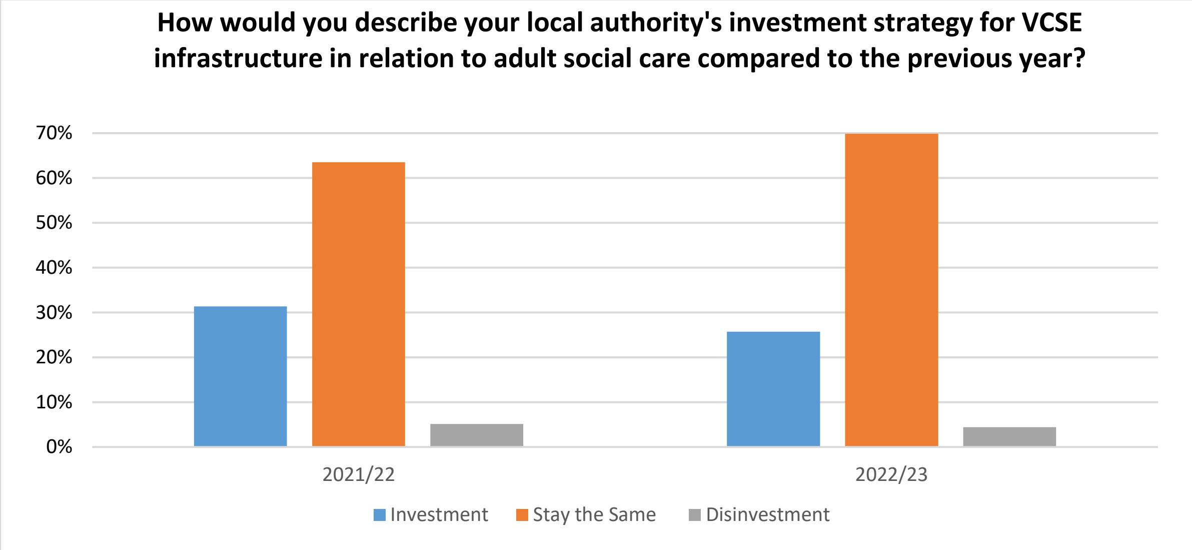
34% of Directors indicated that their local authority is investing in the VCSE sector in 2021/22 for adult social care, with 63% stating that they are maintaining existing levels of funding, whilst the remaining 3% have disinvested (See Figure 28). Looking forward to 2022/23 the proportions remain relatively static with 34% of Directors indicating that their local authority will be investing more in the VCSE sector, with 62% stating that they will maintain existing levels of expenditure and 4% expecting a strategy of disinvestment.

Figure 28: *Local Authority Investment Strategy for the VCSE Sector in relation to adult social care compared to the previous year*



Directors were asked what their local authority investment strategy was for VCSE infrastructure in relation to adult social care. For 2021/22 31% of Directors stating that their council is investing more than the previous year, with 64% stating that funding will remain at the same level and 5% indicating that their council is disinvesting. In 2022/23 just over a quarter (26%) of Directors plan to invest more in VCSE infrastructure (see Figure X29.

Figure 29 Local Authority Investment Strategy for VCSE infrastructure in relation to adult social care compared to the previous year



Directors were also asked about their investment in the VCSE sector for Covid-specific purposes. Just over 50% reported that their council's investment in the VCSE had increased. However, only 30% had increased their spend on VCSE infrastructure, or organisations that exist to support the VCSE sector to achieve its aims, for example though training, research, funding application support, sourcing volunteers, facilitation and convening.

Discharge to Assess

During the pandemic, arrangements were made and guidance issued in relation to 'Discharge to Assess'. This removed the requirement for assessments and planning to be undertaken in hospital for people needing care on discharge (except where there concerns about abuse and neglect which needed investigating before people went home).The intention was for people to be discharged from hospital and then for their needs to be assessed and planning for their future to be undertaken It was accompanied by additional short term funding. There are additional costs and staff time required to undertake assessment and planning in people's homes or in multiple intermediate care/ reablement settings rather than on a single hospital site.

Directors were asked how much extra social work time/capacity it has taken their local authority to cover assessments and care planning in multiple locations rather than hospitals for the six-week Discharge to Assess process enacted since the onset of Covid-19. On average, respondents indicated that to support this process an additional 27% uplift in social work time/capacity was required.

