

# Written evidence submitted by Future Care Capital [FSC 092]

## About Us

Future Care Capital is a national charity committed to engaging, educating and involving every generation in the development and delivery of unified health and care provision. Beginning life as the National Nursery Examination Board in 1945, the charity has evolved throughout its 70-year history and we continue to have Her Majesty the Queen as our Royal Patron. We are a policy and advocacy charity which is also setting up a social impact investment fund. We work to achieve better outcomes for those in receipt of care by advocating for a step-change in health and care. Our work also covers the education and training of health and care professionals, including those in allied professions.

In *Our vision 2030* we committed to working toward the unification of health and care, and we made plain our belief that moving towards collective agreement upon a vision for our future wellbeing as a society is paramount. Specifically, we called for a new Care Covenant – a national debate culminating in a contemporary health and care settlement that befits our growing and ageing society as well as our increasingly technological future.

Last Autumn, we published *Securing the future: planning health and care for every generation* – a collaborative report in which we invited leaders from the public, private and third sectors to help us explore the future of health and care. Contributors included Lord Filkin who discussed issues of intergenerational fairness and the economics of ageing, Skills for Care who highlighted developments impacting the social care workforce, and Carers UK who highlighted the valuable contribution of unpaid carers as well as the challenges they face. In the report, we called for a number of 'Future Care Guarantees' to aid planning and improve the overall sustainability of health and care provision in England.

## Introduction

We welcome this joint inquiry about the funding and provision of adult social care services. Given the challenges identified in our *Securing the future* report, and those raised by the Care Quality Commission (2017) and National Audit Office (2018) in recent months, we urgently need to address the current 'care deficit' as well as take steps to sure up the system's sustainability for the future. The inquiry's recognition of the need to produce timely and practical solutions is therefore important. It is positive, also, that the inquiry is being undertaken jointly by the two Committees and explicitly recognises the interdependencies between health and social care.

This inquiry is focused on adult social care provision, but it is vitally important we look at government funded social care holistically. This includes children's social care services, many of which are facing significant challenges amid rising demand, yet often fail to receive a high policy profile. We also need to ensure that the needs and voices of working age people with broad-ranging disabilities are not lost. In addition, we would wish to emphasise that the inquiry will not in and of itself overcome the challenges that flow from the ongoing *disconnect* between funding sources and formulae associated with health and care services which, from our perspective, represent two sides of the same coin.

Given its remit, our response below is focused upon adult social care, but we are of the firm belief that any long-term funding settlement and strategy for social care provision must take into account the full range of potential service users as well as the need to make better sense of health and care budgets and associated tariffs/targets both at the national and the local level.

# 1. How to fund social care sustainably for the long-term

## Challenges

It is more and more clear that state funding is insufficient to meet current and projected demand for adult social care services and that there is a pressing need to alight upon a sustainable funding solution. Local authority spending on adult social care in England has declined significantly in recent years – falling by 8% in real terms between 2009-10 and 2016-17 and per adult by 13.5% over the same period (Simpson, 2017). At the same time, increasing demand is being placed upon the current system by virtue of our growing and ageing population as well as the improved prospects of people living with complex needs and long-term conditions. Recent changes to social care funding streams have not provided long-term sustainability, nor have they been sufficiently linked to changing needs. Additional funding to extend the Adult Social Care Support Grant for 2018/19 is, for example, welcome but serves only as a short-term measure. Moreover, in future, areas with the greatest need for additional funding are liable to raise the least money through the social care council tax precept (Humphries, 2016), and concerns have also been raised regarding the future contribution from business rates, which could place less affluent areas at a significant disadvantage.

## Opportunities

We acknowledge the potential of the ongoing *Fair Funding Review* consultation, which is examining potential approaches to measuring the relative needs of local authorities in parallel to this exercise, and we very much hope that any new funding formula which results will improve outcomes for those in need of social care services – as a minimum, it should rapidly address growing evidence of unmet need and be designed to tackle what we have elsewhere referred to as the ‘care deficit’.

The source and quantum of funds required to adequately fund health and adult social care services in the long-term is, otherwise, dependent upon the attitudes of politicians and, more readily, the general public towards what ought properly to be the responsibility of the state and individuals respectively. Accordingly, we have outlined our thinking about how best to engage and involve all concerned in a process to determine support for the range of options that could be pursued in our response to the Inquiry’s second question (see: below). Meanwhile, whilst the source and quantum of funding for social care services warrants urgent attention, a robust discussion about where and how funding should be *directed* also needs to take place if we are to alight upon a truly sustainable way forward.

The distribution of state funds amongst local commissioners needs to take account of differences in need profiles as well as other important contextual factors. Some areas face common pressures, such as increasing demand from our ageing population, whereas others face distinct challenges, for example, rurality and/or unique need profiles. A more nuanced and in-depth understanding of local care economies - facets of demand and provision in both formal and unpaid care settings – is needed to facilitate the improved planning we advocated in our *Securing the future* report. Accordingly, we have commissioned analysis to be undertaken by Cambridge Econometrics over the coming months which will be supplemented by a qualitative ‘deep dive’ into a number of local areas to better understand the challenges they face as well as support them to explore how best to cater for future needs. Ultimately, any future funding settlement for adult social care needs to take into account the care ecosystem in its entirety, and this is something we will explore in more depth later this year.

