The King's Fund

Ideas that change health and care

Social care 360

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Introduction

2022/23 saw a possible change to a recent trend in publicly funded adult social care. Since 2015/16, more people have been asking for social care support but fewer people have been getting it. But in 2022/23, while more people again asked for support (see indicator 1, requests for support), there was a 2% increase in those who received it compared to 2021/22.

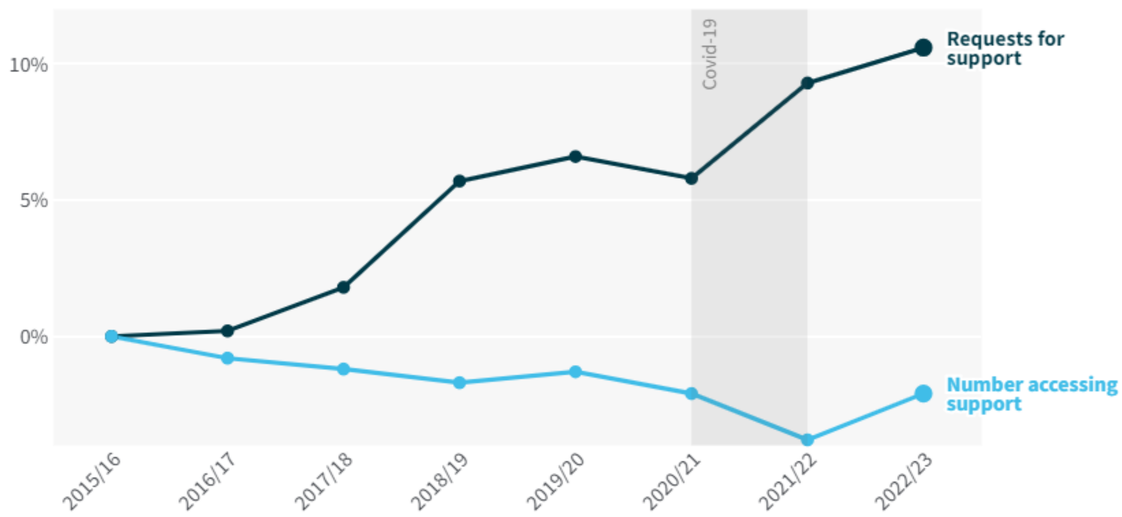
Was this the start of a new trend of more people getting publicly funded social care support?

There are reasons to be very cautious about drawing this conclusion: it is more likely that the upturn in 2022/23 was largely a 'correction' after the extraordinary circumstances of the Covid-19 pandemic, rather than a fundamental change in the long-term trend.

Covid-19 had a significant impact on the pattern of social care demand, commissioning and delivery, with initially fewer people asking for services but then a sharp increase in requests for support as the pandemic eased. However, there was less local authority capacity to carry out assessments and less service availability (partly driven by increasing staff vacancies), leading to increasing waiting lists. As a result, then number of people receiving care fell sharply in 2020/21 and, particularly, in 2021/22.

Compared to 2015/16, more people in England are requesting social care support but fewer people are receiving it

Percentage change compared to 2015/16



Source: NHS England 2022/23
This chart combines the number of people receiving long-term care services with the number of packages of short-term care support to maximise independence (ST-Max) provided. There may be some overlap between these figures: some people who receive long-term care may also receive ST-Max in a year and some people may receive more than one episode of ST-Max.

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In 2022/23, however, service availability was returning to normal, staff vacancies fell (see indicator 7, vacancies) and local authorities were beginning to tackle the backlog of assessments and reviews. This may best explain the increase in people receiving publicly funded social care in 2022/23.

And even with that increase, it is important to note that in 2022/23, 2% fewer people were receiving support than in 2015/16, despite 11% more people requesting it. Indeed, this longer-term perspective shows a social care sector that is still under intense pressure, characterised by:

- a continued contraction in eligibility to receive care, with financial thresholds not having changed since 2010/11
- the cost to local authorities of purchasing care continuing to increase faster than inflation
- the social care workforce vacancy rate still at its second highest-ever level, despite the arrival of around 70,000 overseas workers
- fewer unpaid carers receiving direct support, and fewer people receiving respite care, than in 2015/16.

