

Written evidence submitted by the Nuffield Trust (ASC0035)

Adult social care reform: the cost of inaction

Nuffield Trust submission to the Health and Social Care Select Committee

The Nuffield Trust is an independent health and social care think tank. We aim to improve the quality of health and social care in the UK by providing evidence-based research and policy analysis and informing and generating debate.

Adult social care is a vital part of any country's public services, economy, and society. The failure in England to implement reforms over decades, despite repeated reviews and government pledges, has left an increasingly dysfunctional sector, with effects felt across the economy, society, and other public services.

We welcome the Committee's decision to look into these effects, and urge it to draw attention not only to the problems caused elsewhere, but to the direct impact on people missing out on support, or paying large unfair sums to access it. This submission lays out our research and summarises our understanding across the costs to individuals, local authorities, the NHS, and the wider economy. It concludes by briefly outlining the nature of reform which would be needed to end this state of affairs.

Key points

- A chronically underfunded and increasingly heavily rationed public social care system has left millions of people with needs not being met. We estimate that among people aged 65 and over who had at least one care need, 55% did not draw on any kind of support to address those needs.
- A growing waiting list shows how far short the ability of councils to meet people's needs is falling. By March 2024, over 400,000 people were estimated to be waiting for care or for an assessment of their needs.
- This creates even more reliance on family and friends as unpaid carers. But financial support for them has been withdrawn, and surveys of local authority directors suggest carer breakdown is at troubling levels.
- Social care (adult's and children's) consumes 70% of council finances, leaving them no room to commission better care. The organisations which provide care are now often close to the financial brink, with most councils experiencing them closing, ceasing trading, or handing back contracts.
- We estimate that the upcoming increase in Employer National Insurance Contributions will cost social care providers £900 million, with total increased costs of £2.8bn when added to the increasing National Minimum Wage. This will intensify these pressures.
- Social care is its own public service and does not have the same goals as the NHS. However, difficulty in accessing social care support does play a role in the elevated level of delays leaving NHS hospitals since the pandemic, and efforts to address this only through small, specific, short-term funds have fallen short.
- The level of pressure across the system means no one element can be reformed in isolation. Funding, workforce, providers, eligibility and the position of unpaid carers all need to be

stabilised and brought together for a path to real improvement. Given financial and political realities, this could take several years – as long as there is a clear plan, and enough commitment, to see it through.

1. The cost of inaction to individuals

Social care is a major public service which, when functioning effectively, supports people to live independent and fulfilling lives. The primary cost of inaction on reform falls on individuals in need of care and support and their families.

1.1. Need for social care going unmet

1.1.1. Publicly funded care and support is heavily rationed by need and financial means. The financial means threshold has remained unchanged since 2010, meaning fewer people now qualify for public funding. At the same time, increasingly constrained local authority budgets (see 2 below) have resulted in needs thresholds rising. Publicly-funded care has become concentrated on the poorest with the greatest need, and more difficult to access for those with moderate need and those with moderate financial means. Less is spent on preventive social care¹ which has potential to keep people well and living independently for longer. Reduced access to care and delays to accessing support may lead individuals to develop more complex needs², or rely more greatly on unpaid carers, for whom support has also been declining (see 1.3), or to deteriorate to the point of needing a hospital admission (see 3.1.2).

1.1.2. There are large numbers of people who need care but don't receive it. Our analysis of 2019 data found that, among people aged 65 and over who had at least one care need, 55% did not draw on any kind of support, whether publicly funded, self-funded, or provided by unpaid carers (known as unmet need).³ Age UK estimates that up to 2 million people over the age of 65 could have an unmet need.⁴ Healthwatch England estimates that there could be as many as 1.5 million disabled adults missing out on social care support.⁵

1.1.2. For older adults, a sizeable and increasing number of requests for social care support made to local authorities result in no care being provided at all (26% in 2023/24⁶ compared to 23% in 2017/18).⁷ Since 2015/16, there has been a 10% overall decrease in the number of older people accessing long-term support from their local authority – an 8% decrease in numbers accessing publicly funded community care and a 13% decrease in over 65s getting care home support (both nursing and residential).⁸

