Executive summary

This overview looks at the adult social care landscape in England, updating our report *Adult social care in England: an overview* (2014). This report adds to the National Audit Office’s (NAO’s) work on adult social care. It provides up-to-date analysis of key trends in adult social care and highlights pressures on the system and the latest developments.

The content of the report has been shared with the Department of Health & Social Care, NHS England, the Ministry of Housing, Communities and Local Government, the Local Government Association, the Association of Directors of Adult Social Services, and the Care Quality Commission to ensure that the evidence presented is factually correct.

If you would like to know more about the NAO’s work on adult social care, please contact:

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The National Audit Office scrutinises public spending for Parliament and is independent of government. The Comptroller and Auditor General (C&AG), Sir Amyas Morse KCB, is an Officer of the House of Commons and leads the NAO. The C&AG certifies the accounts of all government departments and many other public sector bodies. He has statutory authority to examine and report to Parliament on whether departments and the bodies they fund, nationally and locally, have used their resources efficiently, effectively, and with economy. The C&AG does this through a range of outputs including value-for-money reports on matters of public interest; investigations to establish the underlying facts in circumstances where concerns have been raised by others or observed through our wider work; landscape reviews to aid transparency; and good-practice guides. Our work ensures that those responsible for the use of public money are held to account and helps government to improve public services, leading to audited savings of £741 million in 2017.
Context describes adult social care including developments since our 2014 report.

- What is adult social care?
- Access to and types of adult social care
- Accountability for adult social care
- Developments since 2014
- NAO reports on adult social care
Adult social care covers social work, personal care and practical support for adults with a physical disability, a learning disability, or physical or mental illness, as well as support for their carers.

Adults with care needs cannot perform some activities of daily living such as washing, dressing, cooking, and shopping without support. These needs are often multiple and interrelated with other needs. Adult social care is therefore part of a complex system of related public services and forms of support.

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<th>Adult care services and other services</th>
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How well adults’ needs are met depends on a wide range of public services interacting effectively.

Source: National Audit Office
Access to and types of adult social care

Adults with care needs are supported in two main ways: either formally through services they or their local authority pay for; or informally by family, friends, or neighbours. Some adults may get their care needs met through a combination of these different ways, and some voluntary organisations provide free formal services. Social care paid for by local authorities makes up a minority of the total amount of care.

Page 13 sets out some of the main categories of local authority arranged social care.

Eligibility for adult social care

Local authorities apply national criteria to assess whether people are eligible for social care.

These national criteria were introduced by the Care Act (2014), and reduced the variation in the eligibility for social care between local areas. Authorities are still able to provide services to people who are assessed as being below the national minimum threshold.

Before the introduction of the Care Act, local authorities were able to set their own thresholds for the need for social care based on the criteria set out in the Fair Access to Care Services framework.

Source: National Audit Office

Note
1 Except for information and advice and safeguarding.
The Department of Health & Social Care is responsible for health and adult social care policy in England. The Ministry of Housing, Communities and Local Government has responsibility for local government finance and the accountability system. NHS England is responsible for supporting clinical commissioning groups and for the commissioning of NHS services overall.

Local authorities commission social care and a small minority also provide care services. Local authorities do not have direct accountability to government – instead they are accountable to the local population.
Developments since our report *Adult social care in England: an overview* (2014)

**Context**

- New powers and legislative duties
- Policy commitment
- Pilot programmes
- Funding transfers and mechanisms

**Spend**

Care Act 2014 Phase 1
- Consolidated and modernised the framework of care and support law setting out new duties for local authorities including a new national eligibility threshold, entitlement for all carers to have their needs assessed, provide information and advice on care and support services to all, and a duty to promote integration where this would promote wellbeing, improve quality, or prevent care needs from developing.

Care Act 2014 Phase 2
- The then Department of Health announced it would delay implementation of Phase 2 until April 2020 stating that it was not the right moment to be implementing expensive new commitments at a time of consolidation. Phase 2 included a cap (£72,000) for people aged 65 and over on the amount someone would pay towards care and support, regardless of means; an increase in the threshold above which people would start to contribute to their residential care costs to £158,000; and the right for people to appeal against local authority decisions about their care.

NHS England’s Five Year Forward View
- Called for a “radical upgrade” in prevention and public health; models of care which shift care from hospitals to settings closer to people’s homes; and to break down barriers with social care.

NHS Planning guidance 2016-17 to 2020-21
- Introduced a commitment to integrate health and social care services across England by 2020 and required local areas to submit plans by April 2017, demonstrating how they will achieve this.

**Need**

Spending Review and Autumn Statement 2015
- Announced:
  - Up to an additional £3.5 billion a year for social care by 2019-20 through more money through an ‘improved’ Better Care Fund, and the introduction of a social care precept which allowed local authorities to raise council tax by 2% to fund adult social care;
  - Sustainability and Transformation Fund worth £2.1 billion in 2016-17 to fund sustainable transformation in patient experience and outcomes.

