

## Written evidence submitted by West Sussex County Council (ASC0075)

### Health and Social Care Select Committee Inquiry

#### Adult Social Care Reform: The cost of inaction

#### WSCC Response

#### 1. 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?

- 1.1 The reform of adult social care needs to be backed by a sustainable financial settlement. Current realities could not be further from that position with a recent survey from the Association of Directors of Adult Social Services finding that 81% of upper tier councils are forecasting overspending on their adult social care budgets in 2025/25, typically 3%. This is having a significant impact on the sector's ability to address the serious challenges it faces in relation to increasing demand, rising costs, service delivery and workforce challenges and is resulting in unquantifiable impacts on patients and the public, as well as adding to pressures on the NHS.
- 1.2 A recent County Councils Network (CCN) report has revealed that per-person spend on adult social care in county areas has increased by 50%, going from £237 per person in 2013/14 to £357 per person in 2023/25. The number of requests for services is at an all-time high, with circa 955,000 requests for services in counties last year. Underpinning this has been a persistent workforce challenge, with an estimated 65,000 vacancies in the sector within county areas. In West Sussex, there was an increase of over 45% of new requests for support from 2022/23 to 2023/24.
- 1.3 It is recognised by all political parties that adult social care requires both investment and reform, and the landmark Care Act (2014) and recent White Paper, *People At The Heart of Care*, have contained proposals that have been widely welcomed across the sector. However, the reality is that the ambitions of these reforms have never been fully realised. Moreover, through the decisions taken in the Budget on 30<sup>th</sup> October 2024 to increase the National Living Wage and employers National Insurance contributions, local authorities have been transferred an unfunded burden. This has been estimated nationally at up to £1.8bn for which only £0.6bn of additional resources have been committed. The Care Providers Alliance has referred to the 'devastation' these announcements will bring, and the 'enormous concern, distress and despair' being felt 'across a sector already reeling from years of underfunding and increases in both demand and acuity'. Without funding to cover those increases, it is impossible to see that the availability and quality of care will not suffer.

#### 2. 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?

- 2.1 The funding constraints facing adult social care is limiting the much-needed shift towards community-based, preventative services envisaged within the Care Act. Even though West Sussex County Council has adopted a five-year Adult Social Care Strategy which prioritises supporting people to live independently in the community, resources are not available to drive that process at pace or scale.

2.2 Transformational change requires upfront investment and produces a return that generally builds over time. Without adequate funding and certainty of its availability over the medium term, inevitably this becomes squeezed by the cost of existing care packages. This is being exacerbated by the emphasis which is being placed on hospital discharges. Not only does this pit the NHS and local authorities against one another, it results in priority being put on enabling people to be discharged at the back door rather than to avoid admissions at the front door.

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

3.1 In West Sussex waiting lists for social care assessments are at significantly high levels. As of November 2024, there were 805 people waiting for the start of an initial care assessment, with a median wait time of 58 days. The number of people awaiting a care review is considerably higher, with a median wait time for a review of 230 days. Although we are not unusual in that respect, in effect this has become a form of rationing. While people are on these lists, it is also highly likely that their care needs will increase. Alongside this we know there are specific issues in relation to women aged 85+ (those with substantial dependency are projected to grow by 4700 by 2035) and in certain neighbourhoods (which are not always correlated with conventional measures of need or deprivation).

3.2 These require a mix of different interventions and are the reasons why our Adult Social Care Strategy promotes independence because we know this will deliver better outcomes for people and, over the medium term, make better use of public money. Without a system that views these issues holistically (which also includes the need for investment in Public Health) the positive impact that social care can have on people's lives will not be maximised.

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

4.1 Inaction in adult social care reform is being experienced across the entire sector. However, recent analysis by the County Councils Network (CCN) and Newton has revealed that the costs of providing care for working age adults in particular, is now far outpacing social care to the over 65s, with two-thirds of adult social care commissioning budgets dedicated to working age and lifelong disabled adults.

4.2 Caring for working age and lifelong disabled adults is one of the most important and rewarding responsibilities for councils but their needs and challenges have been impacted by the ongoing inaction on adult social care reform. In the County Council's case this is being compounded by the existence of pooled budgets with the NHS. This is exposing us to a share of responsibility for people with complex health-related needs. When combined with actions that the NHS has been taking locally on eligibility for Continuing Healthcare, the very arrangements which should promote joint working have led to cost shunting. Had reforms been implemented this would have proved more manageable than is currently the case.

4.3 The CCN warns 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 these individuals could top £17bn by 2030 – a 50% increase compared to 2024.

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

5.1 There are over 500 care providers operating in West Sussex, which makes the sector a major employer in the county. From a point of view of the economy, the added complication is demography. Latest Office for National Statistics figures show that there are 39.2 people of retirement age in West Sussex for every 100 of working age. For comparison the England average is 29.7 or 32.4 for the South-East. The competition for workforce that this creates continues to drive wages upwards with the wider implications this brings for employers. In that spirit, greater investment in preventative services which reduces the need for formal care (including amongst self-funders who make their own care arrangements) would potentially have a significant impact on workforce availability.

5.2 Equally important is the value of work undertaken by carers, of whom there are around 30,000 registered in West Sussex. This underlines the importance of carer support, most of whom are friends or family. If that was not available and needed to be replaced by paid-for services, the cost and workforce implications for businesses across West Sussex would be severe.

**6. 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?**

6.1 West Sussex County Council welcomed the Government's decision not to proceed with the implementation of proposed charging reforms in this parliament – with no funding committed to these reforms and with councils still facing acute workforce and system pressures, introducing charges in October 2025 could have had serious consequences for council finances, health and care systems and individuals currently in receipt of services.

6.2 However, this was only ever one part of the reform agenda, with the Government setting out its new ambitions to create a 'National Care Service'. The Government has so far not provided clarity on what this means for adult social care and the reform agenda and uncertainty around this reform is ongoing. WSCC would welcome assurance that councils will remain at the heart of delivering services locally as part of a National Care Service and that adult social care will have parity with health services within this new policy.

6.3 Over the past few years, there have been significant injections of vital additional funding, which have been welcomed by the sector. However, while this funding has helped stabilise services to some extent, it has been short-term, fragmented, and come at a time of increasing demand and

high-inflation – limiting the ability of councils to budget effectively, expand services and invest in services in the long-term. Benefits are also now at risk of being undone because of the lack of funding for the changes to the National Living Wage and National Insurance.

- 6.4 It is vital that any adult social care reform includes a sustainable and long-term funding solution for the sector. This should include the retention of all existing funding for adult social care, with a commitment to meet increased spending need over the course of the parliament. Additional investment must be prioritised on expanding the availability of care packages for those most in need and enabling investment in community-based, preventative services.
- 6.5 Priority must be given to a long-term plan for investing in meeting existing needs and progressing wider system reform, focussed on stabilising the market, enhancing prevention, developing community services and addressing barriers to housing with care. This should build on, and fully realise, the ambitions of Part 1 of the Care Act.

***December 2024***