

Major £940m Social Care Funding Hole 'Making the NHS Bleed'

News Article



The crisis in social care funding is “at a tipping point”, with the effects making the NHS funding shortfall worse, the annual survey from the Association of Directors of Adult Social Services (ADASS) has revealed.

The survey showed that social care budgets are under widespread pressure owing to factors including a growth in the number of people needing care and the complexity of their needs; the increased cost of wages because of the National Living Wage (NLW); and increased deprivation of liberty safeguard applications.

The ability to hike council tax by 2% as part of a new social care precept will also generate less than two-thirds of the more than £600m needed to cover the costs of NLW this year.

This means care directors are “left with a gap to fill” of around £940m just to keep services operating at the same levels as last year. At least 7% of these savings will be met through service cuts and reduced personal budgets.

ADASS estimate that maintaining social care at the same level as last year will require more than £1.1bn, which current funding levels are failing to meet.

Harold Bodmer, president of ADASS, said: “We have been arguing for some time now that adult social care needs to be given the same protection and investment as the NHS. Services are already being cut, and the outlook for future care is bleak. “

“We’re at a tipping point where social care is in jeopardy, and unless the government addresses the chronic underfunding of the sector, there will be worrying consequences for the NHS and, most importantly, older and disabled people, their families and carers.”

Although social care funding increased by 1.2% in real terms in the past year, there was a wide variation between local areas, with 70 councils reporting a fall in budgets, 62 having to draw on reserves to balance budgets, and 52 having to cut services.

Saffron Cordery, director of policy and strategy at NHS Providers, commented: “These findings tell it as it is: that the crisis in social care funding continues and that this impacts on the quality of care people receive. It is brave and right to do so.

“The variations between local authority areas in terms of budget, coupled with the fact that the social care precept will not raise sufficient income in the areas of most need, makes finding a solution to the funding of social care even more important.

“There is an extricable link between social care and healthcare: when you cut social care provision, the NHS bleeds. This is not about ‘health versus social care’ – what is important is that we all pull in the same direction, and invest in services for today and for the future. Transforming services is the only way we can stand a chance of sustaining the levels of health and care that the public is entitled to expect.”

A recent National Audit Office report found that there were **2.7 million days of delayed patient transfers** in the past year due to lack of social care, costing the NHS £820m.

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'Grave and deteriorating' prospects for social care

Richard Humphries, assistant director of policy at the King's Fund, said: "Our assessment of these findings is that the immediate prospects for the social care system, on which older and disabled people depend, are grave and deteriorating.

"The diminishing confidence that local authorities can meet their most basic legal duties to provide care for the most vulnerable citizens should be a huge source of public concern. It is clear that measures such as the social care precept and the Better Care Fund are an inadequate response to the widening gulf between need and resources.

"Plummeting levels of confidence among directors in their ability to make further savings is alarming. As the risk of more care providers going out of business intensifies and with the NHS in deep financial trouble, the need for a clear strategy to place the funding of these essential services on a sustainable long term footing is now even more urgent."

But a Department of Health spokesperson said the social care precept was intended to generate increased revenue over time and to reach £2bn by 2019-20.

They added: "We know that protecting services whilst delivering necessary efficiencies is challenging, which is why we are working with the local government and ADASS to support councils to make savings."

Source: NHE

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