

Written evidence submitted by East Sussex County Council (ASC0096)

Committee Inquiry into Adult Social Care Reform: The Cost of Inaction - Call for Evidence

Thank you for the opportunity to contribute to this call for evidence. East Sussex County Council (ESCC) is responding as a local authority with responsibility for assessing and meeting adult social care needs, with particular demographic challenges. We directly provide some services and commission others. We welcome this inquiry and the focus it will bring to the challenges within adult social care.

We all want to live in the place we call home, with the people and things we love, in communities where we look out for one another, doing what matters to us. This is the Social Care Future vision we have adopted for adult social care in East Sussex. When organised well, social care helps people live their lives in the way they want to, with meaning, purpose and connection, whatever their age or stage of life. This is what was behind the Care Act when it was enacted in 2014, but like other local authorities, we have faced many challenging in fulfilling this. To make this a reality and truly deliver reform, government must make good social care a priority and begin investing more in it.

We hope that the Committee will use this opportunity to recognise the growing importance and value of investing in social care in its own right, and not just as a route to easing pressure on the NHS.

Summary of key points:

- There is a growing gap between demand for adult social care services – which is rising in volume and complexity - and the ability of local authorities, including East Sussex County Council, to meet the costs of this. **Fairer, more sustainable funding** with multi-year settlements is needed, based on demand for and complexity of need locally – and reforms to adult social care themselves must be fully funded.
- **Systematic investment in prevention and early intervention** is critical to allow people to be healthier and independent for longer, and reduce pressure on more acute and expensive services. This means building community infrastructure, drawing together social care, public health and NHS funding, and including the voluntary, community and social enterprise (VCSE) sector.
- Fundamental change is needed to support a **truly integrated health and care service** at a local level, which places adult social care on an equal footing.
- **Workforce challenges** around recruitment and retention need addressing to keep up with demand – parity of esteem with NHS pay and conditions is needed.
- **Sustainability of the care market** must be a central consideration of any reform – a move towards a ‘fair rate of care’ must in itself be properly funded.
- Greater **earlier support** for those with mental health needs, neurodivergent conditions and addiction, and specialist support for those with dementia and complex needs is needed to reduce inequality of outcomes and prevent escalation or admission to costly and acute services.

Context for East Sussex County Council:

East Sussex faces unique challenges which impact on the need for support and services in the county. In particular:

- Around 27% of the East Sussex population is over 65 compared to 18% nationally – this is expected to grow to 29% by 2028, with an overall population increase of 14.2% in over-85s.
- As at 1 April 2024, we were supporting 2,565 people in residential care and 5,181 people in the community, with a 9% increase in contacts and 13.6% increase in assessments since 2023.
- Since 2020 the average weekly cost of providing care has risen by 48%.
- We have high levels of deprivation: Hastings is the 13th most deprived lower tier local authority in the country, and Eastbourne is in the top 20 most used UK foodbanks run by the Trussell Trust. Cost of living challenges have increased demand for care, while reducing people's ability to pay towards the cost of care.
- East Sussex has a higher percentage of children accessing special educational needs (SEN) support (15.4% compared to 14.1% nationally) – many of these children transition into adult social care at 18.
- Care needs are escalating and more complex – we estimate that by 2028 there will be an additional 22,000 people with two or more health conditions, and by 2030 nearly 14,000 older people are projected to have dementia, an increase of 18.4% from 2023.

All of this means the pressures on our adult social care services are particularly acute compared to elsewhere in the country.

I hope this submission is helpful. Our answers to the questions are set out in full below. Please contact me if you require any further information.

Mark Stainton
Director of Adult Social Care and Health

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?

The biggest cost of inaction for local authorities is seen in the growing gap between demand for adult social care services and the ability to meet the costs of this. With increasing needs among young and working age people with learning disabilities, mental ill health and lifelong disabilities, this will only increase. A major reason for this is that local authority funding is not appropriately aligned to need; the funding formula needs fundamental reform to ensure it properly reflects the cost of providing services in different areas of the country. This should include local demography, prevalence of complex needs, deprivation and what the market needs to be sustainable. While we agree that reform of adult social care is needed, it cannot work unless:

- a) local authorities are funded in a fairer and more sustainable way, with multi-year settlements which properly reflect the real local need for services, including social care, and are not unduly reliant on Council Tax income which is unrelated to need, and
- b) any reform is fully funded; previous proposals have significant financial implications for local authorities.

