

Adult social care at a glance





Executive summary

This overview looks at the adult social care landscape in England, updating our report *Adult social care in England: an overview* (2014). This report adds to the National Audit Office's (NAO's) work on adult social care. It provides up-to-date analysis of key trends in adult social care and highlights pressures on the system and the latest developments.

The content of the report has been shared with the Department of Health & Social Care, NHS England, the Ministry of Housing, Communities and Local Government, the Local Government Association, the Association of Directors of Adult Social Services, and the Care Quality Commission to ensure that the evidence presented is factually correct.

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Context describes adult social care including developments since our 2014 report



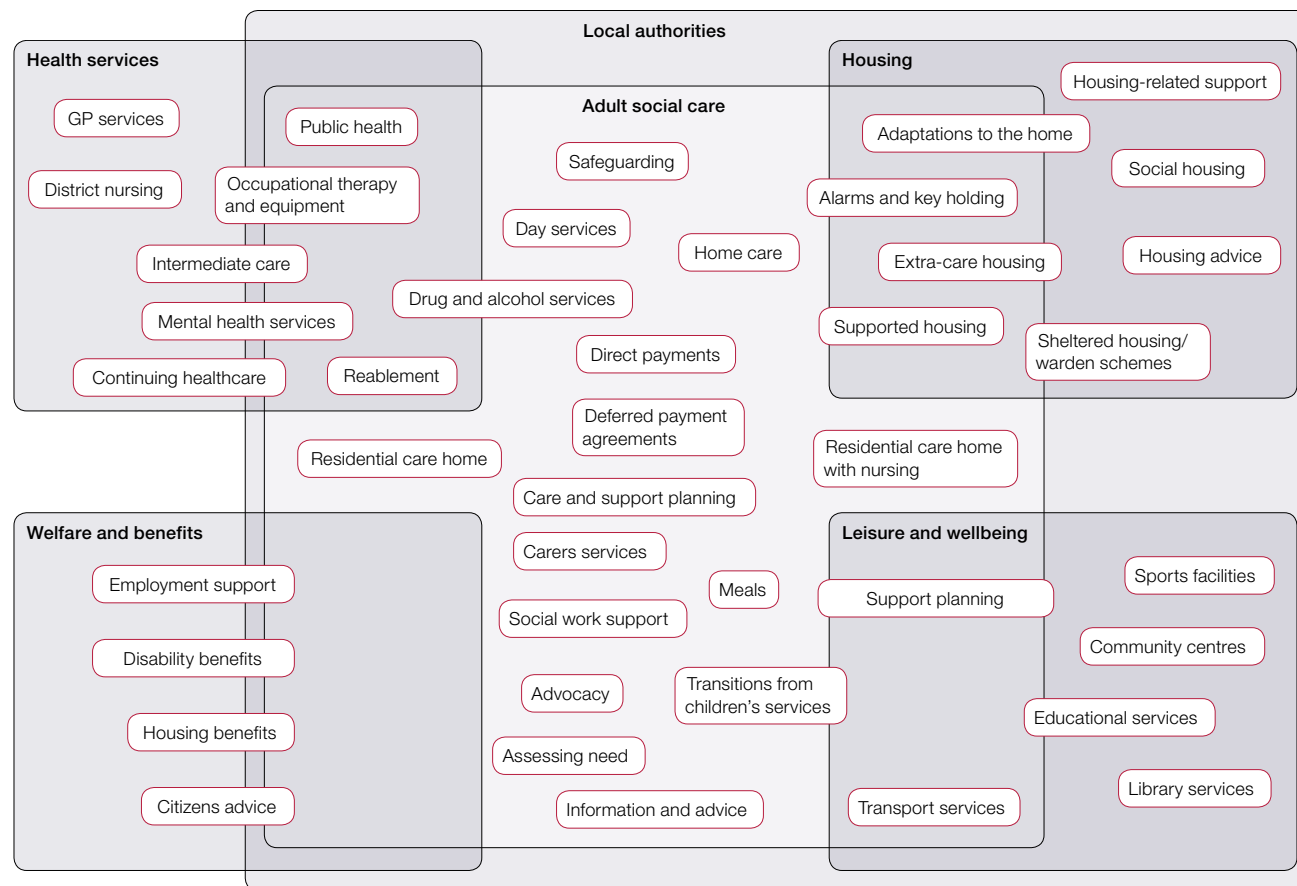
What is adult social care?

Adult social care covers social work, personal care and practical support for adults with a physical disability, a learning disability, or physical or mental illness, as well as support for their carers.

Adults with care needs cannot perform some activities of daily living such as washing, dressing, cooking, and shopping without support. These needs are often multiple and interrelated with other needs. Adult social care is therefore part of a complex system of related public services and forms of support.

Adult care services and other services

How well adults' needs are met depends on a wide range of public services interacting effectively



Source: National Audit Office

Access to and types of adult social care

Adults with care needs are supported in two main ways: either formally through services they or their local authority pay for; or informally by family, friends, or neighbours. Some adults may get their care needs met through a combination of these different ways, and some voluntary organisations provide free formal services. Social care paid for by local authorities makes up a minority of the total amount of care.

Page 13 sets out some of the main categories of local authority arranged social care.

Eligibility for adult social care

Local authorities apply national criteria to assess whether people are eligible for social care.

These national criteria were introduced by the Care Act (2014), and reduced the variation in the eligibility for social care between local areas. Authorities are still able to provide services to people who are assessed as being below the national minimum threshold.

Before the introduction of the Care Act, local authorities were able to set their own thresholds for the need for social care based on the criteria set out in the Fair Access to Care Services framework.


The Care Act (2014) requires local authorities to ensure the provision or arrangement of services, facilities or resources to help **prevent, delay or reduce** the development of needs for care and support. To get social care, people need to meet national eligibility criteria and if the local authority charges for the required type of support, undergo means-testing.¹


An adult or their carer may require help to manage their social care and support needs.


Needs such as:


- managing and maintaining nutrition;
- maintaining personal hygiene;
- managing toilet needs;
- being appropriately clothed;
- being able to make use of the adult's home safely and maintain a habitable home environment;
- developing and maintaining family or other personal relationships;
- accessing and engaging in work, training, education or volunteering;
- making use of necessary facilities or services in the local community including public transport and recreational facilities or services; and
- carrying out caring responsibilities for a child.

There are several routes to getting these needs met

 Approach the local authority social services to apply for help. This is subject to an eligibility assessment. The provision of social care is also means-tested. Depending on a person's financial situation, they may be asked to contribute to some or all of their costs of care.

 Arrange and pay for care privately. An adult may choose to do this where they have capital and savings above the local authority financial thresholds. A person who decides to do this may be described as a 'self-funder'.

 Receive care and support from family members or friends.

 **Financial assessment:**
A person will have to pay the full cost of their care if they have more than £23,250 in savings. Unless they are going into a care home, this amount does not include the value of the person's property.
If savings are less than £23,250 but more than £14,250 then the local council will pay for care, but the person will have to contribute £1 to the fees for every £250 of savings they have.
If a person has less than £14,250 in savings, their care will be fully paid for by the council.
Local authorities also take a person's income into account during the financial assessment.

Note

¹ Except for information and advice and safeguarding.

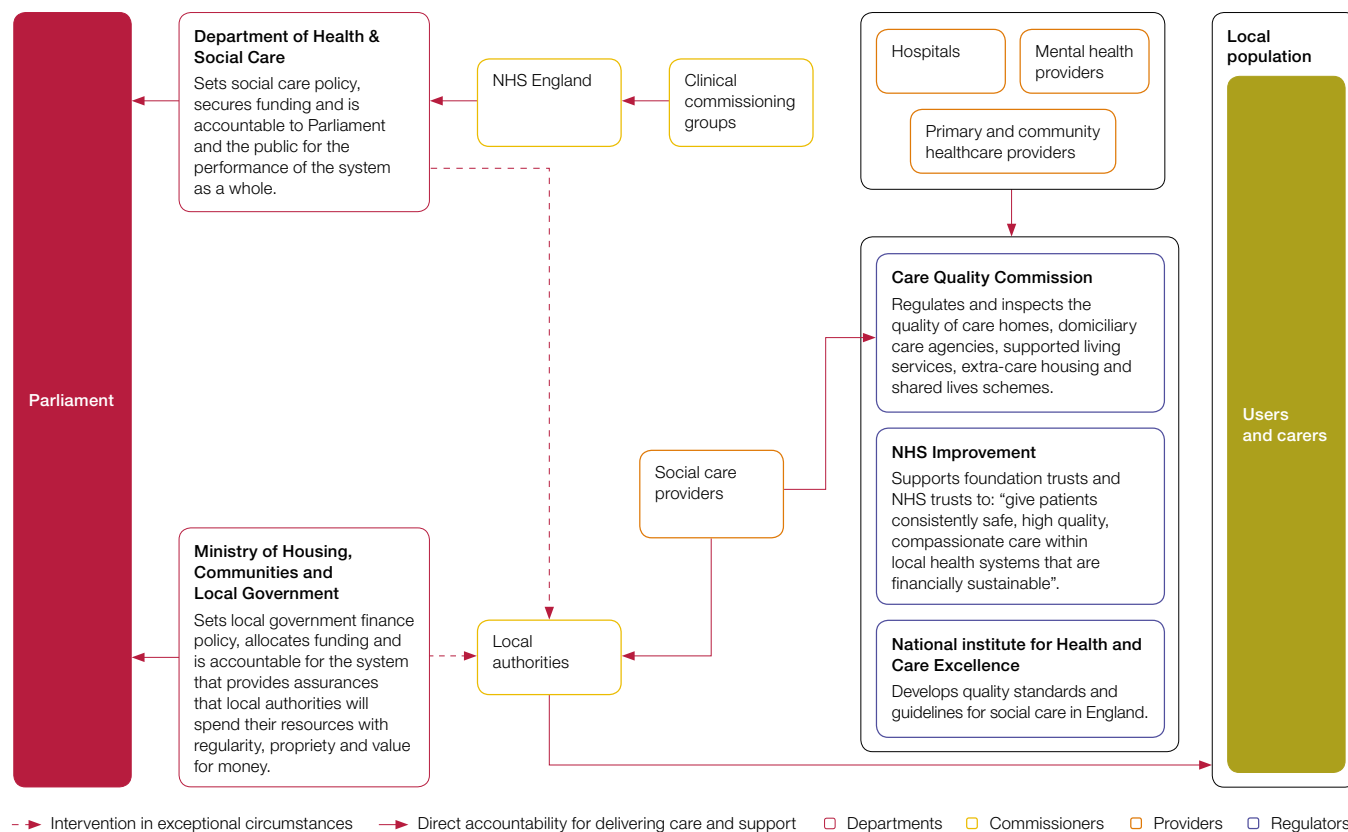
Source: National Audit Office

Accountability for adult social care

The Department of Health & Social Care is responsible for health and adult social care policy in England. The Ministry of Housing, Communities and Local Government has responsibility for local government finance and the accountability system. NHS England is responsible for supporting clinical commissioning groups and for the commissioning of NHS services overall.

Local authorities commission social care and a small minority also provide care services. Local authorities do not have direct accountability to government – instead they are accountable to the local population.