Cities and Local Government Devolution Act 2016
- Allowed combined authorities such as Greater Manchester to take on any functions of a local authority or other public authorities if it is likely to improve the exercise of statutory functions.

**Outcomes**

Local Government Finance Report [England] 2017 to 2018
- The government announced freedoms for local authorities to increase the social care precept to 3% in 2017-18 and 2018-19, provided their increases do not exceed 3% in total over the three-year period to 2019-20. The government also announced an Adult Social Care Support Grant, worth £241.1 million in 2017-18.

Local Government Finance Report (England) 2018 to 2019
- The government announced a £150 million Adult Social Care Support Grant in 2018-19.

Next steps on NHS England’s Five Year Forward View
- Reiterated commitments made in the Five Year Forward View for more joined-up sustainable services designed around patients. Progress to be accelerated through the roll-out of new care models and sustainability and transformation partnerships.

**Care market**

The government’s mandate to NHS England 2017-18
- Set an explicit target to reduce NHS-related delayed transfers of care in support of a total reduction of delayed transfers of care to 5.5% by September 2017 and improve A&E performance.

Spring Budget 2017
- Announced a further £2 billion for social care between 2017-18 and 2019-20 to be distributed through the improved Better Care Fund.

Integration and Better Care Fund, Policy Framework 2017-2019
- Set out the then Department of Health’s plans to support the government’s objective of integrated care by 2020. It included:
  - the opportunity for up to 10 local areas with systems of integrated health and care services to graduate from the Better Care Fund’s programme management arrangements during 2017-18;
  - an integration standard consisting of the characteristics the Department had identified as important for integrated health and care systems; and
  - plans to produce an integration scoreboard for assessing progress towards the government’s integration 2020 objective.

Creation of four additional integrated care systems
- Creation of four additional integrated care systems in Gloucestershire, West Yorkshire and Harrogate, Suffolk and North East Essex, and North Cumbria.

Department of Health & Social Care
- The Prime Minister renamed the Department of Health to the Department of Health & Social Care, and created a new ministerial post. There was not a change in responsibilities.

**Care Support Grant in 2018-19.**
- The government announced a £150 million Adult Social Care Support Grant in 2018-19.

**Local Government Finance Report (England) 2018 to 2019**
- The government announced a £150 million Adult Social Care Support Grant in 2018-19.
National Audit Office reports on adult social care

Since we published our original adult social care overview report in 2014 we have published a series of reports which looked at specific programmes and issues in more depth.

**2014**
Planning for the Better Care Fund

Planning for the Better Care Fund (2014)
This report examined how the Better Care Fund was designed, how the programme was managed, and the support offered to local areas.
We found that the Fund was an innovative idea for increasing care services locally for the benefit of patients. However, the quality of early planning and preparations did not match the scale of ambition. Since the redesign of the Fund in July 2014, programme management had improved. New plans offered savings of £532 million.

**2015**
Care Act first-phase reforms

**2016**
Personalised commissioning

Discharging older people from hospital

Personalised commissioning (2016)
This report reviewed progress with personalised commissioning. It looked at the practical challenges and opportunities associated with implementing personalised commissioning, given the financial environment and the extension of personal budgets into healthcare.
We found that some authorities were finding personalising commissioning a challenge as they sought to save money, particularly in areas where providers were under financial strain. Authorities were limiting the extent to which some users’ services were personalised because of financial pressures.

**2017**
Local support for people with a learning disability

Health and social care integration

Discharging older people from hospital (2016)
This report examined how effectively the health and social care system was managing the discharge of older patients from hospital. We found that unnecessary stays in hospital resulted in worse health outcomes for patients and wasted already strained NHS hospital resources, as well as increasing the long-term care needs and costs for social care. The number of delayed transfers of care were increasing at an alarming rate but did not capture the full extent of the situation. We estimated the cost to the NHS was around £280 million.

**2018**
The adult social care workforce in England

Reducing emergency admissions

The adult social care workforce in England (2018)
This report looked at the Department of Health & Social Care’s role in overseeing the adult social care workforce and whether the size and structure of the workforce was adequate to meet users’ needs for care now and in the future.
We found there were highly visible challenges in recruitment and retention and increasing numbers of people with some level of unmet care needs. Despite these challenges, the Department did not have a current workforce strategy and had not followed through on key commitments to enhancing training and career development and tackling recruitment and retention.