Financial pressures in ESCC

Adult social care accounts for 48% of our budget which means less is available for other services, including supporting those which may help in reducing ASC demand. Despite being a well-run and efficient council which has saved £140 million since 2010, the financial position we find ourselves in means we are consulting on savings proposals which would further erode preventative services. This is on top of previous significant cuts to adult social care services, such as learning disability day services, housing support, adult day centres and use of residential mental health settings. We know this will have a direct impact on the likelihood of needs increasing and becoming more acute, creating additional pressure both on our services and on the NHS and other public sector bodies further down the line, but we have been left with no choice.

Carers

Around 10% of the population in East Sussex providing some form of unpaid care (compared to the national average of 8.8%). Failure to reform services and funding is directly impacting upon these unpaid carers who we rely upon to support those with care and support needs. The less they are supported, the greater the impact on their own health and wellbeing. Not only does this reduce the quality of and ambition for their own lives, but it creates further pressure on social care and local authorities when they are no longer able to support their loved ones.

Workforce

The cost of delay in implementing workforce reform can be seen in high vacancy rates. Across the adult care sector in East Sussex we have 1,100 vacancies. The impact of recent visa changes on overseas workers is contributing to this as the sector is highly reliant on international workers.

More social care staff and occupational therapists are needed to keep up with demand, and to reduce pressure on the NHS. As well as the high number of vacancies in the independent and self-employed care sector, with turnover at around 30%, we are struggling to recruit and retain care staff within the local authority. While the increase in the minimum wage may improve the situation in the independent sector, it, along with increased employers' National Insurance contributions, adds additional financial pressure to the council through the level of care fees we must pay in order to sustain a viable local market. In addition, parity of esteem with NHS pay and conditions may attract more workers to the social care workforce, but this would also require funding.

It is also critical that that we have a skilled workforce. People are living longer, and are increasingly like to have more than two long term conditions, and as such their needs have become more complex. We need staff skilled and trained to assess and provide suitable interventions to meet these needs, as well as suitable accommodation. This includes staff trained with a reablement mindset, helping to improve people's chances to maintain or regain independence where their needs are less acute.

Costs of reforms themselves

While delays in reforms create problems, it is important to acknowledge that the proposed reforms themselves present challenges for local authorities, especially if they are not properly funded. We currently receive 10,500 contacts per month to our Adult Social Care and Health Department contact centre, and are facing pressures in meeting our current obligations under the Care Act 2014 to undertake timely assessments. The previously proposed changes to funding thresholds would have increased demand for assessments, requiring an additional £5.76m for 112 adult social care staff (+7.8% in staff budget) and 19 administration staff (+21% in staff budget).

Care market and sustainability

Sustainability of the care market is a high priority. While we provide some services directly in East Sussex, all residential care, and most home care, is commissioned from the independent sector. A lack of clarity around long-term funding means that as a local authority we struggle to plan long-term for future services. While we may want the sector to deliver more or different services, as a commissioner we cannot ask providers to do so if we cannot be certain we can afford to pay for it. Providers have also previously expressed some concern about the uncertainty that the continued delays creates, as they cannot be clear on the funding model in the future and are therefore unable to make long-term investments to improve services, IT infrastructure or their environmental sustainability.

It is also important to flag that if and when any charging reforms are implemented, this will create significant challenges in the market. There are currently 6,517 registered beds in the East Sussex older people residential care market, of which 81% were occupied. Of these, 33% were funded by ESCC. Our analysis of previously announced reforms indicated that they could lead to a high demand for ESCC to purchase significantly more residential and nursing care at our local authority rate. Prior Government estimates of take-up and local estimates of the impact of the charging reforms led us to project the number of people paying for their own residential and nursing care in East Sussex would reduce by two-thirds. This would result in our needing to increase our market share by more than double. Depending on local authority funding and our ability to move towards a local 'fair rate of care' such a change in market share is unlikely to be sustainable, particularly due to the current gap between our rates and the local median cost of care. This is underlined by the fact that residential care provision for ESCC has reduced due to the rates we can afford to pay.

