

Written evidence submitted by Partners in Care (ASC0037)

Response to Call for Evidence from the UK Parliamentary Health and Social Care Select Committee from Partners in Care

Introduction

Partners in Care is a not-for-profit membership organisation representing approximately 270 independent adult social care providers – residential care homes, nursing homes, homecare/domiciliary care providers and supported living providers – in Shropshire, Telford & Wrekin and Cheshire.

We offer a wide range of services for adult social care providers across Shropshire, Telford & Wrekin and Cheshire. These include training, a Disclosure and Barring service and a wide range of workforce initiatives.

Partners in Care is the local voice for the independent adult social care sector, representing members in discussions with local authorities and the NHS.

How much is inaction on adult social care reform costing the NHS and local authorities, and what impact does this have on patients and the public?

As a key partner of the Integrated Care System (ICS) in Shropshire, Telford & Wrekin we can see the additional cost to the system of avoidable hospital admissions and delayed discharges. Not enough funding is focused on supporting people to remain independent in the community, and too much money is spent on caring for people in acute hospitals, much of which is unplanned care.

The impact this has on patients and the public is that too many frail older people have to go into hospital, very often through admission following an A&E attendance. This adds further pressure on Urgent Emergency Care (UEC) services which impacts on the wider population in need of UEC and other healthcare services.

In 2023/24 patients aged 75-79 years represented the age group with both the largest number of hospital admission records and the largest number of critical care records. In addition, people aged 65 and over account for over 40% of hospital admissions, occupy around two-thirds of hospital inpatient beds and are the most frequent users of health and social care services. (Source: <https://digital.nhs.uk/data-and-information/publications/statistical/hospital-admitted-patient-care-activity/2023-24>).

Frailty has a significant cost impact on the NHS. Social care can reduce this through preventative and proactive strategies rather than focusing on the NHS in isolation. Frailty poses a significant challenge for the NHS, particularly as the population ages. It is estimated that around 10% of older adults in the community and 30% of those in hospitals are classified as frail. This high prevalence translates to substantial costs for NHS. The British Geriatrics Society estimates that frailty costs the UK healthcare system approximately £5.8 billion annually (Source: <https://www.england.nhs.uk/long-read/proactive-care-providing-care-and-support-for-people-living-at-home-with-moderate-or-severe-frailty>). This figure encompasses various expenses, including hospital admissions, extended hospital stays, and additional care requirements.

Frail individuals are at a heightened risk of falls, accidents, and acute health crises, leading to more frequent hospitalisations. Data suggests that frail older adults have three to five times higher rates of emergency hospital admissions compared to their non-frail counterparts, thus incurring significant costs associated with acute care. Unaddressed fall hazards in homes are estimated to cost the NHS in England £435 million annually. The total annual cost of fragility fractures to the UK is estimated at £4.4 billion, which includes £1.1 billion for social care; hip fractures account for around £2 billion of this sum. (Source: <https://www.gov.uk/government/publications/falls-applying-all-our-health/falls-applying-all-our-health>).

As frailty progresses, many individuals require long-term care, which significantly burdens healthcare budgets. It is estimated that over half of frail older adults will eventually need some form of institutional care or extensive support services.

The cost of rehabilitation programmes can accumulate quickly, with estimates suggesting upwards of £4 billion is spent on rehabilitation and community services related to the management of frailty each year.

The effects of frailty extend beyond financial implications, leading to a reduced quality of life and increased dependency on healthcare services. Improved health outcomes would not only benefit patients but could also alleviate financial pressures on the NHS.

In summary, integrating effective social care services within the healthcare system is vital for the NHS to address the rising costs associated with frailty. By improving patient outcomes and enhancing quality of life, social care can play a significant role in reducing financial pressures and fostering a more sustainable healthcare system.

What NHS and local authority service reforms are not happening as a result of adult social care pressures, and what benefits are patients and the public missing out on?

Fundamentally, local authorities and Integrated Care Boards (ICBs) currently do not pay fee rates which reflect the cost of care provided by care providers, primarily because their budgets are insufficient to pay the true cost of care.

Only 14% of respondents to a fee survey of our Shropshire, Telford & Wrekin members undertaken by Partners in Care in October 2024 feel that the current local authority fee rates cover their actual weekly operating costs, a significant decrease from 19% in a previous Partners in Care survey undertaken in October 2023.

47% of all providers who responded to our October 2024 survey confirmed that they have reduced the amount of local authority funded placements/packages they accept in the past 12 months, an increase from 42% in the previous survey in October 2023. 71% of all respondents expect to further reduce the amount of council funded care they provide in the next 12 months if fee rates remain the same in 2025/26. Only 2% expect to increase the amount of council funded care they provide, compared to 6% in October 2023.

