



The Government Response to the Health and Social Care Committee report on Adult Social Care: Funding and Workforce

Presented to Parliament
by the Secretary of State for Health and Social Care
by Command of Her Majesty

January 2021



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1. Introduction

- 1.1 This is the Government's formal response to the recommendations made by the Health and Social Care Committee in its report, 'Social care: funding and workforce', published on 22nd October 2020.
- 1.2 The Government welcome the recommendations made in this report. We are considering these carefully as part of ongoing policy development.
- 1.3 The scope of the Committee's inquiry is set out in the following terms of reference:

What impact is the current social care funding situation having on the NHS and on people who need social care?

What level of funding is required in each of the next five years to address this?

What is the extent of current workforce shortages in social care, how will they change over the next five years, and how do they need to be addressed?

What further reforms are needed to the social care funding system in the long term?

- 1.4 The inquiry was paused in March 2020 to enable the Committee to focus its attention on COVID-19.
- 1.5 In their report, the Committee notes that the pandemic has brought the social care sector further into the public spotlight. It notes that the care workforce has shown outstanding commitment to providing care in extremely challenging circumstances. The Committee says that the workforce needs a pay rise and professional development structures. The Committee also argues that sustained investment, coupled with far-reaching funding reform, are required to deliver such pay rises, as well as to improve the quality of care experienced by recipients and to tackle historical unfairness in the system.
- 1.6 The Committee's report makes 21 recommendations focusing on current funding in social care, the social care workforce, and the longer-term reform of social care funding. With regards to current funding, the Committee recommends an urgent annual funding increase to meet demand, alongside further funding to improve quality and broaden access. In relation to workforce, the Committee recommends the protection of the PPE supply and routine testing for carers, and improved recognition of the workforce through competitive pay, better employment conditions, and training opportunities. The Committee also recommends that the Government ensures that workers can continue to be recruited from overseas.

Finally, to reform social care funding, the Committee recommends the introduction of free personal care, a lifetime cap on care costs at £46,000. The Committee recommends that the full annual cost of adequate funding for social care is likely to be in excess of £7 billion, whilst recognising the fiscal pressures which the UK currently faces.

- 1.7 This document begins by setting out the level of funding provided to the social care system during the COVID-19 pandemic, and that was announced at the 2020 Spending Review. The structure of this Command Paper directly corresponds to the recommendations in the Committee's report. Where appropriate we have grouped recommendations and responded to these collectively.
- 1.8 Social care funding and provision is a devolved matter, therefore the sections relating to funding in the Command Paper concern England only. More widely, DHSC officials working on pay, recruitment and recognition for the adult social care workforce have met regularly with their counterparts in the Devolved Administrations. This has included one-off roundtable discussions, regular meetings around specific topics such as social work, and ad hoc meetings as required. Discussion has included: the development of new recruitment tools; pay for staff who are self-isolating; long-term strategy on pay; the CARE brand; and distribution of CARE badges to the workforce.

2. Summary of Government Response to the Recommendations

- 2.1 The Government's current priority for adult social care is for everyone who relies on care to get the support they need throughout the COVID-19 pandemic.
- 2.2 As such, the Government has provided substantial funding to support the social care sector through the pandemic, providing local authorities with access to £4.6 billion through un-ringfenced grants, and extending the Infection Control Fund until March 2021 at a cost of £1.1 billion. Alongside this, Government has committed an estimated additional £3 billion of support for COVID-19 pressures in Financial Years (FY) 21/22 to local government. In total, the Government has committed over £7.2 billion for local authorities this financial year and this is even before the extension of the Contain Outbreak Management Fund for those authorities under the highest level of restriction from December - potentially worth over £200 million a month. This takes the total support committed to councils in England to tackle the impacts of COVID-19 to over £10 billion this financial year and next.
- 2.3 At the 2020 Spending Review the Government announced that local authorities will have access to over £1 billion additional funding for social care in FY 21/22. This funding is additional to the £1 billion social care grant announced last year which has been maintained. This will support councils to maintain care services while keeping up with rising demand and recovering from the impact of COVID-19. We expect local authorities, as commissioners of care services, to build local market capacity, and to work with care providers to determine a fair rate of pay, based on local market conditions.
- 2.4 Following the initial announcement in the Adult Social Care Winter Plan of free PPE provision for COVID-19 needs for the adult social care sector until March 2021, the scheme has now been extended until June 2021.
- 2.5 The Government recognises the commitment social care workers have shown during the pandemic, and we have worked alongside the NHS and other organisations to develop a wellbeing package of emotional, psychological and practical resources for the social care workforce. We want to provide the workforce with real prospects for career progression, and we have continued to commission and fund a range of training opportunities to help recruit people into the sector, and to support staff that want to progress to management and leadership roles. In December 2020 we appointed a Chief Nurse for Adult Social Care to provide professional leadership to social care nursing. The role will act as a bridge across the health and care system, helping to build on the system-wide collaboration we've seen during COVID-19.

