

Written evidence submitted by Skills for Care (ASC0050)

Skills for Care submission to Health and Social Care Select Committee inquiry 'Adult Social Care Reform: The Cost of Inaction'

1. About Skills for Care

1.1 Skills for Care is an independent charity and the strategic workforce development body for adult social care in England. Our four strategic priorities are increasing workforce capacity, supporting workforce capabilities, supporting culture and diversity, and improving the social care system.

1.2 We operate the Adult Social Care Workforce Dataset holding rich workforce data on over 650,000 staff and 20,000 locations on behalf of DHSC. Every autumn we publish our [State of the Adult Social Care Sector and Workforce in England](#) report and our submission contains data from that.

1.3 Skills for Care led the development of a much-needed [Workforce Strategy](#) for adult social care – working with a wide range of organisations and people who all have a stake in the future of the sector, including people who draw on care and support. The strategy identifies the social care workforce needed over the next 15 years and sets out a plan for ensuring the sector has enough of the right people with the right skills. It will help employers and commissioners with workforce planning, support the Government's reform agenda and complement the NHS Long Term Workforce Plan.

2. Social care and individuals

2.1 We are all living longer – which is a good news story – so social care is important for us all - working age adults as well as older people. The workforce is central to social care.

2.2 The number of people aged 65 and above is set to increase from 10.5 million to 13.8 million in England by 2035 - an increase of around 32%. The number of people with dementia is expected to rise by 43% by 2040 (from 982,000 today to 1.4 million). The number of people aged 18-64 with a learning disability, mental health needs or a physical disability is also projected to increase over this period.

2.3 By the time a person is aged 75, they are 60% more likely to possess two or more significant conditions. This figure increases to 75% for those between the ages of 85 and 89 years old. A 2024 Healthwatch report highlights that social care support can be transformative for disabled people – but as many as 1.5 million working-age disabled people in England may not be getting the care they're eligible for. We need a greater focus on living more healthy and happy years so a well-trained adult social care workforce can play a key role in preventing loneliness, isolation and meeting escalating needs.

2.4 We might need different roles and skills to support people with their mental health. We are seeing a growth in the number of people with mental ill-health and a call for legislative reform which would lead to changes in statutory responsibilities for health and social care organisations. This needs to be factored into workforce development as we might need new roles, more roles or different skills.

2.5 We are likely to need different roles and skills in technology and we already know that advancements like AI-powered care are re-shaping care. We need to adapt to developments,

including technology-enabled care and AI, which is likely to mean new skills and new roles.

2.6 We will need to develop new and different roles and skills as needs change. In 2016, 18% of the population was over 65, and this is projected to reach 26% by 2066, or an increase of 8.6 million people, roughly the equivalent of London's population today. People over 85 will double to 4% by 2041 just after the end of the Workforce Strategy, and treble by 2066.

2.7 We can also expect a greater proportion of future need to be met in the community. Since 2015-16, more people are being supported at home and local authorities are spending more on community services as a proportion of their social care spend. There has been a decline in nursing beds and successive policy positions by Association of Directors of Adult Social Services (ADASS) suggest that, while there may or may not be a continued decline in the use of care home beds, it is reasonable to assume that a greater proportion of future additional need will be met in the community.

2.8 The changes in how and where people will draw on services means we will inevitably need a bigger workforce. Social care currently employs 5% of the total workforce in England and our projections based on data from our Adult Social Care Workforce Data Set (ASC-WDS) show that, if the number of adult social care posts grows proportionally to the projected number of people aged 65 and over in the population between 2023 and 2040, an increase of 29% - or 540,000 extra new posts - would be required by 2040.

2.9 Those demographic changes are happening globally, not just in England. Some of our immediate neighbours are facing even more pronounced trends in their population having a proportionately older structure.

2.10 At the same time, countries that we have typically recruited from, such as the Philippines, are seeing a change in the ratio of older people to working age people. We would expect to see those countries wanting to keep their own working age population and we might expect other countries to try to attract the working age population from the UK. That means we are going to have to recruit and retain more of our domestic workforce and make the roles more attractive so that they remain in the country.

3. Social care and the economy

3.1 Our data show that the adult social care sector was estimated to contribute £68.1 billion gross value added (GVA) per annum to the economy in England in 2023/24. That economic contribution is more than the £28.4 billion cost of social care in England and was up 13.2% from 2022/23.