Accountability system for adult social care



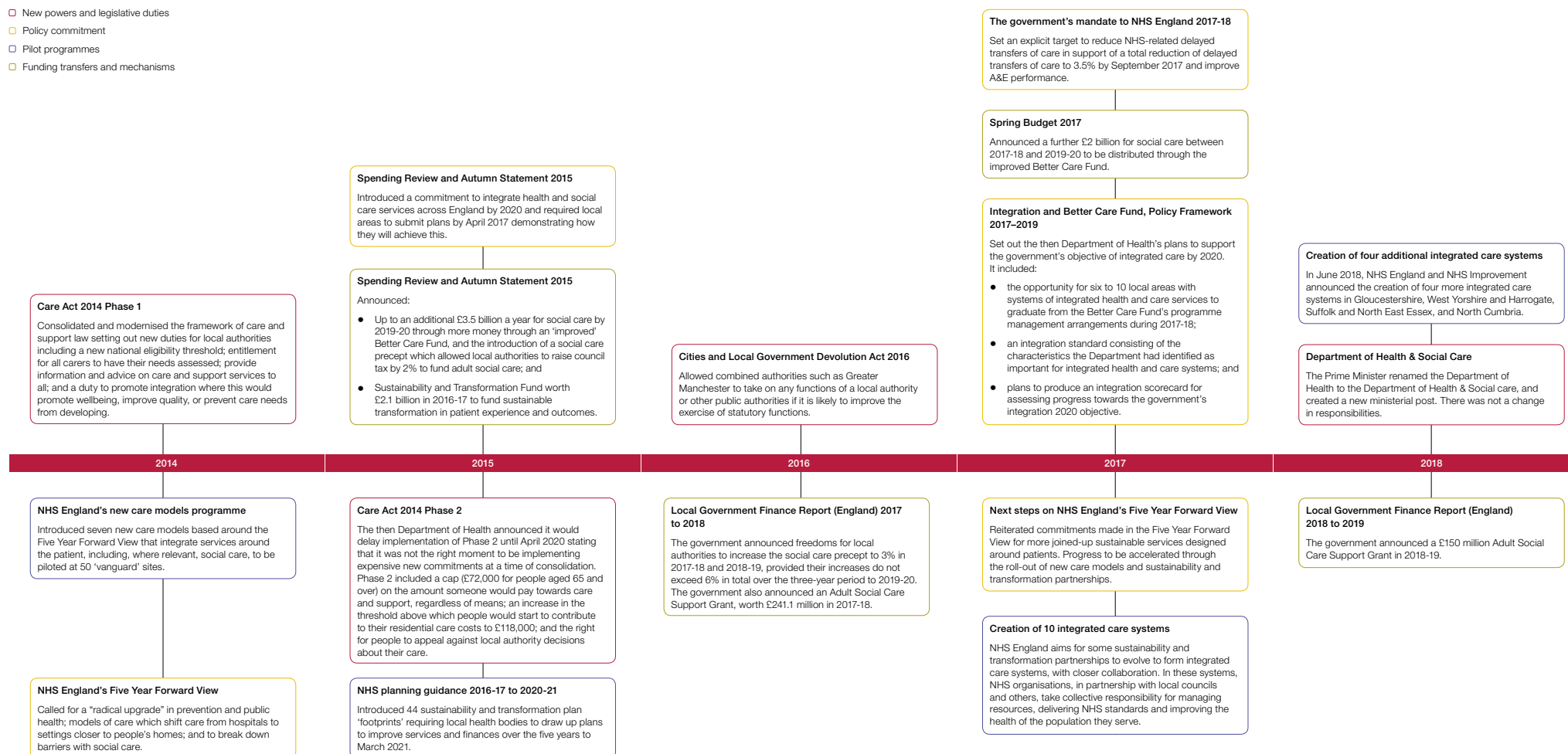
Note

1 This diagram is not scaled to represent responsibility.

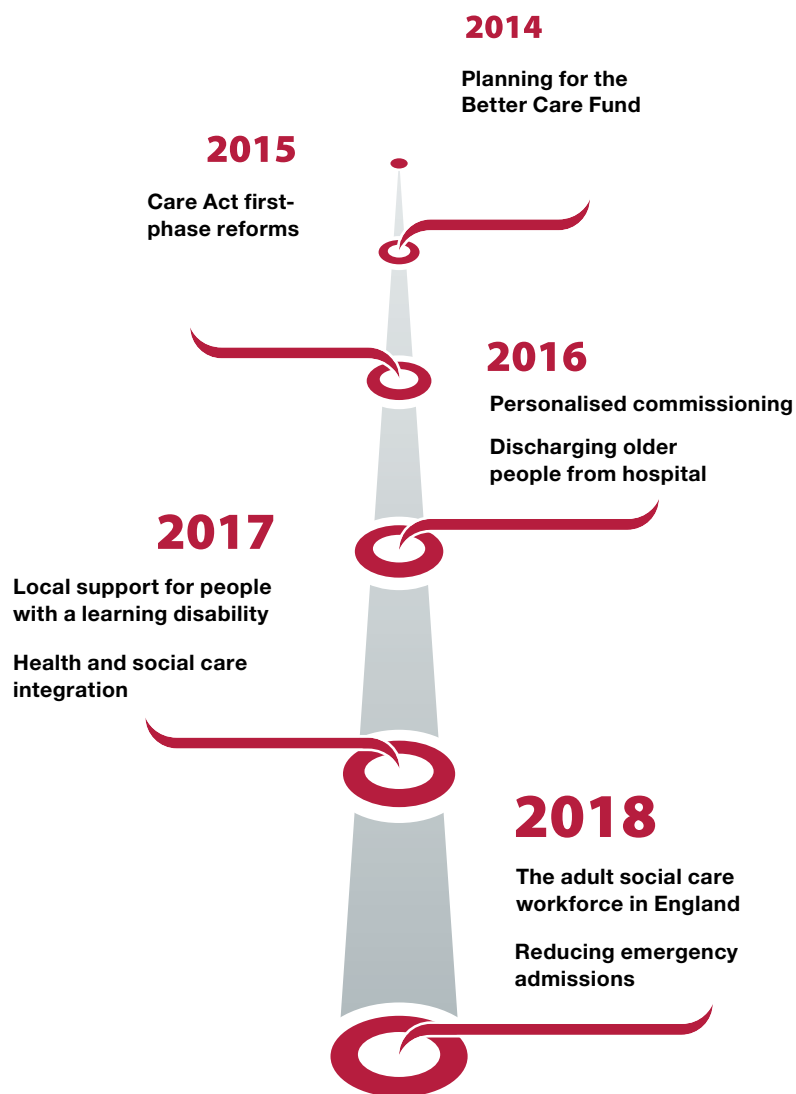
Source: National Audit Office

Developments since our report *Adult social care in England: an overview* (2014)

- New powers and legislative duties
- Policy commitment
- Pilot programmes
- Funding transfers and mechanisms



National Audit Office reports on adult social care



Since we published our original adult social care overview report in 2014 we have published a series of reports which looked at specific programmes and issues in more depth.

Planning for the Better Care Fund (2014)

This report examined the Better Care Fund including how the scheme was designed, how the programme was managed and the support offered to local areas.

We found that the Fund was an innovative idea for joining up care services locally for the benefit of patients. However, the quality of early planning and preparations did not match the scale of ambition. Since the redesign of the Fund in July 2014 programme management had improved. New plans offered savings of £532 million.

Personalised commissioning (2016)

This report reviewed progress with personalised commissioning. It looked at the practical challenges and opportunities associated with implementing personalised commissioning given the financial environment and the extension of personal budgets into healthcare.

We found that some authorities were finding personalising commissioning a challenge as they sought to save money, particularly in areas where providers were under financial strain. Authorities were limiting the extent to which some users' services were personalised because of financial pressures.

Health and social care integration (2017)

This report looked at how integration was progressing within and between the separate adult social care and health systems, and the extent to which it had benefited patients.

We found that in 2015-16 the Better Care Fund had increased joint working and the provision of integrated services; however, the Fund had not yet achieved its potential to manage demand for healthcare, support out of hospital care, improve outcomes for patients or save money. We also found that the relevant government departments did not yet have the evidence to show that they could deliver their commitment to integrated services by 2020 at the same time as meeting existing pressures.

The adult social care workforce in England (2018)

This report looked at the Department of Health & Social Care's role in overseeing the adult social care workforce and whether the size and structure of the workforce was adequate to meet users' needs for care now and in the future.

We found there were highly visible challenges in recruitment and retention and increasing numbers of people with some level of unmet care needs. Despite these challenges, the Department did not have a current workforce strategy and had not followed through on key commitments to enhancing training and career development and tackling recruitment and retention.

Care Act first-phase reforms (2015)

The report looked at the Care Act Phase 1 changes occurring in April 2015 and the financial impact for the implementation of Phase 2.

We found that the Department of Health managed the introduction of Phase 1 well. However, we assessed that the uncertain level of demand with the Department's cost estimates and chosen funding mechanisms put local authorities under increased financial risk.

Discharging older people from hospital (2016)

This report examined how effectively the health and social care system was managing the discharge of older patients from hospital.

We found that unnecessary stays in hospital resulted in worse health outcomes for patients and wasted already strained NHS hospital resources, as well as increasing the long-term care needs and costs for social care. The number of delayed transfers of care were increasing at an alarming rate but did not capture the full extent of the situation. We estimated the cost to the NHS was around £280 million.

Local support for people with a learning disability (2017)

This report was a follow-up to our 2015 report on *Care services for people with learning disabilities and challenging behaviours*. It assessed progress to move people out of mental health hospitals and into the community, and how the NHS and local authorities sought to improve the lives of the wider learning disability population.

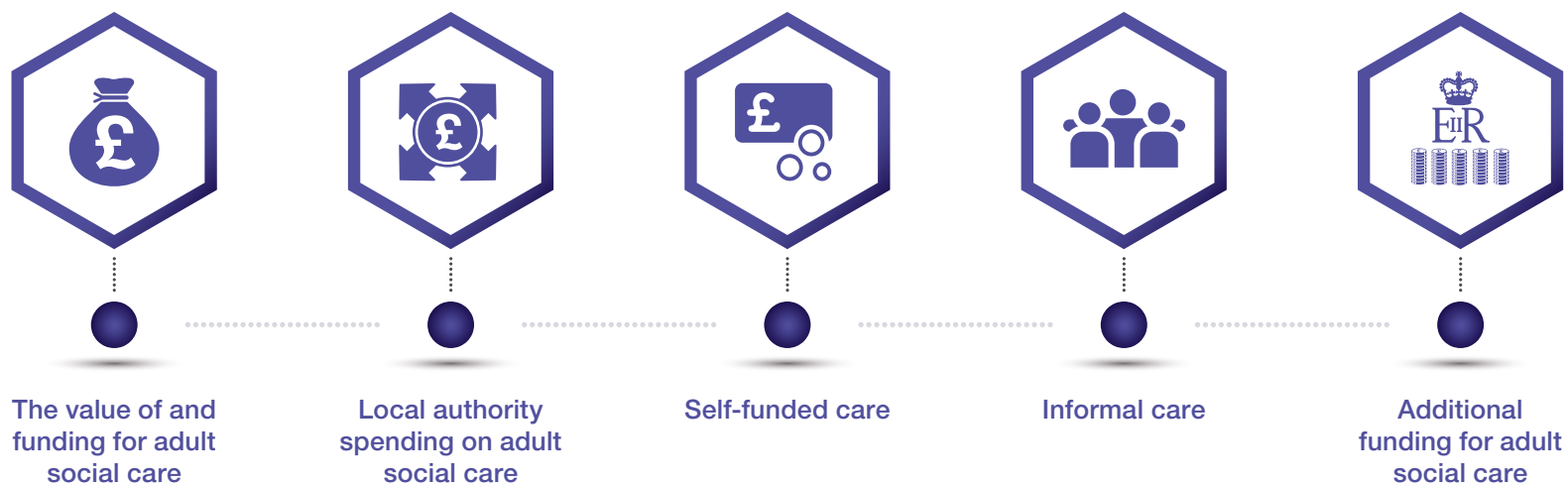
We found that the Department of Health, NHS England and programme partners had made good progress with some aspects of Transforming Care but did not yet have in place the necessary conditions, such as a workforce with the right skills.

Reducing emergency admissions (2018)

This report looked at the progress NHS England and the Department of Health & Social Care were making in reducing emergency admissions to hospital.

Over the last four years, the NHS had done well to reduce the impact of emergency admissions. Furthermore, the cost of emergency admissions had not increased in line with the growth in numbers. We found the impact on hospitals of rising emergency admissions posed a serious challenge to the NHS. However, the NHS could not know if its approach was achieving enduring results until it understood whether reported increases in readmissions were a sign that some people admitted as an emergency are being discharged too soon. The NHS also still had too many avoidable admissions and too much unexplained variation.

Spend sets out spending on adult social care



Value of and funding for adult social care

Funding for adult social care

This diagram outlines estimates of the value of the care system, including health and welfare services, care provided by the voluntary sector and informal care.