- 2.6 In June 2020, DHSC published a COVID-19 adult social care workforce risk reduction framework to support employers to sensitively discuss and manage specific risks to their staff – this includes risk by ethnicity, but also age, sex and underlying health conditions. It is crucial that we have a clear and accurate understanding of these challenges, and the work of the COVID-19 Social Care Support Taskforce provides an evidence base to support future improvements.
- 2.7 The Government has also continued to support the integration of health and social care through The Better Care Fund (BCF), which enables greater cooperation between health and social care partners at a local level. As set out in the BCF 2020-21 Policy Statement, published on 3 December, in 2021-22, the NHS contribution to the BCF is increasing by 5.3% in line with the NHS Long Term Plan settlement. We are also maintaining the improved Better Care Fund (iBCF) grant at £2.077 billion. The Disabled Facilities Grant will also continue and be worth £573 million.
- 2.8 Turning to workforce, we do not anticipate that the end of the EU Exit transition period will have an immediate impact on workforce supply, as those workers that are already here are able to apply under the EU Settlement Scheme, and the flow of EU workers into the sector annually is comparatively small when considered alongside the overall size of workforce. We are also confident that employers will be able to recruit enough people domestically to outnumber any decreased flow of workers from the EU.
- 2.9 More than four in every five providers (84.7%) are currently rated as good or outstanding by the Care Quality Commission (CQC), however, more work is needed to reduce variation in practice between regions and care settings. We want to improve the sustainability of the social care workforce by continuing to make care an attractive sector to work in. We will work with stakeholders to ensure we have the strongest possible evidence on the relationships between workforce supply, pay, and the cost of care. We will also look at how clearer training and career pathways can be developed across the adult social care workforce to support greater integration and alignment between roles in health and care.
- 2.10 As set out in the 2020 Spending Review, the government is committed to sustainable improvement of the adult social care system and will bring forward proposals in 2021. We welcome this report from the Health and Social Care Committee, which we are using to inform ongoing policy development on the future of adult social care.

3. Preface - Adult Social Care Funding

- 3.1 We have prefaced our response to the Committee's recommendations with details of the level of funding provided to the social care system during the COVID-19 pandemic, and the funding commitments made at the 2020 Spending Review. This detail is of particular relevance in response to Recommendations 1, 2, 3, 4, 10, 20 and 21.

COVID-19 Funding

- 3.2 The Government's current priority for adult social care is for everyone to get the care they need throughout the COVID-19 pandemic. We have provided local authorities with access to £4.6 billion through un-ringfenced grants so they can address the expenditure pressures they are facing in response to the COVID-19 pandemic, including for adult social care.
- 3.3 The Infection Control Fund, set up in May 2020, has now provided over £1.1 billion to help the care sector take a number of key measures, including restricting the movement of staff between care homes, to help stop the spread of the virus in care settings.
- 3.4 On 23 December 2020, we announced an extra £149 million through the Rapid Testing Fund, to support the care sector to implement additional lateral flow device (LFD) testing. This fund will support additional rapid testing of staff in care homes, including visiting professionals, and enable indoors, close contact visiting when possible.
- 3.5 On 16 January 2021 the Government announced an additional £120 million of funding to help local authorities to boost staffing levels in the care sector during the pandemic.
- 3.6 Looking forward, the Government has committed to provide councils with an estimated additional £3 billion of support for COVID-19 pressures in FY 21/22, including in adult social care, and to compensate for income losses.

General Funding for Adult Social Care

- 3.7 As part of the 2020 Spending Review, the Chancellor announced that local authorities will be given access to over £1 billion of additional funding for social care in FY 21/22. This includes a £300 million increase to Social Care Grant funding, on top of the £1 billion Social Care grant provided in 2020-21, which is

being maintained in line with the manifesto commitment. This takes the total of the Social Care Grant to £1.7 billion. The government is also enabling local authorities to access up to £790 million of new funding for adult social care through a 3 per cent adult social care precept.

- 3.8 This funding announced at the 2020 Spending Review will support local authorities to maintain care services while keeping up with rising demand and recovering from the impact of COVID-19.

4. The Care Market

Recommendation 1: The case for making a sustained investment in social care has never been stronger—the toll the pandemic has taken on this sector means that social care is no longer a hidden problem, but one that the country as a whole understands. We urge the Government to now address this crisis as a matter of urgency.

Recommendation 2: It is clear from the evidence we have heard that funding shortfalls are having a serious negative impact on the lives of those who use the social care system, as well impacting the pay levels of the workforce and threatening the sustainability of the care market. An immediate funding increase is needed to avoid the risk of market collapse caused by providers withdrawing from offering services to council-funded clients and focusing exclusively on the self-pay market.

Response:

Details of the level of funding provided to the social care system during the COVID-19 pandemic and at the 2020 Spending Review can be found in the section; Preface: Adult Social Care Funding.