3.2 Adult social care has the national scale and local reach to help transform society as well as drive economic growth. We need to see it as a key economic driver in local communities where much of the sector's spend is made. It can also support a higher share of economic activity in economically-deprived areas and regionally in the North and the Midlands, for instance.

3.3 The economic contribution estimate includes private sector profits, indirect effects (the adult social care sector's supply chain) and induced effects (money spent by people working in adult social care).

3.4 The NHS is disproportionately impacted by the lack of adequate adult social care. Many individuals with unmet social care needs are admitted to hospitals for preventable conditions, such as infections or falls. Once in the system, delayed discharges are common because social care support is unavailable to enable their return home. As of 2023/24, delayed transfers of care cost the NHS millions annually and social care's 1.59 million strong workforce are important in the effective functioning of the of the NHS.

3.5 The lack of integration between social care and health services exacerbates these challenges, creating inefficiencies and compounding costs. Given the changing needs of those drawing on care and support, the Workforce Strategy is clear that we should expect integration between health and social care and the ambitions of the Care Act to remain important. This means that we will need a more integrated workforce that focuses on personalisation, prevention and wellbeing.

3.6 Prevention and hospital avoidance were priorities for everyone we spoke to during our consultations as the sector feed into development of the strategy, and particularly for people with experience drawing on care and support.

3.7 People working in social care have a key role in prevention, including avoiding people going into hospital. If policy makers do not focus on primary prevention and public health, it is likely that the need for the social care workforce will grow as needs increase and independence reduces. This is likely to mean that people working in social care will need the skills and time to support people before their needs escalate and we will need new skills, roles and ways of working.

3.8 The aim of integrated care is to join up health and care services for individuals and carers and to deliver care that meets people's personal needs. From a workforce perspective, this is likely to mean we need more people in particular roles (registered nurses, nursing associates and occupational therapists as examples), joint training, integrated teams, developing more clinical skills in social care and rewarding those skills and career development pathways between health and social care.

3.9 That will mean building cultures where people working in social care are valued for their unique strengths, where we promote collaboration over competition and our leaders champion integration and collaboration.

3.10 The system depends on unpaid carers. There are around 4.7 million unpaid carers in England - around 9% of the population (although many estimate this to be higher). Although unpaid carers are outside of the scope of the Workforce Strategy, they are vital in supporting the care system. If unpaid carers were not supporting their family and friends, it would have significant personal, economic and workforce implications.

3.11 Families often fill the gaps left by the formal care system, leading to reduced workforce participation. Informal caregiving by family members—often unpaid—results in significant economic losses, as caregivers reduce working hours or exit the labour market entirely. This places a strain on household finances and productivity.

4. The sector's biggest challenges

4.1 With 18,500 organisations and 40,000 establishments providing adult social care, we have a complex system that has a significant number of small and medium-sized enterprises, with 37% of organisations employing one to four people and 85% of organisations employing fewer than 50 people.

4.2 Without central co-ordination and leadership, it leaves social care operating with a fragmented approach, not least because there are so many different bodies with an impact on the workforce including three government departments, 153 local authorities, employers, 42 integrated care systems, at least three regulators, one workforce body, 10 national employer representative bodies, more than 50 local representative bodies and many organisations representing people with lived experience and carers.

4.3 We also need more detailed workforce planning to allow us to match the labour market with changing and growing needs. This should include consideration of the local labour market needs and changing demographics. That will include a particular focus on coastal and rural areas where workforce shortages remain acute.

4.4 We recommend that there should be a legislative requirement to have a workforce strategy and regular workforce projections for adult social care and we would suggest that the DHSC, NHS England and Skills for Care align workforce planning in social care to the drivers and assumptions in any NHS workforce plan. In addition, we recommend that, to effectively address the workforce challenges, social care needs a central body with a legislative mandate to not only develop a unified strategy upon direction by government, but also, crucially, drive its implementation across the diverse landscape.

4.5 Pay continues to be an issue in social care. Research from the University of Kent and The London School of Economics and Political Science has demonstrated, using Adult Social Care Workforce Dataset (ASC-WDS) data, that increasing wages in the adult social care sector can increase employment, with a 5% increase in real wages in the sector - and (keeping everything else constant) likely to increase employment by 9 to 11%.