Continuing Healthcare (CHC)

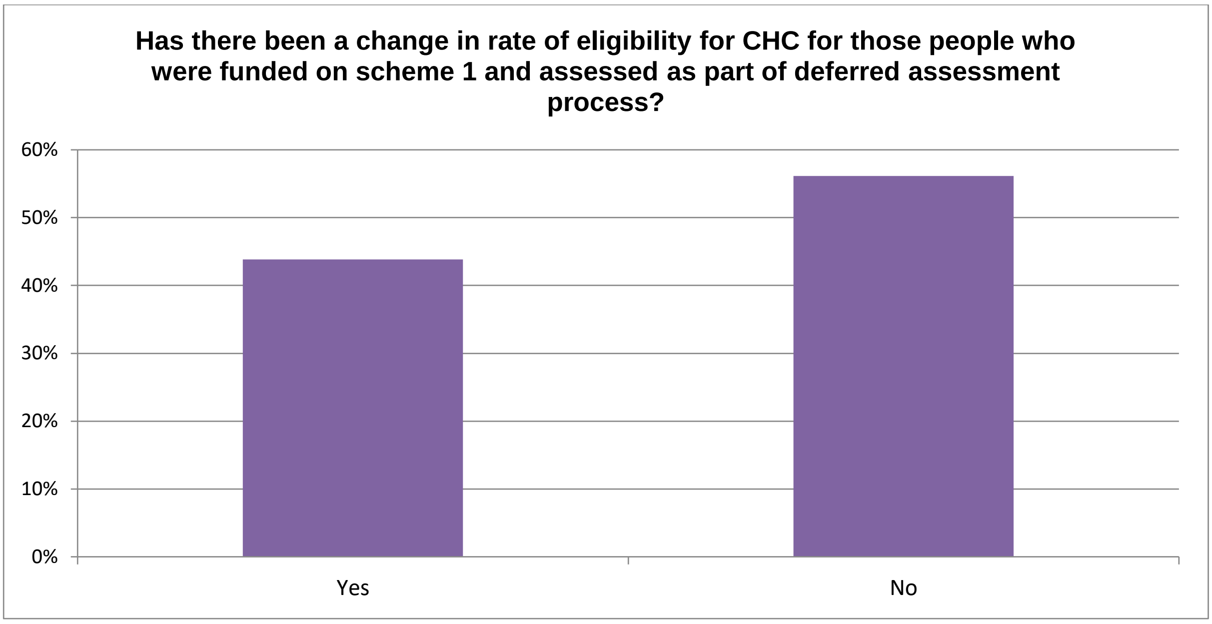
As part of the Government's response to Covid-19, Clinical Commissioning Groups (CCGs) suspended NHS Continuing Healthcare (CHC) activity so that support could be given to local frontline NHS services responding to the pandemic. The emergency period ran from 19 March 2020 – 31 August 2020.

In addition to restarting assessments, CCGs were also required to review individuals who were unable to have an assessment for NHS Continuing Healthcare during the emergency period.

An assessment or consideration for NHS Continuing Healthcare also requires the involvement of adult social care services from the local authority.

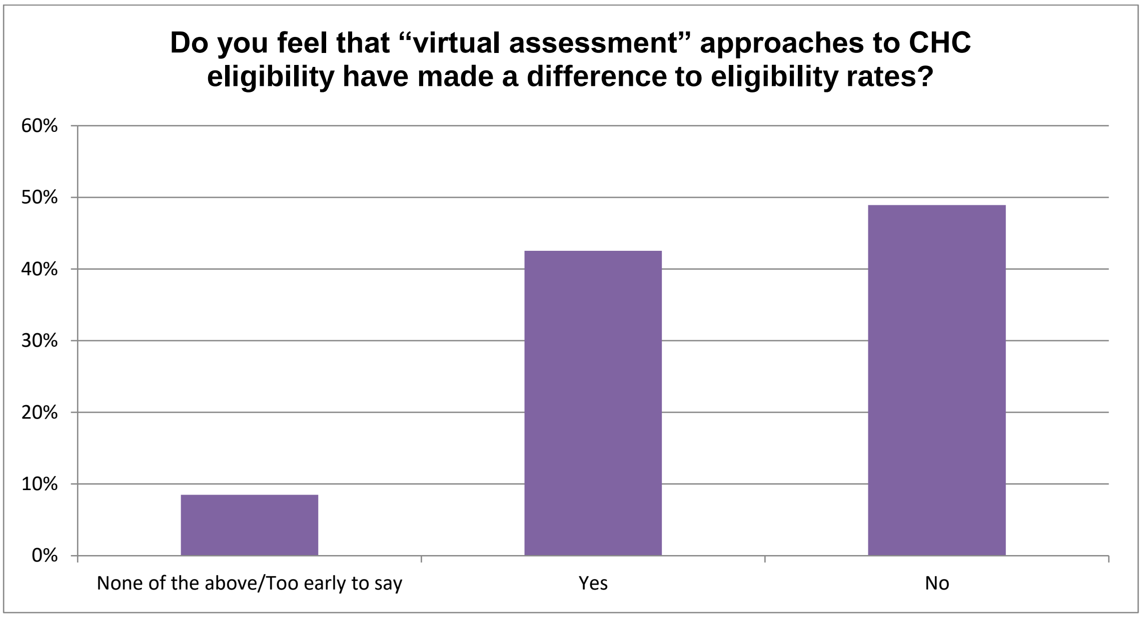
Directors were asked if there has there been a change in rate of eligibility for CHC for those people who were funded on scheme 1 and assessed as part of deferred assessment process. 43% of respondents indicated that there has been a change, with the remaining 57% indicating that there has been no change in their local area (See Figure 30).

