



**ADSS Cymru**

Yn arwain Gwasanaethau  
Cymdeithasol yng Nghymru  
Leading Social Services in Wales



CLILC • WLGA

## WLGA and ADSS Cymru Position Statement on Adult Services

### Key Facts and Figures



In 2016-17 around 150,000 care and support services were provided to over 82,000 adults (aged 18+) by Welsh Councils. This included:

- Over 31,000 domiciliary care services provided
- About 18,000 care home placements
- Over 34,000 receiving equipment and / or adaptations



Every day:

- 210 assessments were carried out
- 62 care and support plans and support plans were put in place



9 assessments were carried out every hour by Welsh Councils



1 in 5 adults in Wales report feeling lonely or isolated



1 in 4 experience mental health problems or illness at some point during their lifetime



9 in 10 prisoners have a diagnosable mental health and / or substance misuse problem



**75%**  
of carers in Wales are concerned about the impact of caring on their health over the next year



**127%**  
increase in the number of people aged over 85 by 2039



**56%**  
increase in the number of people in need of adult social care by 2035



**22%**  
reduction in Council funding since 2010 impacting on a wide range of preventative services vital in supporting health and wellbeing



**£1.2bn**  
the total amount spent on adult social care by Welsh local authorities each year



**£2.2bn**  
the wider contribution of adult services to the Welsh economy

**Adult social care is one of our most vital public services. It supports adults of all ages across a wide spectrum of need to live as independently as possible and protects people from harm in vulnerable situations. Over 150,000 care and support services were provided by adult social services in Wales last year, with over 70,000 assessments of care and support needs being undertaken. Over £1.2bn was spent on adult services by Welsh Councils, which equates to around a fifth of their total budget.**

**It is essential in its own right for these reasons alone. But it is also essential in other ways. It touches the lives of millions, whether that be people working in the sector, those who receive services, or their informal carers, friends and family. Its paid workforce is larger than that of the NHS. It is a vital connector to other public, private and voluntary sector services. And it contributes some £2.2 billion to our national economy, creating 127,000 jobs. In short, adult social care should be everyone's concern.**

### **The overall state of local government funding**

The state of funding for adult social care cannot be seen in isolation from the state of funding for local government overall. Since 2010 Council's core grant funding has reduced by 22% after adjusting for inflation. Fast forward to today and the current and future outlook for local government funding remains extremely challenging, with any cost pressures arising during this period having to be offset by further savings. Such pressures will include, but are certainly not limited to:

- ⇒ **general inflation**
- ⇒ **increases in demand for everyday services as the population grows and ages**
- ⇒ **increases in core costs, such as national insurance, the National Living Wage and pension contributions**



Taking account of the path of future funding and the full range of pressures facing councils in relation to future years compared to now, the WLGA estimates that local government will face over £800m of pressures over the next 5 years. This is essential context and explains, in part, why adult social care funding remains under such enormous pressure. As the savings available in other parts of the Council disappear, inevitably it is areas such as adult services and preventative services which have to offer a significant contribution to the council's full savings requirement to help tackle the overall funding gap.

## Adult Social Care

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Adult social care continues to help mitigate demand pressures on the NHS and is not simply about support at the 'back door'; councils work closely with the NHS to improve self-management of conditions, prevention, community support and information and advice, which are all services that stop people presenting at the 'front door' in the first place. However, demand for services is increasing, by 2035, the number of people aged over 65 will have increased by a third and the number aged over 85 will have doubled. Spending will have to grow at 4% every year on top of general inflation to meet these pressures. Whilst day-to-day spending on local authority-organised adult social services has remained broadly flat in real terms, spending per older person has fallen by nearly 13% in real terms over the last five years in Wales, inevitably leading to impacts on services for older vulnerable people. Spending per head would have to increase by at least £129 million (24%) (2016-17 prices) between 2015-16 and 2020-21 to return to the equivalent level of spending in 2009-10, which amounts to a 2.5% year-on-year increase for adult social care services.

Pressures due to social care continue to pose the most risk to council's financial sustainability in the medium to long term. The current funding arrangements will not cover the expected increases in cost and demand facing social services. Local government's spending pressures will total around £264m in 2019-20, which includes £102m of pressures for social services. These will have to be either fully absorbed by councils (or cuts made elsewhere). As with other service areas, the main inflationary drivers are increasingly workforce costs. In the next financial year, the additional resources required for pay deals, pension contributions and the National Living Wage come to £54m and demographic pressures will add another £49m. The cumulative pressure by 2021-22 is £358m.