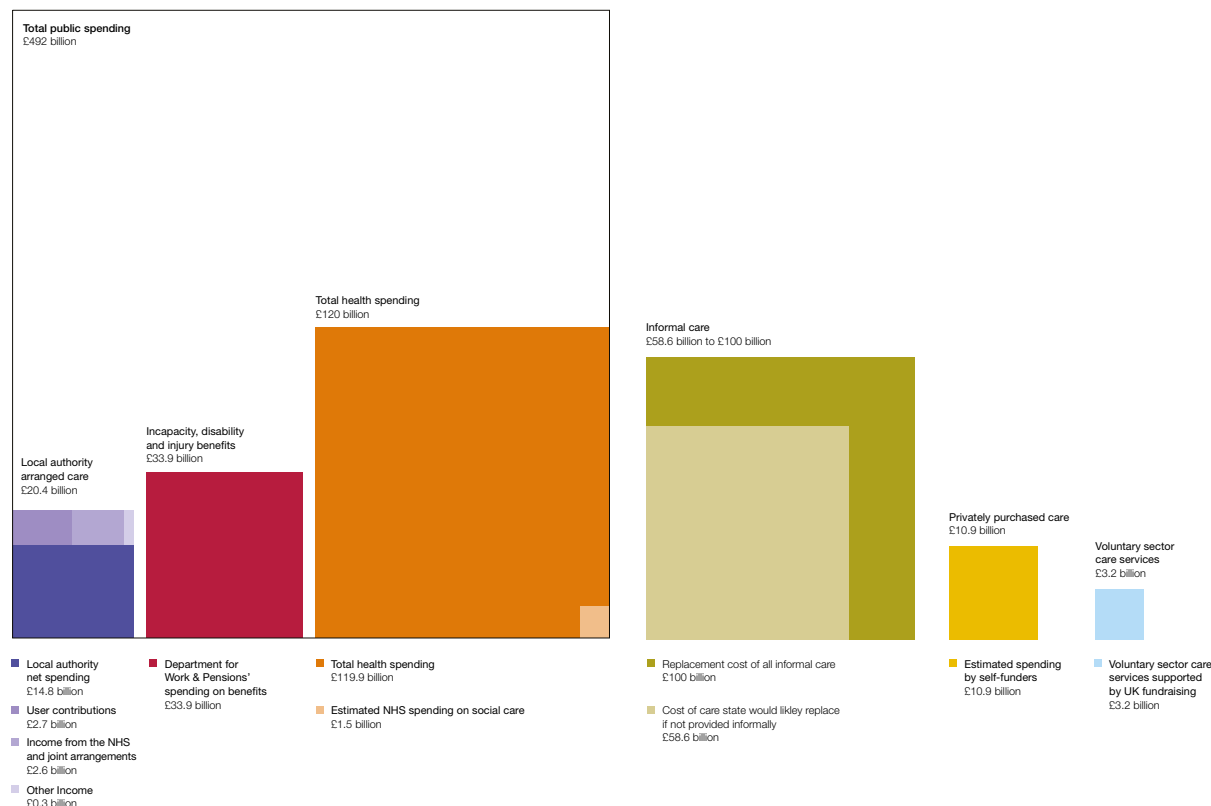
Most care is provided informally by unpaid family, friends and neighbours who provide personal care, practical help and coordinate formal services. Estimates of the value of informal care are as high as nearly £100 billion per year.

The total value of care arranged by local authorities in 2016-17 was £20.4 billion. Local authorities fund the care they arrange primarily from three sources:

- council tax, government grants and business rates;
- user contributions: social care is means-tested with some users paying contributions towards their care; and
- income from the NHS and other joint arrangements: local authorities cannot lawfully commission services that are clearly the responsibility of the NHS, for example nursing care needed for health reasons. Where this is the case local authorities will receive income from the NHS to cover the cost of meeting those needs they do not have a duty to meet.

In 2016-17, we estimated privately bought care by self-funders without local authority involvement amounted to £10.9 billion.

Estimates of the value of care for adults 2016-17



Note

1 NHS Digital, Adult Social Care Activity and Finance Report 2016-17 local authority net spending on adult social care (£14.8 billion) differs slightly from Department for Communities and Local Government, Revenue Outturn Summary 2016-17 (£14.9 billion).

Source: 1) HM Treasury, Country and Regional Analysis, November 2017; 2) NHS Digital, Adult Social Care Activity and Finance Report 2016-17; 3) Office for National Statistics, Household satellite accounts: 2005 to 2014, April 2016 4) National Audit Office estimate based on Carers UK, Valuing Carers 2015, November 2015; 5) Skills for Care, The economic value of the adult social care sector in England, February 2013; 6) National Council for Voluntary Organisations, 2013-14 UK estimate for adult and children's social services combined, UK Civil Society Almanac 2016; 7) NHS England, Better Care Fund: 2016-17 Planning Data, Submission 4, unpublished

Local authority spending on adult social care

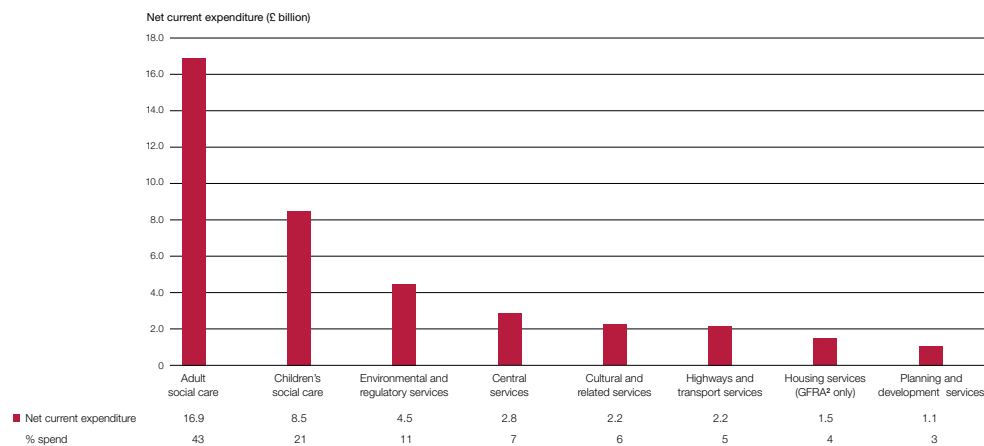
Adult social care is the largest area of spend for local authorities

In 2016-17, 43% of local authority spend on main services was used to fund adult social care, double that of children's social care (21%) and more than 10 times spend on housing services (4%).

Local authority spending on social care is falling while income from the NHS is rising

Between 2010-11 and 2016-17, local authority net spending on adult social care fell by 8% while income from the NHS increased by 25%. This increase in income from the NHS helped contribute to a real-terms rise in the value of local authority arranged care of 3% between 2014-15 and 2016-17.

Local authority spend by main service area 2016-17

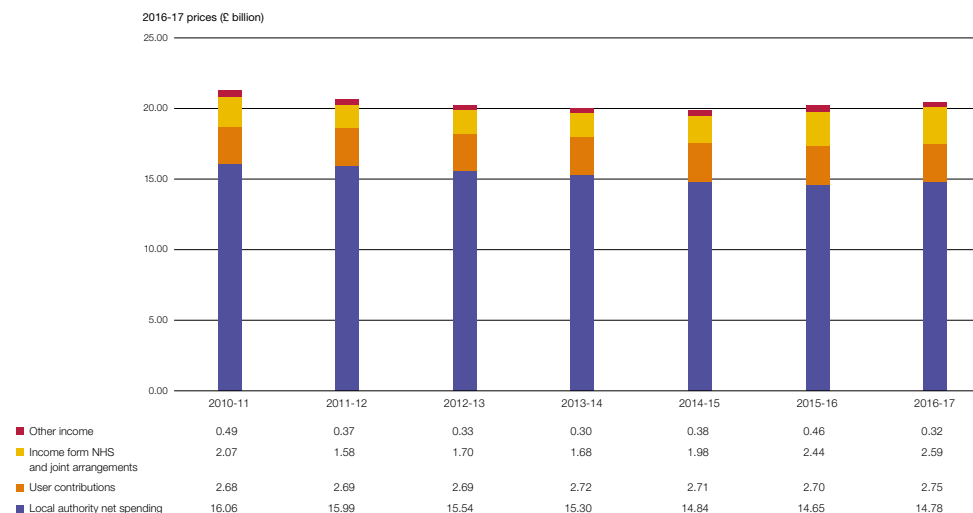


Notes

- ¹ Net current expenditure excludes spend on non-schools education, fire and other services and includes NHS Digital estimate of Better Care Fund expenditure on adult social care (£1.97 billion).
² GFRA is the General Fund Revenue Account. This provides revenue funding for the bulk of local authority services and is funded primarily by government grants, business rates and council tax. It is separate to the Housing Revenue Account which is used to maintain local authority housing stock and is funded primarily through rental income.

Source: National Audit Office analysis of local authority revenue expenditure and financing data

Value of local authority arranged care 2010-11 to 2016-17



Source: National Audit Office analysis of data from NHS Digital, Personal Social Services: Expenditure and Unit Costs, England – 2010-11 to 2015-16 and Adult Social Care Activity and Finance Report 2016-17

Local authority spending on adult social care *continued*

Financial pressures on local authorities

Local authority spending power has fallen, but the rate of decrease is slowing

Government funding for local authorities has fallen by an estimated 49.1% in real terms from 2010-11 to 2017-18. This equated to a 28.6% real-terms reduction in 'spending power' (government funding and council tax). In the 2015 Spending Review and the 2017 Budget, the government provided extra funding to relieve growing spending pressures in adult social care (see [page 19](#)). Consequently,

the rate of reductions has levelled off since 2016-17 for social care authorities, and is predicted to remain relatively flat at 28.7% by 2019-20. If council tax is removed, our analysis shows that spending power funded by government fell in real terms by 49.1% from 2010-11 to 2017-18. The reduction is forecast to be 56.3% by 2019-20.

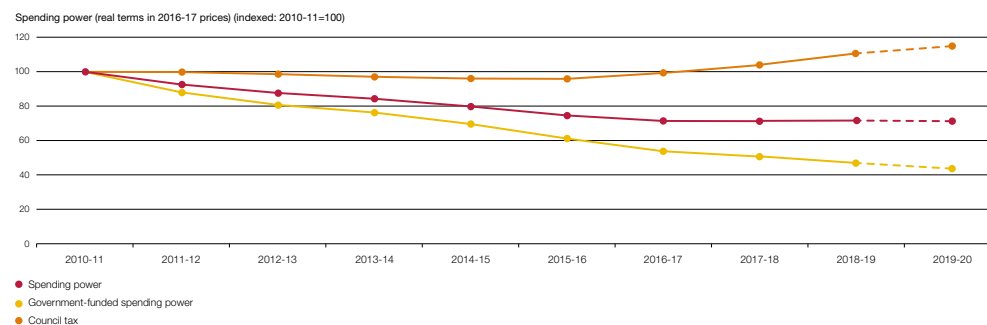
Between 2010-11 and 2016-17, local authority spending on adult social care services reduced by 3.3% in real terms. In contrast, other service areas that do not have as many statutory responsibilities have seen much larger real-terms planned reductions over the same period, with real-term reductions of:

- 52.8% for planning and development;
- 45.6% for housing services;
- 37.1% for highways and transport; and
- 34.9% for cultural and related services.

Local authorities have sought to protect spending on social care

Estimated change in spending power of local authorities in England, 2010-11 to 2019-20

Previous reductions in spending power have largely levelled off but this is a combination of ongoing reductions in government funding and anticipated increases in council tax



Notes

1 Dotted lines indicate Departmental predictions.

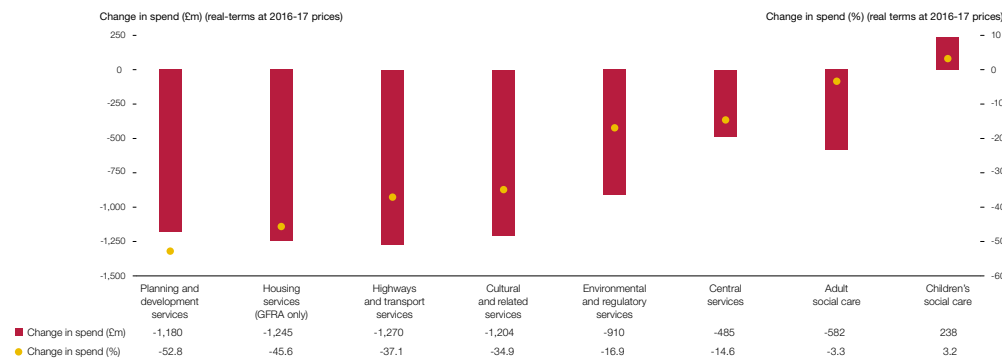
2 Spending power is an indicator that captures the main streams of government funding to local authorities alongside council tax.

3 The values of the three data series are indexed against their 2010-11 values to enable comparison from a common starting point.