In our October 2024 survey we asked our members how confident they are in their financial situation/sustainability for the next 12 months. Confidence has significantly decreased over the past 12 months, with only 6% of respondents feeling extremely confident compared to 15% in October 2023. The number of respondents feeling not confident at all has increased significantly from 16% in October 2023 to 26% in October 2024, and this was before the majority of respondents were aware of the financial impact of the Autumn Budget 2024.

Adult social care pressures are also resulting in delayed Care Act assessments and Care Act reviews by local authorities which means that many people – both those waiting for a care package to be put in place and those who are already receiving care – do not receive the care they require based on their current needs.

What is the cost of inaction to individuals and how might people's lives change with action on adult social care reform?

The cost of inaction to individuals is that people are not always able to remain in their own homes (including care/nursing homes) in the community, or to return to their own home in the community when they are ready to be discharged from hospital. In addition, the care that people receive is rationed when funded by a local authority or ICB – it is subject to an assessment by the funder and very often the level of funded care provided is reduced, often with limited discussion with the care recipient or their family/advocates. Care recipients are also entitled to regular reviews of their care needs but these reviews are often delayed/overdue. Care providers are often better placed to assess the changing needs of the people they provide care to than a funder or Social Worker. Providing people with the right level of care in the way they would like to receive it empowers and supports them in living the best life they can, as independently as they are able to achieve. This will reduce dependency on statutory services.

Where in the system is the cost of inaction on adult social care reform being borne the most?

The cost of inaction on social care reform is most acutely borne by NHS acute hospitals, particularly UEC. Partners in Care is represented on both the Shropshire, Telford & Wrekin ICS UEC Delivery Board and the Cheshire and Merseyside ICS Cheshire West and Chester Urgent Care Oversight Board. It is clear from our membership of both groups that acute hospitals in both systems are under continuous pressure from increased demand from ageing frailer populations which leads to excessive demand on UEC services, with both systems regularly at critical incident level 4 status. Both systems are also affected by ongoing delays in hospital discharges which adds further pressure to UEC services. With increased investment in the adult social care sector, including local authority and ICB fee rates that reflect the cost of care provided, the sector would be better placed to ensure that care is available in the right place at the right time, to support people in need of care to remain in their own homes (including care/nursing homes) in the community, and to return to their own home in the community when they are ready to be discharged from hospital.

Pressure on hospital UEC services, including Accident & Emergency (A&E) Departments, also has a knock-on impact on emergency ambulance services which is evidenced by regular delays in ambulance handovers and queues of ambulances regularly parked outside A&E Departments.

What contribution does adult social care make to the economy and HM Treasury and how might this change with action on reform?

The adult social care sector makes a significant contribution to the UK and England economies and HM Treasury. National bodies will no doubt submit evidence relating to the whole of the UK and England, but in Shropshire, Telford & Wrekin alone the sector is the largest single employment sector with c.315 employers employing c.17,900 people (Source: Adult Social Care Workforce Intelligence Data for Shropshire and Telford & Wrekin, Skills for Care, October 2024). Moreover, the majority of care providers in Shropshire, Telford & Wrekin are small independent local providers employing local people which creates local employment opportunities and benefits the wider local economy as care workers live locally and spend money locally.

Action on social care reform has the potential to ensure that care providers are adequately reimbursed by local authorities and ICBs for the cost of care they provide.

To what extent are the costs of inaction on adult social care reform considered by the Government when evaluating policies, including within the Budget and Spending Reviews? How should these costs be assessed and evaluated?

We do not believe that the cost of inaction on adult social care reform is adequately considered by the Government when evaluating policies, including within the Budget and Spending Reviews. As an example, the Government's Autumn Budget 2024 will have significant financial implications for care providers through the 6.7% increase in the National Living Wage (NLW) for employees aged 21 and over from 1 April 2025 and the impact of changes to employers National Insurance (NI) contributions from 6 April 2025, both of which will directly impact on care providers' staff costs. Whilst the NHS has been allocated additional funding of £22.6bn over two years (2025/26-2026/27), local authorities in England have only been allocated an additional £600m in 2025/26 to fund social care. The additional £600m will not cover the increase in the National Living Wage from April 2025, let alone the additional employment costs resulting from the employers National Insurance changes from April 2025.

The cost of inaction on adult social care reform should be formally assessed and evaluated as an opportunity cost as part of any Government policy review and decision-making, including within the Budget and Spending Reviews.

December 2024