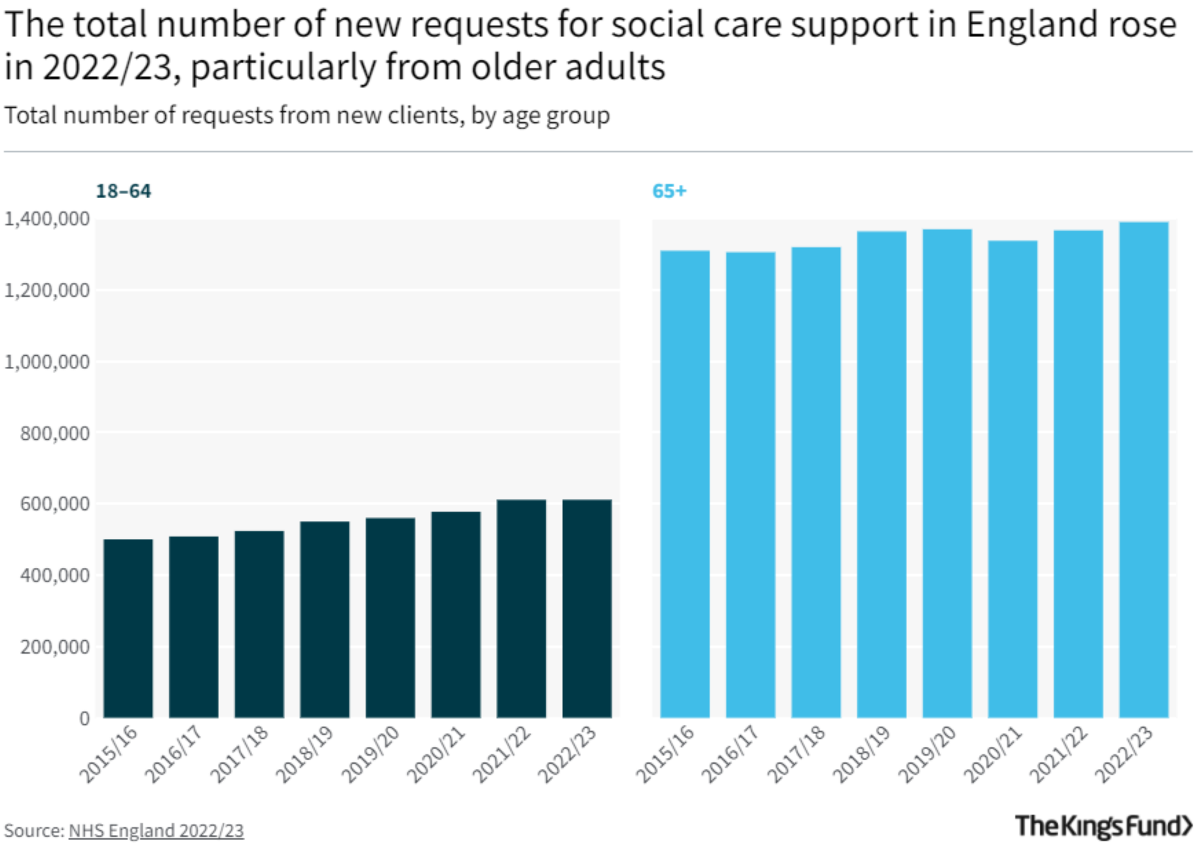
There is nothing here to suggest that social care has turned a corner.

Within the next 12 months voters will go to the polls in the UK general election, and as The King's Fund has argued, if the next government wants to 'fix' social care, it will need to:

- increase funding to stabilise the sector and enable providers to attract, retain and train the staff needed to meet demand
- implement funding and eligibility reforms to make the system fairer
- undertake reforms to improve quality and outcomes.

1 Requests for support

More people, particularly older people, are requesting support



Why is this indicator important?

New requests for support to local authorities are the best available marker of demand for adult social care services.