Source: National Audit Office analysis of Ministry of Housing, Communities and Local Government data

Change in spend by service area, 2010-11 to 2016-17 – all local authorities in England

Spend on social care has been relatively protected, but several other service areas have seen large reductions since 2010-11



Notes

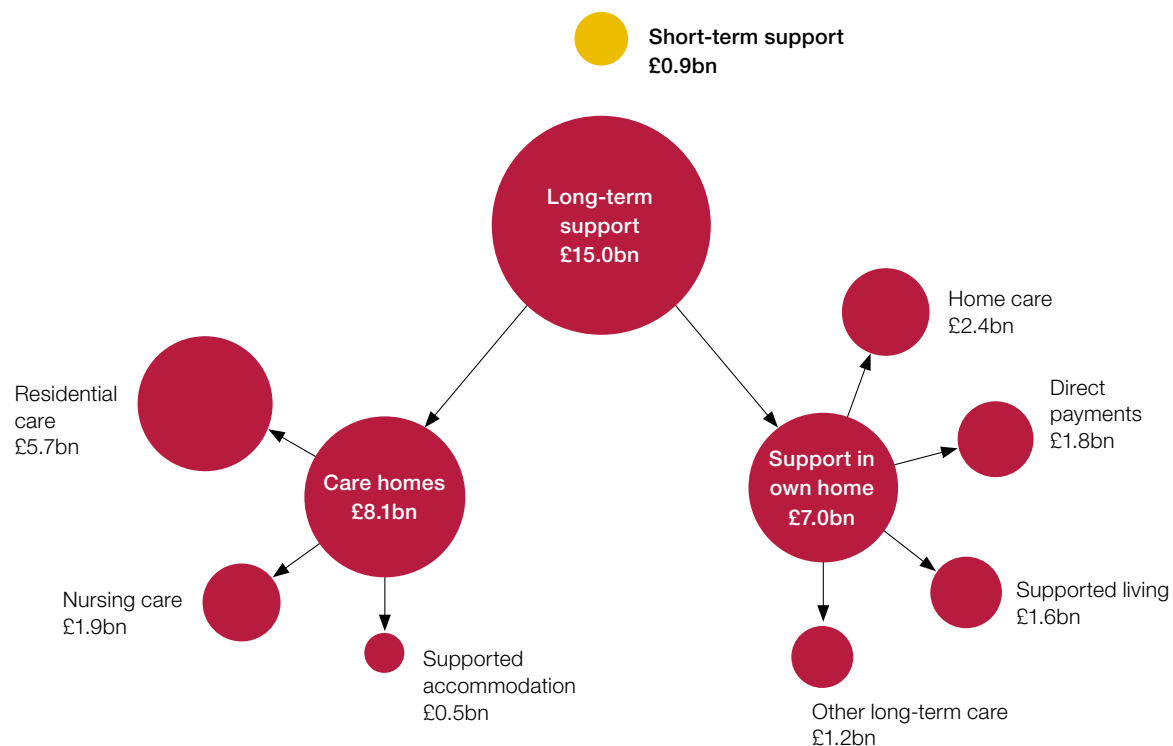
1 Data shown are net current expenditure. However, for adult social care we also include transfers from health care bodies. This includes the element of the Better Care Fund received and used by local authorities.

2 GFRA is the General Fund Revenue Account. This provides revenue funding for the bulk of local authority services and is funded primarily by government grants, business rates and council tax. It is separate to the Housing Revenue Account which is used to maintain local authority housing stock and is funded primarily through rental income.

Source: National Audit Office analysis of Ministry of Housing, Communities and Local Government data. See standalone methodology

Local authority spending on adult social care *continued*

The value and types of short- and long-term support arranged by local authorities during 2016-17:



Notes

- 1 Excludes capital charges.
- 2 Figures may not add up owing to rounding.
- 3 Excludes expenditure on 'social support' which cannot be broken down by short- or long-term care, or by support setting.
- 4 Short-term support includes expenditure on 'other short-term' care which has been excluded from the graphs overleaf.

Source: National Audit Office analysis of data from NHS Digital, *Adult Social Care Activity and Finance Report, England 2016-17*

Local authorities' short- and long-term care services for adults

Short-term support is typically intensive periods of support aimed at regaining skills, confidence and independence lost as a result of illness, injury or disability, normally provided in someone's own home. Support is intended to be time-limited and should be provided free of charge by local authorities for up to six weeks, ending with a formal assessment or review to determine what support will follow.

Long-term support comprise the majority of expenditure. Long-term support can encompass any ongoing service or support provided to help maintain someone's quality of life, allocated on the basis of eligibility criteria/policies ([page 5](#)), and is regularly reviewed. The main types of service include:



Care homes

Residential homes offer care and support in a residential setting throughout the day and night, for example washing, dressing, help at meal times. Some homes offer specialist care, such as dementia care or specialise in learning disability care.

Nursing homes offer the same type of care as residential homes, but with care from qualified nurses.

Supported accommodation includes long-term placements in adult placement schemes, hostels and unstaffed or partially staffed homes.



People supported in their own home

Home care provides support with personal care and/or domestic tasks in the person's own home, such as putting to bed, dressing, shopping or cleaning.

Direct payments are payments, either via a bank account or prepaid cards, for adults to buy their own care and support, often by employing personal assistants.

Supported living comprises schemes that support younger adults to live independently in their own homes. Support can include domestic and personal care, and help with tasks such as searching for jobs and claiming benefits.

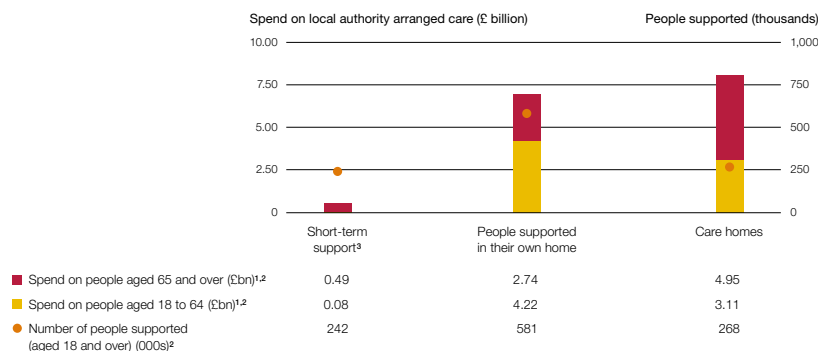
Other long-term care includes day care and meals services.

Local authority spending on adult social care *continued*

In 2016-17, around 75% of people who received either short- or long-term social care services received support in their own home. This amounted to around 48% of total expenditure on short- and long-term care services arranged by local authorities.

The majority of people are supported in their own home

Local authority arranged care, spend and number of people supported in England by support setting, 2016-17

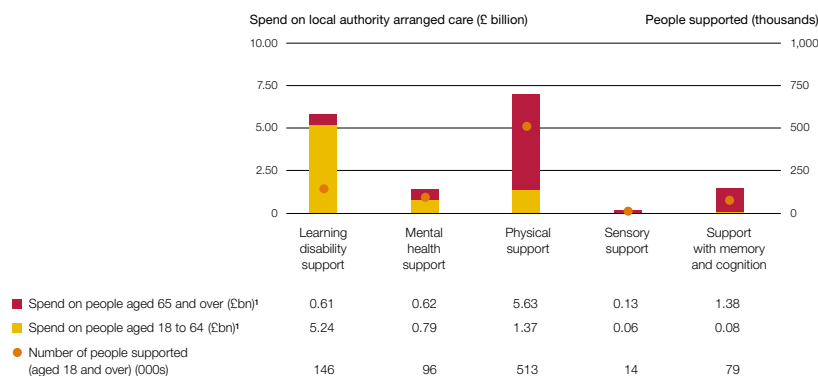


Physical support for older adults and support for younger adults with a learning disability are the two largest areas of adult social care spend on long-term support

In 2016-17, spend on local authority arranged care home services was around £8.1 billion, or 52% of total spending on short- and long-term services. Most of the spending on care home services (61%) was for people aged 65 and over, who made up around 83% of those supported in care homes.

Local authorities spend more on care homes for older people than any other type of social care service

Local authority long-term support, spend and number of people supported in England by primary support reason, 2016-17



Notes

- Excludes capital charges.
- Excludes people receiving 'social support' which cannot be broken down by short- or long-term care, or by support setting.
- Excludes people receiving 'other short-term' care because data on spend and number of people supported are not directly comparable.

Source: National Audit Office analysis of data from NHS Digital, *Adult Social Care Activity and Finance Report, England 2016-17*

In 2016-17, spend on local authority arranged care for people requiring long-term physical support was around £7 billion. Spend on services for people with a learning disability was around £5.9 billion. Together they made up around 81% of total spend on long-term care services. Around 90% of spend on learning disability services was for people aged 18–64, whereas around 80% of the spend on people requiring long-term physical support was for people aged 65 and over.

Local authority spending on adult social care *continued*

Personalised care

Government's policy for social care is for services to be tailored to individuals' needs and wishes, giving people control over their lives. This is also known as **self-directed support**.

A **personal budget** is a sum of money that a local authority allocates to a user to meet their assessed social care needs. Under the Care Act (2014), from April 2015, all users of local authority social care must have their care paid for through a personal budget of some form.

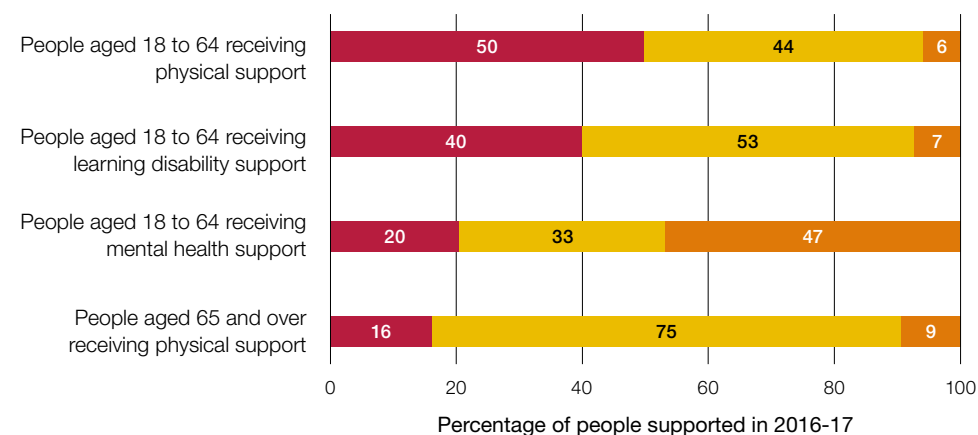
- Under a **local authority-managed personal budget**, the local authority commissions services for the user.
- An **individual service fund** is a personal budget managed by a provider or other third party.
- A personal budget might be fully or partly given to a user or their carer as a **direct payment**, so they can buy their own care.

Our report on *Personalised commissioning in adult social care* (March 2016) found that local authorities across England reported a wide range in the proportion of users taking up personal budgets, including direct payments. It also found that authorities were taking different approaches to implementing personal budgets, with some struggling to find workable approaches.

In 2016-17, 88% of users with physical, learning disability or mental health support needs received some form of direct payment or a personal budget.

Uptake of direct payments and personal budgets varies by the type of support people get and their age. In 2016-17, people aged 18–64 receiving physical disability or learning disability support were most likely to receive a direct payment to meet their care needs (50% and 40%) respectively. People aged 65 and over receiving physical support were most likely to receive a local authority-managed personal budget (74%). People aged 18–64 receiving mental health support were most likely to receive local authority-commissioned support (47%).

Proportion of people with long-term support in their own home by payment method, primary support reason and age in England 2016-17



- Direct payment or part direct payment
- Local authority-managed personal budget
- Local authority-commissioned support

Note

1 Number of people who received long-term adult social care support in the community during 2016-17. Looks at activity for the top three primary support reasons, which cover 86% of users. People in prisons are not included.

Source: NHS Digital, *Adult Social Care Activity and Finance Report, England 2016-17*

Self-funded care

Self-funded care

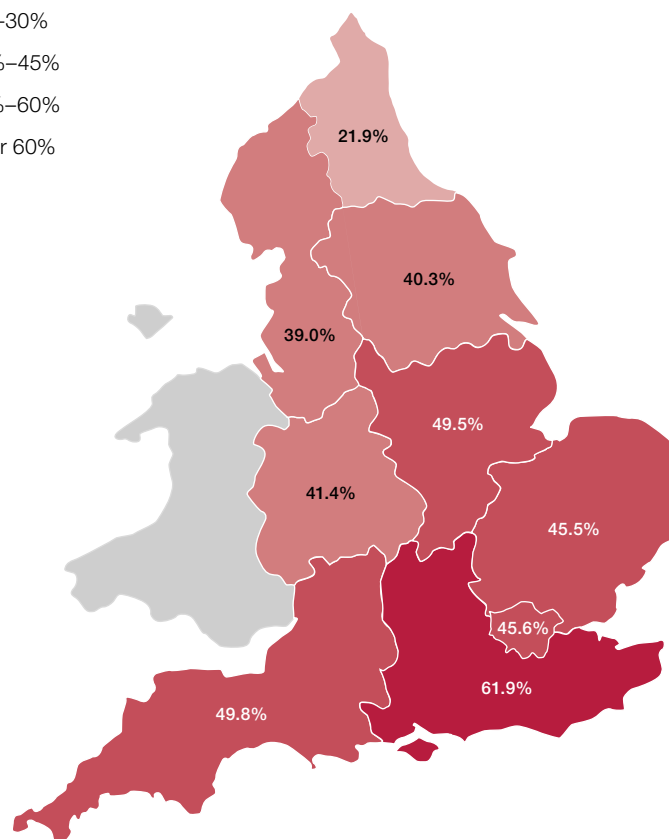
People who do not request or qualify for local authority-funded care can buy care directly from care providers. People who pay for their own care are known as self-funders.