This is at a time when the sector is experiencing an increasingly fragile provider market, with all the signs that the difficulties will increase. We know that the recruitment and retention of care workers, particularly in the domiciliary care sector, remains a challenge and that frontline roles within the care sector are generally perceived as low-status, low-skills jobs and this is reflected in the rates of pay, with most workers being paid at or around the National Minimum Wage. Low wages in turn impact directly on the ability to recruit and retain staff particularly in the context of other sectors, including retail, being able to offer higher pay. There is a real danger that if we don't invest time and resources in bringing order to the system and truly value our social care workforce now, costs across the health and social care system will rise significantly in the future.

Despite Councils best efforts to protect spend on adult services demand continues to outstrip supply, with difficult choices having to be made to ensure the sustainability of services. In recent years, adult social care spending has been kept under control through a mix of service savings, disproportionate reductions to other services, and looking at innovative and integrated ways of delivering services. It has meant that councils have clearly prioritised adult social care and support services for vulnerable people but this is inevitably and unavoidably to the detriment of

other local services. Every council will have made their own decisions in this process but it is safe to assume that the services that had to deal with deeper reductions to funding will have included services such as libraries, leisure, and bus services. This is clearly a false economy given these universal neighbourhood services are preventative in the widest sense and contribute to wellbeing.

Prevention and early intervention has been a key focus. But as councils strive to return balanced budgets each year, the reality on the ground is that funding reductions are making it harder for councils to manage the tension between prioritising statutory duties for those with the greatest needs on the one hand and investing in services and communities that prevent and reduce future demand on the other.

All recent efforts to support adult social care are welcomed, such as the additional £10m provided for social services to deal with winter pressures. And we do not want to downplay the significance of the additional investment and the relative protection provided by Welsh Government. It has, without question, gone some way to alleviating the significant pressures facing the care and support sector, but that simply means that the cuts have not been as deep as we have seen across the border. Social care funding is now at its absolute limit and along with the growing pressures and demand facing adult services the great progress that has been made in challenging circumstances is being threatened – the need to resolve the long-term future of care and support is now urgent, along with the need for more significant investment in the shorter term.

## **The Way Forward**

Local government are committed to working with our colleagues in health and the Welsh Government in responding to the recommendations of the Parliamentary Review and taking forward a “revolution in health and social care” through ‘A Healthier Wales’. An integrated and joined up approach is viewed as the way that we will best be able to improve services and meet the increasing demands being placed on all public services in Wales. The present system is not a sustainable way forward and it impedes the ability of our committed workforce across social care and health to carry on caring for our residents to the same high standard. With the Welsh Government currently developing plans on how to spend its budget, the Government must seize the moment and demonstrate its own commitment to enabling councils and their partners to do what they do best: look after our local communities and our local residents, particularly those who are most vulnerable and have support needs.

Moving from the current system to one that is more sustainable and meets the needs of our ageing population requires a variety of responses. Undoubtedly without more funding for social care, many of the difficulties faced by the care sector will continue to grow and the impact will be felt by families. With better funding it is possible to build a wider spread of quality services and a sustainable care market – urgently needed in the short and longer term.

## We are calling on the Welsh Government to:

1. Use the upcoming budget settlement to demonstrate their recognition of the context that adult social care is operating in and the challenges facing the system, including rising costs and the costs associated with supporting working age adults, not just older people by a significant uplift in funding levels. Along with recognising councils' efforts to date and the improvements those efforts have yielded; the value and core purpose of adult social care in helping people to live independently and supporting their wellbeing.
2. Avert a deepening of the crisis facing adult social care by closing the funding gap facing local government. This means adequate funding to address immediate demand pressures, particularly those facing the provider market. The recent announcement of consequential funding coming into Wales provides an opportunity to put additional funding into councils' baseline budgets so it can be counted on in future years enabling Welsh councils to plan with some surety over the next three years. Any additional funding needs to allow local authorities flexibility to best meet local demand and needs, focussed on improving outcomes for their citizens and communities.
3. Develop a balanced approach that does not give one part of the system primacy over the other in dealing with the pressures facing social care and health in the short and long-term, with health and social care treated with parity in the budget considerations, recognising that health and social care are equal partners in the aspiration of delivering one seamless health and social care system for Wales organised around the individual and their family.



## Contact details

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