¹ <https://www.adass.org.uk/wp-content/uploads/2024/07/ADASS-Spring-Survey-2024-FINAL-1.pdf>

² <https://www.adass.org.uk/wp-content/uploads/2024/07/ADASS-Spring-Survey-2024-FINAL.pdf>

³ <https://www.nuffieldtrust.org.uk/resource/the-decline-of-publicly-funded-social-care-for-older-adults>

⁴ <https://www.ageuk.org.uk/discover/2024/september/state-of-health-and-care-of-older-people-in-england-2024/#:~:text=Unmet%20need,needs%20for%20care%20and%20support.>

⁵ <https://www.healthwatch.co.uk/news/2024-07-16/15-million-disabled-people-could-be-missing-out-social-care->

[support#:~:text=Louise%20Ansari%2C%20Chief%20Executive%20at%20Healthwatch%20England%2C%20said%3A&text=%E2%80%9CYet%2C%20social%20care%20in%20England,working%2Dage%20adults%20in%20England.](https://www.healthwatch.co.uk/news/2024-07-16/15-million-disabled-people-could-be-missing-out-social-care-support#:~:text=Louise%20Ansari%2C%20Chief%20Executive%20at%20Healthwatch%20England%2C%20said%3A&text=%E2%80%9CYet%2C%20social%20care%20in%20England,working%2Dage%20adults%20in%20England.)

⁶ <https://digital.nhs.uk/data-and-information/publications/statistical/adult-social-care-activity-and-finance-report/2023-24>

⁷ <https://www.nuffieldtrust.org.uk/resource/the-decline-of-publicly-funded-social-care-for-older-adults>

⁸ <https://www.nuffieldtrust.org.uk/resource/the-decline-of-publicly-funded-social-care-for-older-adults>

1.1.3. A growing waiting list shows the widening gap between need and the state's ability to meet those needs. By March 2024, over 400,000 people were estimated to be waiting for care or for an assessment of their needs. Over 78,000 had been waiting over six months for a care assessment⁹.

1.1.4. The NHS funds "continuing health care" packages combining health care outside hospital and social care for people with a 'primary health need'. There are signs that this, too, has become more closely rationed. The number of people being assessed who were then found eligible for standard CHC has fallen from 56,990 in mid-2017, to 52,096 in early 2024.¹⁰

1.2. Offering choice and meeting specific needs

1.2.1. Financial pressure on council and provider budgets have seen them reduce (see 2), have meant services have shut down, refused to take on publicly funded clients, or not necessarily been able to expand sufficiently to offer choice to people that meets their needs and preferences. This is particularly problematic for people with specific, diverse or complex needs. Unexpected closures or changes to services can create disruption and distress, as well as unplanned costs.

1.2.2. Our recent analysis of the state of social care for people living with dementia reveals the system is ill-equipped to support the 900,000 people across the UK who suffer with the condition.¹¹ There is limited choice of good quality care for people living with dementia, especially if they have diverse needs and preferences. In particular, there is a need to improve residential and nursing care so that those with the most complex needs can be cared for safely, for instance by local authorities working more closely with providers to adapt their service around bespoke dementia care. There is currently no government strategy on dementia. Yet with numbers forecast to grow up to 1.7 million people by 2040¹², there is an imperative to consider targeted investment for this group now.

1.3. Unpaid carers

1.3.1. A tightly rationed system means that unpaid carers – often family or friends – are relied on heavily. There are more than 5 million unpaid carers in the UK, around 9% of the population.¹³ Census data shows that carers are doing more hours per week than previously, with 1.5 million carers in England and Wales providing 50+ hours of care per week.¹⁴ However, there has been a 20% drop in 'direct support' for unpaid carers from 2015/16 to 2022/23.¹⁵

1.3.2. The consequences of inadequate support for unpaid carers are far-reaching. A survey this year of directors of adult social services found 88% agreed that the level of need among unpaid carers had increased over the preceding 12 months to June 2024, and over two thirds reported an increase in referrals related to 'carer breakdown'.¹⁶ We refer below to the impacts of insufficient carer support on the wider economy and health system.

