

Government backs social care with record funding

- New £1.4 billion fund to help local authorities offer a fairer cost of care to providers
- More than £1 billion for local authorities to support social care
- £300 million extra for workforce recruitment and retention

Care providers, residents and staff will all benefit from additional funding to support the social care sector.

A total of £1.4 billion will be made available over three years to help increase the fee rates local authorities pay to care providers.

Further funding of more than £1 billion will be available for local authorities in 2022/23 to fund social care. This will help councils respond effectively to rising demand and cost pressures.

This is on top of the £300 million announced last week for workforce recruitment and retention – taking the total to £462.5 million.

Health and Social Care Secretary Sajid Javid said:

It is vital we continue to do all we can to protect social care during the pandemic and it is more important than ever the sector takes advantage of its priority booster status since the emergence of the Omicron variant.

At the same time we need to plan for the longer term – and this money and the details confirmed will help do that.

Many local authorities pay care providers less than the cost to deliver the care. This results in higher fees for self-funders and a lack of investment. This needs to be addressed to make social care more accessible and payments fairer – which is one of the pillars the ten year vision for adult social care reform – People at the Heart of Care – is based on.

This £1.4 billion will help local authorities to support a fairer cost of care.

It is part of the £5.4 billion Health and Social Care Levy which will also, through charging reform, protect people from unpredictable care costs and move to a position where people who fund their own care to access the same fee rates for care in care homes that local authorities pay.

The transformed social care charging system, which includes a significant increase in state support, will apply to people in both residential and at-

home care and will set daily living costs at a lower rate than originally proposed, helping people save more money. It will mean nobody is forced to sell their home in their lifetime.

Together with the money from the local government finance settlement this will sustain and develop the care sector in communities across England with overall local government core spending power increasing by four per cent.

Minister for Care Gillian Keegan said:

The measures announced in the past six months, and those to come on integration early next year, will mean transformational change for social care.

Not only are we tackling the immediate challenges of COVID-19 but the longer term need to reform adult social care.

This is the start of the journey but one we will take alongside caregivers, providers, local authorities and those receiving care.

The workforce survey, published today, has also shown what was already known, staff shortages and the pandemic have combined to leave the social care sector struggling in spite of the incredible efforts by staff.

This is why last week it was announced care workers will benefit from a £300 million extension, in addition to the £162.5 million announced in October, to support recruitment and retention. It can be used to pay for bonuses and bring forward planned pay rises for care staff, fund overtime and staff banks increasing workforce numbers up until the end of March. Grant conditions are being published today.

This is on top of the £500 million for workforce training, qualifications and wellbeing announced as part of the levy.

This is all part of the wider plans to improve social care and fulfil the ten year vision set out in the adult social care reform white paper – ‘People at the Heart of Care’. Further details on integration will follow early next year.