

## Written evidence submitted by Newton (ASC0126)

### HEALTH AND SOCIAL CARE COMMITTEE: CALL FOR EVIDENCE – DECEMBER 2024

Inquiry on the costs of not reforming adult social care

#### Introduction to Newton

Newton is a consultancy company who work as a strategic delivery partner to our clients across a number of sectors. We are optimistic about the future for our public services, and we focus on working in close partnership with local government and whole health and social care systems, from the frontline through to the leadership, to take an evidence-led and bottom-up approach to reimagine and redesign how they work. We work across adult social care, children's safeguarding and SEND, housing services and integrated health and social care – and the wider council and systems they operate within. Our work supports with the significant operational, financial and demand challenges faced today. We work with clients to innovate the fundamentals of service delivery, operating models, and systems to transform how public services engage with individuals. We have worked with over 100 public sector organisations, on some of the largest health and social care transformation programmes in the country, and these partnerships have delivered measurable and sustainable improvements in outcomes for people, transformed ways of working and staff engagement, while saving in excess of £1bn (and rising) on a 100% contingent fee basis.

#### Our evidence base on adult social care reform

Using our experience delivering large transformation we have published a selection of papers highlighting the key issues impacting outcomes and financial sustainability in adult social care, identifying and quantifying the drivers of change, and outlining the recommendations for reform for the sector, specific to both central policy makers and local systems. All of these pieces have been produced and published alongside leading sector voices, such as the LGA and County Councils Network (CCN), and have including a cross-sector steering group of representatives from the Association of Directors of Adults Social Services (ADASS), the Association of Directors of Childrens Services (ADCS), the Association of County Chief Executives (ACCE), the Society for County Treasurers (SCT), and individuals with lived experience of drawing on support. Please see headlines of these pieces below, with web links to each report in the appendix.

**The Future of Adult Social Care (2021):** This report sets out the national and local foundations necessary for an optimised model for adult social care. The basic idea that underpins the optimised model is that that designing and delivering adult social care needs to start from the fundamental principle of achieving the best and most independent outcomes for individuals. As part of any social care reform, the conditions must be created for local authorities to deliver an optimised service. Given the breadth of scope of the adult social care system, the complexity and nuance of the communities within which it is delivered, and the evolving national context, this is a complex task. However, this report seeks to provide a basis for an optimised service, and points to the key enablers that need to be prioritised to make this a reality. If this optimised model were adopted and well-implemented across England, we could see improved outcomes for individuals that offset spending requirements on long-term care by well over £1bn, such as:

- At least 90,000 more older people benefitting from improved short-term services to maximise their independence.
- An 8% average reduction in formal support hours, by enabling working age adults with learning disabilities living in the community to be more independent.
- An 18% increase in older adults living in a more independent setting of care.

- A 4-6% reduction in total commissioned home care hours by better connecting older and working age adults to their local communities when, or before, their needs escalate.
- Over 11,000 more adults with learning disabilities living in non-residential settings.
- A 5% average reduction in formal care through collaborating with trusted providers to enable older adults to live more independently at home.

**Preparing for Reform (2022) (NB: Updated in 2024 with CCN Analysis):** This paper provided the first non-governmental modelling to explore the potential total costs and workforce requirements to implement the proposed charging reforms. Since the original analysis, adult social care services and care providers have faced significant financial headwinds. We have therefore sought to update the analysis to reflect the realities of implementing the reforms from October 2025, and found the minimum total cumulative cost of charging reform in England, bringing together the means test, cap, fair cost of care and operational costs has risen 18% since the original analysis, from £25.5bn to £30bn. Alongside delaying the reforms until October 2025, the previous government made the decision to repurpose £2.9bn (£1.2bn in 2023/24 and £1.7bn in 2024/25) of earmarked implementation funding over two years. With council expenditure on adult social care rising by a further 10% (£2.2bn) in the last twelve months, the extent to which councils have become reliant on these additional resources to fund frontline adult social care delivery and offset permanently higher costs is evident, with eight in ten (80%) councils said it was either likely, or very likely, they would fail to meet their Care Act duties, with almost six in ten (57%) at risk of issuing a Section 114 notice if this funding was withdrawn.