1.4. Financial and economic costs

⁹ <https://www.adass.org.uk/wp-content/uploads/2024/07/ADASS-Spring-Survey-2024-FINAL-1.pdf>

¹⁰ <https://www.nuffieldtrust.org.uk/resource/falling-through-the-gaps-a-closer-look-at-nhs-continuing-healthcare>

¹¹ https://www.nuffieldtrust.org.uk/sites/default/files/2024-11/Nuffield%20Trust%20-%20Dementia%20and%20social%20care_WEB_0.pdf

¹² [https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667\(23\)00214-1/fulltext](https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(23)00214-1/fulltext)

¹³ <https://www.carersuk.org/policy-and-research/key-facts-and-figures>

¹⁴ <https://www.nuffieldtrust.org.uk/news-item/making-sense-of-the-unexpected-drop-in-the-numbers-of-unpaid-carers>

¹⁵ <https://digital.nhs.uk/data-and-information/publications/statistical/adult-social-care-activity-and-finance-report>

¹⁶ <https://www.adass.org.uk/wp-content/uploads/2024/07/ADASS-Spring-Survey-2024-FINAL-1.pdf>

1.4.2. For people who are not eligible for public funding, there is no limit to how much they pay for care and costs can fall unfairly on certain people. In 2021 ,the government estimated that one person in seven faced care costs above £100,000 in their lifetime.¹⁷ People who need care for a long period of time can face lifetime costs far higher. Furthermore, because councils pay providers unsustainable fees for their clients, people who self-fund their care are often charged a premium of up to 40% for care in residential services relative to local authority clients.¹⁸

2. Costs to local authorities

2.1. Declining and unequal national government funding

2.1.1. Social care is funded through a combination of national and local sources. The national grant to local authorities fell by 55% between 2010/11 and 2019/20, reducing local spending power by 29%.¹⁹ As a result, real-terms spending only returned to 2010/11 levels in 2020/21.²⁰ National funding for social care has been characterised by sporadic short-term injections of cash rather than a long-term settlement for social care which has driven instability and uncertainty, limiting the ability of councils to make any investment that goes beyond meeting immediate cost pressures.²¹

2.1.2. The lack of reform to social care funding mechanisms has created significant pressures for local authorities, limiting their ability to develop a vibrant market for social care that meets people's changing needs and preferences. Around 70% of local authority funding is now spent on adult's and children's social care so their overall financial health is closely linked to pressures in these sectors.²²

2.1.3. The decline in national grant funding has left local authorities more reliant on local revenue sources such as Council Tax, business rates and the adult social care precept. Local revenue raising can exacerbate regional disparities as it relies on property values and affluence, which vary significantly across the country.²³ Furthermore, the Revenue Needs Formula, which is intended to equalise national grant funding to account for these disparities, is outdated and not reflective of local needs and ability to raise funds.²⁴ As such, areas of higher need and lower wealth, and less able to collect from local taxation, are especially disadvantaged. This has implications for the number of people local authorities can support and how much they can spend on care, particularly in fees to providers. One consequence of this is that local authorities in more deprived areas struggle to pay high enough fees to incentivise providers to run services in their area. These more deprived areas also tend to have fewer self-funders to enable providers to cross-subsidise leaving little choice and a limited supply of care.²⁵

2.1.3. It is positive that the current government has recognised these problems in its upcoming Local Government Finance Settlement.²⁶ A £600 million Recovery Grant over 2025-26 is being made

¹⁷ <https://www.gov.uk/government/publications/build-back-better-our-plan-for-health-and-social-care>

¹⁸ <https://assets.publishing.service.gov.uk/media/5a1fdf30e5274a750b82533a/care-homes-market-study-final-report.pdf>

¹⁹ <https://www.nao.org.uk/wp-content/uploads/2021/03/The-adult-social-care-market-in-England.pdf>

²⁰ https://www.nuffieldtrust.org.uk/sites/default/files/2024-04/Nuffield%20Trust%20-%20General%20election%20-%20social%20care%20tests_WEB.pdf

²¹ https://www.nuffieldtrust.org.uk/sites/default/files/2024-04/Nuffield%20Trust%20-%20General%20election%20-%20social%20care%20tests_WEB.pdf

