

## Written Evidence Submitted by Voyage Care (ASC0054)

### Health and Social Care Committee Inquiry into “Adult Social Care Reform: The Cost of Inaction”

#### 1.0 About Voyage Care

- 1.1 Voyage Care is a leading provider in the adult social care sector, with 35 years’ experience of specialist person-centred care and support. It supports over 3,500 people of working age with learning disabilities, autism, brain injuries and other complex needs across the UK. It has over 10,000 staff members across the country.
- 1.2 In England, 89% of Voyage Care’s registered locations are rated as ‘Good’ or ‘Outstanding’ by the Care Quality Commission. It also has 36 National Autistic Society accredited services, including five with advanced accreditation, 16 Headway accredited locations that support over 220 people rehabilitating from brain injuries, and 12 Prader-Willi syndrome specialist services.
- 1.3 Voyage Care’s activities range from supporting people in their own homes, through to running registered care homes and nursing homes. In all cases its core focus is on enabling those that it supports to live as independently as they possibly can – where, how, and with whom they choose.

#### 2.0 Executive Summary

- 2.1 The cost of inaction on adult social care reform is huge for the public purse, care providers and, most importantly, those reliant on care to live happy, fulfilling lives.
- 2.2 The cost is disproportionately felt by the part of the adult social care sector supporting working-aged adults as it is more exposed to public sector funding challenges. According to the Office for National Statistics, providers in this segment of the sector have the lowest proportion of self-funders at 2%, compared to 48.9% for those providing care for older people. This means they are unable to cross-subsidise in the same way that providers in other parts of the sector can.
- 2.3 Meanwhile, this part of the sector has huge savings potential through adult social care reform that could help get the many people with learning disabilities and/or autism out of inappropriate, expensive long-term hospital stays and into supportive services in their local communities that can help them achieve their goals and to take part in meaningful activities such as volunteering and paid work.
- 2.4 Whilst it is clear that the sector is underfunded, there are opportunities to use current funding and systems more efficiently. The cost of inaction on adult social care reform is most avoidably borne by local authorities and providers in overly burdensome and inefficient administrative processes.
- 2.5 Reform of the ‘messy and complicated’ local authority commissioning landscape would reduce back office spend for both commissioners and care providers and would ensure more of every pound spent on social care goes to improving the lives of those in need of support.

- 2.6 Failure to address the adult social care workforce crisis is also disproportionately felt by those of working age supported by the system, as they often have particularly complex needs and can be supported by services for up to 40 years, compared to an average length of stay of just 801 days for older people. This means they are more affected by the lack of consistency in care that workforce inconsistency causes.
- 2.7 Suitable reforms to social care would bring with it substantial long-term savings across a range of public services; however, the Government is not properly considering these savings when evaluating policies, including within the Budget and Spending Reviews.
- 2.8 Voyage Care is calling for the following:**
- 2.9 *To address immediate funding pressures –*
- **The Government to ensure that its welcomed multi-year funding settlements for social care from 2026-27 be accompanied by a commitment by councils to agree fee settlements with providers well in advance of the start of the new financial year. The new year rate should be applied automatically from the start of April.**
  - **Social care funding to be targeted in a strategic way to ensure it is matched to need across all segments of the care sector.**
  - **The Government to adopt a standardised national fair funding mechanism which correlates directly with the National Living Wage and general inflation forecasts to provide predictability, fairness and equality**
- 2.10 *To reduce back-office spend in local authority social care commissioning:*
- **A single national form of contract for all social care services based on standardised terms, but with flexibility to allow for local service specifications, as is the case with the NHS. The standardised terms could cover termination clauses, and inflation-linked pricing.**
  - **Nationally consistent standards and systems for payment.**
  - **National standards for the monitoring of contractual performance.**
  - **Greater support for the digitisation of social care to facilitate all of the above.**
- 2.11 *To address the workforce crisis:*
- **The establishment of a compulsory register of care workers in England that contains records of workers' DBS checks, employers, and qualifications, like that which already exists in all other UK nations.**
- 2.12 *To ensure care commissioning allows providers to support people to become more independent:*

- **Allow front-loading of support hours.**
- **Include support to engage in employment / volunteering activities in contracts.**
- **Move towards outcomes-based commissioning.**

2.13 *To ensure the Government takes a long-term strategic view to social care reform:*

- **The Government to factor in projected savings when making spending decisions on social care reform**

### **3.0 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?**

3.1 The Darzi Review into the NHS noted that 13% of NHS beds were occupied by people who could have been discharged from hospital if they could be transferred to appropriate nursing homes or other care facilities<sup>1</sup>.