4.6 80% of jobs in England pay more than the median rate of pay for independent sector care workers in adult social care, and 41% of care workers earn below the Real Living Wage (as at December 2023). A healthcare assistant role pays 78p an hour more than a new healthcare assistant within two years, and £1.45 more than a care worker. This impacts on the ability of adult social care roles to compete with others in the labour market.

4.7 The Low Pay Commission (LPC) suggests that approximately 15% of low-paid social care workers were earning below the National Living Wage (NLW) in 2020 due to non-compliance and enforcement challenges. Using that LPC figure and Resolution Foundation data suggesting underpaid workers earn 3% below minimum wage, we applied this in the Workforce Strategy to homecare staff which provided a starting point for calculating enforcement cost based on the estimated number of underpaid workers and the under-payment amount (considering travel time).

4.8 Our analysis suggests that enforcing the 2023 NLW for adult social care workers would cost approximately £42m per year, of which £30m would be paid by the state and £12m by self-funders. One of the potential benefits in addressing pay is an increase in the supply of adult social care workforce, including both recruitment and retention. The Fair Pay Agreement proposed by the Government in the last King's Speech and would also have an impact on the support of workers for our sector.

4.9 The current situation in England is that we recruit many people into social care - 400,000 started roles in the independent and local authority sectors in 2023-24 - but 330,000 also left their roles.

4.10 Much of this turnover is estimated to be attributable to churn, with staff moving between roles in the sector, so 59% of starters were recruited from within the sector and 41% from outside the sector. This contributes significantly to overall recruitment challenges and costs to employers as our sector has a vacancy rate which is consistently almost three times the national average currently running at 8.3% or 131,000 vacancies on any given day in 2023-24. The vacancy rates are worse for personal assistants, registered nurses, social workers and occupational therapists, which are all core roles.

4.11 We will need more personal assistants. Despite personal budgets being in existence since 1997 and encouragement in the Care Act for increased choice and control, personal budgets are levelling off and the use of personal assistants has not grown, despite a growth in the overall workforce. We anticipate that the expectation of people having choice and control will continue and the need for personal assistants will continue. Many actions which will impact on the number of personal assistants sit outside the scope of the Workforce Strategy but encouraging uptake of personal budgets, supporting commissioners and others to understand direct payments better, showcasing the use of direct payments and their impacts will be important if we are to see more personal assistants enter the workforce.

4.12 ASC-WDS data also shows 29% of our workforce – equating to 440,000 posts - is aged over 55, which means that they could retire in the next 10 years. This means that alongside the estimated increases in recruitment due to increase future demand we will also need to fill those posts that become vacant as experienced workers retire.

4.13 Expectations of work are changing. People providing social care support want more time to care, build relationships, learn and live. In the next few years, we will see a spike in the number of 18 year-olds in England that will not be seen again for decades. They will be the most racially and ethnically diverse generation in history - motivated by purpose, passion and pride and with salary and work/life balance being seen as equally important. While attracting and keeping a highly engaged workforce is getting harder, social care can meet these needs, offering a huge opportunity for the sector.

4.14 We are also seeing some trends in education that we must be ready for, including tech infusion, so technology will become a bigger part of teaching and learning. Online learning is likely to continue to grow. Artificial intelligence might personalise learning experiences, show student strengths and weaknesses and even provide targeted support.

4.15 While core subjects are still important, more emphasis is being placed on developing critical thinking, communication and teamwork skills. Bite-sized learning chunks are gaining traction and Lifelong learning on the rise so the need to constantly adapt and learn new skills is becoming a reality. We should expect to see more opportunities for ongoing education throughout a person's life.

5. Planning for the future

5.1 The Workforce Strategy sets out our direction for the short and longer term, as well as pragmatic action to be taken in the short to medium term to address current workforce challenges. We think those actions fall into three priority areas:

5.2 Government to lead joined up, consistent action on pay and terms and conditions over a number of years with local government, employers and unions. This will make sure we can compete in an increasingly competitive market where we have already seen the number of people with a British nationality in the workforce decrease by 70,000 over the last two years.

5.3 To keep investing, consistently, in training and clear career pathways to equip social care workers for exceptional care in a changing world.

5.4 A legislative basis for a workforce strategy, similar to the Health and Care Act requirement on the Secretary of State to “at least once every five years, publish a report describing the system in place for assessing and meeting the workforce needs of the health service in England.” This is not a ‘nice to have’ and we believe it is fundamental.

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