²² <https://www.health.org.uk/news-and-comment/blogs/where-has-the-budget-left-adult-social-care>

²³ <https://www.nuffieldtrust.org.uk/sites/default/files/2019-04/how-to-fund-social-care-briefing-2019.pdf>

²⁴ Ref Autumn Budget 2024

²⁵ <https://www.ageuk.org.uk/siteassets/documents/reports-and-publications/reports-and-briefings/care--support/care-deserts---age-uk-report.pdf>

²⁶ <https://www.gov.uk/government/publications/local-government-finance-policy-statement-2025-to-2026/local-government-finance-policy-statement-2025-to-2026#local-authority-funding-reform>

available to equalise national funding for areas with greater need and demand for services. The government has also committed to reforming the allocation formula by 2026-27, which has the potential to increase the share of national funding received by the most deprived local authorities with the highest need. However, given that funding as a whole is not set to keep up with increased costs next year²⁷(see 2.3.3.) shrinking the gap can only come at the expense of bigger losses for some councils.

2.2. Short-term approaches to commissioning

2.2.1 These financial pressures often force local authorities into short-term transactional contracting rather than long-term strategic commissioning that would develop a market that is better able to adapt to people's changing needs and preferences, and fosters innovative models of care.²⁸ Local authorities have a statutory duty to provide care and support to those with eligible needs, but also a statutory duty to balance their budgets annually. Constrained budgets mean local authorities routinely pay fees to care providers that are below, or close to, what providers need to run a sustainable service.²⁹

2.2.2 At the same time, in very specific cases local authorities can be forced to pay care providers excessively high rates. This arises where there are not enough services to meet their local needs, particularly for complex or specialist fields such as dementia or learning disability. This increases financial pressure on councils and leads to cuts elsewhere to ensure they can balance their budgets.

2.3. Provider instability

2.3.1. Local authority funding (alongside NHS funding for continuing health care) accounts for 77% of provider income for community social care services³⁰ and 63% for residential and nursing care.³¹ As such, local authority financial wellbeing and provider sustainability are inextricably linked.

Cost pressures in recent years have left providers highly financially vulnerable. The Association of Directors of Adult Social Services (ADASS) reports that 65% of their directors experienced providers closing, ceasing trading, or handing back contracts between October 2023 and April 2024, affecting over 5,000 people.³² In 2023 67% of local authorities were concerned they did not have enough capacity to support people over 65 in need of nursing care, and 61% were concerned about their capacity to provide home care.³³

2.3.2. The care provider market is diverse, comprising over 18,000 organisations.³⁴ The majority are small- to medium-sized (75% of care homes are single-location), in the independent sector, and they

²⁷ <https://www.nuffieldtrust.org.uk/news-item/will-the-autumn-budget-push-the-social-care-sector-beyond-breaking-point>

²⁸ <https://www.nuffieldtrust.org.uk/sites/default/files/2021-04/nuffield-trust-social-care-provider-market-web1.pdf>

²⁹ <https://www.nao.org.uk/reports/adult-social-care-markets/>

³⁰ <https://www.nuffieldtrust.org.uk/sites/default/files/2021-04/nuffield-trust-social-care-provider-market-web1.pdf>

³¹ <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/socialcare/bulletins/estimatingthesizeoftheselffunderpopulationinthecommunityengland/2022to2023#:~:text=1.-,Main%20points,self%2Dfunders%20since%20last%20year.>

³² <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/socialcare/articles/carehomesandestimatingtheselffundingpopulationengland/2022to2023>

³³ <https://www.adass.org.uk/wp-content/uploads/2024/07/ADASS-Spring-Survey-2024-FINAL-1.pdf>

³³ <https://www.gov.uk/government/publications/local-authority-market-sustainability-plans-insights-report/local-authority-market-sustainability-plans-insights-report>

³⁴ <https://www.skillsforcare.org.uk/Adult-Social-Care-Workforce-Data/Workforce->

provide a wide range of services.³⁵ While larger providers may be better able to withstand financial pressures, smaller providers are more likely to be affected by a given level of change to their income and costs and may exit the market at a faster pace. This can create higher costs for local authorities when they need to manage unexpected exits of providers from the market, are required to commission from a smaller or poorer quality range of providers,³⁶ or need to pay higher fees to prevent provider failure.