3.2 In addition to this, at the end of October 2024, there were 2,050 people with learning disabilities and/or autism in hospital in England, of which over half (51%) had been in hospital for over two years and 16% had been there for over ten years<sup>2</sup>. The vast majority (88%) of these patients are of working age (18-64).

3.3 This has a significant cost to the taxpayer as it costs on average £4,557 per week to keep someone with a learning disability and/or autism in a mental hospital<sup>3</sup>, whilst the average local authority-funded care home place for working-age adults costs £1,540 per week<sup>4</sup>.

3.4 This means that, with a properly functioning reformed adult social care system that provides suitable support to those who need it, savings of nearly £160,000 per person could be made per year by preventing someone with learning disabilities and/or autism from being inappropriately placed in hospital.

3.5 The cost to the people in need of support is also huge. According to the British Social Attitudes Survey, just 13% of people are satisfied with social care. One of the main reasons cited for dissatisfaction was because people did not feel they were receiving all the care that they need<sup>5</sup>. And those trapped in hospital for over a decade with no support or opportunity to reach their goals and aspirations have a poor quality of life.

3.6 What is more, a poll by Healthwatch has suggested that up to 1.5 million working-age disabled people in England could need social care support but are not accessing it<sup>6</sup>.

3.7 This lack of support is likely to be contributing to the very low numbers of people with learning disabilities / autism at work, standing at 5.1%<sup>7</sup> and 30%<sup>8</sup> respectively.

<sup>1</sup> Department of Health and Social Care (2024), *Independent investigation of the NHS in England*. Available [here](#).

<sup>2</sup> NHS England (2024) *Learning Disability Services Monthly Statistics, AT: October 2024*. Available [here](#).

<sup>3</sup> Mencap (2024), *Over half a billion pounds a year is spent locking up people with a learning disability and / or autistic people in mental health hospitals in England*. Available [here](#).

<sup>4</sup> The King's Fund (2024), *Key facts and figures about adult social care*. Available [here](#).

<sup>5</sup> National Centre for Social Research (2024) *Public attitudes to the NHS and social care*. Available [here](#).

<sup>6</sup> Healthwatch (2024), *Up to 1.5 million disabled people could be missing out on social care support*. Available [here](#).

<sup>7</sup> Mencap (2021), *Employment research and statistics*. Available [here](#).

3.8 The cost of inaction on social care reform for local authorities is incredibly high and rising. The County Councils Network has warned that increased complexity of individual needs, a substantial rise in placement costs, and ‘inappropriate and insufficient’ housing options could mean councils’ care and support spending for those of working age could reach £17bn by 2030 – a 50% increase compared to 2024<sup>9</sup>.

#### **4.0 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?**

4.1 Funding pressures, particularly those announced in the latest Budget, including the increase to employer National Insurance contributions, increasingly mean that the limited money within the sector is spent on running costs and immediate pressures on sustainability, with less available to invest in new services and in improving existing ones.

4.2 This is particularly true for the part of the sector supporting working-aged adults as they are more exposed to public sector funding challenges. According to the Office for National Statistics, providers in this part of the sector have the lowest proportion of self-funders at 2%, compared to 48.9% for those providing care for older people. This means they are unable to cross-subsidise in the same way that providers in other parts of the sector can<sup>10</sup>.

4.3 As an example, Voyage Care has recently opened a new Brain Injury Rehabilitation service in the North East of England, which supports up to 13 adults with acquired brain injuries in the early stages of their rehabilitation journeys, after being discharged from hospital<sup>11</sup>. With fewer funds available for capital investment, the likelihood of new projects like this being established in the future has been much reduced, meaning the services will not be there for people in their local communities when they need them.

4.4 Aside from levels of funding, one of the key limiting factors to increasing the efficiency and performance of social care commissioning by local authorities is that they do not have any certainty of what funds will be available beyond the current financial year. The short-term and short-notice nature of social care funding as a whole massively impedes local authorities’ and care providers’ ability to plan for the medium to long term.

4.5 This year, fewer than one third (29%) of local authorities with whom Voyage Care works had informed them of fee rates for 2024/25 before the 1st of April 2024, despite the fact that we are bearing costs from then. In addition to this, many funders don’t automatically start fee uplifts from the start of the financial year.