Reducing emergency admissions (2018)
This report looked at the progress of the NHS’s work to reduce emergency admissions to hospital. Over the last four years, the NHS had done well to reduce the impact of emergency admissions. Furthermore, the cost of emergency admissions had not increased in line with the growth in numbers.
We found the impact on hospitals of rising emergency admissions posed a serious challenge to the NHS. However, the NHS could not know if its approach was achieving enduring results until it understood whether reported increases in readmissions were a sign that some people admitted as an emergency were being discharged too soon. The NHS also had too many avoidable admissions and too much unexplained variation.

Context | Need | Outcomes | Spend | Care market

8 Context | Adult social care at a glance
**Spend** sets out spending on adult social care

- The value of and funding for adult social care
- Local authority spending on adult social care
- Self-funded care
- Informal care
- Additional funding for adult social care
Funding for adult social care

This diagram outlines estimates of the value of the care system, including health and welfare services, care provided by the voluntary sector and informal care.

Most care is provided informally by unpaid family, friends and neighbours who provide personal care, practical help and coordinate formal services. Estimates of the value of informal care are as high as nearly £100 billion per year.

The total value of care arranged by local authorities in 2016-17 was £20.4 billion. Local authorities fund the care they arrange primarily from three sources:

- council tax, government grants and business rates;
- user contributions: social care is means-tested with some users paying contributions towards their care; and
- income from the NHS and other joint arrangements: local authorities cannot lawfully commission services that are clearly the responsibility of the NHS, for example nursing care needed for health reasons. Where this is the case local authorities will receive income from the NHS to cover the cost of meeting those needs they do not have a duty to meet.

In 2016-17, we estimated privately bought care by self-funders without local authority involvement amounted to £10.9 billion.
Local authority spending on adult social care

In 2016-17, 43% of local authority spend on main services was used to fund adult social care, double that of children’s social care (21%) and more than 10 times spend on housing services (4%).

Between 2010-11 and 2016-17, local authority net spending on adult social care fell by 8% while income from the NHS increased by 25%. This increase in income from the NHS helped contribute to a real-terms rise in the value of local authority arranged care of 3% between 2014-15 and 2016-17.

Local authority spending by main service area 2016-17

- Local authority net spending on adult social care fell by 8% between 2010-11 and 2016-17.

- Income from the NHS increased by 25%.

- The value of local authority arranged care rose by 3% between 2014-15 and 2016-17.

Notes:
1. Net current expenditure excludes spend on non-school education, fire and other services and includes NHS Digital estimate of Better Care Fund expenditure on adult social care (£1.97 billion).
2. GFRA is the General Fund Revenue Account. This provides revenue funding for the bulk of local authority services and is funded primarily by government grants, business rates and council tax.
3. It is separate to the Housing Revenue Account which is used to maintain local authority housing stock and is funded primarily through rent income.

Source: National Audit Office analysis of local authority revenue expenditure and financing data.
Financial pressures on local authorities

Government funding for local authorities has fallen by an estimated 49.1% in real terms from 2010-11 to 2017-18. This equated to a 28.6% real-terms reduction in ‘spending power’ (government funding and council tax). In the 2015 Spending Review and the 2017 Budget, the government provided extra funding to relieve growing spending pressures in adult social care (see page 19). Consequently, the rate of reductions has levelled off since 2016-17 for social care authorities, and is predicted to remain relatively flat at 28.7% by 2019-20. If council tax is removed, our analysis shows that spending power funded by government fell in real terms by 49.1% from 2010-11 to 2017-18. The reduction is forecast to be 56.3% by 2019-20.

Between 2010-11 and 2016-17, local authority spending on adult social care services reduced by 3.3% in real terms. In contrast, other service areas that do not have as many statutory responsibilities have seen much larger real-terms planned reductions over the same period, with real-term reductions of:

- 52.8% for planning and development;
- 45.6% for housing services;
- 37.1% for highways and transport; and
- 34.9% for cultural and related services.

Local authorities have sought to protect spending on social care

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Change in Spend (£m)</th>
<th>Change in Spend (%)</th>
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</thead>
<tbody>
<tr>
<td>Planning and development</td>
<td>-1,180</td>
<td>-52.8%</td>
</tr>
<tr>
<td>Housing services</td>
<td>-1,245</td>
<td>-53.8%</td>
</tr>
<tr>
<td>Highways and transport services</td>
<td>-1,270</td>
<td>-51.7%</td>
</tr>
<tr>
<td>Cultural and related services</td>
<td>-1,205</td>
<td>-51.1%</td>
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<tr>
<td>Environmental and regulatory services</td>
<td>-910</td>
<td>-46.2%</td>
</tr>
<tr>
<td>Central services</td>
<td>-685</td>
<td>-33.5%</td>
</tr>
<tr>
<td>Adult social care</td>
<td>-582</td>
<td>-30.1%</td>
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</tbody>
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Notes:
1. Data shown are net current expenditure. However, for adult social care we also include transfers from health care bodies. This includes the element of the Better Care Fund used for social care.
2. GFRA is the General Fund Revenue Account. This provides revenue funding for the bulk of local authority services and is funded primarily by government grants, business rates and council tax.
3. It is also funded in the Housing Revenue Account which is used to maintain local authority housing stock and is funded primarily through rent income.