2.3.3. There is a very real risk that the measures announced in the 2024 Autumn Budget, namely the rise in Employer National Insurance Contributions (ENICs) and the rise to the National Minimum Wage, will create cost pressures local authorities cannot afford to cover. Our recent analysis³⁷ finds that the ENICs changes will cost independent care sector providers around an additional £940 million in 2025/26, on top of an additional £1.85 billion to meet the new minimum wage requirements that apply from April 2025.

This is greater than the total £2 billion (3.2%) uplift in local authority core funding above inflation set out in the Budget.³⁸ A survey of care providers has found that if local authorities are unable to raise their fees sufficiently, 73% of providers will need to refuse new care packages from the local authorities or the NHS; 92% will need to increase fees paid by self-funders; and 22% will close their businesses entirely.³⁹

2.4. Workforce instability

2.4.1 Low pay and poor working conditions mean that one in five staff working in care live in poverty,⁴⁰ compounded by a lack of wider support such as sick pay, the impacts of which were made clear during the Covid-19 pandemic.⁴¹ In the context of this, there are currently 131,000 vacancies across the sector, and a turnover rate of 8.3% in 2023/24.⁴² Not being able to recruit enough staff leaves providers reliant on costly agency staff,⁴³ or unable to deliver services, with a high cost to local authorities and individuals when they are unable to get the care and support they need.

2. It is positive that staff working in social care will see an increased income through the rises to the National Minimum wages, commitments to Fair Pay,⁴⁴ and through the provisions described in the

[intelligence/publications/national-information/The-state-of-the-adult-social-care-sector-and-workforce-in-England.aspx](https://www.nuffieldtrust.org.uk/sites/default/files/2021-04/nuffield-trust-social-care-provider-market-web1.pdf)

³⁵ <https://www.nuffieldtrust.org.uk/sites/default/files/2021-04/nuffield-trust-social-care-provider-market-web1.pdf>

³⁶ <https://dspi.web.ox.ac.uk/sitefiles/main-public-output-full-report-final.pdf>

³⁷ <https://www.nuffieldtrust.org.uk/news-item/will-the-autumn-budget-push-the-social-care-sector-beyond-breaking-point>

³⁸ <https://www.gov.uk/government/publications/local-government-finance-policy-statement-2025-to-2026/local-government-finance-policy-statement-2025-to-2026>

³⁹ <https://careprovideralliance.org.uk/press-release-urgent-call-to-address-devastating-impact-of-budget-on-care-and-support>

⁴⁰ <https://www.health.org.uk/news-and-comment/news/1-in-5-residential-care-workers-in-the-uk-living-in-poverty-before-cost-of-living-crisis#:~:text=New%20analysis%20published%20today%20by,in%208%20of%20all%20workers.>

⁴¹ <https://www.nuffieldtrust.org.uk/sites/default/files/2023-05/Building%20a%20resilient%20social%20care%20system%20in%20England.pdf>

⁴² <https://www.skillsforcare.org.uk/Adult-Social-Care-Workforce-Data/Workforce-intelligence/publications/national-information/The-size-and-structure-of-the-adult-social-care-sector-and-workforce-in-England.aspx>

⁴³ <https://www.nuffieldtrust.org.uk/resource/chart-of-the-week-the-increased-use-of-agency-staff-in-older-adult-care-homes>

⁴⁴ <https://hansard.parliament.uk/commons/2024-10-15/debates/6E4CB94A-708E-4C08-B290-4B6BE7E0F3D9/AdultSocialCare>

forthcoming Employment Rights Bill.⁴⁵ However, it is essential that any reforms to improve pay and terms and conditions for the social care workforce are adequately funded to avoid further destabilisation of local authorities and the provider market.⁴⁶

3. Costs to the NHS and the wider economy

3.1. Social care is not interchangeable with the NHS, but it is vital for many of its patients

3.1.1. Social care is a vital public service in its own right. While it is inevitably interconnected with the NHS, the NHS exists to diagnose and treat illness, rather than supporting people to live their lives day to day. Spending on either one does not substitute for the other.

