Written evidence submitted by The Health Creation Alliance C.I.C.(ASC0065)

The Health Creation Alliance (THCA)

submission to the

Health and Social Care Select Committee Inquiry

Adult Social Care Reform; the cost of inaction

About The Health Creation Alliance

The Health Creation Alliance (THCA) is a leading national cross-sector movement for improving health and wellbeing and reducing health inequity through Health Creation.

A not-for-profit community interest company, with a membership comprising passionate professionals from many sectors and levels of seniority, community leaders and members, and people with lived experience of poor health outcomes, poverty, trauma or discrimination, we work together as equal partners.

Our mission is to increase the number of years people live in good health in *every* community. Our ambition is for Health Creation to become business as usual, embedded in health and social care systems and wider local partnerships alongside the treatment of illness and prevention of ill health.

We provide a space and a platform where lived and learned experience, action, thought leadership and influencing meet; a spread mechanism for health creating practice on the ground.

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Q1: 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?

When THCA talks about 'reform,' we mean reform in its widest sense. Not just reform relating to funding and paying for social care (which are both important, although others are better placed than THCA to assess the cost of inaction on them) but reform to a 'health-creating' model of care that would enable people to live well in the place they call home, with the people they love, and supported by networks and communities, in some instances alongside daily, paid-for care.

The opportunity of health creation in social care reform

Health creation is a transformative process and method that enables individuals and communities to develop mastery and agency over their own health, lives and environments. When systems understand and learn how to create the conditions, and the spaces that allow people to generate and sustain their own well-being, health creation offers an innovative approach to social care reform.

At its best, social care is a deeply local service: it looks after local people, is delivered by local workers, and is supported by local business infrastructure and investment. This creates a hyper-local ecosystem, where the individuals delivering care, those receiving it, and the organisations investing in it share a sense of pride in and love for their place and community.

This local connection fosters social bonds that go far beyond the task-based metrics of showering, dressing, or meal preparation. It creates opportunities for individuals to live meaningful, connected lives within the communities where they are respected. Health creation underpins this process by giving people and communities the power to shape their own social care systems and to co-create solutions that enhance autonomy, dignity, and collective well-being.

By embedding health creation as a foundation for reform, we can empower communities to build systems of care and support that are rooted in social connection, local pride, and shared responsibility. This approach moves us closer to delivering the kind of care that not only meets basic needs but also enables individuals to thrive within vibrant, supportive communities.

Key requirements for reform

In **THCA's Submission to ChangeNHS** THCA is making a case for the third shift – from treatment to prevention – to include, in addition, a shift to a health-creating model of care. This includes a health-creating model of social care for people of all ages who draw on this critical service to live their day-to-day life well.

At least four things are required for reform of social care:

- **A recognition of the broad purposes of the social care system** – by policymakers and senior healthcare professionals – to enable people to live 'gloriously ordinary' lives fully integrated into society. This is a social justice issue that supports levelling up at the most individual and personal level.

- **A shift from gate-keeping to timely support** – from a system that gate-keeps demand and rations services to one that relates to people and, through timely conversations, provides what they require to maximise their health and prevent their situation deteriorating. This is far more preventative than a system that spends large proportions of the overall budget on assessing and either admitting or excluding people from forms of care and on the basis of criteria that are both, in any case, sub-optimal.

- **A radical solution to funding and paying for care** – adoption of Prof Andrew Dilnot's recommendations for funding social care to make the system fairer and to provide certainty for actuarial/insurance calculations. Prof Dilnot's review still offers the best and most comprehensively thought-through solution to the issue of funding and paying for social care.

- **Action to stop extraction of profit** – this was one of THCA's **Seven Asks of a New Government** in our **May 2024 Manifesto for whole system change**

Other implications of inaction

- **The care workforce is under pressure:** High turnover rates and insufficient staffing lead to inconsistent care for patients. A reformed, health-creating model of care could foster innovation within the workforce, attract new talent, and improve retention by recognising care roles as skilled professions and ensuring better working conditions.

- **Economic inactivity**: A poorly functioning social care system increases pressure on informal carers, reducing their ability to be economically active members of society.

- **Carer poverty and breakdown:** Carers often face financial hardship and burnout, affecting their ability to provide care.

- **Loneliness**: Social isolation is prevalent among those needing care, partly due to the bilateral nature of the caring relationship. Community-based, networked, 'health-creating' care offers much greater potential for connections to be made that can help to reduce feelings of loneliness and isolation. Intergenerational initiatives, for example, can foster connections between older adults and youth, promoting mutual learning and social cohesion.