What was the annual change?

The number of new requests for support increased from 1.98 million in 2021/22 to 2.0 million in 2022/23. The main reason for this was an increase in requests from older people, which went up by more than 23,000, from 1.37 million in 2021/22 to 1.39 million in 2022/23. The number of requests from working-age adults was essentially unchanged at 612,000.

Overall, requests for support were equivalent to nearly 5,500 requests every day of the year. There were 1.46 requests per person, meaning that 1.37 million people asked for help during the year.

What is the longer-term trend?

In 2022/23, requests for support exceeded 2 million for the first time, but there is still a significant difference between the different age bands. Among working-age adults, requests for support have increased 22%, from 501,000 in 2015/16 to 612,000 in 2022/23. Among older people, they have increased 6%, from 1.31 million to 1.39 million. Overall, the increase is 11%, from 1.81 million to 2 million.

The source of requests for support has not changed significantly since 2015/16: around 4 in 5 requests originate from the community and 1 in 5 from hospital discharge.

What explains the trends?

After a fall in 2020/21 during Covid-19, when requests from older people fell sharply, requests have returned to the general trend seen since 2015/16 of increasing demand for social care services.

This is likely to reflect both an increasing older population and increasing disability among working-age adults: 14.8 million working-age adults in the UK reported a **long-term health condition** in 2022/23, compared to 11.7 million in 2013/14, and 4.0 million people reported a severe disability, up from 2.9 million in 2013/14.

What happened in 2023/24?

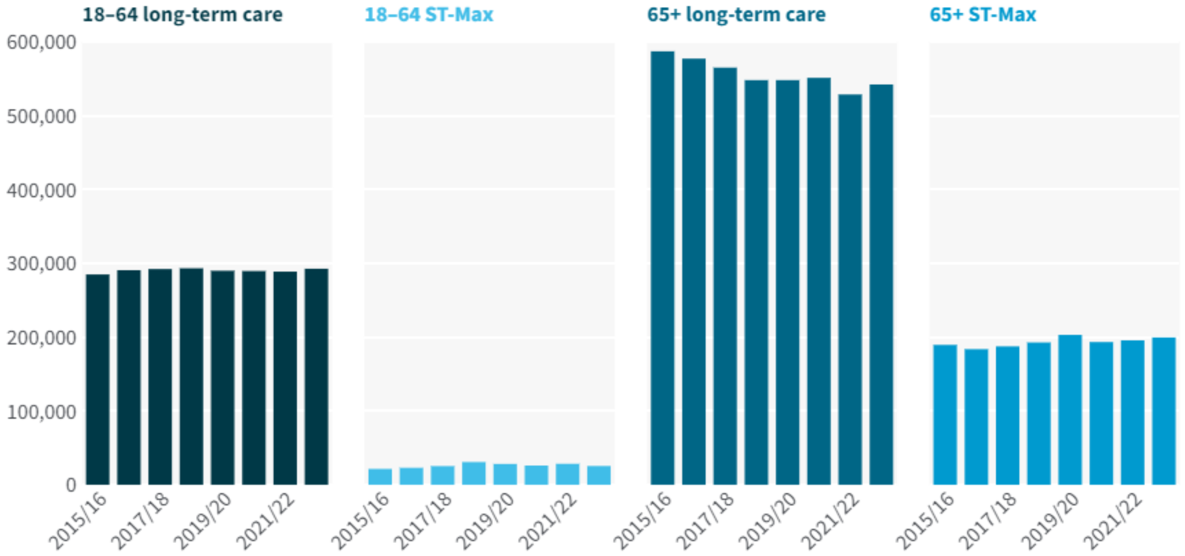
There were continued delays in responding to requests for support. A **survey by the Association of Directors of Adult Social Services** in autumn 2023 reported that nearly 250,000 people were still waiting for adult social care assessments at the end of August 2023. While this was a fall from the peak of 294,000 in April 2022, it was up from 225,000 at the end of March 2023.