3.1.2. The state of social care does pose a real problem for the NHS, because it leaves so many people living with health conditions without the day-to-day support they need. The two sectors need to work well together to ensure the best outcomes for people, for instance around better management of complex care needs, prevention, avoiding hospital admission and ensuring timely discharge from hospital.⁴⁷ For example, Nuffield Trust analysis of care at the end of life finds better integrated care for people in care homes can avoid unnecessary admissions to hospital.⁴⁸ Research by the IFS showed that reductions in social care spending for adults over 65 have led to an increase in A&E visits, with more people visiting emergency departments, more often. This increased A&E costs by an additional £3 per local resident for every £100 cut from social care funding.⁴⁹

3.2. Short term discharge funding has not proven a quick fix

3.2.1. Another visible consequence to the NHS is the difficulty in discharging patients who need care and support after their hospital stay. Delays in discharging patients have risen since the pandemic. Patients stranded in hospital account for as many as a tenth of total hospital beds, and as many as one in six in winter. Although delays in discharge are also created by in-hospital processes (22% of delays) and a shortage of onward NHS short-term recovery beds (19% of delays), our analysis shows that 42% of patients are waiting for services provided mainly through social care, and this rises to 46% for those delayed more than three weeks.⁵⁰ Long hospital stays can lead to a loss of independence and function that can sometimes be irreversible, for instance among people living with dementia.⁵¹

3.2.2. In recent winters, governments have sought to tackle delayed discharges through injections of funding to pay for additional social care capacity. For example, in 2022/23 a total of £500 million was allocated to councils and integrated care boards to purchase mostly short-term packages of care.⁵² Evaluation to date suggests that has not had a dramatic impact on discharges.⁵³

⁴⁵ <https://www.nuffieldtrust.org.uk/resource/employment-rights-bill-committee-stage>

⁴⁶ <https://www.nuffieldtrust.org.uk/news-item/social-care-and-the-budget-stabilisation-for-long-term-reform>

⁴⁷ https://www.nuffieldtrust.org.uk/sites/default/files/2024-11/Nuffield%20Trust%20-%20Dementia%20and%20social%20care_WEB_0.pdf

⁴⁸ <https://www.nuffieldtrust.org.uk/news-item/what-end-of-life-care-do-people-who-die-in-a-care-home-receive-and-how-has-this-changed-over-time>

⁴⁹ <https://ifs.org.uk/publications/impact-cuts-social-care-spending-use-accident-and-emergency-departments-england>

⁵⁰ <https://www.nuffieldtrust.org.uk/resource/delayed-discharges-from-hospital>

⁵¹ <https://www.nuffieldtrust.org.uk/research/what-needs-to-improve-for-social-care-to-better-support-people-with-dementia>

⁵² <https://www.gov.uk/government/publications/rapid-evaluation-hospital-discharge-funding-2022-to-2023/rapid-evaluation-of-the-2022-to-2023-discharge-funds>

⁵³ <https://www.kingsfund.org.uk/insight-and-analysis/reports/hospital-discharge-funds>

The short-term, and often last-minute, nature of the funding has left local authorities reluctant to invest in permanent solutions, such as recruiting more social workers or developing new infrastructure, that take longer to embed and require recurrent funding. Short-term discharge support scaled up at pace is also often not well suited to supporting those with the most complex needs –people who could have returned home with the right support are instead placed in a residential setting with little rehabilitative input and develop a permanent need.⁵⁴ Local authorities are left to pick up these costs when the six-weeks of NHS short-term reablement funding ends.⁵⁵ This money could be better used as permanent funding for councils to use for more strategic developments.⁵⁶

3.3. Cost to the wider economy

3.3.1. Many individuals are limited in their ability to participate in the economy and their communities due to a lack of functioning and widely available public sector social care. For working age adults, good social care can support them to find and maintain employment. But our QualityWatch analysis shows that in England, the proportion of adults of working age with a learning disability in paid employment has declined from around 7% in 2011/12 to 4.8% in 2021/22.⁵⁷ In addition, increased reliance on, and diminishing support for, unpaid carers affects their ability to participate in the workforce and to plan for their own financial futures. As such, 2.6 million carers give up work to care⁵⁸, more than half are unable to save for retirement⁵⁹, and 39% of carers who have given up working have a long-term health condition themselves.⁶⁰

4. What kind of reform would bring these costs to an end?

4.1. The vision for change

The current social care system in England is not achieving its potential to support people and their carers to lead independent and fulfilling lives, at a great cost to individuals themselves, local authorities and care providers, the care workforce and the NHS and wider economy. The government needs to make a strong, positive case for the value that a better system could create, and then demonstrate this through real achievements to win the necessary public backing.