There is large regional variation in the distribution of self-funders

According to estimates by Laing and Buisson, in March 2016, approximately 172,000 older people in independent sector care homes in the UK paid for their own care (44% of the total). The extent of self-funding varied considerably across England, from 61.9% in the South East to 21.9% in the North East. Broadly, there were more self-funded residents in care homes in the south of England than the north.¹

Proportion of people in independent sector care homes who pay for their own care in 2017

- 0%–30%
- 30%–45%
- 45%–60%
- Over 60%



Note

¹ For people aged 65+ and dementia.

Source: Laing and Buisson, *Care of older people: UK market report, 28th Edition*, May 2017

The number of self-funders is uncertain, particularly for those who receive care at home

We do not have a reliable national estimate of the number of people who pay for their care in their own home. The estimates we noted in our 2015 report on *The Care Act: first-phase reforms* were based on modelling and small-scale surveys. The estimates suggested numbers could range from 145,000 to 249,000 people.

¹ Laing and Baisson, *Care of Older People: UK Market Report*, 28th Edition, May 2017.

Informal care

Support to carers

Most care is provided **informally by carers** who are unpaid family, friends and neighbours who provide personal care, practical help and coordinate formal services. A carer is not the same as someone who provides care professionally or through a voluntary organisation. Estimates of the value of informal care range from **£58.6 billion to nearly £100 billion** per year.

The number of unpaid carers in England increased by 11% between 2001 and 2011 to **5.4 million people**. The majority of informal carers (some 3.45 million people) in 2011 provided between one hour and 19 hours of unpaid care a week in 2011. More than one million people provided 50 or more hours of unpaid care a week.

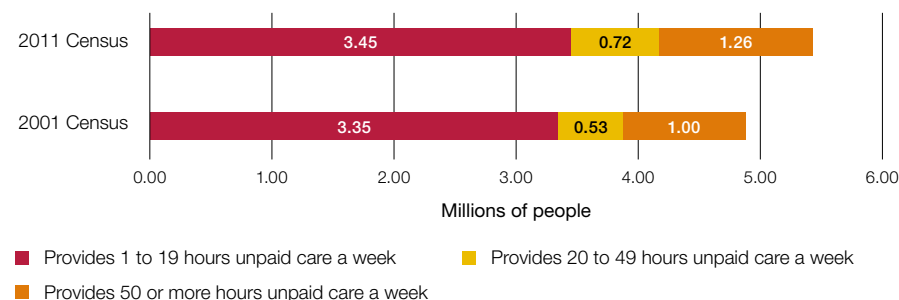
Welfare benefits available to carers

Carers may be entitled to a benefit called Carers Allowance if they:

- provide more than 35 hours of care a week;
- earn less than £120 per week;
- are 16 and over;
- are not in full-time education; and
- the person they care for receives a qualifying disability benefit.

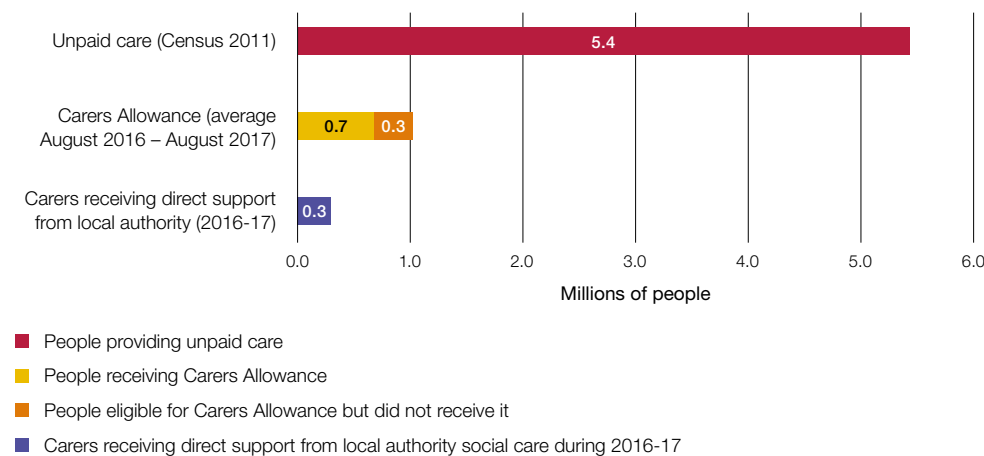
Between August 2016 and August 2017, on average around **685,000 people** received Carers Allowance in England. The Autumn Budget 2017 expenditure and caseload forecasts estimate the total cost of Carers' Allowance in the UK in 2016-17 was **£2.7 billion**.

Number of people providing informal care in England



Source: National Audit Office analysis of Census 2001 and 2011

Informal carers – Carers Allowance and local authority support in England



Source: National Audit Office analysis of 2011 Census data; Department for Work & Pensions, *Benefits statistics, Number of Carers Allowance (Cases) in 2016 and 2017*; NHS Digital, *Adult Social Care Activity and Finance Report, England 2016-17*

Informal care *continued*

Local authority support for carers

Carers are legally entitled to be assessed for care by their local authority. Before the Care Act (2014), carers did not have a legal right to receive support, although local authorities could provide support at their discretion. From April 2015, the Care Act placed a duty on local authorities to assess carers' needs, regardless of how much care they provide, and meet carers' needs on a similar basis to those for whom they care.

Types of help a carer might receive from their local authority include:

- help with practical tasks, for example housework; and
- buying them membership to a gym so they can look after their health.

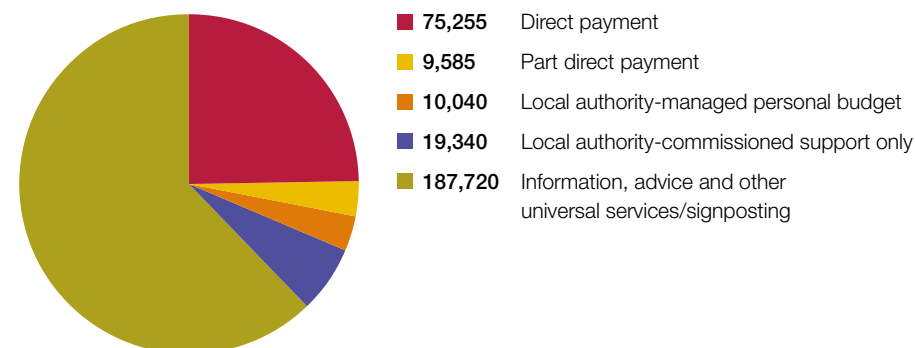
Carers should get a personal budget from their local authority. Carers can request that they get a direct payment from their local authority, or they can work with the local authority to decide how they want to support their needs but do not receive the money directly.

In 2016-17, just over **300,000 carers** received direct support from their local authority. However, 62% of these 300,000 carers received information, advice and signposting to other services rather than money. For the remaining 38% of carers (some 114,000 people) who had support from their local authority, this support took the form of direct or part direct payments, local authority-commissioned support, or a local authority-managed personal budget.

Respite care

Carers can also be supported by providing replacement care, allowing the carer to take a break from their care responsibilities. This is often called **respite care**, and can be provided as long as the person needing care agrees. Around 52,000 carers received this type of support from their local authority during 2016-17.

Number of carers receiving direct support



Source: NHS Digital, *Adult Social Care Activity and Finance Report, England – 2016 to 2017*

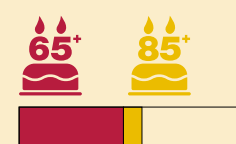
Key facts

£241 million

In 2016-17, spend on local authority-arranged support for carers was **£241 million** or **1.2%** of the total value of local authority-arranged care.¹



45% 8%



45% of carers who received local authority support were **aged 65 and over**, and **8% aged 85 and over**.

45% of users of social care supported in the community with long-term care at the end of March 2017 had **an informal carer**.



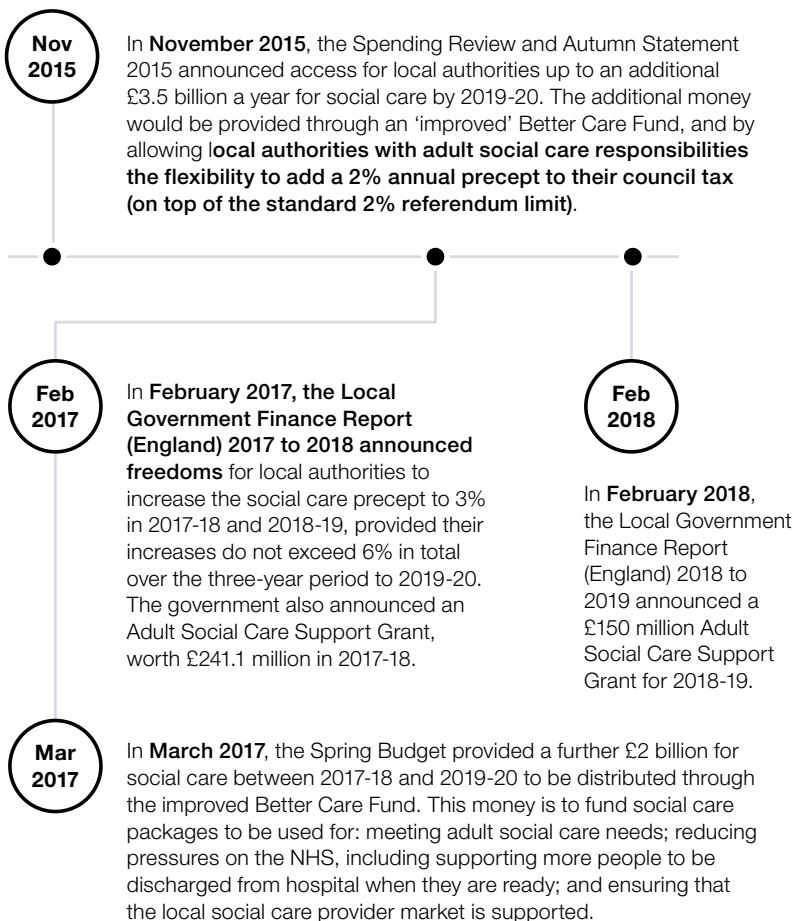
A carer does not have to look after someone who receives local authority support to be eligible for support themselves.

Note

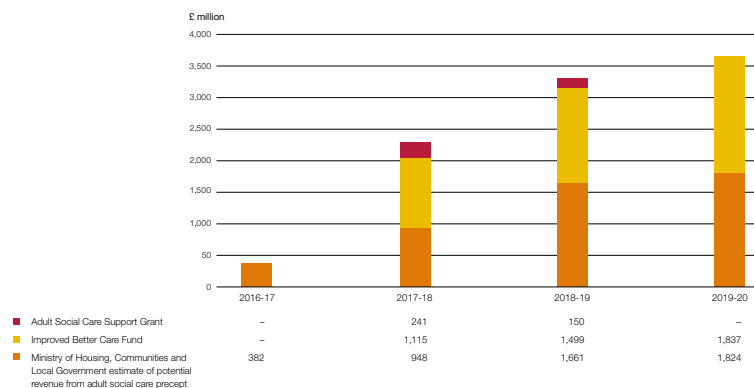
¹ Excludes capital charges.

Additional funding for adult social care

The government has announced additional funding for adult social care.



Additional funding for adult social care in England 2016-17 to 2019-20



Note: 1. Adult social care support grant and improved Better Care Fund include money made available in the Spending Review and Statement 2015, Local Government Finance Report (England) 2017 to 2018, the Spring Budget 2017 and Local Government Finance Report (England) 2018 to 2019.

Source: Department of Health & Social Care, Ministry of Housing, Communities and Local Government

97% of local authorities chose to apply some or all of the social care precept in 2018-19.