2 Receipt of social care

There was an upturn in people receiving publicly funded support in 2022/23

In 2022/23 the total number of people in England receiving support rose

Number of people receiving an episode of short-term care to maximise independence (ST-Max) or long-term care



Source: NHS England 2022/23

The number of publicly funded ST-Max packages provided and the number of people receiving publicly funded long-term care in year. ST-Max is a subset of short-term care that refers to short-term support to maximise independence, as opposed to other short-term support.

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Why is this indicator important?

Receipt of publicly funded long- and short-term care are the key measures available to assess the extent to which demand for social care is being met (*see* indicator 1, requests for support).

What was the annual change?

The number of people receiving publicly funded long-term care rose from 818,000 in 2021/22 to 835,000 in 2022/23. This was made up of a small increase in the number of 18–64-year-olds receiving long-term care, from 289,000 to 293,000, and a larger increase in the number of older people receiving long-term care, from 529,000 to 543,000.

In short-term care to maximise independence (ST-Max), there was a very small overall increase from 224,000 to 225,000, made up of a 4,000 increase among older people and a 3,000 decrease among working-age adults.

What is the long-term trend?

Since 2015/16, there has been a small increase in the number of working-age adults accessing long-term care, from 285,000 to 293,000 (2.7%), but a larger fall in the number of older people receiving long-term care – down from 587,000 to 543,000 (-7.7%). Overall, 835,000 people received publicly funded long-term care in 2022/23 compared to 873,000 in 2015/16.

When increases in population size are taken into account, the fall is even starker. In 2015/16, 6.0% of people aged 65 and over were receiving long-term care but by 2022/23 this had fallen to 5.2%. The percentage of the working-age population receiving long-term care was largely unchanged, at 0.9% in both years.

With ST-Max, there has been an increase in provision for both working-age adults, up from 21,000 to 25,000 (18.5%) since 2015/16, and older people, up from 190,000 to 200,000 (5.3%).

What explains this?

The year-on-year upturn in the numbers receiving long-term care is best accounted for by:

- the reducing impact of the Covid-19 epidemic, with greater service availability, reduced staff vacancies compared to the previous year and, perhaps, increased willingness to come forward for services
- a reduction in the number of people who had been on waiting lists for assessment or services, again due to the reducing impact of Covid-19. The Association of Directors of Adult Social Services said that a 'huge effort' by social care teams had reduced care waiting lists from 542,000 in April 2022 to 430,000 at the end of March 2023.

An alternative – or possibly additional – explanation for the increase in receipt could be that increased funding for local authorities had an impact on adult social care service delivery in 2022/23. The local government financial settlement increased spending power of local authorities by up to **6.9%** in cash terms, while plans to introduce **social care charging reform** were shelved in the 2022 Autumn Budget and the funding redirected to ongoing expenditure.

However, this explanation seems inadequate. Local authorities said that **the increase in spending power** would not be sufficient to meet the pressures on them in 2022/23, including from adult social care. Outside observers agreed: in August 2022, the cross-party **Levelling Up, Housing and Communities Committee said** that the government 'urgently needs to come forward with additional funding this year to help the ravaged adult social care sector meet immediate pressures'. Nor could postponement of social care charging reform have been a significant factor because the additional funding for social care announced in November 2022 only came into force in 2023/24.