Funding should take account of how to meet current and projected demand pressures, but it should also provide the investment needed to enable the transformation of our current system to one that is properly fit for the future. Debates about funding pressures are often focused upon addressing the ‘crisis’ of today, whereas it is widely acknowledged that “*the nature of care and support needs to transform*” (National Audit Office, 2018: 5). In particular, we note the relative lack of dedicated funds from Government to stimulate innovation in social care through the deployment of new and emergent

technologies, as well as the lack of apparent ambition to retrofit our homes and communities such that they are better designed for age and mobility. We believe sustainability demands investment in our 'care infrastructure' today to underpin the healthy and caring economies we want to see tomorrow.

### **The mechanism for reaching political and public consensus on a solution**

Wellbeing is something we are all responsible for and needs to be stewarded by the range of societal stakeholders if we are to bring about truly integrated and 'accountable care systems'. With this in mind, we have called for a new 'Care Covenant' to set out the rights and responsibilities of the Government, businesses, communities and individuals alike. We envisage such a covenant flowing from a national debate culminating in a contemporary health and care settlement that befits our growing and ageing society as well as our increasingly technological future. We therefore welcome the Inquiry's interest in the mechanism that should be deployed to reach political and public consensus upon a sustainable funding solution.

#### Guiding Principles

- There are imminent pressures which face health and care services as well as those in need of them, so whilst it may be desirable and/or prudent for politicians and officials to take the time to consider potential ways forward in dialogue with the general public, we would urge them to also take immediate action to stem the growth in unmet need or what we have termed the 'care deficit'.
- A number of surveys have sought to understand public attitudes toward health and care funding and provision – we, ourselves, commissioned a survey undertaken by Ipsos MORI in September 2017, which found that respondents supported increases in income tax to fund social care services, whilst most felt that a public body should have the most responsibility for delivering them. However, there is also evidence to suggest that the public benefits from only a partial understanding of the social care services that are provided at the local level and the basis upon which they may be accessed by individuals in need. Therefore, if a public consensus is to be reached in any meaningful sense, it surely ought not to proceed without a concerted effort to better inform and educate the public.
- It is vitally important that every generation is proactively engaged in any public debate which ensues – both in recognition of the fact that it may be prudent to explore different settlements with different age cohorts according to need, means and their ability to plan/contribute to any resultant scheme(s), as well as in the interests of what is increasingly referred to as 'intergenerational fairness'. The shape and scope of social care services that are deemed desirable and supportable might also vary from one generation to the next and, to that extent, the transformation activities needed to design and deliver future services hinge upon their active involvement.

#### Political consensus

There have been growing calls for cross-party discussions, including from the House of Lords Select Committee on the Long-term Sustainability of the NHS, which noted that in order to overcome historical political failure, "*...[e]fforts should be made to encourage cross-party consensus*" (2017: 87). Others, still, have expressed a preference for a Royal Commission – albeit we are concerned to note that some have called for a Royal Commission which would concentrate solely upon the future of the National Health Service, rather than examine health and social care funding and provision in the round. Achieving cross-party consensus on the optimum way forward vis-à-vis funding for adult social care services may or may not be achievable in the short-term. However, there might instead be scope

to secure agreement upon what we have termed 'Future Care Guarantees', so that politicians from all parties are able to 'sing from the same hymn sheet' when raising awareness of the need for change in conversation with the general public.

In our *Securing the future* report, we recommended Future Care Guarantees that included:

- *Championing independent living*: Government will work with industry to introduce and uphold an Independent Living Guarantee enabled by a transformational programme of investment in preventative or 'pre-care' measures impacting the built environment;
- Tackling loneliness and social isolation - Government will introduce measures and invest to create the environment for local government and civil society to tackle loneliness and social isolation;
- *Co-designing future care services*: Government will involve younger generations in the co-design of future care services to inform forward planning;
- *Careforce planning*: Government will provide leadership and work with training and skills providers to build the capacity of both the paid and unpaid 'careforce'; and
- *Enabling a work-life-care balance*: Government will recognise the economic contribution of carers to the overall economy and work with employers to introduce measures to improve carers' 'work-life-care balance'.

The Government must take steps to reduce the 'care deficit' in the short-term, but we acknowledge the challenges politicians face in informing the general public about potential changes to the funding and provision of adult social care services. Seeking cross-party agreement upon interim measures that are designed to inform, engage and involve people in co-producing future services as well as deliver tangible short- and medium-term benefits to those providing and in receipt of care could, conceivably, underpin a transitional approach and signal a consensus amongst all concerned upon the need for change.