Source: National Audit Office analysis of Ministry of Housing, Communities and Local Government data and HM Treasury data.
The value and types of short- and long-term support arranged by local authorities during 2016-17:

Short-term support £0.9bn

Long-term support £15.0bn

- Residential care £5.7bn
- Nursing care £1.9bn
- Supported accommodation £0.5bn
- Supported living £1.6bn
- Home care £2.4bn
- Direct payments £1.9bn
- Other long-term care £1.2bn
- Care homes £8.1bn
- Support in own home £7.0bn
- Other long-term care £1.2bn

Local authorities’ short- and long-term care services for adults

Short-term support is typically intensive periods of support aimed at regaining skills, confidence and independence lost as a result of illness, injury or disability, normally provided in someone’s own home. Support is intended to be time-limited and should be provided free of charge by local authorities for up to six weeks, ending with a formal assessment or review to determine what support will follow.

Long-term support comprise the majority of expenditure. Long-term support can encompass any ongoing service or support provided to help maintain someone’s quality of life, allocated on the basis of eligibility criteria/policies (page 5), and is regularly reviewed. The main types of service include:

- Residential homes offer care and support in a residential setting throughout the day and night, for example washing, dressing, help at meal times. Some homes offer specialist care, such as dementia care or specialise in learning disability care.
- Home care provides support with personal care and/or domestic tasks in the person’s own home, such as putting to bed, dressing, shopping or cleaning.
- Direct payments are payments, either via a bank account or prepaid cards, for adults to buy their own care and support, often by employing personal assistants.
- Nursing homes offer the same type of care as residential homes, but with care from qualified nurses.
- Supported accommodation comprises schemes that support younger adults to live independently in their own homes. Support can include domestic and personal care, and help with tasks such as searching for jobs and claiming benefits.
- Other long-term care includes day care and meals services.

Notes
1. Excludes capital charges.
2. Figures may not add up owing to rounding.
3. Excludes expenditure on ‘social support’ which cannot be broken down by short- or long-term care, or by support setting.
4. Short-term support includes expenditure on ‘other short-term’ care which has been excluded from the graphs overleaf.

Source: National Audit Office analysis of data from NHS Digital, Adult Social Care Activity and Finance Report, England 2016-17
Local authority spending on adult social care continued

In 2016-17, around 75% of people who received either short- or long-term social care services received support in their own home. This amounted to around 48% of total expenditure on short- and long-term care services arranged by local authorities.

In 2016-17, spend on local authority arranged care home services was around £8.1 billion, or 52% of total spending on short- and long-term services. Most of the spending on care home services (61%) was for people aged 65 and over, who made up around 83% of those supported in care homes.

Local authorities spend more on care homes for older people than any other type of social care service.

Physical support for older adults and support for younger adults with a learning disability are the two largest areas of adult social care spend on long-term support.

In 2016-17, spend on local authority arranged care for people requiring long-term physical support was around £7 billion. Spend on services for people with a learning disability was around £5.9 billion. Together they made up around 81% of total spend on long-term care services. Around 90% of spend on learning disability services was for people aged 18–64, whereas around 80% of the spend on people requiring long-term physical support was for people aged 65 and over.

Notes:
1 Excludes capital charges.
2 Excludes people receiving ‘social support’ which cannot be broken down by short or long-term care, or by support setting.
3 Excludes people receiving ‘other short-term’ care because data on spend and number of people supported are not directly comparable.

Source: National Audit Office analysis of data from NHS Digital, Adult Social Care Activity and Finance Report, England 2016-17
Personalised care

Government’s policy for social care is for services to be tailored to individuals’ needs and wishes, giving people control over their lives. This is also known as self-directed support.

A personal budget is a sum of money that a local authority allocates to a user to meet their assessed social care needs. Under the Care Act (2014), from April 2015, all users of local authority social care must have their care paid for through a personal budget of some form.

- Under a local authority-managed personal budget, the local authority commissions services for the user.
- An individual service fund is a personal budget managed by a provider or other third party.
- A personal budget might be fully or partly given to a user or their carer as a direct payment, so they can buy their own care.

Our report on Personalised commissioning in adult social care (March 2016) found that local authorities across England reported a wide range in the proportion of users taking up personal budgets, including direct payments. It also found that authorities were taking different approaches to implementing personal budgets, with some struggling to find workable approaches.

In 2016-17, 88% of users with physical, learning disability or mental health support needs received some form of direct payment or a personal budget.