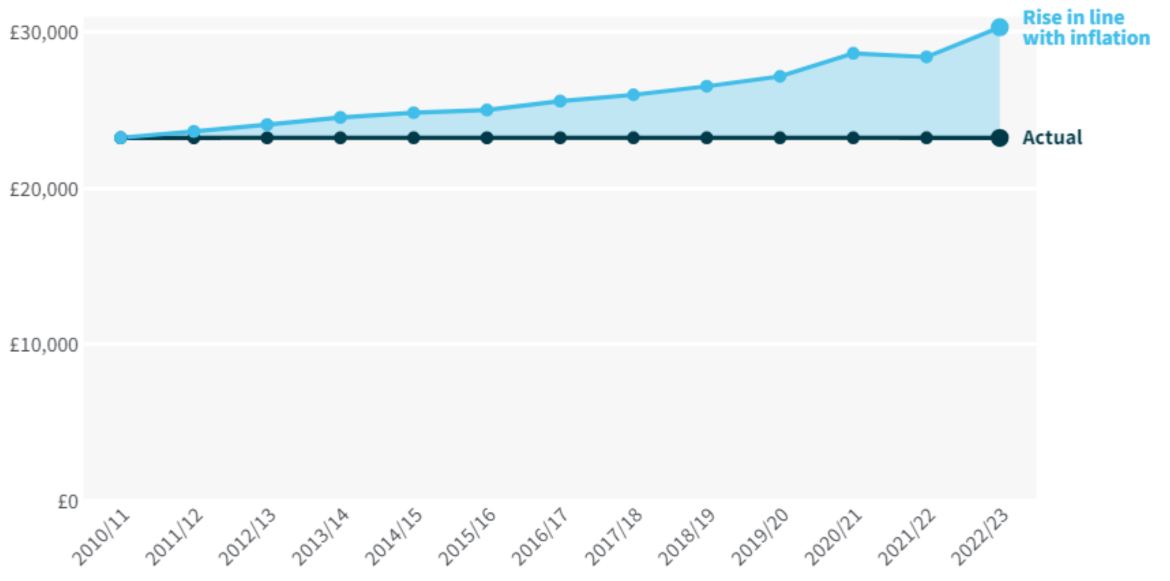
A further possible explanation is local authorities increasing uptake of more preventive approaches to care and/or the wider adoption of '**strengths-based'** approaches, which seek to focus on support that might be available from an individual's wider support network and community, rather than through the provision of formal care and support. However, it is noticeable that there has been no significant change in indicators that might suggest such an approach has been taken, such as support for carers (which has fallen since 2015/16, *see* indicator 9, unpaid carers), investment by local authorities in the voluntary sector (which has also fallen: *see* Social Care 360 2021/22) and use of short-term care to maximise independence (which has seen relatively modest increases in packages provided).

3 Financial eligibility

Financial eligibility continues to tighten and reform has been postponed

If the social care means test threshold in England had kept pace with inflation it would be £7,080 higher in 2022/23

Actual threshold compared to inflation-adjusted threshold



Source: Local authority circulars 2022/23
Inflation calculated using September 2023 GDP deflators from HM Treasury. The GDP deflator in 2020/21 was heavily affected by the impact of Covid-19 on the economy.

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Why is this indicator important?

Unlike the NHS, social care operates a financial assessment (a 'means test') to decide who is eligible for publicly funded care. The levels of this are set nationally and announced each year. The 'upper threshold' decides the level of savings and other assets people can have and still qualify to receive publicly funded care. The lower that figure is, the fewer the people who qualify.

What was the annual change?

In 2022/23, the upper threshold remained at £23,250.

What is the longer-term trend?

The upper threshold has not changed since 2010/11. If it had increased in line with inflation,* in 2022/23 it would have been £7,080 higher at £30,330, so more people would qualify for support.

What explains this?

By not increasing the threshold in line with inflation, successive governments have made the means test even meaner: it has become harder for people to get publicly funded social care, reducing its cost to the taxpayer. However, another key measure, the Minimum Income Guarantee, which defines the lowest amount of income an individual needing care at home must be left with after care charges, has increased in line with inflation since 2021/22 – after several years of being frozen.

What has happened in 2023/24?

The upper threshold remained at the same level for 2023/24 and will be the same in 2024/25. However, the Minimum Income Guarantee rose in line with inflation and is due to increase again in 2024/25.

In October 2025 (as part of wider reforms of adult social care originally intended to be introduced in October 2023 and which include the introduction of an £86,000 cap on care costs), the upper threshold is due to rise to £100,000 and the lower threshold is due to rise to £20,000. This would require preparatory action in 2023/24.