- 4.1 As outlined in the Preface, as part of the 2020 Spending Review, the Chancellor announced that local authorities will be given access to over £1 billion of additional funding for social care in FY 21/22. In addition, we expect to provide councils with over £3 billion of additional support to help manage the impact of COVID-19 in FY 21/22 across their services. This includes funding which local authorities can utilise to tackle some of the impacts COVID-19 is having on the cost of providing care such as covering increasing insurance premiums or compensating for the lost income from temporary reductions in occupancy. The Government will keep the need for further funding under review.
- 4.2 However, as in any care market, there are entries and exits of care providers. Local authorities are best placed to understand and plan for the care needs of their populations, and to develop and build local market capacity. That is why, under the Care Act 2014, local authorities are required to shape their local markets, and ensure that people have a range of high-quality, sustainable and person-centred care and support options available to them. In addition, as set out in statutory guidance, Local Authorities should work with care providers to determine a fair rate of pay based on local market conditions.

5. Funding Estimates for Social Care

Recommendation 3: The crisis in social care funding has been brought into sharp focus by the COVID-19 pandemic, and this must now be addressed by Government as a matter of the utmost urgency. The funding increase we are calling for is significant at a time when public finances are likely to be stretched, but the pandemic has made it clear that doing nothing is no longer an option. Providing adequate funding for social care will also help the NHS and may itself have positive economic and long-term social impacts, given that social care is an important part of the economy.

Response:

Details of the level of funding provided to the social care system during the COVID-19 pandemic and at the 2020 Spending Review can be found in the section; Preface: Adult Social Care Funding.

Recommendation 4: We believe the starting point must be an increase in annual funding of £3.9bn by 2023–24 to meet demographic changes and planned increases in the National Living Wage. However, such an increase alone will not address shortfalls in the quality of care currently provided, reverse the decline in access or stop the market retreating to providing only for self-payers. Further funding to address these issues is therefore also required as a matter of urgency.

Response:

- 5.1 The level of funding outlined in the Preface will support local authorities to maintain care services in 2021-22. We have also provided additional funding to help councils meet COVID-19 pressures, and we will continue to monitor the situation on the ground.
- 5.2 In November 2020, it was announced that from April 2021 the National Living Wage would increase to £8.91 per hour for those aged 23 and over. Whilst this represents a welcome 2.2% increase for the lowest paid workers, economic conditions mean that this increase is somewhat lower than originally forecast by the Low Pay Commission. The costs of this increase, including associated National Insurance and pension costs, have been fully taken into account in funding decisions.

- 5.3 For most people, their experience of adult social care is very positive, with 84.7% of providers currently rated as good or outstanding by the Care Quality Commission. However, we recognise that standards vary by region and by setting. We are committed to making the social care system more sustainable and addressing issues to improve the quality of care and reduce variation in practice.

Recommendation 5: Alongside such a long term funding settlement we strongly believe the government should publish a 10 year plan for the social care sector as it has done for the NHS. The two systems are increasingly linked and it makes no sense to put in place long term plans for one without the other. Failure to do so is also likely to inhibit reform and lead to higher costs as workforce shortages become more pronounced with higher dependency on agency staff. Reducing the 30% turnover rates typical in the sector will also require a long term, strategic approach to social care pay and conditions.

Response:

- 5.4 Currently the Government's priority for adult social care is that all recipients of care receive the support they need throughout the COVID-19 pandemic and the winter period, with equal focus on the NHS and social care. Whilst Government published the Adult Social Care Winter Plan on 18th September 2020 looking ahead through winter 2020/21, we are acutely aware of the longer-term challenges to the social care system in England.
- 5.5 We also recognise the importance of attracting and recruiting people to do this vital work. This will help ensure the provision of good quality care, as well as providing new, meaningful careers to those who had not previously considered working in the sector.
- 5.6 The Government is committed to sustainable improvement of the adult social care system and will bring forward proposals in 2021.
- 5.7 The Government supports the integration of health and social care, with the ultimate aim of creating a more seamless and effective experience of care for people. We recognise the importance of joining up care services around a person's needs. This has the potential to generate significant health benefits to the population, such as increased independence, improved quality of care and higher patient satisfaction.
- 5.8 The Government believes that local NHS and Social Care leaders and practitioners should have the autonomy to decide on the best solutions for improving the care delivered to the communities they work in.

5.9 The Better Care Fund (BCF) is the national policy driving forward the integration of health and social care in England. It has done this by enabling greater cooperation between health and social care partners at a local level. The budgets reflect that cooperation: local areas have voluntarily pooled over £2.7 billion above the minimum required into the BFC in 2019-20.

6. COVID-19

Recommendation 6: It is vital that the supply of PPE to social care providers is protected in the event of any future surges of coronavirus so that providers can be confident in their access to PPE.

