‘A NEW SETTLEMENT FOR HEALTH AND SOCIAL CARE’

CALL FOR EVIDENCE FOR THE FINAL REPORT

Introduction

Solace is the representative body for over 1200 Chief Executives and senior strategic managers working in the public sector in the UK. We are committed to promoting public sector excellence. We provide our members with opportunities for personal and professional development, and seek to influence debate around the future of public services to ensure that policy and legislation are informed by the experience and expertise of our members. Whilst the vast majority of Solace members work in local government we also have members in senior positions in health authorities, police and fire authorities and central government.

As the membership body of Chief Executives and senior managers in local government, we have a keen interest in the future sustainability of the health and care system. The Society has a particularly keen interest in health and social care integration and believes that only through radical reform will we secure a service for our communities that we can be proud of. We are also very interested in how we can promote more sustainable and resilient communities which are better able to assure the wellbeing of our residents without the need for statutory services.

Overview

We broadly agree with the interim reports conclusion that we need a new settlement in health and social care and welcome its clear statement of an unambiguous and compelling case for change.

We also welcome the fact that the report sets out why current funding for social care is not sufficient. Local authorities have sought to protect the most vulnerable. However funding for social care has necessarily fallen as local government has taken the heaviest spending cuts in the public sector. We agree with the interim reports conclusion that any future system will need to address this fundamental imbalance between spending across health and social care.

The critical question the Commission raises is how we achieve a sustainable system which meets our resident’s future health and care needs in a transparent, equitable and affordable way. We agree with the Commission that a new settlement will need to be in the spirit of promoting a closer alignment of health and social care – working toward a system where the distinction between ‘medical’ and ‘social’ care is entirely removed. We also welcome the Commissions focus on equity, efficiency and transparency.

Detailed response

Do you agree with our conclusion that a new settlement in health and social care is needed?

Yes. As we outlined in our report last year, 'Principles for health and social care reform' (submitted to the Commission's last call for evidence), we believe *'the status quo [in health and social care] is untenable. Without transformation, service quality will suffer and our health and social care system will become increasingly unresponsive to the rapidly changing needs of our population'.*

The current system of means tested social care allied to healthcare funded through general taxation produces inefficiencies, perverse institutional incentives and is not well understood by the general public. More importantly, as the interim report so powerfully highlights, it results in vulnerable people receiving poor quality, insufficiently coordinated care.

If so, do you support the commission's proposition for a single, ring-fenced budget for health and social care that is singly commissioned and within which entitlements to health and social care are more closely aligned?

We agree that with the need for a single budget for health and social care that is singly commissioned with more closely aligned entitlements. However, we are not clear why a ring-fence is required and what it is intended to achieve. In the longer term, we support a system in which democratically legitimate local councils make decisions about spending on health and care within a framework where entitlements are aligned and current distinctions between 'health' and 'social care' no longer exist.

We recognise that this would likely involve a transition period where a single, ring-fenced budget including all current public spending on health and social care was created. Such a step would allow reform to entitlements and a move toward removing the artificial distinction between health and social care. Ring-fenced budgets could then be allocated, as they were during the transition of public health, to councils to commission these services. Once the system demonstrated its ability to function, these ring fences could be removed and the budget could be devolved to local councils through the general local government funding settlement. Such a system could retain such entitlements as were deemed necessary, just as locally run CCGs do not preclude the existence of national entitlements. Removal of the ring-fence would recognise the wider strategic determinants of health and wellbeing and would encourage long-term horizontal integration.

We would raise with the Commission two areas for further consideration in this area.

Firstly is the issue of social care for children and young people – for example those with disabilities or special educational needs. Any proposed change must not exacerbate discontinuities that already exist between children's and adult's services and which contribute to the challenges facing such children and young people as they transition to adulthood.

Secondly, we would also urge the Commission to consider how the gains made by the transfer of public health commissioning to local authorities would be maintained and extended under such a change. Tackling the wider determinants of health will be critical to ensuring our health and care system is sustainable in the future. Any proposed change must retain the ability of public health, within local government, to influence the huge variety of services and issues that can impact on population health.

Should the aim be to achieve more equal support for equal need, regardless of whether that support is currently considered as health or social care?

Yes. As the needs of our population change (as outlined in the interim report) we agree with the commission that the distinction between health and social care is becomingly increasingly hard to define. It causes confusion for individuals and drives inefficiencies and disjoints in the commissioning and provision of care. . In the long term, the ambition should be to remove any distinction between 'health' and 'social care'. Instead, entitlement to care should be based on consistent principles of need and ability to pay.

If so, should social care be more closely aligned with health care (that is, making more social care free at the point of use)? Or should health be aligned more closely with social care (that is, reducing the extent to which health care is free at the point of use)?

We would draw a distinction between the commissioning and provision of care and the entitlements of individuals to publicly funded care.

On entitlements, we believe that a new settlement would seek to look at the public provision of care from first principles – with no pre-conceptions about moving care previous deemed 'social' toward 'medical' entitlements or vice versa. The decision about the extent to which care is free at the point of use, funded from general taxation, is a political decision based upon decisions about the level of funding Government would wish to make available. However the current level of expenditure does appear unsustainable.

On the commissioning and provision of care, we believe care currently deemed 'medical' should move closer to the localised model of commissioning and provision currently used for 'social' care.

Do you think adequate funding for health and social care requires:

- **Increased charges in the NHS? If so, for what?**
- **Cuts to funds from other areas of public spending and re-allocation? If so, from what?**
- **An increase in taxation? If so, which taxes would you favour increasing?**
- **None of the above?**

Again, it is our view that, in general, decisions of this kind are political in nature. However, we would re-state our agreement with the Commission's view that the health and care 'sector' is currently underfunded. Greater moves toward horizontal integration (for example through the Better Care Fund or further moves in this area) will enable more investment in prevention and early intervention and thus result in some efficiency savings. However, we must be clear that they will not address this fundamental challenge alone.

Any long-term solution to the challenges raised by the Commission is likely to involve a mix of all of the above options. It will also require developing more resilient communities, better able to promote and support people to remain independent.