#### **4.6 Voyage Care is therefore calling for:**

- **The Government should ensure that its welcomed multi-year funding settlements for social care from 2026-27, as called for by Care England’s ‘roadmap to a sustainable future for adult social care’ report<sup>12</sup> and the Nuffield Trust<sup>13</sup>, be accompanied by a commitment by councils to agree fee settlements with providers well in advance of**

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<sup>8</sup> Department for Work and Pensions (2024), The Buckland Review of Autism Employment. Available [here](#).

<sup>9</sup> County Councils Network (2024), *The forgotten story of social care*. Available [here](#).

<sup>10</sup> Office for National Statistics (2023), *Care homes and estimating the self-funding population, England: 2022 to 2023*. Available [here](#).

<sup>11</sup> Voyage Care (2024), *Cleadon Court*. Available [here](#).

<sup>12</sup> Care England (2023), *Care For Our Future: The roadmap to a sustainable future for adult social care*. Available [here](#).

<sup>13</sup> Nuffield Trust (2024), *What health and care need from the next government – Adult Social Care*. Available [here](#).

**the start of the new financial year. The new year rate should be applied automatically from the start of April.**

- **Social care funding to be targeted in a strategic way**, ensuring the right balance between the needs of the elderly, children and those of working age in the care system and taking into account how social care can support the delivery of many of the Government's objectives. For example, good social care to support those of working age will be vital to ensuring the success of the Government's 'Get Britain Working' White Paper.
- **The Government to adopt a standardised national fair funding mechanism which correlates directly with the National Living Wage and general inflation forecasts to provide predictability, fairness and equality.** This should include a tariff system, which is regionalised but allows for a fair rate to be set for services provided. It should also include a minimum hourly rate for supported living fees that reflect the regional cost of living and the minimum hourly wage.

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

### **5.1 Impacts of Adult Social Care Workforce Challenges**

- 5.1.1 Failure to reform the social care sector means that the adult social care workforce has seen sustained high vacancy and turnover rates for decades<sup>14</sup>. This massively impacts the capacity of providers and consistency of care for those we support.
- 5.1.2 It is especially challenging for providers supporting working-aged adults who often have particularly complex needs and can be supported by services for up to 40 years, compared to an average length of stay of just 801 days for older people<sup>15</sup>.
- 5.1.3 This means working-aged people supported by adult social care services are especially impacted by the lack of consistency caused by high staff turnover.
- 5.1.4 Recruitment and retention challenges across the sector are predominantly driven by insufficient pay and a lack of recognition and career progression<sup>16</sup>. Whilst Voyage Care's pay and benefits package ensures that its care workers are paid above the national minimum wage, this is not the norm across the country and, with staff pay making up the highest proportion of care costs, our ability to increase salaries is directly linked to the funding we receive from our local authority and NHS customers.
- 5.1.5 Voyage Care welcomes the Government's commitment to establish a Fair Pay Agreement for adult social care but notes The King's Fund's concern that *"unless that increase in pay is matched with commensurate increases in local government funding, it will further squeeze already strained care provider and local council budgets"*<sup>17</sup>.

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<sup>14</sup> Skills for Care (2024), *The state of the adult social care sector and workforce in England*. Available [here](#).

<sup>15</sup> Forder, J. & Fernandez, J. L. (2011), *Length of stay in care homes*. Available [here](#).

<sup>16</sup> Nuffield Trust (2023), *What does the social care workforce look like across the sector*. Available [here](#).

<sup>17</sup> The King's Fund (2024), *The King's Fund responds to the Labour Party's manifesto*. Available [here](#).

- 5.1.6 Greater recognition of the skilled work social care workers undertake is also necessary in order to ensure they are valued and to elevate the carer's reputation, helping to drive recruitment and retention.
- 5.1.7 Given this, Voyage Care is calling for the establishment of a compulsory register of care workers in England that contains records of workers' DBS checks, employers, and qualifications, like that which already exists in all other UK nations, including Wales<sup>18</sup>.**
- 5.1.8 A mandatory social care worker register in England has also been called for by Care England in a report that has cross-sector backing<sup>19</sup>, and there is early evidence that having a non-departmental public body responsible for the regulation and registration of the social care workforce in other UK countries is having a positive impact on retention and perceptions of the workforce<sup>20</sup>.
- 5.1.9 Like the digital skills passport proposed by the previous government, the register, with its record of workers' qualifications, would provide assurances to the public about the staff providing care. It would also enable staff to have their skills and knowledge properly recognised and require continued development within the workforce.
- 5.1.10 The register, though, would go one step further than the digital skills passport in improving recruitment efficiency and would enable staff to transition smoothly between employers. This is because providers would be able to easily identify qualifications of potential staff, reducing the need for re-training, and things like references and DBS checks, which are often a source of significant delay and unnecessary administrative costs in care worker recruitment, will already be validated on the register. The latter would still be a barrier if only the skills passport were to be established.