Uptake of direct payments and personal budgets varies by the type of support people get and their age. In 2016-17, people aged 18–64 receiving physical disability or learning disability support were most likely to receive a direct payment to meet their care needs (50% and 40%) respectively. People aged 65 and over receiving physical support were most likely to receive a local authority-managed personal budget (74%). People aged 18–64 receiving mental health support were most likely to receive local authority-commissioned support (47%).

Proportion of people with long-term support in their own home by payment method, primary support reason and age in England 2016-17

<table>
<thead>
<tr>
<th>People aged 18 to 64 receiving physical support</th>
<th>People aged 18 to 64 receiving learning disability support</th>
<th>People aged 18 to 64 receiving mental health support</th>
<th>People aged 65 and over receiving physical support</th>
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</thead>
<tbody>
<tr>
<td>Direct payment or part direct payment (50%)</td>
<td>Local authority-managed personal budget (44%)</td>
<td>Local authority-commissioned support (75%)</td>
<td>Local authority-managed personal budget (16%)</td>
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Note: Number of people who received long-term adult social care support in the community during 2016-17. Looks at activity for the top three primary support reasons, which cover 86% of users. People in prisons are not included.

Self-funded care

People who do not request or qualify for local authority-funded care can buy care directly from care providers. People who pay for their own care are known as self-funders.

According to estimates by Laing and Buisson, in March 2016, approximately 172,000 older people in independent sector care homes in the UK paid for their own care (44% of the total). The extent of self-funding varied considerably across England, from 61.9% in the South East to 21.9% in the North East. Broadly, there were more self-funded residents in care homes in the south of England than the north.¹

Note

The number of self-funders is uncertain, particularly for those who receive care at home.

We do not have a reliable national estimate of the number of people who pay for their care in their own home. The estimates we noted in our 2015 report on *The Care Act: first-phase reforms* were based on modelling and small-scale surveys. The estimates suggested numbers could range from 145,000 to 249,000 people.
Informal care

Support to carers

Most care is provided informally by carers who are unpaid family, friends and neighbours who provide personal care, practical help and coordinate formal services. A carer is not the same as someone who provides care professionally or through a voluntary organisation. Estimates of the value of informal care range from £58.6 billion to nearly £100 billion per year.

The number of unpaid carers in England increased by 11% between 2001 and 2011 to 5.4 million people. The majority of informal carers (some 3.45 million people) in 2011 provided between one hour and 19 hours of unpaid care a week in 2011. More than one million people provided 50 or more hours of unpaid care a week.

Welfare benefits available to carers

Carers may be entitled to a benefit called Carers Allowance if they:

- provide more than 35 hours of care a week;
- earn less than £120 per week;
- are 16 and over;
- are not in full-time education; and
- the person they care for receives a qualifying disability benefit.

Between August 2016 and August 2017, on average around 685,000 people received Carers Allowance in England. The Autumn Budget 2017 expenditure and caseload forecasts estimate the total cost of Carers’ Allowance in the UK in 2016-17 was £2.7 billion.
Local authority support for carers

Carers are legally entitled to be assessed for care by their local authority. Before the Care Act (2014), carers did not have a legal right to receive support, although local authorities could provide support at their discretion. From April 2015, the Care Act placed a duty on local authorities to assess carers’ needs, regardless of how much care they provide, and meet carers’ needs on a similar basis to those for whom they care.

Types of help a carer might receive from their local authority include:

- help with practical tasks, for example housework; and
- buying them membership to a gym so they can look after their health.

Carers should get a personal budget from their local authority. Carers can request that they get a direct payment from their local authority, or they can work with the local authority to decide how they want to support their needs but do not receive the money directly.

In 2016-17, just over 300,000 carers received direct support from their local authority. However, 62% of these 300,000 carers received information, advice and signposting to other services rather than money. For the remaining 38% of carers (some 114,000 people) who had support from their local authority, this support took the form of direct or part direct payments, local authority-commissioned support, or a local authority-managed personal budget.

Respite care

Carers can also be supported by providing replacement care, allowing the carer to take a break from their care responsibilities. This is often called respite care, and can be provided as long as the person needing care agrees. Around 52,000 carers received this type of support from their local authority during 2016-17.

Number of carers receiving direct support


- 75,255 Direct payment
- 9,585 Part direct payment
- 10,040 Local authority-managed personal budget
- 19,340 Local authority-commissioned support only
- 187,720 Information, advice and other universal services/signposting

Key facts

£241 million

In 2016-17, spend on local authority-arranged support for carers was £241 million or 1.2% of the total value of local authority-arranged care.¹

45% of carers who received local authority support were aged 65 and over, and 8% aged 85 and over.

45% of users of social care supported in the community with long-term care at the end of March 2017 had an informal carer.

A carer does not have to look after someone who receives local authority support to be eligible for support themselves.