NHS and adult social care

Due to our ageing population and high proportion of over-85 year olds, as well as increasing complexity in our working age client groups, we are seeing an increase in patients (and complexity of need) in our acute hospital sites. Many of these have onward care needs but 'No Criteria to Reside'. East Sussex hospital trusts have some of the highest discharge delays in the country despite our well-performing adult social care services. The longer a person is in hospital when otherwise fit to leave, the greater the functional decline and muscle wastage. This in turn reduces the person's confidence and independence, making it harder to ensure they can return home. These delays, combined with increased use of urgent care mean that there is less capacity for routine and planned NHS treatments, contributing to longer waits. This is compounded by a lack of suitably trained staff, suitable accommodation and understanding of how to support those with complex needs such as dementia. Prolonged stays lead to 'deconditioning', resulting in people needing greater support and care.

We continue to collaborate with our Integrated Care Board (ICB) to transform and improve hospital discharge pathways through a range of initiatives, and use the opportunities to pool resources through the Better Care Fund. However, fundamental challenges remain around the complexity of the different legislative and funding arrangements, causing fragmentation across health and social care. It also affects our ability to work effectively in partnership with the NHS locally to get maximum value out of the collective resources available for our population, with impacts on social care, public health and health outcomes. Despite our efforts to build a good set of **integrated care services** and strong partnership with the NHS in East Sussex there is a limit to what can be achieved without a fair funding settlement to underpin system-wide change. A short-term measure would be to review the hospital discharge process.

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?

The pressures we face mean we are increasingly having to narrowly focus on delivering those services we are statutorily obliged to provide. This means we are less able to invest in ensuring there are more community-based activities and services, and particularly **preventative services** that would help people to stay well and independent for longer.

Putting people at the heart of care, including through a greater focus on commissioning and delivering services to meet what people themselves want, across a range of diverse needs, was a fundamental principle of the Care Act 2014. Our vision is that *“every person in East Sussex lives in the place they call home, with the people and things they love, in communities where we look out for each other, doing the things that matter to them”*. Pressure on services means our ability to fulfil this is limited. If this was relieved, people would have greater choice and control over what support they received, they would be better able to contribute to society, and the public would see a more rounded, fulfilled society around it. We would also be better able to prevent the development and escalation of chronic problems that we treat when the situation has become acute.

Integration of health and care

With a view to the Government’s ambition to create a ‘Neighbourhood Health Service’, in East Sussex it will be vital that social care is a key aspect of integrated care delivery as part of multi-disciplinary neighbourhood teams. Adult social care must be empowered as a full partner to achieve the transformation from illness to prevention, particularly where an ageing population is driving demand for health and care services. Integrated community health and care has been a key focus in East Sussex for many years, and over this time we have built and embedded a strong foundation with our local NHS acute and community provider. This includes a single point of access, and joint community reablement.

We have recently jointly agreed with our ICB to build on this as part of a pan-Sussex core offer, focusing on proactive care for the most complex and vulnerable patients, and population health improvement. The lack of a clear national plan for health and social care, [with resources attached](#), limits our capability and capacity to move at the pace required to achieve whole system transformation needed to tackle the growing numbers of people with complex care needs. This transformation would help people to live independently for longer, ensuring they use more expensive hospital and bed-based care only when it is really needed.

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

Lack of prevention

As already noted, a lack of systematic investment in prevention and early intervention means that we face challenges in fully meeting the spirit of the Care Act duty to prevent, reduce or delay the onset of care and support needs. While we have sought to provide preventative services, our capacity to do so has diminished

over the past 10 years. The VCSE sector is an essential part of a system to support health and wellbeing for individuals and wider communities, but cost pressures mean our funding to them, and other funding they receive, has also been reduced. This is compounded by the reduction in the breadth of services overall, both for those with needs, and for their unpaid carers. This results in a lack of independence, autonomy and choice as people are given limited options for care and support, and carers increasingly struggling to support their loved ones and live their own lives well. Reform would mean more people could live fulfilling lives, in somewhere they call home for longer, closer to family and support networks.