Response:

- 6.1 In response to the additional demand for Personal Protective Equipment (PPE) from the adult social care sector this year, the Government has ensured that there is an emergency supply of PPE in place, whilst building a longer-term solution for distribution to the sector.
- 6.2 Following the initial announcement in the adult social care winter plan of free PPE provision for COVID-19 needs for the adult social care sector until March 2021, the scheme has now been extended until June 2021. This is accessible to CQC-registered care homes and domiciliary care providers via the PPE portal. For providers of social care not on the PPE portal, such as personal assistants; supported living; extra care; shared lives; and day care services, free PPE can be accessed via Local Resilience Forums (LRFs), where they are continuing PPE distribution, or via local authorities where LRFs have stood down regular PPE distribution.
- 6.3 Routes to access PPE in the event of an emergency shortage have also been developed. All adult social care providers can access the emergency PPE stockpile held by LRFs. Where this need is urgent and PPE is required within 72 hours, providers can also access PPE through the National Supply Disruption Response (NSDR).
- 6.4 We have seen a monumental change in the way that PPE has been secured and supplied across the country. We have learnt a great deal from this experience and want to build on these learnings to transition to a future model for PPE that is both resilient and proportionate. Any future plans are focused on ensuring a strong supply of PPE for both health and social care staff.

Recommendation 7: The Government must ensure that standards for weekly testing for care home staff are maintained including rapid turnaround times and that regular data is published on the number of tests delivered to social care staff and residents. In addition, the Government should consider extending routine testing beyond care homes to other care settings, particularly domiciliary care and consider including a named key relative in routine testing.

Response:

6.5 Making tests available is a key part of the Government's ongoing plan to tackle COVID-19. This relates to several contexts in adult social care:

Care Homes

Care homes are on the frontline in the fight against COVID-19 and we are determined that staff have everything they need to keep themselves and their residents safe. Testing is a crucial part of this; it helps prevent and control outbreaks and means steps can be taken to reduce the spread the virus. Our testing strategy for adult social care is based on scientific advice on relative priorities and available testing capacity in order to limit the spread and save lives.

Testing is available for:

- All CQC registered adult care homes for asymptomatic staff and residents through the whole home portal;
- All patients discharged from hospital into care homes;
- All individuals moving from the community into a care home;
- All CQC Inspectors;
- All visiting professionals to care homes;
- Visitors to care homes.

We are able to issue more than 520,000 tests a day to care homes across the country, prioritising high priority outbreak areas.

To date, we have sent out over 20 million PCR test kits to care homes for testing all residents and asymptomatic staff.

We have a target to return 90% of results for care homes within 72 hours, and we are currently communicating 87.5% of results within 72 hours, and 58.1% within 48 hours. The median turnaround time for tests is 43 hours*.

The Department for Health and Social Care does not routinely publish information on the number of care home staff and residents who have been tested for COVID-19 at present, but we are exploring the feasibility of including this information as part of the NHS Test and Trace Statistics publications in the near future.

**Figures above correct as of 26/01/2021*

Domiciliary Care

On Monday 23 November 2020, we began offering CQC registered domiciliary care organisations access to regular, weekly COVID-19 testing for their carers looking after people in their own homes.

Those working for CQC registered organisations are able to access weekly PCR tests to administer at home. Proactively testing asymptomatic carers helps to identify those who unknowingly have the virus and enables those who test positive and their contacts to self-isolate. This is crucial to break the chains of transmission of the virus.

Extra Care and Supported Living

Following the rollout of a single round of national testing to the most high-risk extra care and supported living settings, we have now launched regular retesting. Weekly testing for staff and monthly for residents.

To be eligible settings must meet both of the following criteria:

A closed community with substantial facilities shared between multiple people, and;

Where most residents receive the kind of personal care that is CQC regulated (rather than help with cooking, cleaning and shopping);

These criteria were set, in consultation with the sector, to identify settings most similar to care homes, where the risk of transmission and outbreak is high, and the impact on service users may be high.

Eligible settings can get access to testing either through a referral from their Local Authority or through [our self-referral portal](#). The self-referral portal is supporting us in identifying more settings, reducing the burden on Local Authorities, and extending testing to more people.

Care Home Visitor Testing

Receiving visitors is a very important part of care home life. Maintaining some opportunities for visiting to take place is critical for supporting the health and wellbeing of residents and their relationships with friends and family. In December 2020, we launched care home visitor testing. The launch of visitor testing was a crucial step to making that happen. We distributed rapid (lateral flow) tests to care homes across the country to be used for visitors.

Welcoming people into care homes from the community inevitably brings infection risk. In light of the new variant and rising prevalence, a national lockdown was announced on 4th January 2020. Under this national lockdown close contact visiting is not permitted. However, when national lockdown comes to an end, we will review care home visiting policy and look to open up more opportunities for visiting when it is safe to do so.

These distributed tests can be used to test staff under the increased testing regime as outlined in guidance published on the 23rd December as well as for all visiting professionals who are not part of another regular testing regime.

CQC Inspectors

Now that testing capacity has significantly expanded, we have provided CQC with regular asymptomatic testing for CQC inspectors.

