

# How to Build Back Better

Care England champions care providers and is a critical friend of the Government in establishing a long-term and sustainable future that will be to the benefit of all citizens and the economy.

#WeCareForEngland

1. A fair cost of care needs to be paid that promotes continued inward investment to ensure a sustainable system fit for the 21st century. LaingBuisson estimate that residential care homes for older people in England currently need to charge fees of £696 to £849 per week to generate a sustainable return, whilst residential nursing care costs between £969 and £1,075 per week.<sup>1</sup> Average council fees were £596 for residential and £764 nursing for 2020/21. For specialist care services, including for younger adults with a learning disability and autistic people, this rate will be higher. Establishing this fair cost of care will give taxpayers value for money and empower those in need of care, and their families, to make meaningful choices so they receive the right care across a variety of services including care homes, home care and supported living services.
2. As part of a fair cost of care, it must be recognised that funding needs to increase for adult social care providers to ensure the system promotes fairness for the individual, the taxpayer, the local authority and the NHS. Crucially, local authority funded and self-funded resident rates must both meet the costs of care and allow providers to continue to improve and develop quality services. The system should not be levelled down. Any service user should be allowed to pay more if they want additional or enhanced services. The mechanism used to establish fair rates, including the role of topping-up for both local authorities and the NHS, must be part of an open and transparent engagement process with the provider sector.
3. We hold that £5.4 billion announced in September for adult social care over the next three years through the Health and Social Care Levy, as well as the £4.8 billion of new grant funding over the SR21 period for social care and other services, will not be enough to achieve the ambitions set out by the Government. This does not equate to the recommendations in the various parliamentary Select Committees and sector reviews.
4. We are concerned that by focusing  $\frac{5}{6}$  of the planned Levy over the next 3 years for the NHS directly, the health service will not see the benefits of a strong social care sector and will continue to feel these unnecessary pressures, fuelling an expensive NHS-centric cycle of acute care. We want to be able to help the NHS not contribute to its burdens.

<sup>1</sup> LaingBuisson (2020). Care Cost Benchmarks. Eleventh edition.



5. Adult social care providers, as well as employees, will need to pay significant sums in increased National Insurance (NI) contributions, without providing the ability for providers to offset the increase, putting financial sustainability under further strain. The approximated impact upon the sector, for both employers and employees, is circa £600m per annum. This is at odds with the NHS where employer contributions are being recompensed by government; adult social care and the NHS are two sides of the same coin and they need parity.
6. The £86,000 cap does not come into force for another two years and so is of little benefit to the majority of current care home residents, nor does it cover hotel or accommodation costs. Further detail about the cap is required, including: How is the cost of a weekly fee going to be split; What does it really mean; Who will benefit; What flexibility will independent providers have to set fees? and is there a fixed 'go-live' date? The cap will also need to be subject to a high-profile public information campaign.
7. Although £500m for the adult social care workforce is welcome, it is part of, not extra to, the £5.4bn allocation. Workforce development is going to cost far beyond a single £500m allocation; broad estimates suggest the allocation translates into £100 per care worker over three years. If uplifts in fees are not provided, how can staff be recruited, compensated and rewarded? This is particularly pertinent within the context of attracting and retaining nurses in adult social care. Any change to pay and reward must be centrally funded for publicly funded services.
8. An adult social care workforce strategy must extend beyond three years. This needs to be the first of many steps in order to better align social care with the NHS Workforce Plan. The plan must be characterised by a basic pay framework for social care staff and a national policy on how this should be funded.
9. It is vital that the Adult Social Care Reform White Paper and the Comprehensive Spending Review (CSR) include plans and funds to improve pay and conditions, as well as training opportunities, for people working across the care sector in order to address the recruitment and retention issues in the long-term and provide the sustainable service we need. Care England wants to be part of these reviews to add its unique insight.
10. The White Paper must also look to tackle the issues which the plan has seemingly overlooked including innovation and investment, unmet need and digital transformation within the sector. Ensuring the future sustainability of the social care sector market through appropriate investment is of fundamental importance for the sector itself, but also for England's society and economy in broad terms. A mixed economy is, and will continue to be, the best means of ensuring that quality care is both maintained and increased.

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November 2021



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