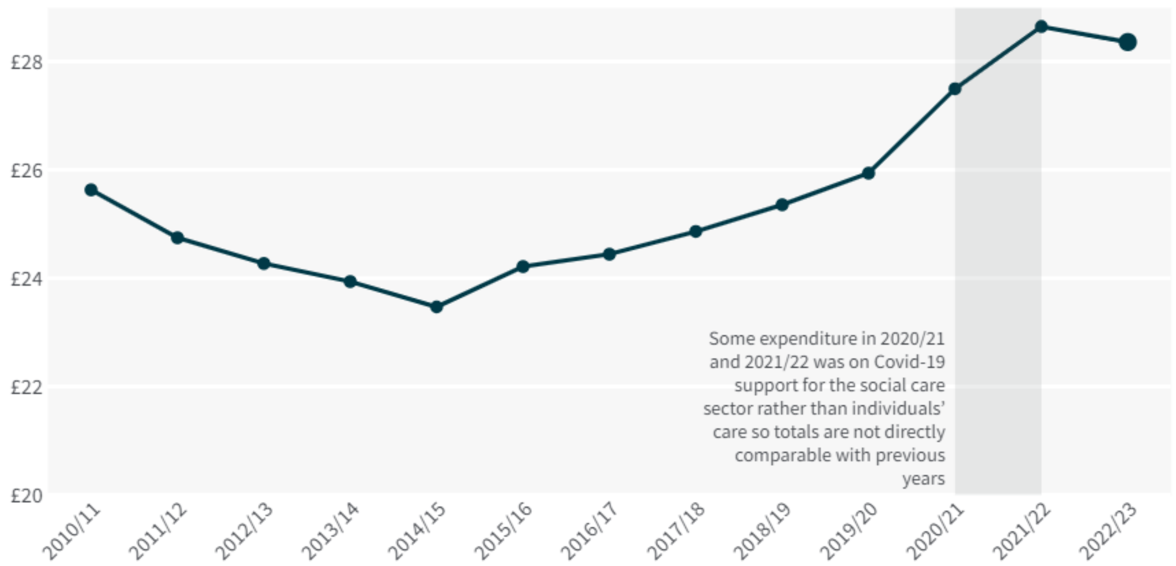
**Inflation calculated using September 2023 GDP deflators from HM Treasury. The GDP deflator has been affected by the impact of Covid-19 on the economy.*

4 Expenditure

Total expenditure on social care fell in 2022/23 but more was spent on long-term care

Total expenditure on adult social care in England is now more than £2 billion more than in 2010/11

Yearly total expenditure (£ billions), adjusted for inflation



Source: NHS England 2022/23
Inflation calculated using September 2023 GDP deflators from HM Treasury. The GDP deflator has been affected by the impact of Covid-19 on the economy.

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Why is this indicator important?

While total expenditure is not a perfect proxy for the amount and quality of care arranged by local authorities, currently it is the best overall indicator available. Total expenditure includes spending on social care resulting from NHS income, whereas gross current expenditure, which is also used in this report, excludes this spending.

What was the annual change?

In 2022/23, total expenditure on adult social care rose to £28.4 billion, an increase of 5.6% in cash terms but a fall of 1.0% in real terms* over 2021/22. Gross current expenditure, which excludes income from the NHS, increased 1.1% in real terms.

What is the long-term trend?

In 2022/23, total expenditure was £2.7 billion more in real terms than in 2010/11.

What was this money spent on?

Local authorities spent similar amounts of money on long-term support for working-age adults (£9.1 billion) and older people (£9.3 billion) in 2022/23. However, the pattern of spending was very different. For 18–64-year-olds, more than two-thirds of money was spent on community-based support: supported living (£2.5 billion), direct payments (£1.5 billion) and home care (£1 billion), while less than one-third was spent on care homes. Local authorities also spent £0.2 billion on short-term support for working-age adults.

For older people, nearly two-thirds was spent on care homes – either nursing homes (£1.9 billion) or residential homes (£3.9 billion). Local authorities also spent £0.7 billion on short-term support for older people.