This will help identify positive cases in CQC inspectors without symptoms and enable action to be taken to limit the spread of the virus, supporting CQC inspectors to continue their vital work in ensuring services meet fundamental standards of quality and safety.

7. The Social Care Workforce

Pay and conditions

Recommendation 9: We welcome the Government's commitment to bringing forward a long-term solution to low pay in social care. It is essential that this solution provides a sustainable basis for continued rises in pay above and beyond increases to the National Minimum Wage and in line with increases given to NHS staff. Evidence from the Health Foundation and others demonstrates that this must be supported by investment: the Health Foundation estimates that to increase the average pay in social care to just 5% above the National Living Wage, while meeting future demand, would cost an extra £3.9bn per year by 2023–24.

Recommendation 10: The Government must use the forthcoming Spending Review to ensure that there is a sustainable funding settlement to provide for competitive pay for social care workers which ensures parity with NHS staff and is reflective of the skilled nature of social care work. Parity could be achieved by linking social care pay to equivalent bands of the NHS Agenda for Change contract and introducing meaningful pay progression.

Recommendation 11: Inadequate employment conditions undermine the sustainability of the social care workforce and have been brought into sharp relief by the coronavirus pandemic. As well as addressing issues of pay within the social care sector, we recommend that the Government bring forward proposals to support the improvement of employment conditions in the sector, including reducing the over-reliance on zero hours contracts and improving the provision of sick pay.

Response:

Details of the level of funding provided to the social care system during the COVID-19 pandemic and at the 2020 Spending Review can be found in the preface to these responses.

- 7.1 We recognise the hard work of all social care workers to support those with care needs during the pandemic. We agree with the committee that finding a more sustainable model for social care should be at the centre of any future plans, and that this is a multifaceted challenge faced by the adult social care sector.
- 7.2 Most care workers are employed by private sector providers who ultimately set their pay, independently of central government. As set out in statutory guidance,

local authorities should work with care providers to determine a fair rate of pay based on local market conditions. Government is clear that all social care workers are entitled to be paid at least the National Minimum Wage (NMW) or National Living Wage (NLW) for the work that they do.

- 7.3 In the 2020 Spending Review, Government accepted the recommendations of the Low Pay Commission to increase the NMW and NLW from April 2021. Care workers on the current NLW will benefit from at least a 2.2% pay rise from April, furthermore the eligibility will be extended to those aged 23 and over (previously 25 and over).
- 7.4 Employers are legally required to pay Statutory Sick Pay (SSP) to eligible employees who are sick or incapable of work. Part of the purpose of the Infection Control Fund is to supplement SSP to support those who are self-isolating, or test positive with COVID-19, allowing employees to be in receipt of full pay and prevent financial burden being a barrier to reducing transmission. We know that most providers are paying full pay for those self-isolating and we are working with local authorities to see how we can further improve this.
- 7.5 The department also takes seriously its commitment to improving the sustainability of the social care workforce. This is a complex area that requires all options to be considered. We know that approximately a quarter of the adult social care workforce are on zero-hour contracts, which may make them more vulnerable at this time. Zero-hours and flexible contracts can however cover a whole range of arrangements and provide appropriate flexibility in working arrangements.
- 7.6 As important in improving the conditions for care workers is our commitment to the wellbeing of the workforce. Government has worked alongside the NHS and other organisations to develop a package of emotional, psychological and practical resources for the workforce. Wherever possible the same offer is in place for all social care staff as is for their colleagues in the NHS.
- 7.7 In June 2020, DHSC published a COVID-19 adult social care workforce [risk reduction framework](#) to support employers to sensitively discuss and manage specific risks to their staff – this includes risk by ethnicity, but also age, sex and underlying health conditions. It is crucial that we have a clear and accurate understanding of these challenges, and the work of the COVID-19 Social Care Support Taskforce provides an evidence base to support future improvements.
- 7.8 The Equalities and Human Rights Commission has launched its inquiry into the treatment and experience of ethnic minority workers in lower paid roles in the health and social care sectors across England, Scotland and Wales. The evidence

and outcomes of this Inquiry will further improve our understanding of the experiences and barriers faced by BAME staff and support future direction-setting.

- 7.9 Going forwards we want to work with stakeholders to ensure we have the strongest possible evidence on the relationships between workforce supply, pay, and the cost of care. We are committed to working with stakeholders to ensure that expertise and experience, including the Health Foundation material to which the Committee refers, are built into our approach. The extent to which we seek more consistency with the NHS should be reflective of the diversity of social care services across the sector. It is important that solutions consider the unique commissioning and provider structures of the NHS and social care respectively. We will consider all options and make sure we progress in ways that are right for the sector.
- 7.10 Whilst Adult Social Care is a devolved matter, DHSC officials working on pay, recruitment and recognition for the adult social care workforce have met regularly with their counterparts in the Devolved Administrations. This has included one-off roundtable discussions, regular meetings around specific topics such as social work, and ad hoc meetings as required. Topics of discussion have included: the development of new recruitment tools; pay for staff who are self-isolating; long-term strategy on pay; the CARE brand; and distribution of CARE badges to the workforce.