## 5.2 ***Unmet Care Needs***

- 5.2.1 Another major cost of inaction on adult social care reform is the sheer number of people with unmet care needs across the country.
- 5.2.2 The King's Fund's found that in 2022/23 local authorities received around a record 2 million requests for social care support. This increased demand for care is significant among working-aged adults. Among this group requests for support have increased by 22%, from 501,000 in 2015/16 to 612,000 in 2022/23. Meanwhile among older people, they have increased by 6% over the same time period.
- 5.2.3 This is likely to be driven in part by the increasing prevalence of disability among working-aged adults. The most recent data from the Family Resources Survey found this to have increased to 23% in 2022/2023, up from 16% in 2012/2013, whilst the same figure for those of state pension age has remained fairly static over the same period<sup>21</sup>.
- 5.2.4 Despite this, a significantly higher proportion of working aged adults who requested care from their local authority received no support at all (35%) compared to older adults (29%).

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<sup>18</sup> Social Care Wales (2022), *Registration*, Available [here](#).

<sup>19</sup> Care England (2023), *Care For Our Future: The roadmap to a sustainable future for adult social care*. Available [here](#).

<sup>20</sup> Nuffield Trust (2023), *What does the social care workforce look like across the sector*. Available [here](#).

<sup>21</sup> Department for Work and Pensions (2024), *Family Resources Survey: financial year 2022 to 2023*. Available [here](#).

5.2.5 The issue of unmet need among working-aged adults is only set to worsen as demand among this cohort increases and the unique funding pressures experienced by the part of the sector that supports these people, described previously, leads to a halt in the expansion of services.

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

6.1 The cost of inaction on adult social care reform is most avoidably borne by local authorities and providers in back office spend.

6.2 Whilst it is clear that the sector is underfunded, there are opportunities to use current funding and systems more efficiently.

6.3 At present local authorities all have different commissioning methods and contracts for adult social care, meaning providers have to adopt a range of different processes for different councils, resulting in a very inconsistent and inefficient system. Care England's Sector Pulse Check report has rightly dubbed the current commissioning landscape for adult social care "messy and complicated"<sup>22</sup>.

**6.4 Whilst recognising the need for councils to be able to reflect the individual needs of those requiring support, Voyage Care is calling for a more consistent social care commissioning model by local authorities, as is the case in the NHS. This could include:**

- **Developing a single national form of contract for all social care services based on standardised terms, but with flexibility to allow for local service specifications, as is the case with the NHS. The standardised terms could cover termination clauses, and inflation-linked pricing.**
- **Implementing nationally consistent standards and systems for payment.**
- **Implementing national standards for the monitoring of contractual performance.**
- **Greater support for the digitisation of social care to facilitate all of the above.**

6.5 Such a step would further drive efficiencies in local government, reduce back office spend for both commissioners and care providers, and would ensure more of every pound spent on social care goes to improving the lives of those in need of support.

6.6 This call chimes with that of the Institute for Public Policy Research, which has called on the Government to set a new binding commissioning charter for social care that supports outcome-driven commissioning decisions, and to rebuild "*genuine commissioning expertise in local authorities*"<sup>23</sup>.

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<sup>22</sup> Care England & Hft (2024), *Sector Pulse Check 2023*. Available [here](#).

<sup>23</sup> Institute for Public Policy Research (2021), *Community first social care*. Available [here](#).

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

7.1 The Future of Social Care Coalition's "*Carenomics*" report found that the sector contributes £51.5 billion of economic activity in England alone when including indirect and induced effects, surpassing other sectors such as electricity and power. It also found that for every £1 invested in social care, £1.75 is generated in the wider economy<sup>24</sup>.

7.2 The report went on to note: "*It is much better value for the public purse to support people in their own homes and in their own communities than in NHS care.*"

7.3 In addition to this Voyage Care has proven that person-centred adult social care can be pivotal in supporting those of working age with learning disabilities, autism, brain injuries and other complex needs to reach their goals and access paid work and volunteering activities.

### **7.4 CASE STUDY: Kayleigh**

When Kayleigh was first supported by Voyage Care, she received 60 hours of support per week.

Over time, Voyage Care supported her to grow in confidence and encouraged her to become a volunteer Quality Checker within the company. In this role she was supported to visit services and ask other people Voyage Care supports about their care.

