

Local Government Association Briefing

NHS Continuing Healthcare

House of Commons

Monday 27 November 2017



Key messages

- The LGA and ADASS remain concerned about the variation across the country in eligibility rates for continuing healthcare under the current system.
- While the NHS is free at the point of delivery, access to local public services (including but not limited to social care and some public health services) is means-tested. This can become challenging when these two systems interact which is an increasingly common occurrence as service providers recognise the need for a comprehensive care programme for people.
- The system can be difficult for people to navigate due to its lack of transparency. This means that many people who have a right to access continuing healthcare do not, due to the complexity of the process.
- The current arrangements are resource intensive to administer and the complexity of this system means that the costs are difficult to measure.
- We are concerned about the risk of some costs moving from the NHS onto individuals or onto local authorities when people are discharged from acute hospital but require a continuing period of recovery/rehabilitation before their longer term needs can be accurately assessed.
- Lack of clarity regarding the funding responsibilities associated with providing continuing healthcare has the potential to lead to conflict and tension between health and social care at a time when it is vital that these agencies work together.
- Given the ongoing challenges of funding social care that local authorities face, it is particularly disappointing that the Government made no further allocations to local authority social care budgets which face a £2.3 billion gap by 2020.

Background information

Challenges for local authorities with the continuing healthcare system

ADASS and the LGA work closely with the Department of Health and NHS England on continuing healthcare. We are working to achieve a fair and equitable implementation of the National Framework. However, we remain very concerned about the variation across the country in eligibility rates for continuing healthcare under the current system. In our view much of this variation is unwarranted and we work closely with NHS England to understand and address this.

This variation was highlighted in the recent written and oral evidence submitted to the Public Accounts Committee inquiry into 'Continuing NHS Healthcare Funding'.¹ Under current law continuing healthcare is a matter of citizens' rights and we must do all we can to ensure these rights are respected.

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become challenging when these two systems interact; an increasingly common occurrence as service providers recognise the need for a comprehensive care programme for people. The system can be difficult for people to navigate due to its lack of transparency. This means that many people who have a right to access continuing healthcare do not, due to the complexity of the process.

The current arrangements on this interface are resource intensive to administer, tying up nurses, doctors and social care practitioners in processes which are necessarily lengthy and detailed in order to fully and fairly assess whether individuals are eligible for continuing healthcare. The costs involved in running the process, including the appeals mechanisms, are hard to measure but are considerable.

We are aware of the huge pressures on the NHS at the moment and the strong emphasis on swift and timely hospital discharge. We fully acknowledge the importance of assessing the longer-term needs of individuals at the right time and in the right place (usually in someone's own home). However, we are concerned about the risk of some costs moving from the NHS onto individuals or onto local authorities when people are discharged from acute hospital but require a continuing period of recovery/rehabilitation before their longer term needs can be accurately assessed.

Continuing healthcare is a 'whole system' issue which fundamentally relies on both strategic and operational collaboration between health and social care agencies. Lack of clarity regarding the funding responsibilities associated with providing continuing healthcare has the potential lead to conflict and tension between health and social care at a time when it is vital that these agencies work together.

The role of local government in providing adult social care

The commissioning and provision of adult social care is a vital council service that can transform people's lives. It is a vital public service that supports working age disabled adults and older people as well as promoting their wellbeing and independence. Despite major funding pressures, councils have worked hard to preserve adult social care outcomes:

- In 2015-16, 85.4 per cent of service users in England reported that the services they received helped make them feel safe and secure. This is a statistically significant increase compared to the 84.5 per cent reported in 2014-15.
- The proportion of people who use services who say they have control over their daily lives has remained stable (76.6 per cent in 2015/16 compared to 77.3 per cent in 2014/15).
- Overall satisfaction of people who use services has remained stable (64.4 per cent in 2015/16 compared to 64.7 per cent in 2014/15).ⁱⁱ

Adult social care is framed in legal terms by the 2014 Care Act, a landmark piece of legislation that brings together numerous separate laws and policies into a single, modern statute. At the heart of the legislation is a duty on councils to promote people's wellbeing, which is purposefully defined in broad terms. Included in the definition (alongside more 'typical' defining features, such as personal dignity and protection from abuse and neglect) is 'the individual's contribution to society' and 'domestic, family and personal relationships'.

Funding adult social care

It is impossible to consider the state of funding for adult social care without first considering the state of local government funding overall. The LGA estimates that English councils will have managed reductions to their core funding from central government totalling £16 billion between 2010 and 2020. To put that into perspective,

budgeted expenditure for adult social care for this financial year, 2017/18, stands at £15.6 billion. This £16 billion reduction compares to an estimated increase in NHS spending (prior to the recent Autumn Budget announcement of extra funding for health) of just under £20 billion over the same period.

As we have highlightedⁱⁱⁱ the continued underfunding of social care is making it increasingly challenging for local authorities to fulfil their legal duties under the Care Act, leaving the ambitions of the legislation on the brink of failing altogether and councils facing the prospect of court challenges. More concerning still is that by 2025 there will be another 350,000 people needing high levels of social care from councils.^{iv}

There cannot be a sustainable NHS without a sustainable adult social care system. Adequately funding social care will deliver benefits for both older and disabled people in society and savings for the public purse. For example, funding an expansion in social care capacity would alleviate NHS pressures and therefore enable more people to be discharged quickly and safely from hospital.

Councils are also investing in preventative services, including telecare or hospital avoidance schemes, such as rapid response teams which mobilise quickly to treat someone in crisis in their own home rather than A&E. However, evidence from the ADASS Budget Survey shows that spend on prevention in 2017/18 forms 6.3 per cent of adult social care budgets, or £890 million. This is a smaller proportion of the budget than last year (7.1 per cent), and a decrease in cash terms from last year (£954 million).^v

The situation is now critical and our care and support system is in crisis. This is not just the message from local government, it is the message from across the wider care and support sector.

Councils have worked hard to protect adult social care spending. However, our latest analysis on the funding gap faced by councils show that this approach is not sustainable:

- Since 2010, councils have dealt with a £6 billion funding gap in adult social care services. This has been met through £3.4 billion of savings to adult social care and £2.6 billion taken from additional savings to other services.
- The LGA estimates that local government faces a funding gap of £5.8 billion by 2020. £1 billion of this is attributable to adult social care and includes only the unavoidable cost of demography, inflation and the National Living Wage. This figure excludes other significant pressures, including addressing unmet need.
- The LGA estimates that adult social care also faces an immediate and annually recurring gap of £1.3 billion, which is the difference between what care providers say they need and what councils currently pay.

This decrease comes despite parliamentary polling undertaken by ComRes after the General Election in June 2017 showing that of those MPs polled, 90 per cent agreed that additional funding should go to councils' social care budgets. A similar poll showed that 80 per cent of Peers agreed with the same statement.

ⁱ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/inquiries/parliament-2017/investigation-nhs-healthcare-funding-17-19/>

ⁱⁱ For further information please visit:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/557886/meas-from-asc-of-eng-1516-Report.pdf

ⁱⁱⁱ For further information please visit:

https://www.local.gov.uk/sites/default/files/documents/5.20%20budget%20submission_06.pdf

^{iv} For further information please visit: <http://www.ncl.ac.uk/press/news/2017/08/cfasresearch/>

^v For further information please visit: www.adass.org.uk/media/5994/adass-budget-surveyreport-2017.pdf