- **Impact on emergency services:** The lack of timely and adequate social care places a significant strain on emergency services, with ambulances and A&E departments often responding to non-emergency situations that could be addressed through proactive social care interventions.

- **Delayed hospital discharges ('bed blocking'):** Prolonged hospital stays for patients who are medically fit for discharge but cannot leave due to insufficient community-based or residential care support exacerbate the NHS capacity crisis.

- **Criminal Justice System failures:** Ex-offenders struggle with reintegration due to insufficient support and discrimination in the job market and society more generally. Enlightened, health-creating social care linked to more community-based, community-led provision of 'health-creating' support would help with the process of re-integration. There are good examples now of how this can work, that should be adopted as good practice everywhere.

- **Preventable deterioration of health**: Without a shift to a health-creating model of care, preventable health issues – such as malnutrition, untreated mental health conditions, or unmanaged chronic illnesses – escalate, leading to increased demand on acute NHS services.

- **Exploitation of vulnerable groups:** Looked After Children, young people with mental health issues, and those with learning disabilities or neurodivergence are more likely to be exploited without adequate social care provision.

- **Inequalities in access and outcomes:** Marginalised groups, including ethnic minorities, refugees, and people with disabilities, face disproportionate barriers to accessing quality social care. These inequalities are particularly striking because many of these same communities constitute a significant proportion of the social care workforce. Despite being essential to the functioning of the sector, they often work under poor terms and conditions, with low pay and minimal job

security. This inconsistency highlights a stark inequity: individuals from these communities often struggle to access the very services they sustain through their labour. Addressing this disparity is critical to achieving a more equitable, sustainable social care system.

Inaction on wealth extraction from supported accommodation and care home properties

We note that the government has made a welcome move to limit the use of profit within children's social care. However, THCA is particularly concerned about the continued extraction of value from the system and from local communities. This is particularly exaggerated by current practices with younger adults, and we would welcome the government makings its policy on extractive profit consistent across all care groups.

The increasing value of properties used as supported accommodation and care homes has led to their treatment primarily as assets for wealth extraction rather than as resources for public good. Sovereign wealth funds and private investors are increasingly involved in the adult social care sector, not out of altruistic intent but for the security and returns these properties provide. This creates systemic issues:

- **Limited accessibility and long-term security:** Much of the housing stock, particularly social housing, is inaccessible to older adults and those with disabilities, exacerbating the demand for supported housing. Yet, these properties are often safeguarded for the purpose of adult social care only for the terms of the lease. They do not become part of the permanent social housing stock, leaving local authorities with no long-term solutions.

- **Local authority financial shortfalls:** Local authorities, already struggling with significant funding challenges, cannot afford to purchase or maintain properties for adult social care. This reliance on private investment perpetuates a cycle of wealth and asset extraction, where venture capitalists and private equity firms profit at the expense of long-term, sustainable solutions.

- **Due diligence gaps**: The high demand for accessible supported housing has also led to insufficient scrutiny of private entities investing in or constructing these properties. This raises concerns about the quality, longevity, and appropriateness of the housing stock being developed.

The current reliance on private investors and short-term leases creates a "black hole" in adult social care infrastructure, prioritising financial returns over the social necessity of ensuring vulnerable individuals have stable, appropriate, and dignified housing and care. Without reform, this model undermines the long-term sustainability of adult social care and fails to address the growing needs of an ageing population.

Q2: 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?

The £600m additional funding in the latest budget will not even pay for the uplift in the minimum wage plus employers national insurance for care workers. Local authorities are not even able to cover the increased costs of existing provision.

Several necessary reforms within the NHS and local authorities are not being implemented because of the pressures and lack of reform from adult social care. They include:

- **NHS reform around Urgent and Emergency Care**: The NHS remains preoccupied by patient flows within the health system rather than putting its attention into considering ways of reducing hospital admissions, lengths of stay and readmissions through better social care and support being offered by other partners outside hospital settings – such as the VCFSE and housing organisations.
- **More health creating ways of keeping people healthy at home and in their communities;** through community-led provision of informal services that can address people's wider needs for connection, confidence-building, employing their skills and securing and advancing in an engaging occupation.
- **Adequate resources to properly address the wider determinants of health:** Repeated disinvestment in local authorities prevents them from properly addressing the wider determinants, such as quality housing, adequately and maintaining a stable society.

Q3: What is the cost of inaction to individuals and how might people's lives change with action on adult social care reform?

Not fixing social care funding, or developing it into the dynamic and health creating service that it could be, is a conscious choice about Governments' priorities.