Note

¹ Excludes capital charges.
The government has announced additional funding for adult social care.

In November 2015, the Spending Review and Autumn Statement 2015 announced access for local authorities up to an additional £3.5 billion a year for social care by 2019-20. The additional money would be provided through an ‘improved’ Better Care Fund, and by allowing local authorities with adult social care responsibilities the flexibility to add a 2% annual precept to their council tax (on top of the standard 2% referendum limit).

In February 2017, the Local Government Finance Report (England) 2017 to 2018 announced freedoms for local authorities to increase the social care precept to 3% in 2017-18 and 2018-19, provided their increases do not exceed 6% in total over the three-year period to 2019-20. The government also announced an Adult Social Care Support Grant, worth £241.1 million in 2017-18.


In March 2017, the Spring Budget provided a further £2 billion for social care between 2017-18 and 2019-20 to be distributed through the improved Better Care Fund. This money is to fund social care packages to be used for: meeting adult social care needs; reducing pressures on the NHS, including supporting more people to be discharged from hospital when they are ready; and ensuring that the local social care provider market is supported.

Our reports Health and social care integration (2017) and Reducing emergency admissions (2018) found that NHS England had not assessed how pressures on adult social care may impact on the NHS, although NHS England noted that the widening gap between the availability of, and need for, adult social care would lead to increases in delayed discharges and extra pressure on hospitals. Across our case study visits in 2017 we found local areas welcomed the additional resources from the improved Better Care Fund, but some found the restriction on its use meant they could not spend it in the way they wanted to help reduce emergency admissions.
**Need** outlines the need for adult social care.
In the Census 2011, around 25% of people aged 65 and over reported being limited with their day-to-day activities compared with 6% for people aged 64 and under.

According to the Health Survey England 2016, people aged 65 and over who reported limitations with day-to-day activities most commonly needed help with getting up and down the stairs, followed by having a bath or shower, and dressing and undressing. They had less need for help with washing their face and hands, eating (including cutting up food), or using the toilet.

Need increases with age. In 2016, people aged 80 and over were twice as likely to need help with activities of daily living as those aged between 65 and 69.

Only a minority of people who said they needed help received it. In 2016, 28% of people aged 65 and over said they needed help with activities of daily living in the last month, and less than half (12%) said they received help with those activities.
### Context

People are living longer: improvements in living standards and clinical treatments have changed the nature of the population’s health and care needs.

Analysis published by the Personal Social Services Research Unit has estimated that the number of disabled older people (who are unable to perform at least one instrumental activity of daily living or having difficulty with performing or inability to perform without help at least one activity of daily living) will increase by 67% from 2015 to 2040.²

### Spend

As spending on adult social care has fallen, local authorities have focused their resources on a smaller number of people.

Between 2010-11 and 2016-17, local authority spending on adult social care services reduced by 3.3% in real terms. Our 2014 report on the financial sustainability of local authorities showed that fewer users were accessing different forms of adult social care for a number of years prior to 2010-11. However, this pattern accelerated from 2010-11 to 2013-14, particularly in relation to day care and homecare. Our report on the financial sustainability of local authorities in 2018 found that a number of case study authorities stated that they had reorganised day-care services in the early stages of austerity. New national data introduced from 2014-15 indicate that the number of users receiving services is still reducing, although at a slower rate. However, these data are not comparable with previous data.

The implications of service reductions for users are not clear. The Care Quality Commission has cited analysis that suggests levels of unmet need among those aged over 64 have increased markedly since 2010.³ However, the NHS Health Survey for England shows that unmet need has remained relatively stable between 2011 and 2016 for this age group.⁴

Case studies in our 2018 financial sustainability report provided mixed pictures of the implications for service users where service levels have fallen. Some thought that former users would have accessed alternative forms of provision. However, others were not clear how service users had been affected.

### Need

More people are living with multiple long-term conditions.

In 2012, the then Department of Health estimated that around 70% of health and social care spending was attributed to the care of people with long-term conditions, and the costs per individual increased with the number of conditions the person had – on average, someone with three or more long-term conditions in England cost £8,000 per year, compared with £3,000 per year for a person with one long-term condition.⁵

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² Personal Social Services Research Unit, Protections of demand and expenditure on Adult Social Care 2015 to 2040, June 2018.
Outcomes summarises how government monitors the outcomes of adult social care.

- Monitoring performance
- Quality of life and satisfaction
- Delaying and reducing need
There are three main ways quality of care is monitored in adult social care.

**Regulation**

The Care Quality Commission regulates providers of adult social care services, including nursing homes, residential care homes, domiciliary care services and supported living services. It registers, monitors and inspects providers, and publishes its assessments and provider ratings. The Commission can also take enforcement action when care falls below fundamental standards.