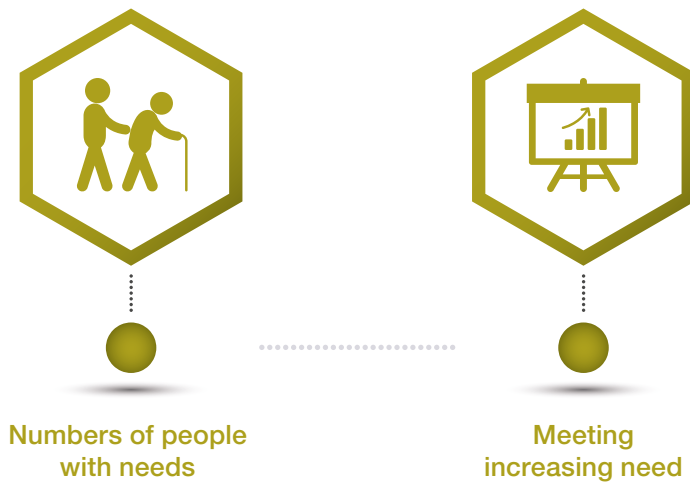
49% of local authorities chose to apply the maximum precept available to them of 3% in 2018-19, down from the 68% of local authorities who chose to apply the maximum precept of 3% in 2017-18.



Our reports *Health and social care integration* (2017) and *Reducing emergency admissions* (2018) found that NHS England had not assessed how pressures on adult social care may impact on the NHS, although NHS England noted that the widening gap between the availability of, and need for, adult social care would lead to increases in delayed discharges and extra pressure on hospitals. Across our case study visits in 2017 we found local areas welcomed the additional resources from the improved Better Care Fund, but some found the restriction on its use meant they could not spend it in the way they wanted to help reduce emergency admissions.



Need outlines the need for adult social care



Numbers of people with needs

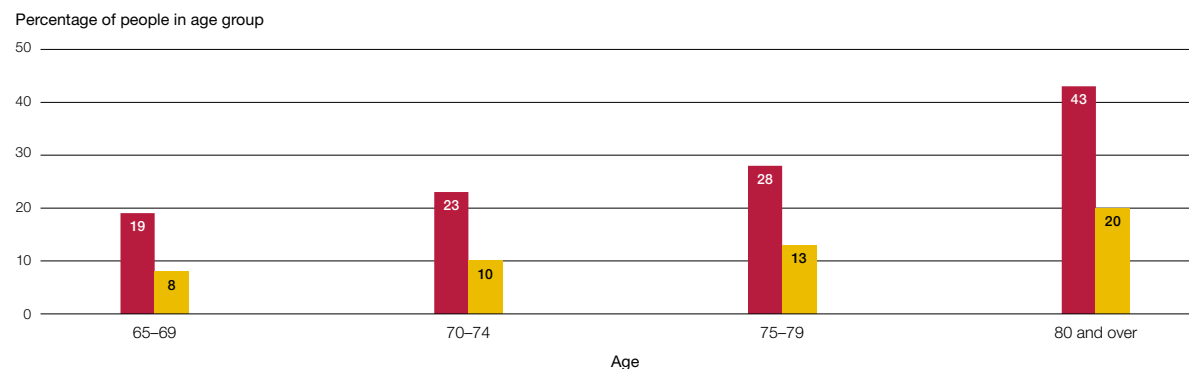
In the Census 2011, around 25% of people aged 65 and over reported being limited with their day-to-day activities compared with 6% for people aged 64 and under.

According to the Health Survey England 2016, people aged 65 and over who reported limitations with day-to-day activities most commonly needed help with getting up and down the stairs, followed by having a bath or shower, and dressing and undressing. They had less need for help with washing their face and hands, eating (including cutting up food), or using the toilet.

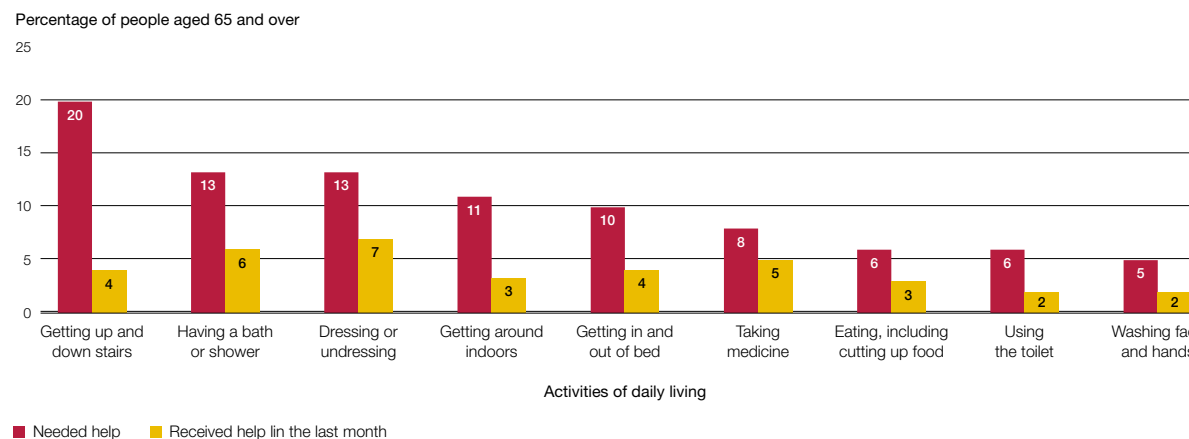
Need increases with age. In 2016, people aged 80 and over were twice as likely to need help with activities of daily living as those aged between 65 and 69.

Only a minority of people who said they needed help received it. In 2016, 28% of people aged 65 and over said they needed help with activities of daily living in the last month, and less than half (12%) said they received help with those activities.

Activities of daily living for which help was needed and received in the last month, by age, in England, 2016



Activities of daily living for which help was needed and received in the last month for people aged 65 and over, in England, 2016



Source: National Audit Office analysis of Health Survey England 2016

Meeting increasing need

People are living longer: improvements in living standards and clinical treatments have changed the nature of the population's health and care needs

Analysis published by the Personal Social Services Research Unit has estimated that the number of disabled older people (who are unable to perform at least one instrumental activity of daily living or having difficulty with performing or inability to perform without help at least one activity of daily living) will increase by 67% from 2015 to 2040.²

As spending on adult social care has fallen, local authorities have focused their resources on a smaller number of people

Between 2010-11 and 2016-17, local authority spending on adult social care services reduced by 3.3% in real terms. Our 2014 report on the financial sustainability of local authorities showed that fewer users were accessing different forms of adult social care for a number of years prior to 2010-11. However, this pattern accelerated from 2010-11 to 2013-14, particularly in relation to day care and homecare. Our report on the financial sustainability of local authorities in 2018 found that a number of case study authorities stated that they had reorganised day-care services in the early stages of austerity. New national data introduced from 2014-15 indicate that the number of users receiving services is still reducing, although at a slower rate. However, these data are not comparable with previous data.

The implications of service reductions for users are not clear. The Care Quality Commission has cited analysis that suggests levels of unmet need among those aged over 64 have increased markedly since 2010.³ However, the NHS Health Survey for England shows that unmet need has remained relatively stable between 2011 and 2016 for this age group.⁴

Case studies in our 2018 financial sustainability report provided mixed pictures of the implications for service users where service levels have fallen. Some thought that former users would have accessed alternative forms of provision. However, others were not clear how service users had been affected.

More people are living with multiple long-term conditions

In 2012, the then Department of Health estimated that around 70% of health and social care spending was attributed to the care of people with long-term conditions, and the costs per individual increased with the number of conditions the person had – on average, someone with three or more long-term conditions in England cost £8,000 per year, compared with £3,000 per year for a person with one long-term condition.⁵

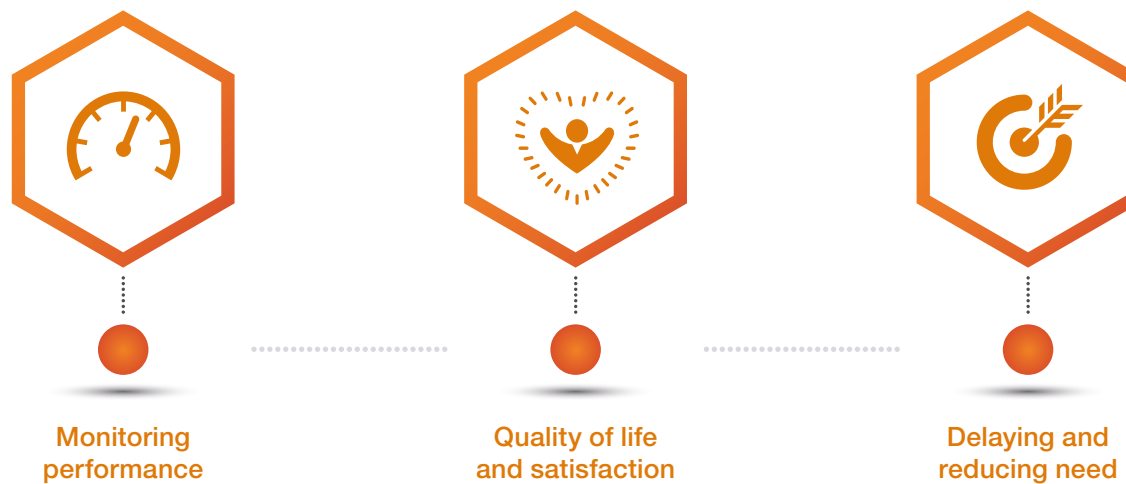
2 Personal Social Services Research Unit, *Projections of demand and expenditure on Adult Social Care 2015 to 2040*, June 2018.

3 Care Quality Commission, *The state of healthcare and adult social care in England 2015-16*, Session 2016-17, HC 706, October 2016; and Care Quality Commission, *The state of healthcare and adult social care in England 2016-17*, Session 2017-19, HC 377, October 2017.

4 NHS Digital, *Health Survey for England, 2016: Social care for older adults*, December 2017.

5 Department of Health, *Long-term conditions compendium of information, third edition*, May 2012.

Outcomes summarises how government monitors the outcomes of adult social care





Monitoring performance

There are three main ways quality of care is monitored in adult social care.

Outcomes data

NHS Digital publishes annually the *Adult Social Care Outcomes Framework*, which contains national, regional and local authority-level data measuring how well care and support services achieve the outcomes that matter most to people, including users' quality of life, independence and experience of care. The measures also cover informal carers where appropriate. These outcome measures are designed to describe the changes over time and the benefits people experience from social care services.

Regulation

The Care Quality Commission regulates providers of adult social care services, including nursing homes, residential care homes, domiciliary care services and supported living services. It registers, monitors and inspects providers, and publishes its assessments and provider ratings. The Commission can also take enforcement action when care falls below fundamental standards.

Since April 2015, the Commission has been responsible for monitoring the financial sustainability of a small number of potentially 'difficult to replace' social care providers if they:

- cover large numbers of people;
- have a significant presence across a small number of local authority areas;
- operate across a large number of authority areas; and
- would be otherwise difficult for local authorities to replace.

The Secretaries of State for Health and for Communities and Local Government asked the commission to carry out a programme of 'system' reviews in 20 health and social care systems. The reviews aim to find out how health and social care services are working together to support and care for people aged 65 and over, their families and their carers, highlighting what is working well and where there are opportunities for improvement. The Commission published its interim findings in December 2017, and has published the results of several of its local reviews. Its final report is due to be published in summer 2018.

Sector-led improvement

Sector-led improvement is the principle that local authorities are both responsible and accountable for their own performance, and they have a collective responsibility for supporting efforts to improve the performance of the sector as a whole.

The Department of Health & Social Care supports the delivery of sector-led improvement work in adult social care through the Local Government Association, the Association of Directors of Adult Social Services, the Social Care Institute for Excellence and the Think Local Act Personal partnership.

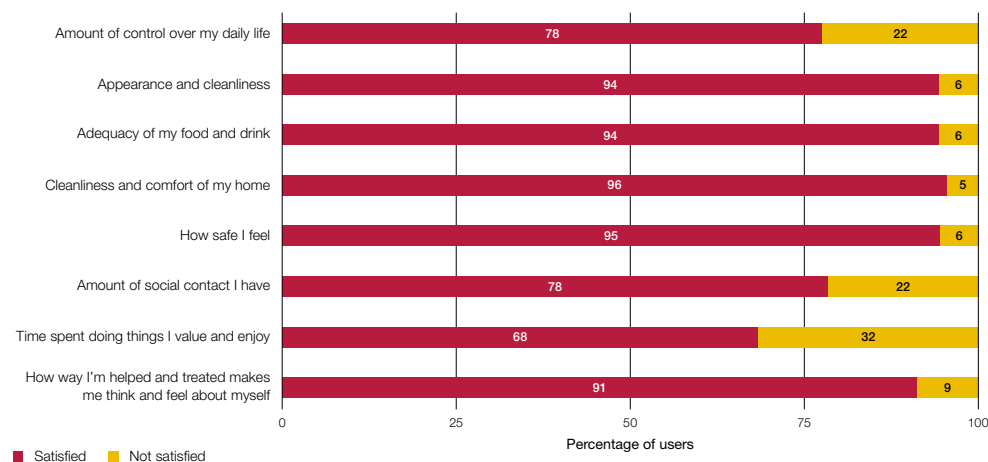
Quality of life and satisfaction

The majority of users of social care were satisfied with their quality of life and the care and support they received

In 2016-17, a majority of a sample of service users⁶ that were surveyed said they were satisfied enough against each of the eight user quality of life measures in the *Adult Social Care Outcomes Framework*.