Training, Career development and professionalisation

Recommendation 12: The Secretary of State has committed to increasing the alignment between the training of NHS and social care staff and his stated ambition being to make it easier for a registered nurse, for example, to move between the NHS and social care is an important one. We await more detail about how this increased alignment will be achieved. It is important that this increase in alignment of training is not focused solely on nurses and other social care workers with a registered qualification, or allowing care staff to more easily move to higher paying roles in the NHS. Establishing a clear career path with substantial training opportunities, more effectively aligned with the NHS is vital for all entrants to the social care workforce.

Response:

- 7.11 Ensuring we have a workforce with the right skills, knowledge and with real prospects for career progression is vital to the current and future state of adult social care.
- 7.12 Investment in training and qualifications provides opportunities for career progression within the sector and raises the status of social care as a skilled and attractive career option, both of which are crucial to attracting and retaining new entrants into the sector, particularly given the high vacancy and turnover rate across all roles.
- 7.13 We have continued to commission and fund a range of training opportunities and other programmes to help recruit people into the sector and to support staff that want to progress to management and leadership roles to undertake learning and development.

Our current programmes include:

- 7.14 Providing £27 million to expand the Think Ahead programme to train 360 graduates and career switchers to become mental health social workers – the programme has already taken on over 400 participants since its launch. Those that have completed the programme have moved into NHS and social care roles.
- 7.15 Funding Skills for Care to deliver leadership development programmes for the sector, with over 1,200 participants in the last five years.
- 7.16 The Workforce Development Fund which distributes about £11 million a year (2019-20) through which employers can bid for funding to pay for their staff to gain training and qualifications at all levels. The 2020-21 fund will continue to focus on key sector priorities which includes enhanced funding for completion of leadership

and management qualifications, learning programmes, and digital learning modules.

- 7.17 Supporting apprenticeships in the social care sector, which offer an excellent opportunity for employers to develop existing staff and train new staff as part of high-quality training programmes. In 2017, the Nursing Associate role was introduced as a new level 5 role trained through the apprenticeship route and designed to bridge the skills gap between level 3 roles (senior care worker/healthcare assistant) and a registered nurse. The role is designed to help bridge the gap between health and care assistants and registered nurses but may also provide a progression route into degree graduate level nursing.
- 7.18 We have recently appointed a Chief Nurse for Adult Social Care to provide professional leadership to social care nursing and the wider care workforce and boost the status, profile and standards of nursing in social care. The role will act as a bridge across the health and care system, helping to reshape the narrative around the role and value of social care nursing; develop the evidence base for nurse-led services and specialisms; and build on the system-wide collaboration we've seen during COVID-19 to improve partnership-working across health and social care.
- 7.19 Government remains committed to ambitious reform, including looking at how clearer training and career pathways can be developed across the adult social care workforce and how common training standards and placements can support greater integration and alignment between roles in health and care.

Recommendation 8: Improving the level of recognition afforded to social care workers must be a key focus for the Government to safeguard the future of the social care workforce. Not to do so would be to fail the many thousands of care workers who have worked so tirelessly during the coronavirus pandemic. Building on initial steps such as the CARE badge and recruitment campaigns for social care, there are a number of practical changes which the Government must make to improve the level of recognition felt by social care professionals and to support the future sustainability of the workforce. These are detailed below and in our recommendations.

Recommendation 13: As part of its long-term proposals for the future of social care, we recommend that the Government work with Skills for Care and the social care sector to bring forward a plan to streamline the training of social care workers in order to improve routes of entry to the profession and improve career progression for existing social care workers. The plan should include proposals to improve alignment with training for NHS staff and to improve the professional recognition of social care staff. We further recommend that the workforce development fund be expanded to implement the plan, ensuring that all staff are able to access funding for training and career development.

Response:

- 7.20 The social care workforce has demonstrated compassion and dedication in responding to the COVID-19 pandemic. They have worked at the front line, supporting people at the heart of their communities. We want to increase recognition of the social care workforce to empower staff and develop a shared identity for the workforce both now and in the future, as well as reforming the training of the adult social care workforce and embedding a clear and consistent strategy for doing so.
- 7.21 We have seen the vital contribution which the social care nursing and wider workforce have made during the pandemic. The appointment of a Chief Nurse for Adult Social Care will help build the reputation and expertise of the social care nursing workforce, celebrate their contribution and ensure their influence in future policy and development. While the Chief Nurse will sit within the Adult Social Care Group in DHSC, the role will have a clear professional link to the CNO in NHSE/I, giving a collective voice across all parts of the nursing workforce and helping to give social care parity with the NHS. We recognise the importance of investing in skills and training. This has been demonstrated through the high take up of the Workforce Development Fund, which we disseminate through Skills for Care. The Fund helped almost 3000 establishments support over 14,000 learners in 2018-19 and 92% of employers who accessed the Fund to support staff training reported an improvement in care quality, with further positive impacts on the ability of staff

or the service to meet specialist and personalised needs and expectations of those that used the services. We want to ensure that our future strategy supports the long-term delivery of improvements for the adult social care sector, including embedding clear career pathways which provide opportunities for aligned training. We recognise vital input of stakeholders in the development of this work and commit to working closely with Skills for Care and the sector as this work progresses.