### Public engagement and involvement

The general public are ill-informed about adult social care. A recent poll found that 63% of respondents thought the NHS responsible for providing social care services for older people. Confidence in provision – that current social care policy is adequate and services will be there to support them when they need it – was also found to be low (Deloitte and Reform, 2017). Therefore, if we are to engage the public in a meaningful debate about the future of adult social care provision, the Government must first take steps to better inform them about:

- what services are currently funded by the state;
- who is eligible to access those state-funded services; and
- the bodies responsible for commissioning, providing and ensuring quality from those services.

This could assume the form of a related campaign and dovetail with, for example, related efforts to promote recruitment and retention in the adult social care sector.

We have suggested, above, that any mechanism to reach a public consensus upon the future of adult social care funding and provision ought, ideally, to go beyond *engagement* and proactively *involve* individuals from all generations in future service design. The Government could, however, go further and recognise that wellbeing is something to be stewarded by the range of societal stakeholders – including businesses and communities – and *empower* them to take more of an active role in transitioning to new models of care.

### Businesses and Communities

Businesses and communities have a vitally important role to play in our health and care ecosystem, and Government could usefully take steps to encourage and empower both to respond to need at the local level whilst consulting upon new arrangements for the funding and provision of health and/or adult social care services. In Manchester, for example, some businesses are supporting initiatives that are designed to tackle drug and alcohol abuse as well as rough sleeping. Might there be scope to improve the provisions that underpin Business Improvement Districts where they could be said to amount to 'health improvement districts' and, with that, leverage private input to public health initiatives capable of reducing demand upon mental health and social care services? Communities already respond to unmet need in myriad ways – ranging from support for befriending initiatives to active participation in homeshare schemes. Might there be scope for Government to further stimulate community-led solutions? Could it, for example, introduce 'community care budgets' underpinned by participatory principles? Empowering businesses and communities could serve to better educate the general public about local need and adult social care services. It could also stimulate the emergence of new care models as well as build social capital during any transition to new arrangements for adult social care funding and provision. Cuts to state-funded care services provided in the community, as well as the recent announcement that NHS England has abandoned plans for a 'forward view for community services', underline the importance of action in this regard.

March 2018

## References

- Care Quality Commission (2017). *The state of health care and adult social care in England 2016/17*. Available from: [www.cqc.org.uk/sites/default/files/20171123\\_stateofcare1617\\_report.pdf](http://www.cqc.org.uk/sites/default/files/20171123_stateofcare1617_report.pdf)
- Deloitte and Reform (2017). Citizens, government and business: the state of the state 2017-18. Available from: [www2.deloitte.com/uk/en/pages/public-sector/articles/state-of-the-state.html](http://www2.deloitte.com/uk/en/pages/public-sector/articles/state-of-the-state.html)
- Future Care Capital (2017). *Our vision for 2030*. Available from: [www.futurecarecapital.org.uk/wp-content/uploads/2017/02/Future-Care-Capital-Vision-for-2030-Leaflet-Online.pdf](http://www.futurecarecapital.org.uk/wp-content/uploads/2017/02/Future-Care-Capital-Vision-for-2030-Leaflet-Online.pdf)
- House of Lords Select Committee on the Long-term Sustainability of the NHS (2017). The long-term sustainability of the NHS and Adult Social Care, Report of session 2016-17, HL Paper151. Available from: [www.publications.parliament.uk/pa/ld201617/ldselect/ldnhssus/151/151.pdf](http://www.publications.parliament.uk/pa/ld201617/ldselect/ldnhssus/151/151.pdf)
- Humphries, R. (2016) 'What now for social care?', 11 December 2016, *The King's Fund*. Available from: <https://www.kingsfund.org.uk/blog/2016/12/what-now-social-care>
- Jones, E. (2017) 'Securing the future: public attitudes toward planning and preparing for later life', 19 September 2017, *Future Care Capital*. Available from: [www.futurecarecapital.org.uk/securing-the-future-public-attitudes-toward-planning-and-preparing-for-later-life-2/](http://www.futurecarecapital.org.uk/securing-the-future-public-attitudes-toward-planning-and-preparing-for-later-life-2/)
- National Audit Office (2018). *The adult social care workforce in England*, HC 714. Available from: [www.nao.org.uk/wp-content/uploads/2018/02/The-adult-social-care-workforce-in-England.pdf](http://www.nao.org.uk/wp-content/uploads/2018/02/The-adult-social-care-workforce-in-England.pdf)
- Naylor, A. and Jones, E., eds. (2017). *Securing the future: planning health and care for every generation*. Available from: [www.futurecarecapital.org.uk/policy/securing-the-future/](http://www.futurecarecapital.org.uk/policy/securing-the-future/)
- Simpson, P. (2017) *Public spending on adult social care in England*, IFS Briefing Note BN200. Institute for Fiscal Studies. Available from: [www.ifs.org.uk/uploads/publications/bns/BN200.pdf](http://www.ifs.org.uk/uploads/publications/bns/BN200.pdf)