Some 65% of users said overall they were satisfied with their care and support. Users reported their highest levels of satisfaction around the cleanliness of their home, their appearance, their food and drink, and their personal safety.

Quality of life of social care users in England, 2016-17



Note

1 Percentages may not sum to 100 due to rounding

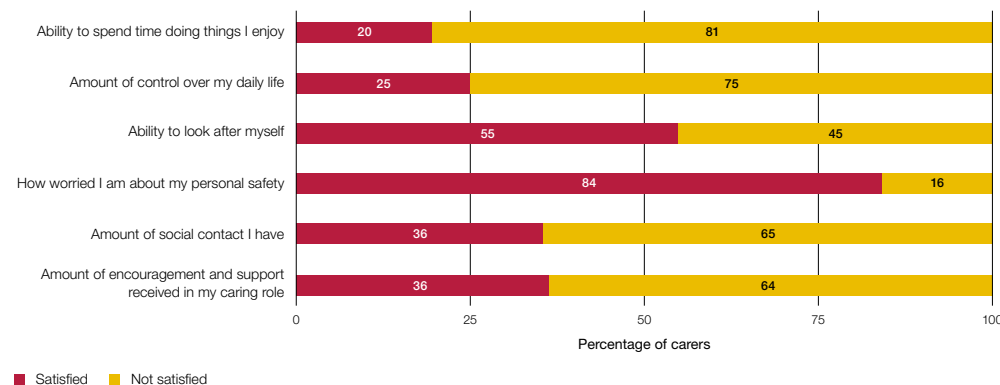
Source: National Audit Office analysis of NHS Digital, *Personal Social Services Adult Social Care Survey, England – 2016-17* and *Personal Social Services Survey of Adult Carers in England, 2016-17*

Carers reported low levels of quality of life and most of those who received help were not satisfied with the care and support they received

In 2016-17 a majority of carers⁷ were satisfied in two out of the six carers' quality of life measures. Carers reported their highest levels of satisfaction around their ability to look after themselves and their personal safety.

Of carers who received help, 39% said overall they were extremely or very satisfied with the care and support they received from social services in the previous 12 months.

Quality of life of carers in England, 2016-17



Note

1 Percentages may not sum due to rounding.

Source: National Audit Office analysis of NHS Digital, *Personal Social Services Adult Social Care Survey, England – 2016-17* and *Personal Social Services Survey of Adult Carers in England, 2016-17*

6 Users survey based on a sample of 72,580 users. Samples were weighted to reflect the population as a whole.

7 Carers' survey based on a sample of 55,700 carers. Samples were weighted to reflect the population as a whole.

Delaying and reducing need

Local authorities have made slight improvements in delaying or reducing the need for care

The Department of Health & Social Care seeks to measure the effectiveness of care and support in delaying the need for care and support services through the following measures in the *Adult Social Care Outcomes Framework* and Better Care Fund:

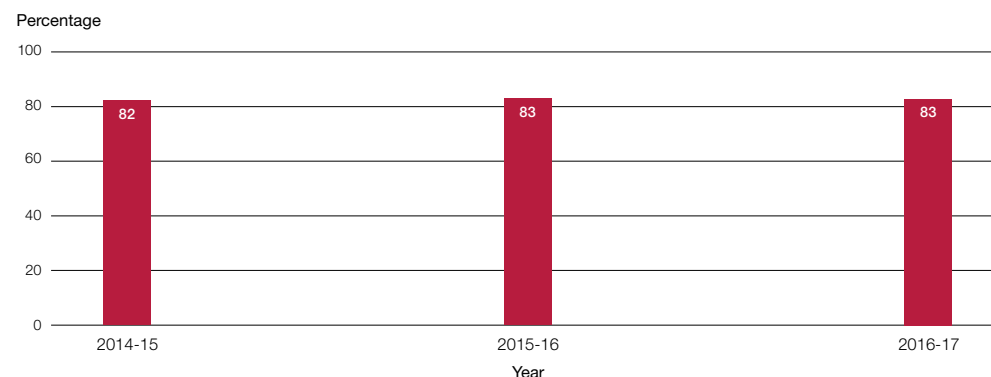
- the rate of older people whose long-term support needs are best met by admission to residential and nursing care homes rather than staying in their own homes; and
- the proportion of older people aged 65 and over who were still at home 91 days after discharge from hospital into reablement/rehabilitation services.

Our 2017 report *Health and social care integration* found that in 2015-16:

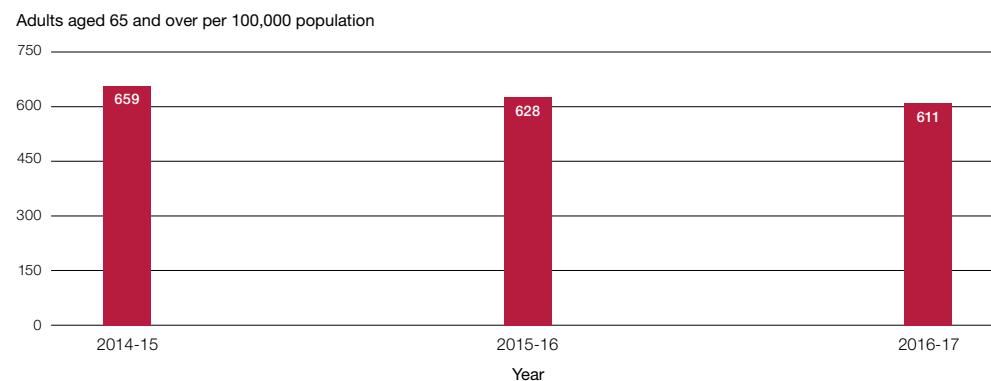
- permanent admissions of older people aged 65 and over to residential and nursing care homes reduced to 628 per 100,000 population, against a Better Care Fund target of 659 per 100,000. Around 53% of local areas achieved their target reductions; and
- the proportion of older people who were still at home 91 days after discharge from hospital receiving reablement or rehabilitation services increased to 82.7%, against a Better Care Fund target of 81.9%. Around 31% of local areas achieved their targets.

In 2016-17 permanent admissions of older people aged 65 and over to residential and nursing care homes has continued to fall, while the proportion of older people who were still at home 91 days after discharge from hospital receiving reablement or rehabilitation services has remained flat.

The proportion of older people age 65 and over who were still at home 91 days after discharge from hospital into reablement/rehabilitation services

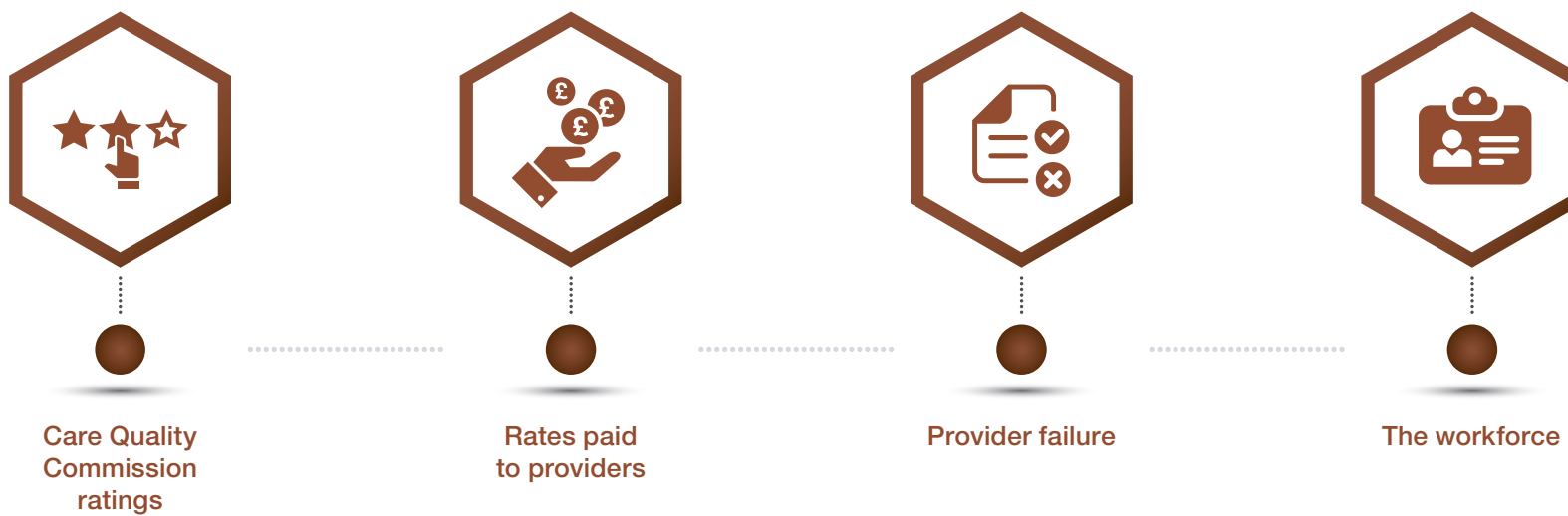


The number of adults aged 65 and over whose long-term support needs were met by admission to residential and nursing care homes



Source: National Audit Office analysis of NHS Digital Adult Social Care Outcomes Framework data

Care market

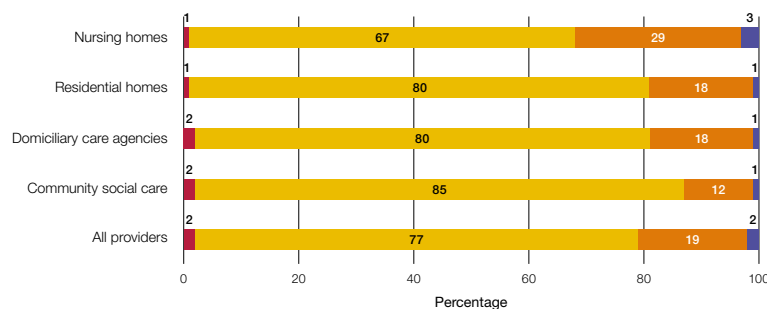


Care Quality Commission ratings

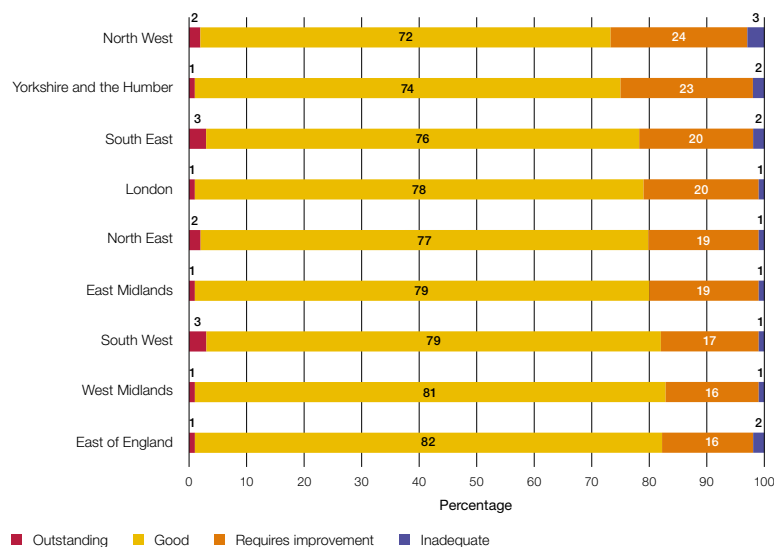
In 2017, the Care Quality Commission rated that the majority of adult social care providers delivered good or outstanding care

In February 2017, the Care Quality Commission completed its initial comprehensive inspection programme, which began in October 2014, covering around 24,000 registered providers. As of May 2017, the Commission found almost four out of five adult social care services in England were rated as good or outstanding overall. Nearly a fifth of services were rated as 'requires improvement', and 343 locations (2%) were rated as inadequate.