**Finding a Way Home (2023):** There is no doubt that health and social care systems are under increasing pressure. Average occupancy of G&A and CC beds in acute hospitals and length of stay in acute hospitals have risen to 22/23, and the recent positive trend on the number of people discharged from acute hospitals to long-term care has also started to reverse from 21/22 to 22/23. These factors limit patient flow, stretch resources, and increase an individual's reliance on ongoing care services following a stay in hospital – implying compromised long-term outcomes and increased spend on care and support from local authorities. Embracing the national and local recommendations in this report can make significant progress towards optimising hospital flow and discharge in three key areas:

- Avoiding people being admitted to hospital:
  - 175,000 fewer older adults (aged 65 or above) could be admitted to hospital each year, and instead supported in the community – a potential saving to the NHS of £0.6bn. This is achieved primarily by building trust, confidence, and awareness of alternative community resources.
- Reducing unnecessary delays when someone is in hospital:
  - Over 500,000 bed days a year are currently lost to delays during treatment that could be saved (before individuals are deemed to have no criteria to reside in the acute hospital). This would save the NHS £220m. This requires increased diagnostic capacity and improvements to management processes.
  - 500,000 bed days a year are lost to delays with 'simple' discharges (Pathway 0) and could be saved. This would save the NHS £200m. The uneven discharge throughout the week is a major driver of these losses.
  - There could be 1.1m fewer bed days a year lost to delayed 'complex' discharges – primarily by improving capacity in intermediate care and reducing delays in the discharge process.
- Optimising long-term outcomes when people are discharged from hospital:
  - 43,000 people each year could have a more independent long-term outcome, by being discharged on to the right, more independent pathway – saving local government £575m.

This is primarily due to both lack of capacity of the right intermediate care, and risk averse decision-making from practitioners in both health and social care.

- 40,000 people each year could have a more independent long-term outcome by receiving effective home-based reablement and the effectiveness of this service could be improved for the 200,000 people already benefiting from it – saving local government £440m. This is primarily through increasing therapy input into home-based intermediate care.

**The forgotten story of social care: the case for improving outcomes for working age and lifelong disabled adults (2024):** Support for those in adult social care who are working age and those with lifelong conditions (primarily learning disabilities, but also mental health conditions, physical disabilities, and neurodiversity) are rarely the focus of the national debate for social care reform, however this group now makes up 40% of those who draw on support, but 63% of the net spend. Spend for supporting this sub-group has also grown faster than any other area of social care, growing 32% between 2020-2024 – above inflation and minimum wage increases – with no clear evidence in any improvement in outcomes. If this trend continues unmitigated, we will see spend increase a further 50% by 2030 (a rise from £12bn to £18bn a year). This report has sought to put forward a series of local and national interim recommendations for how these individuals can be better supported in a way which improves their life outcomes, while also maximising the use of limited resources. These interim recommendations will form the basis of the next phase of this programme, to be delivered in 2025 which will look in more detail at what the evidence indicates are the practical changes that should be made at a local and national level to deliver better outcomes for working age and lifelong disabled adults.

## Appendix – Report Links

The Future of Adult Social Care (2021): <https://www.futureasc.com/>

Preparing for Reform (2022): <https://futureasc.com/reform>

Preparing for Reform – Update with CCN Analysis (2024): <https://www.countycouncilsnetwork.org.uk/wp-content/uploads/CCN-Analysis-Adult-social-care-charging-reform.pdf>

Finding a Way Home (2023): <https://www.countycouncilsnetwork.org.uk/wp-content/uploads/Finding-a-Way-Home-CCN-Newton-1.pdf>

The forgotten story of social care: the case for improving outcomes for working age and lifelong disabled adults (2024): <https://online.flippingbook.com/view/159254082/>

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