Since April 2015, the Commission has been responsible for monitoring the financial sustainability of a small number of potentially ‘difficult to replace’ social care providers if they:

- cover large numbers of people;
- have a significant presence across a small number of local authority areas;
- operate across a large number of authority areas; and
- would be otherwise difficult for local authorities to replace.

The Secretaries of State for Health and for Communities and Local Government asked the commission to carry out a programme of ‘system’ reviews in 20 health and social care systems. The reviews aim to find out how health and social care services are working together to support and care for people aged 65 and over, their families and their carers, highlighting what is working well and where there are opportunities for improvement. The Commission published its interim findings in December 2017, and has published the results of several of its local reviews. Its final report is due to be published in summer 2018.

**Outcomes data**

NHS Digital publishes annually the *Adult Social Care Outcomes Framework*, which contains national, regional and local authority-level data measuring how well care and support services achieve the outcomes that matter most to people, including users’ quality of life, independence and experience of care. The measures also cover informal carers where appropriate. These outcome measures are designed to describe the changes over time and the benefits people experience from social care services.

**Sector-led improvement**

Sector-led improvement is the principle that local authorities are both responsible and accountable for their own performance, and they have a collective responsibility for supporting efforts to improve the performance of the sector as a whole.

The Department of Health & Social Care supports the delivery of sector-led improvement work in adult social care through the Local Government Association, the Association of Directors of Adult Social Services, the Social Care Institute for Excellence and the Think Local Act Personal partnership.
Quality of life and satisfaction

In 2016-17, a majority of a sample of service users\(^6\) that were surveyed said they were satisfied enough against each of the eight user quality of life measures in the Adult Social Care Outcomes Framework.

Some 65% of users said overall they were satisfied with their care and support. Users reported their highest levels of satisfaction around the cleanliness of their home, their appearance, their food and drink, and their personal safety.

Carers reported low levels of quality of life and most of those who received help were not satisfied with the care and support they received.

In 2016-17 a majority of carers\(^7\) were satisfied in two out of the six carers’ quality of life measures. Carers reported their highest levels of satisfaction around their ability to look after themselves and their personal safety.

Of carers who received help, 39% said overall they were extremely or very satisfied with the care and support they received from social services in the previous 12 months.

Note 1 Percentages may not sum due to rounding.


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6 Users survey based on a sample of 72,580 users. Samples were weighted to reflect the population as a whole.

7 Carers’ survey based on a sample of 55,700 carers. Samples were weighted to reflect the population as a whole.
**Delaying and reducing need**

The Department of Health & Social Care seeks to measure the effectiveness of care and support in delaying the need for care and support services through the following measures in the *Adult Social Care Outcomes Framework* and Better Care Fund:

- the rate of older people whose long-term support needs are best met by admission to residential and nursing care homes rather than staying in their own homes; and
- the proportion of older people aged 65 and over who were still at home 91 days after discharge from hospital into reablement/rehabilitation services.

Our 2017 report *Health and social care integration* found that in 2015-16:

- permanent admissions of older people aged 65 and over to residential and nursing care homes reduced to 628 per 100,000 population, against a Better Care Fund target of 659 per 100,000. Around 53% of local areas achieved their target reductions; and
- the proportion of older people who were still at home 91 days after discharge from hospital into reablement or rehabilitation services increased to 82.7%, against a Better Care Fund target of 81.9%. Around 31% of local areas achieved their targets.

In 2016-17 permanent admissions of older people aged 65 and over to residential and nursing care homes has continued to fall, while the proportion of older people who were still at home 91 days after discharge from hospital receiving reablement or rehabilitation services has remained flat.
In 2017, the Care Quality Commission rated that the majority of adult social care providers delivered good or outstanding care.

In February 2017, the Care Quality Commission completed its initial comprehensive inspection programme, which began in October 2014, covering around 24,000 registered providers. As of May 2017, the Commission found almost four out of five adult social care services in England were rated as good or outstanding overall. Nearly a fifth of services were rated as ‘requires improvement’, and 343 locations (2%) were rated as inadequate.

There is considerable variation in provider ratings by service type.

Community social care services (such as supported living and shared lives) were rated the best overall when compared with other services. Domiciliary care services and residential homes received similar ratings, with four out of five services rated as good. The Commission found nursing homes to be their biggest concern – 67% were rated as good and 1% as outstanding, with 29% rated as ‘requires improvement’ and 3% as inadequate.

There are parts of the country where good-quality adult social care may be harder to access.

The Commission observed differences in performance from region to region, with the East of England (where 82% of locations were rated as good and 1% as outstanding), compared with locations rated as good or outstanding in the North West, where 72% of locations were rated as good and 2% as outstanding.
In England in 2016-17, when compared with the average price paid by both local authorities and self-funders, the average price paid by local authorities for care was 43% less for nursing care and 8% less for residential care. The difference has increased since 2012-13 when local authorities paid 32% less for nursing care and 1% less for residential care respectively than local authorities and self-funders together.