Care Quality Commission ratings by service type, May 2017



Care Quality Commission ratings by region, May 2017



Note

1 Percentages may not sum to 100 due to rounding.

Source: National Audit Office analysis of Care Quality Commission provider ratings

There is considerable variation in provider ratings by service type

Community social care services (such as supported living and shared lives) were rated the best overall when compared with other services. Domiciliary care services and residential homes received similar ratings, with four out of five services rated as good. The Commission found nursing homes to be their biggest concern – 67% were rated as good and 1% as outstanding, with 29% rated as 'requires improvement' and 3% as inadequate.

There are parts of the country where good-quality adult social care may be harder to access

The Commission observed differences in performance from region to region, with the East of England (where 82% of locations were rated as good and 1% as outstanding), compared with locations rated as good or outstanding in the North West, where 72% of locations were rated as good and 2% as outstanding.



Rates paid to providers

Self-funders pay more for residential and nursing care than local authorities and the gap is widening

In England in 2016-17, when compared with the average price paid by both local authorities and self-funders, the average price paid by local authorities for care was 43% less for nursing care and 8% less for residential care. The difference has increased since 2012-13 when local authorities paid 32% less for nursing care and 1% less for residential care respectively than local authorities and self-funders together.

In their November 2017 report, the Competition and Markets Authority found across the UK:⁸

- in about a quarter of care homes more than 75% of residents are funded by their local authority;
- if local authorities were to pay the 'full cost of care' for all residents they fund, the additional cost to them of these higher fees would be £0.9 billion to £1.1 billion a year; and
- there have been few examples of investment in new care home capacity primarily focused at the local authority funded sector.

As a result, under the current system, the Competition and Markets Authority concluded in the future, local authorities will not be able to provide services to all those with eligible needs.

Local authorities are paying rates for home care below that which are deemed to be sustainable by home care providers

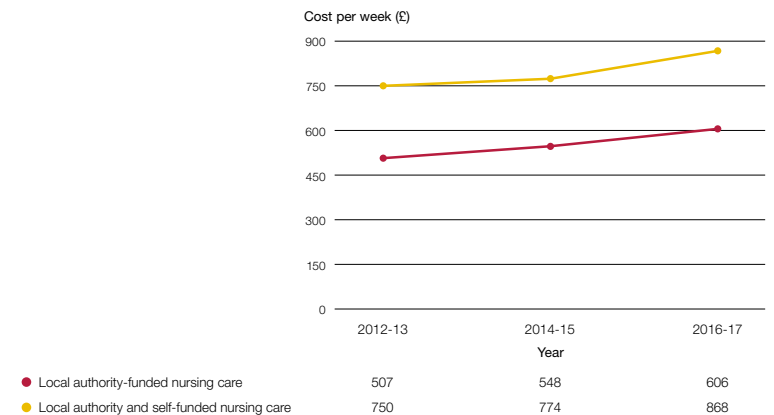
In 2016-17, local authorities paid on average £15.52 to external providers for one hour of home care. This is 16% below the £18.01 rate the United Kingdom Home Care Association has said is necessary for home care providers to deliver sustainable services.⁹

⁸ Competition and Markets Authority, *Care homes market study: final report*, November 2017.

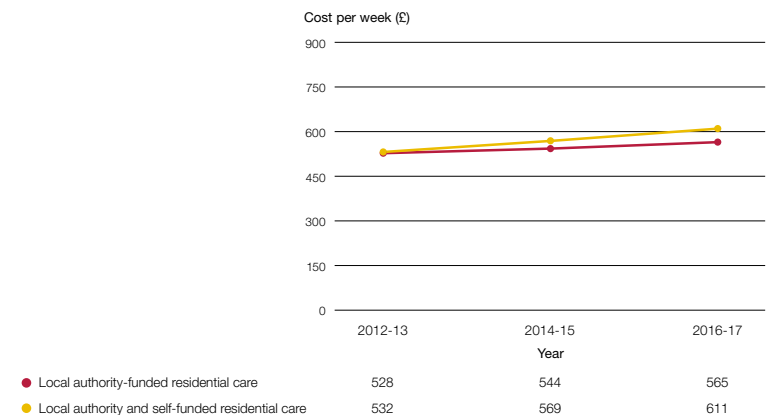
⁹ United Kingdom Homecare Association, *A minimum price for homecare*, January 2018.

There is evidence that the fees currently being paid by local authorities are not sufficient to sustain the current levels of care

Cost per week of nursing care for people aged 65 and over, England 2012-13 to 2016-17



Cost per week of residential care for people aged 65 and over, England 2012-13 to 2016-17



Note

¹ The difference in the average cost per week for local authority and self-funded care may be due in part to self-funders purchasing packages of care which are not directly comparable to those purchased by local authorities.

Source: *Personal Social Services: Expenditure and Unit Costs, England – 2012-13 & 2014-15* and *Adult Social Care Activity and Finance Report 2016-17*, and Laing and Buisson care home market data

Provider failure

There is continued evidence of provider failure in the adult social care provider market

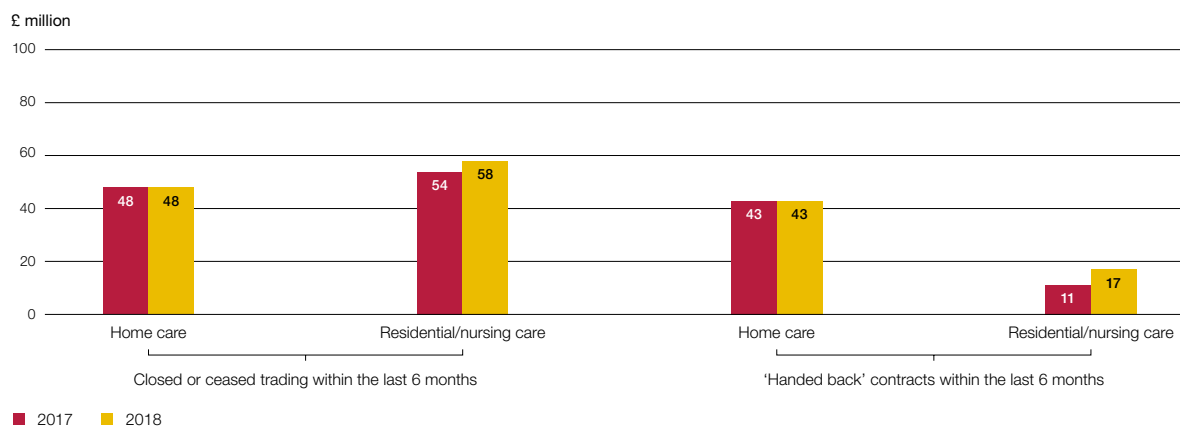
The Association of Directors of Adult Social Services' *Budget Survey 2018* found continued evidence of failure in the adult social care provider market. In the six months to May 2018, at least 66% (69% in 2017) of councils surveyed reported that they had either had providers close or cease trading, or had had contracts handed back, affecting thousands of individuals as a consequence.

The number of councils and people affected by failure of residential and nursing care providers has increased since 2017 from 1,793 in 2017 (across 54 councils) to 2,095 people in 2018 (across 58 councils). In contrast, the number of councils reporting that a home care provider had closed or ceased trading remained at 48, although the predicted number of people affected decreased from 5,670 to 3,290 in 2018.¹⁰

There is evidence that local authority market-shaping duties may not be sufficient

The Competition and Markets Authority's 2017 care homes market study found that local authority market-shaping duties were "not proving sufficient" to encourage and support private investment in new and modernised care capacity aimed at council-funded residents or to ensure that the right mix of capacity is provided in the future. The Competition and Markets Authority reviewed a sample of 20 market position statements and found none presented estimates of additional future capacity needed, and only two indicated whether any estimates had been produced by the local authority. The Competition and Markets Authority also found there were few tools for local authorities to use to actively shape the market by providing credible incentives to operators to invest appropriately. The Competition and Markets Authority concluded that there was not a need to change these existing statutory duties but measures needed to be in place to assist and guide local authorities through the planning process and that a single coordinating body should provide this support and advice.¹¹

Local authorities reporting provider failure in 2017 and 2018



Source: National Audit Office analysis of Association of Directors of Adult Social Services, *Budget Survey 2017*, June 2017; Association of Directors of Adult Social Services, *Budget Survey 2018*, June 2018

¹⁰ Association of Directors of Adult Social Services, *Budget Survey 2018*, June 2018.

¹¹ Competition and Markets Authority, *Care homes markets study: final report*, November 2017.

The workforce

Turnover and vacancy rates across the social care workforce are high

Growth in the number of jobs has fallen behind growth in demand for care

In 2016-17, the annual turnover of all care staff was 27.8%. The proportion of vacancies in care rose from 5.5% in 2012-13 to a peak of 7.0% in 2015-16, falling slightly to 6.6% in 2016-17. Two roles in particular – care workers and registered nurses – have high vacancy and turnover rates compared with other roles within social care. High vacancy rates and turnover can disrupt the continuity and quality of care for service users, and also mean providers incur regular recruitment and induction costs.

The vacancy rate for nurses more than doubled between 2012-13 and 2016-17. The vacancy rate for registered nursing jobs in care was 9.0% in 2016-17. This increased from 4.1% in 2012-13, despite the overall number of jobs falling from 51,000 to 43,000. In February 2015, the then Department of Health hosted a symposium to look at the issues around recruitment and retention of nurses in care. Attendees noted the lack of prestige of working in care compared with working for the NHS, and the poorer options for career and pay progression.

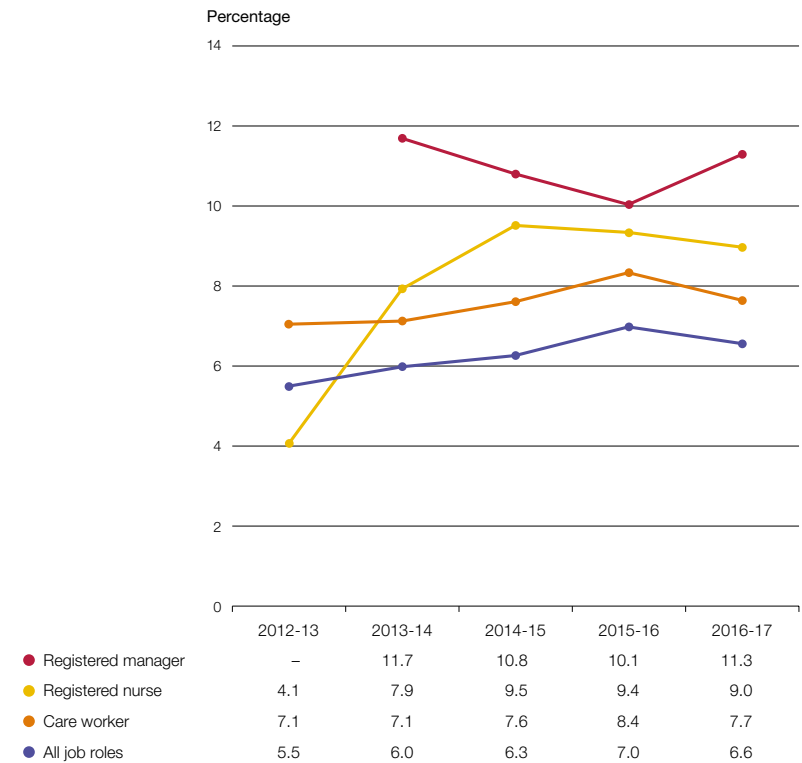
The Department of Health & Social Care commissioned modelling based on 2014 data that suggested the number of full-time equivalent jobs in care would need to increase by around 2.6% per year until 2035 to meet increased demand.¹² However, the annual growth in the number of jobs since 2013 has been 2% or lower. The failure of formal care to meet this increased demand may have contributed to the growth in individuals' care needs not being met. Age UK estimated that 1.2 million people over the age of 65 had some level of unmet care needs in 2016-17, up from 1 million in 2015-16.¹³

¹² Center for Workforce Intelligence, *Forecasting the Adult Social Care Workforce to 2035*, July 2016.

¹³ Age UK, *Health and care of older people in England 2017*, February 2017.

Vacancy rates by role, 2012-13 to 2016-17

The vacancy rate for all care jobs was 6.6% in 2016-17



Notes

- Vacancy rates are calculated by dividing the number of vacancies by the sum of employed staff and vacancies.
- Data are not available for the vacancy rate for the role of registered manager for 2012-13.
- 'All job roles' includes all the job roles listed in Figure 2 of National Audit Office report, *The adult social care workforce in England* (2018).
- We have only compared all job roles with care workers, registered managers and registered nurses, as these are the three job roles with the highest turnover and vacancy rates where there are more than 20,000 jobs.

Source: Skills for Care, *National Minimum Data Set for Social Care (NMDS-SC)*, 2016-17 workforce estimates