Inequality of outcomes

We are seeing greater inequality between those who can afford to have their needs met and those who cannot or are excluded from mainstream support. For example, autism currently goes largely undiagnosed, resulting in issues ranging from self-neglect to homelessness, drug use and multiple hospital attendances. Poor mental health is also a known challenge. Too often people need acute care because early warning signs or contributory factors such as substance use or isolation have been missed or ignored. This impacts not just on social care but on the NHS, police and other public services.

We are also seeing inequality of outcomes in other ways, for example in supporting those with dementia. Services such as residential rehabilitation units are not always suitable or designed to meet their needs based on current staffing competence and access criteria. Similarly, people with a learning disability can languish in an acute hospital due to a lack of specialist provision to meet complex needs including behavioural challenges. We know locally that people with these needs are disadvantaged because the services required to support them are limited or don't exist – this includes people who are funded by another local authority but live in specified accommodation in East Sussex borders.

What's needed

It is essential to recognise that social care is important in its own right and not an adjunct to the NHS, as so often depicted. While our work with the NHS is essential, particularly in enabling people to be discharged, this represents only a minority of the work of adult social care in a local authority.

Conversely, reform cannot be limited to adult social care alone. It is part of a much wider system that must include public health, the NHS and housing. The following must all form part of the solution:

- Recognition that prevention is key: building community infrastructure and capacity which draw together funding from across social care, public health and the NHS, including investment in social infrastructure (e.g. public spaces) in communities. This would help people to remain well for longer, and prevent or delay the need for admission to hospital or a residential care home. Investment in services like occupational therapy, practical aids, and in public health services such as building strength and balance among older people, and in wider community support services to keep people active and engaged are essential. The VCSE sector plays a critical role here, supporting health and wellbeing, and is also in need of investment if we are to increase capacity for preventative interventions.
- Investment in housing: people living in poor conditions or homeless directly contributes to a decline in health and an increase in social care needs. Any reform needs to include a robust accommodation strategy which goes beyond the remit and control of individual local authorities – ESCC has five district and borough councils within its borders, and despite good partnership working, supporting people into suitable accommodation is challenging.
- Greater access to services that support people with addictions, and that enable people to be more connected with their communities or mental health support networks, would help to prevent the need for more intensive mental health support or admission to mental health hospitals.

- Change to a neighbourhood model of care: growing capacity in community health and social care to move away from a hospital-centric model and improve hospital discharges.
- Clarifying the roles of the NHS and social care, for example with NHS continuing healthcare, redrawing the boundaries where necessary.

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

Delays in discharge – please refer to our previous response on question 1.

Supporting people with mental health needs is a growing challenge: a lack of internal resource has resulted in ESCC facing high costs from private providers. We see more under-25s needing residential placements which are costly and away from their local community – earlier intervention and support for young people would reduce the need for acute care. There is also a lack of services for people with dementia and neurodivergent people, as well as suitable housing options. There is a need for designated approved mental health professionals (AMHPs) services and designated Section 12 doctors to work in multi-agency hubs to support timely mental health assessments, as well as better joint working between the NHS and AMHPs. Provision of places to provide short-term care and a step-down unit prior to people independently returning to the community would reduce hospital (re)admissions.

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

At its best, adult social care enables people to stay well and live independently for longer, and contribute to society and the economy through paid work and volunteering. Greater investment in the system, particularly in preventative and early intervention services, would mean more people could be supported at an earlier stage and reduce the need for more costly interventions and services when needs become more acute. Unpaid carers could be more economically active as they would not need to provide the same levels of care.

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?

As noted above, the changes to the national living wage, while welcome for workers in the care sector, need greater consideration in terms of how local authorities and care providers will be able to meet the cost, particularly in the light of the changes to Employer National Insurance. Without additional funding, these are only likely to take money away from our ability to deliver our core services.

There is a need to review Carers' Allowance arrangements. People who provide at least 35 hours of care a week may be eligible for carer's allowance of £81.90 per week. **Currently, if the carer earns more than £151 per week after tax, they no longer qualify.** This cliff-edge is hugely problematic and has led to individuals being forced to repay large amounts to DWP when their earnings edged above the threshold. A fairer approach would be for the allowance to be adjusted to earnings and gradually tapered (akin to the taper in Universal Credit).

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