This has profound costs for individuals, including:

- **Poor Wellbeing**: People who draw on social care and who are not able to pay for good quality care themselves frequently pay a high price through poor wellbeing.
- **Emotional toll:** The emotional toll on individuals and families is immeasurable.
- **Wealth Inequality**: Disparities in wealth are exacerbated by inadequate social care.
- **Fear of the Future**: People face the uncertainty of not knowing how long they and their loved ones will need paid-for social care for and how much it will cost them. Currently, 10 years plus of paid-for care would wipe out most people's savings and their house value. This is both unfair and it comes with a fear factor, both of which would be avoidable if Prof Dilnot's recommendations that limit the costs of care to a reasonable sum were implemented.
- **Further segregation and disenfranchisement of marginalised communities:** A lack of investment in adult social care exacerbates the segregation and disenfranchisement of marginalised communities, including older adults, disabled individuals, and care-experienced young people. These groups are often unseen and unrecognised within systems of power and decision-making, which erodes trust in civic infrastructures and limits their engagement with society. Without reform, they continue to struggle to live good lives, have their voices heard, and participate meaningfully in decisions that affect their lives. The absence of adequate investment in adult social care reinforces these systemic barriers, perpetuating cycles of exclusion and inequality.

- **Further over-reliance on unpaid carers and family carers:** Unpaid carers and family carers are currently providing the bulk of support for people requiring social care, filling gaps left by unmet needs in the system. This over-reliance not only devalues care as a fundamental human and societal trait, reducing it to an act of goodwill or voluntary generosity, but it also places immense pressure on carers themselves. Many unpaid carers face significant physical, emotional, and mental health challenges due to the stress and demands of meeting the unmet needs of their loved ones while receiving little to no support from existing systems. Civil society, including the voluntary sector, is under immense pressure, with burnout increasingly prevalent among volunteers. Without reimagining and reforming social care, this strain will deepen, undermining the sustainability of both formal and informal care networks. Health creation presents an opportunity to reframe care as a celebrated and measurable societal asset, fostering compassion, connection, and understanding within communities while ensuring care is appropriately valued, supported, and integrated into policy

With effective reform, individuals could experience improved wellbeing, reduced inequality, and a more secure future.

Q4: Where in the system is the cost of inaction on adult social care reform being borne the most?

High quality social care is absolutely essential for many people of all ages to live well every day. The cost is being borne mainly by two groups:

- **Elderly and disabled individuals** who draw on care who are not getting the quality or level of personalization of service they need nor the opportunities to succeed in building community based 'health creating' support, because little thinking is being done about this and little resource is going into it.

- **Paid carers**, too many of whom are living on the minimum wage in precarious circumstances and who cannot always maintain a good quality of life themselves.

- **Unpaid Carers** who face financial and emotional strain.

The impact of inaction over older people's care in particular is affecting both older people themselves quite badly and the acute sector to which they are admitted. Too many older people are not adequately cared for within their home or connected to others in community settings making hospital admission both more likely, a stay in hospital lengthier and discharge of medically fit older people more likely to be delayed and when it is, it is more likely to be to unsuitable care settings. Community-based, health creating approaches to caring for people would reduce admissions, reduce the length of stay and expedite discharged into a supported home and community environment making readmission less likely (there are proven examples of this particularly where housing organisations are involved).

Q5: What contribution does adult social care make to the economy and HM Treasury and how might this change with action on reform?

The answer to this question depends to some extent on how the Government measures 'economic contribution'. GDP is extremely limited as a measure of prosperity because it does not consider what activities are contributing to the GDP; for example it does not include charitable activity. Neither does it take into account the wellbeing of people and communities that supports a strong economy.

- The Social Care Sector contributes £46.2 billion.
- Civil Society adds £20 billion.
- Economic inactivity costs associated with caregiving responsibilities.
- Inheritance and Capital Gains Tax through the financial implications of care-related expenses.
- Workforce attrition and high turnover rates in the social care workforce.
- Social Capital; the value of community support and networks.

Q6: 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?

THCA sees many missed opportunities to act as well as having insight into the implications of these missed opportunities. The costs of this inaction are often overlooked in government policy evaluations. We suggest that the following should be assessed:

- **Community or population health and wellbeing:** overall impact on the public's health.
- **Workforce capacity and morale:** staffing levels and job satisfaction.
- **Deprivation and social mobility:** economic and social impacts.
- **Prevention funding:** the effectiveness of investment in preventive measures
- **Economic performance:** broader economic impacts beyond healthcare spending.

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