Figure 30: Change in Rate of Eligibility of CHC for those people funded on scheme 1 and assessed as part of the deferred assessment process



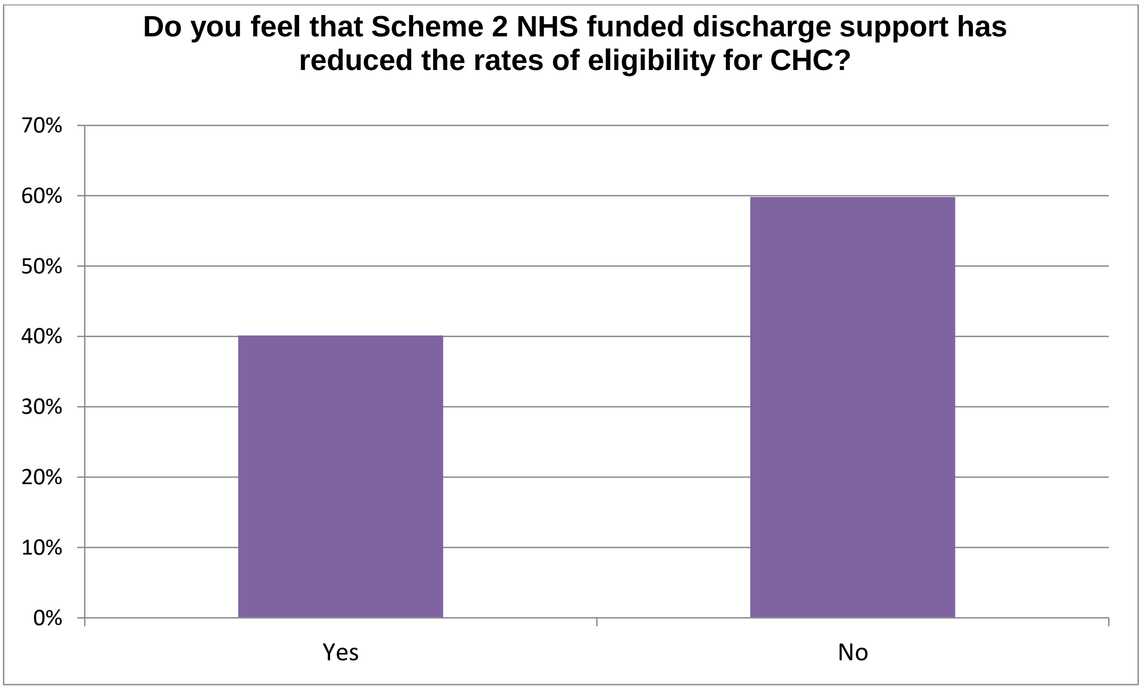
The same proportion of Directors (43%) indicated that they felt 'virtual assessment' approaches to CHC eligibility have made a difference to eligibility rates, whereas 48% felt they had not (See Figure 31). The remaining 9% of respondents felt that it was either too early to say or it was 'none of the above'. Virtual assessments have been undertaken on a widespread basis and by and large CHC assessors have had to rely on information from other professionals. There are reports of some concerns that this process may have meant that the assessor who best understands CHC eligibility has not had all information available. This may have limited opportunities for people to be fully assessed in the community and where informal carers provide high levels of support. Equally though, there have been many reports that virtual assessments and Multi-Disciplinary Teams have enabled better engagement with families to participate in the process and it is important to maintain the positive learning from the context of the pandemic.

Figure 31: Proportion of Directors that feel "virtual assessment" approaches to CHC eligibility have made a difference to eligibility rates



Directors were asked whether they felt that scheme 2 NHS funded discharge support has reduced the rates of eligibility for CHC (See Figure 32). 40% of Directors indicated that it had reduced eligibility for CHC, whilst the remaining 60% felt it had not. Concern had been raised in some areas that the efforts to clear the CHC backlog meant that quality of assessment was being replaced by 'throughput'. It is reassuring that 60% of respondents have not felt this has impacted on eligibility rates. However, it does leave some questions if rates have changed in some areas, while also acknowledging that the context of the pandemic was unique.