4.2. Global examples

We have extensively researched countries that have successfully reformed their social care systems, such as Germany⁶¹ and Japan.⁶² These countries were able to build public support for increased

⁵⁴ <https://www.hsj.co.uk/integrated-care/exclusive-20000-patients-a-year-warehoused-in-community-beds-after-hospital-discharge/7037535.article> <https://www.hsj.co.uk/integrated-care/exclusive-20000-patients-a-year-warehoused-in-community-beds-after-hospital-discharge/7037535.article>

⁵⁵ <https://www.nhs.uk/conditions/social-care-and-support-guide/care-after-a-hospital-stay/care-after-illness-or-hospital-discharge-reablement/#:~:text=If%20you%20or%20someone%20you,able%20to%20cope%20at%20home.>

⁵⁶ <https://www.nuffieldtrust.org.uk/news-item/getting-the-fundamentals-right-how-to-better-prepare-for-discharge-pressures-next-winter>

⁵⁷ <https://www.nuffieldtrust.org.uk/resource/supporting-people-in-employment>

⁵⁸ <https://www.carersuk.org/media/no2lwyxl/juggling-work-and-unpaid-care-report-final-web.pdf>

⁵⁹ <https://www.carersuk.org/press-releases/unpaid-carers-face-bleak-financial-future-paying-care-costs-on-top-of-tens-of-hours-of-care-every-week/>

⁶⁰ <https://www.carersuk.org/media/qlsly1mc/state-of-caring-employment-web-2024.pdf>

⁶¹ <https://www.nuffieldtrust.org.uk/research/what-can-england-learn-from-the-long-term-care-system-in->

taxation by aligning it to clear benefits around providing high-quality support, making the economic case of freeing up unpaid carers to work, creating employment for social care staff and generating a vibrant provider market.⁶³

4.3. A mission taking many years

Stabilising the sector, through providing sufficient funding, should be an immediate priority for government. But reform to social care will need to go beyond injecting funding into a currently dysfunctional system. A comprehensive programme of reform is required to ensure that all elements of the system work harmoniously. Evidence from abroad underlines the perils of seeking to reform one element without considering the consequences for other elements (New Zealand's efforts to improve care worker pay without also increasing funding faltered, leaving care workers also trapped in a low pay cycle).⁶⁴ This will be a long and complex process and while it is clear that current financial constraints mean this will need to be an incremental process, it is vital that any plans for reform are accompanied by an implementation map that sets out timescales, end points, funding, and acknowledges how changes will affect other parts of the sector. Even if reform can only take place bit by bit, it must make progress on multiple different fronts at the same time to succeed:

- introducing consistency in, and improving access to, publicly-funded care,
- setting out a long-term strategy to address terms and conditions for staff,
- stabilising care providers and supporting the commissioning of innovative and strategic services,
- supporting unpaid carers,
- better joining up social care with wider services – particularly the NHS.⁶⁵

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⁶² <https://www.nuffieldtrust.org.uk/research/what-can-england-learn-from-the-long-term-care-system-in-japan>

⁶³ <https://www.nuffieldtrust.org.uk/news-item/shifting-the-narrative-building-public-support-for-social-care-reform>

⁶⁴ <https://www.nuffieldtrust.org.uk/news-item/what-can-the-new-government-learn-from-other-countries-attempts-to-reform-pay-in-social-care-0>

⁶⁵ https://www.nuffieldtrust.org.uk/sites/default/files/2024-04/Nuffield%20Trust%20-%20General%20election%20-%20social%20care%20tests_WEB.pdf

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