In their November 2017 report, the Competition and Markets Authority found across the UK:

- in about a quarter of care homes more than 75% of residents are funded by their local authority;
- if local authorities were to pay the ‘full cost of care’ for all residents they fund, the additional cost to them of these higher fees would be £0.9 billion to £1.1 billion a year; and
- there have been few examples of investment in new care home capacity primarily focused at the local authority funded sector.

As a result, under the current system, the Competition and Markets Authority concluded in the future, local authorities will not be able to provide services to all those with eligible needs.

In 2016-17, local authorities paid on average £15.52 to external providers for one hour of home care. This is 16% below the £18.01 rate the United Kingdom Home Care Association has said is necessary for home care providers to deliver sustainable services.8

8 Competition and Markets Authority, Care homes market study: final report, November 2017.

9 United Kingdom Homecare Association, A minimum price for homecare, January 2018.
Provider failure

The Association of Directors of Adult Social Services’ Budget Survey 2018 found continued evidence of failure in the adult social care provider market. In the six months to May 2018, at least 66% (69% in 2017) of councils surveyed reported that they had either had providers close or cease trading, or had had contracts handed back, affecting thousands of individuals as a consequence.

The number of councils and people affected by failure of residential and nursing care providers has increased since 2017 from 1,793 in 2017 (across 54 councils) to 2,095 people in 2018 (across 58 councils). In contrast, the number of councils reporting that a home care provider had closed or ceased trading remained at 48, although the predicted number of people affected decreased from 5,670 to 3,290 in 2018.10

There is evidence that local authority market-shaping duties may not be sufficient

The Competition and Markets Authority’s 2017 care homes market study found that local authority market-shaping duties were “not proving sufficient” to encourage and support private investment in new and modernised care capacity aimed at council-funded residents or to ensure that the right mix of capacity is provided in the future. The Competition and Markets Authority reviewed a sample of 20 market position statements and found none presented estimates of additional future capacity needed, and only two indicated whether any estimates had been produced by the local authority. The Competition and Markets Authority also found there were few tools for local authorities to use to actively shape the market by providing credible incentives to operators to invest appropriately. The Competition and Markets Authority concluded that there was not a need to change these existing statutory duties but measures needed to be in place to assist and guide local authorities through the planning process and that a single coordinating body should provide this support and advice.11

11 Competition and Markets Authority, Care homes markets study: final report, November 2017.
The workforce

In 2016-17, the annual turnover of all care staff was 27.8%. The proportion of vacancies in care rose from 5.5% in 2012-13 to a peak of 7.0% in 2015-16, falling slightly to 6.6% in 2016-17. Two roles in particular – care workers and registered nurses – have high vacancy and turnover rates compared with other roles within social care. High vacancy rates and turnover can disrupt the continuity and quality of care for service users, and also mean providers incur regular recruitment and induction costs.

The vacancy rate for nurses more than doubled between 2012-13 and 2016-17. The vacancy rate for registered nursing jobs in care was 9.0% in 2016-17. This increased from 4.1% in 2012-13, despite the overall number of jobs falling from 51,000 to 43,000. In February 2015, the then Department of Health hosted a symposium to look at the issues around recruitment and retention of nurses in care. Attendees noted the lack of prestige of working in care compared with working for the NHS, and the poorer options for career and pay progression.

The Department of Health & Social Care commissioned modelling based on 2014 data that suggested the number of full-time equivalent jobs in care would need to increase by around 2.6% per year until 2035 to meet increased demand. However, the annual growth in the number of jobs since 2013 has been 2% or lower. The failure of formal care to meet this increased demand may have contributed to the growth in individuals’ care needs not being met. Age UK estimated that 1.2 million people over the age of 65 had some level of unmet care needs in 2016-17, up from 1 million in 2015-16.

Vacancy rates by role, 2012-13 to 2016-17

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<td>6.0</td>
<td>6.3</td>
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</tr>
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Notes
1. Vacancy rates are calculated by dividing the number of vacancies by the sum of employed staff and vacancies.
2. Data are not available for the vacancy rate for the role of registered manager for 2012-13.
3. ‘All job roles’ includes all the job roles listed in Figure 2 of National Audit Office report, The adult social care workforce in England (2018).
4. We have only compared all job roles with care workers, registered managers and registered nurses, as these are the three job roles with the highest turnover and vacancy rates where there are more than 20,000 jobs.

Source: Skills for Care, National Minimum Data Set for Social Care (NMDS-SC), 2016-17 workforce estimates.

12 Center for Workforce Intelligence, Forecasting the Adult Social Care Workforce to 2035, July 2016.