This experience enabled Kayleigh to build her skills and confidence to the point where she took on a paid role within Voyage Care, working as an area recruiter.

Kayleigh excelled in her role as a recruiter as she was able to bring her perspective as an expert by experience to identify candidates who had both the skills and values to work in care.

Kayleigh eventually bought her own house, something she said she never thought would be possible when first supported by Voyage Care and has now moved on to continue her life working for another organisation.

She now lives independently with no support from a care provider.

7.5 Care should help individuals to achieve their goals and aspirations as described in Kayleigh's case. It should help people to work towards living as independently as possible, and it should help people to integrate into their communities and to take part in fulfilling, worthwhile activities.

7.6 **Voyage Care is therefore calling for reforms to the way care is commissioned to make this kind of best-practice support more commonplace. Specifically, it is calling for the following commissioning practices to be adopted nationally as part of the National Care Service:**

- **Allow front-loading of support hours** (like the 60 per week for Kayleigh) so that intensive support can help people gain their independence, with a view to reducing hours in the future.
- **Include support to engage in employment / volunteering activities in contracts.**

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<sup>24</sup> Future Social Care Coalition (2023), *Carenomics*, Available [here](#).



- **Move towards outcomes-based commissioning.** Commissioning by hours does not help to deliver quality outcomes and is not cost effective. It can prevent people from getting enough support to grow in their independence and reach their goals, meaning many need more hours of care for longer.

**8.0 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?**

8.1 The costs of inaction on adult social care reform are not considered by the Government when evaluating policies. Successive governments have attempted to address local authorities' need for more funding for social care through a series of short-term grants and funding mechanisms with little foresight and consideration of how money could be better spent on reform.

8.2 Camille Oung, a Fellow at the Nuffield Trust, has noted<sup>25</sup>:

*“A failure to put in place a sustainable long-term revenue source to fund social care means that it will be dependent on sporadic injections of money that offer brief respite in a crisis, but do little to enable long-term strategic reform.”*

8.3 These short-term emergency pots of money are often primarily intended to increase capacity in adult social care to improve the speed of discharge out of hospital into care services in winter alongside addressing pressures in the children's social care sector. There is a danger that those of working age reliant on the care system find themselves squeezed between the needs of these two groups.

8.4 What is more, even where the Government is injecting cash, such as the additional £600 million for the social care grant announced in the latest Budget, this is being more than swallowed up by other policy changes such as the planned increases to National Minimum Wage and the employer National Insurance Contributions, which the Nuffield Trust predicts will cost the adult social care sector over £2.8 billion next year<sup>26</sup>.

8.5 In addition to this, in the latest Budget there was no sign that reforming adult social care is a priority for the Government. It was further absent from the list of the Government's reform priorities for the second phase of the Spending Review.

8.6 As described previously, social care providers are unable to make long-term decisions or investments based on short-term cash injections of this nature, so they do not meet the needs of the people we support and do not help the sector to innovate and improve.

**8.7 Voyage Care is therefore calling for the Government to factor in projected savings when making spending decisions on social care reform.**

8.8 For example, the Liberal Democrats found that implementing free personal care would cost £5 billion a year before savings are factored in, but with an estimated £3 billion of savings to

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<sup>25</sup> Camille Oung, Nuffield Trust (2023), *Social reform across the UK: why does it keep failing?*. Available [here](#).

<sup>26</sup> Nuffield Trust (2024), *Social care providers at risk of collapse as analysis reveals cost to sector of national insurance hike*. Available [here](#).

the NHS, the real net cost would be £2 billion<sup>27</sup>. The party suggested that this net cost could be fully funded by reversing tax cuts for larger banks made by the previous government<sup>28</sup>.

- 8.9 Another example is modelling by the IPPR which shows that joining up health and social care commissioning could save the NHS £4.5 billion per year by 2030 as a result of scrapping NHS Continuing Care, reducing admissions to hospital and delayed transfers of care, and by shifting care into the community<sup>29</sup>.
- 8.10 **All of these savings should be factored in by the Government when making spending decisions on social care.**

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<sup>27</sup> Daisy Cooper MP (2024), *How government could save £3bn on social care, with Lib Dem deputy leader Daisy Cooper*. Available [here](#).

<sup>28</sup> Liberal Democrats (2024), *Ed Davey launches plan for free personal care to end hospital crisis and help people stay in their own homes*. Available [here](#).

<sup>29</sup> IPPR (2019), *Social Care: Free at the point of need*. Available [here](#).