- 7.22 We are also keen to recognise the important contribution our workforce makes and to date we have distributed over 1 million CARE badges to those employed in social care across England. We continue to develop the CARE brand as a means of unifying and identifying the workforce and to support recognition of social care staff as essential workers. We believe this will contribute to empowering staff in developing their careers, reinforcing visible appreciation of their vital work and amplifying the voice of the sector.
- 7.23 CARE badges are only available for adult social care staff in England. Preliminary discussions explaining the CARE brand and CARE badges have occurred with representatives of Devolved Administrations. We have had conversations with our Devolved Administration counterparts to discuss recognition activities being undertaken by each nation. This included discussing the CARE badge and brand as well as wider Recognition activity, and these conversations will continue as we progress our work.

Immigration

Recommendation 14: The Government must ensure that transitional arrangements are in place to ensure that social care workers can continue to be recruited from overseas for as long as it takes to build sufficient resilience in the domestic supply of social care workers. We agree with the Migration Advisory Committee (MAC) that building this resilience will depend on improving pay and other workforce issues in social care.

Response:

- 7.24 We recognise the end of free movement between the UK and the EU means the majority of roles in adult social care will not be eligible for a sponsored work visa. Currently, 7% of the adult social care workforce identify as EU citizens. However, those that are already here, and their family members, are able to apply under the EU Settlement Scheme, and so we do not anticipate a sudden loss of this workforce. Furthermore, the flow of EU workers into the sector annually is small comparable to the size of the workforce – 5% of all workers joining the sector in a direct care role in 2019/20 had arrived from the EU in the previous 12 months. We do not anticipate the end-of-transition will have an immediate impact on workforce supply.
- 7.25 We are clear immigration should not be seen as a solution to recruitment challenges. We are confident employers will be able to recruit enough people domestically to outnumber any decreased flow of workers from the EU, and are taking action to support adult social care providers to recruit domestically. For example, to attract more people to the sector we ran a National Recruitment Campaign across broadcast, digital and social media highlighting the vital work care workers do, and we are working with DWP to promote adult social care careers to jobseekers. We have launched an online recruitment tool, Join Social Care, to simplify and fast track the recruitment process during the pandemic, and are offering free rapid induction training via Skills for Care for new and existing staff and volunteers.
- 7.26 We also expect local authorities to take an active role in supporting recruitment and retention in their local area, utilising their oversight of local systems, the labour market, future demand for care services, and trends and patterns in adult social care workforce. We are aware of some great local initiatives already in place, which we are promoting on the Skills for Care website.
- 7.27 We recognise the importance of addressing wider workforce issues to make the sector more attractive, and are working with stakeholders and other government departments to understand what more we can do to support recruitment and retention

Recommendation 15: We are concerned that lower qualified social care workers and those without qualifications at all are not eligible for the new NHS visa, not least because it undermines parity of esteem between the health and social care sectors. The Government should accept the MAC's recent recommendation to add senior social care workers to the shortage occupation list. We welcome the MAC's plans to conduct further research on the social care workforce: this research should consider the impact of new immigration rules on the ability of care providers to recruit to less senior roles.

Response:

- 7.28 Within the social care workforce, nurses, occupational therapists and social workers are eligible for the Health and Care Visa. Additionally, we are reviewing the list of eligible occupations since the launch of the expanded skills threshold under the new Skilled Worker route. This may mean roles such as senior care workers and registered managers that meet the skills and salary thresholds will be eligible.
- 7.29 We recognise that occupations which do not meet the skills and salary thresholds such as direct care roles will not be eligible for the sponsored Skilled Worker visa, although we can expect there will continue to be some flow of EU workers into these roles where individuals have a right to work by virtue of family connections or a generic right to work through a different immigration route, for example a youth mobility scheme.
- 7.30 We are clear immigration can no longer be a solution to recruitment challenges for these roles, and it will be imperative for employers and local authorities to ensure jobs in social care are attractive to local people with clear routes for progression.
- 7.31 During the passage of the Immigration and Social Security Coordination (Withdrawal) Act 2020, in response to an amendment from Lord Rosser, the Government committed to commission and publish an independent review into the impact of ending free movement on the social care sector. We will commission and publish this research in due course.

8. Longer Term Reform of Social Care

Recommendations 16, 17, 18, 19, 20 and 21 have been grouped for an overarching response to the Committee

Recommendation 16: The current system is unfair, confusing, demeaning, and frightening for the most vulnerable people in our society, and their families. It is therefore essential that the Government tackle the problems in the care sector as a priority. The success of the reforms in Japan has demonstrated that it is possible for a Government to grasp the nettle and take decisions on social care which, though they may be initially difficult, lead to positive and lasting change which is widely accepted by society.