Figure 32: Proportion of Directors that feel that Scheme 2 funded discharge support has reduced rates of eligibility for CHC



3.8 DEPRIVATION OF LIBERTY AND LIBERTY PROTECTION SAFEGUARDS

The Liberty Protection Safeguards (LPS) are currently scheduled to be implemented from 1 April 2022. The three-month public consultation on the regulations and the LPS Code of Practice is anticipated to begin very soon and to be completed by the Autumn. Following any required amendments, the regulations and code will require formal parliamentary ratification prior to finalisation, and after that there will be a period of preparation (workforce planning, recruitment, training and IT systems development) leading up to implementation. It is necessary to use existing data about DoLS and Court of Protection authorisations to inform councils and other responsible bodies about future demand for LPS authorisation, which in turn will inform workforce requirements.

Directors were asked how many applications their local authority made in 2020/21 to the Court of Protection for authorisation of deprivations of liberty in settings other than hospitals or care homes. In total 115 Directors responded to this question and they indicated that a total of 3,230 applications were made to the Court of Protection in 2020/21, which averages out at 28 applications per local authority. Extrapolated up to 152 local authorities the total applications made would be 4,269.

In order to obtain an estimate of the proportion of cases that would transfer from local authorities to CCGs or their successors (in the case of continuing healthcare) or to NHS Trusts (in the case of NHS hospitals), when the LPS scheme replaces the DoLS scheme, Directors were asked what proportion of their DoLS applications in 2020/2021 were for arrangements that were:

- **Made under Continuing Healthcare**: The average percentage figure (based on 84 responses) was 11%
- **Within NHS hospitals:** The average percentage figure (based on 116 responses) was 32%

Directors were asked how confident they were that their council will be ready to implement the Liberty Protection Safeguard reforms from 1 April 2022. Respondents were asked to provide a score out of 10, with a score of one meaning that they were not at all confident and a score of ten meaning that they were extremely confident. The average score from the 142 Directors that responded to this question was 5.3 out of 10, indicating that respondents are not very confident.

4. CONCLUSIONS

Taken together, the ADASS Activity Survey 2021 and ADASS Spring Survey 2021 make clear why the need for the Government to publish its promised plans for adult social care and to provide sustainable funding is now more urgent than ever.

The Activity Survey paints a picture of increasing need across most aspect of care and support, and of the spectre of growing unmet and undermet need which impacts on life and wellbeing. This report shows it is increasingly clear that the funding is not there to meet that need. Every day directors, social workers and the councils they are in are having to make invidious decisions about who gets care and support, what they cannot afford to pay for, how much they charge, and to balance maintaining life-saving and sustaining support today versus reshaping care and support for the future.

The Covid-19 pandemic impacted terribly on people needing and working in care and support. It has presented further challenges and increased the care and support needs of many of us with councils less able to address those needs. Covid-19 funding from the Government has dampened the impact some of the worst excesses of the pandemic, however the numbers of short term grants, increases from local taxation and the limp from annual settlement to annual settlement with one-off and short-term funding creates instability and prevents longer-term planning and investment to support better lives and a better economy.

For too long adult social care has been viewed as a political problem and reform a costly proposition. We believe that there is a fundamentally different way of viewing social care. High quality care and support enables people to live good lives. It enables people to live, work and to remain connected within their local communities. Carers can balance their caring responsibilities with the need to be remain economically and socially active. Adult social care has the potential to drive local post-Covid economic recovery, providing rewarding jobs for thousands of people, driving housing with care developments, and bring investment to local communities. The alternative is worsening financial pressures, ever more difficult choices, fewer care staff and a grinding continuation of decline, with the resulting devastating impact upon millions of us.

That is why we are calling for calling for the Government to:

1. Urgently publish its promised plans for adult social care which reflect the lives and experiences of working age people, older people, and carers.
2. Use the proposed Spending Review this autumn to provide both sustainable funding that enables local authorities and their partners to address the immediate gaps identified by this report, as well as shape a better future.
3. A commitment to a 10-year plan for adult social care that complements the NHS long-term plan.

Our shared ambition must be for many more people to be able to access care, support and safeguards at home, with fewer people living in care homes and other residential settings, fewer people with learning disabilities or mental ill health in prisons and a greater prioritisation of early interventions and support. At the moment the NHS is prioritising supporting hospitals to recover surgical activity as we collectively emerge into the next phase of pandemic. This is only deliverable with robust and sustainability funded adult social care. However, it is the difference that high quality care and support makes to all of our lives, our communities and our economy that should be the catalyst for change and investment.

ADASS is the Association of Directors of Adult Social Services in England. We are a charity, a leading, independent voice of adult social care.

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