Recommendation 17: The Lords Economic Affairs Committee's report makes a persuasive case for the introduction of free personal care. This would cost around £5bn per year, which is only a small fraction of what is currently spent on NHS care. It would also simplify the current confusing arrangements for people who need care, and would put social care on a more equal footing with the NHS by ensuring that all basic care needs are met free at the point of need. Free personal care was also recommended by a joint report of the Health and Social Care Committee and Housing, Communities and Local Government Committee in 2018.

Recommendation 18: We also strongly endorse a lifetime cap on care costs which could be implemented swiftly under the provisions of the Care Act 2014. Such a change would focus resources on the most severely affected people, protecting those with very high care needs—and remove the injustice which sees the NHS cover certain types of extreme care costs but the social care system not cover others, including those with dementia, motor neurone disease or many other neurological conditions. Any reform package must therefore introduce a cap on care costs to protect people against catastrophic costs. We believe this should be set at the level specified in Sir Andrew Dilnot's original report, namely £46,000 which will cost around £3.1bn by 2023–24.

Recommendation 19: The COVID-19 pandemic has had devastating consequences both for vulnerable people using social care, and for the committed professional workforce that provide that care. These challenges have been exacerbated by long-standing funding and workforce issues which need to be recognised by the government in a social care reform package that must be brought forward before the end of this financial year.

Recommendation 20: We believe that the starting point for the social care funding increase must be an additional £7bn per year by 2023–24 to cover demographic changes, uplift staff pay in line with the National Minimum Wage and to protect people who face catastrophic social care costs. This represents a 34% increase from the 2023–24 £20.4bn adult social care baseline projected budget at today's prices. In this report we have not

examined how such an increase could be funded but we recognise the challenges involved and the need for innovative thinking to address them.

Recommendation 21: But we are clear that this is only a starting point. It will not provide any improvement in access to care, which is urgently needed and would be improved through introducing free personal care as recommended by previous select committee reports from both the Lords and the Commons, which we continue to endorse as worthy of consideration. The full cost of adequately funding social care is therefore likely to be substantially higher than £7bn, potentially running to tens of billions of pounds. We recognise these are substantial increases at a time of severe financial pressure but the evidence we have heard both from those who use social care, and frontline social care workers suggests that the gravity of the crisis now facing the social care sector requires a bold response if we are to recognise the sacrifices made recently by the social care workforce and—most importantly—look after vulnerable people in our society with the dignity and respect they deserve.

Response:

Details of the level of funding provided to the social care system during the COVID-19 pandemic and at the 2020 Spending Review can be found in the section; Preface: Adult Social Care Funding.

- 8.1 We are acutely aware of the long-term challenges to the social care system in England. With 1.5 million more over 75s expected in the next 10 years, and a growing population of under 65s with care needs, a social care system that works for everyone has never been more important. Delivering a sustainable care system that is fit for the future, in which people are treated with dignity and respect, is one of the greatest ongoing challenges Government faces.
- 8.2 We want to empower recipients of care by supporting people to live independently in their own homes and communities for as long as possible. We also want to improve the public's understanding of the social care system, enabling them to effectively plan for their care and understand their financial responsibilities.
- 8.3 We welcome the reports from the Lords Committee and the joint Health and Social Care Committee and Housing, Communities and Local Government Committee, which have been important in informing our policy development. In developing options for future reform, we are mindful of the impact of both the unprecedented nature of the pandemic and the uncertainties it has created, as well as the expected demographic change in the social care population. Future reform is a complex area and a range of options are being considered. We are

keen to continue to work with and listen to a wide range of stakeholders as plans for reform develop.

- 8.4 The current system of charging people for care does not adequately protect people and their families from potential catastrophic costs. It is estimated that one in ten people could face costs of over £100,000 for their care. There is currently no system for 'risk pooling' to address this risk of catastrophic costs falling on some individuals, especially those with dementia. Reforming how people are charged for their care would protect more of their assets, helping them to pass on their hard-earned savings. The Prime Minister has been clear that nobody needing care should be forced to sell their home to pay for it.
- 8.5 The work done by the Commission on Funding of Care and Support in 2011 was influential in the Department's development of the Care Act 2014. This is in addition to the range of approaches suggested by external reports, demonstrating how complex an area reform is.
- 8.6 However, our current priority for adult social care is for everyone who relies on care to get the care they need throughout the COVID-19 pandemic. Given the pandemic and the uncertainties it creates, the one-year 2020 Spending Review will be used to stabilise the adult social care market, during and immediately after the COVID-19 pandemic. This settlement will support councils to maintain care services while keeping up with rising demand and recovering from the impact of COVID-19. As set out in the 2020 Spending Review, the government is committed to sustainable improvement of the adult social care system and will bring forward proposals in 2021.

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