	Nursing (£bn)	**Residential (£bn)**	**Supported accommodation (£bn)**	**Direct payments (£bn)**	**Home care (£bn)**	**Supported living (£bn)**	**Other long-term community care (£bn)**	**Total (£bn)**
18 to 64	£0.3	£2.5	£0.6	£1.5	£1.0	£2.5	£0.8	£9.1
18 to 64 2021/22	*£0.3*	*£2.3*	*£0.5*	*£1.4*	*£0.9*	*£2.2*	*£0.7*	*£8.3*
65+	£1.9	£3.9	£0.1	£0.6	£2.1	£0.4	£0.3	£9.3
65+ 2021/22	*£1.7*	*£3.4*	*£0.1*	*£0.5*	*£1.9*	*£0.4*	*£0.2*	*£8.3*

In terms of reasons for support, the two largest blocks of expenditure were on learning disability support for working-age adults (£6.3 billion) and physical support for older people (£6.5 billion). Other major areas are support with memory and cognition for older people (£1.8 billion), physical support for working-age adults (£1.7 billion), mental health support for working-age adults

(£1.1 billion), learning disability support for older people (£0.9 billion) and mental health support for older people (£0.7 billion).

Local authorities spent a further £2.1 billion on social-work-related activities, such as assessment and safeguarding, and £1.3 billion on commissioning and service delivery. This latter figure represents a return to the pattern of spending before Covid-19: in 2019/20, local authorities spent only £1.1 billion on commissioning and service delivery, but in 2020/21 they spent £2.3 billion, and in 2021/22 £2.0 billion, reflecting increased grant-funded support to social care providers during the pandemic (*see* 'What explains this?' below in this indicator).

The share of spending on residential care has fallen since 2015/16 and community care has increased

Change in percentage of expenditure on long-term care by support setting between 2015/16 and 2022/23, adjusted to 2022/23 prices

Source: NHS England 2022/23
Inflation calculated using September 2023 GDP deflators from HM Treasury. The GDP deflator has been affected by the impact of Covid-19 on the economy.

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Since 2015/16, local authorities have increased spending on community-based care and spent less on institutional care. However, the increase in community-based expenditure may reflect an increase in costs rather than activity. In 2022/23, 12,000 fewer people received community-based support compared to 2015/16 but more was being paid for their care: the unit cost of home care (the only aspect of community activities for which we have a unit cost) increased by 17% in real terms between 2015/16 and 2022/23.

What explains this?

At first, the reduction in real-terms total expenditure in 2022/23 is surprising. Local authority spending power **rose** in real terms by 4.6% in 2022/23 and local authorities increased the number of people, particularly older people, to whom they provided long-term care in 2022/23 (*see* indicator 2, receipt of social care). The most likely explanations for this fall in total spending on adult social care are:

- Total expenditure isn't the best measure to show changes in spending on long-term care because it includes spending on areas other than the direct provision of care to individuals. Gross current expenditure, which strips out NHS income, is a better measure and this showed a 1.1% real-terms increase last year. Spending on long-term care specifically rose 4.3%.
- Local authorities spent money in different ways in 2022/23 compared to recent years. 2020/21 and 2021/22 were exceptional years because local authorities received grant funding from central government to support their local care markets. Their expenditure on 'commissioning and service delivery' rose sharply in 2020/21 and 2021/22 but fell back to £1.3 billion in 2022/23. It seems likely that some of the grant funding to support care markets during the Covid-19 pandemic was accounted for here.

What has happened in 2023/24?

In the 2022 Autumn Statement, the **government made available** up to £2.8 billion in 2023/24 and £4.7 billion in 2024/25 to help support adult social care. This included £1 billion of new grant funding in 2023/24 and £1.7 billion in 2024/25, further flexibility for local authorities on Council Tax, and delaying the rollout of adult social care charging reform from October 2023 to October 2025.

Although there was no additional money for local government in the 2023 Autumn Statement, in January 2024 the government announced **an additional £600 million** for local authorities in 2023/24, of which £500 million was for children's and adults' social care.

Nonetheless, in February 2024, the cross-party House of Commons **Levelling Up, Housing and Communities Committee noted that** 'local authorities are increasingly reporting concerns about their financial positions and their ability to maintain delivery of their services' and said that 'the Government must act now if local authorities are to survive the severe crisis and financial distress that they face'.

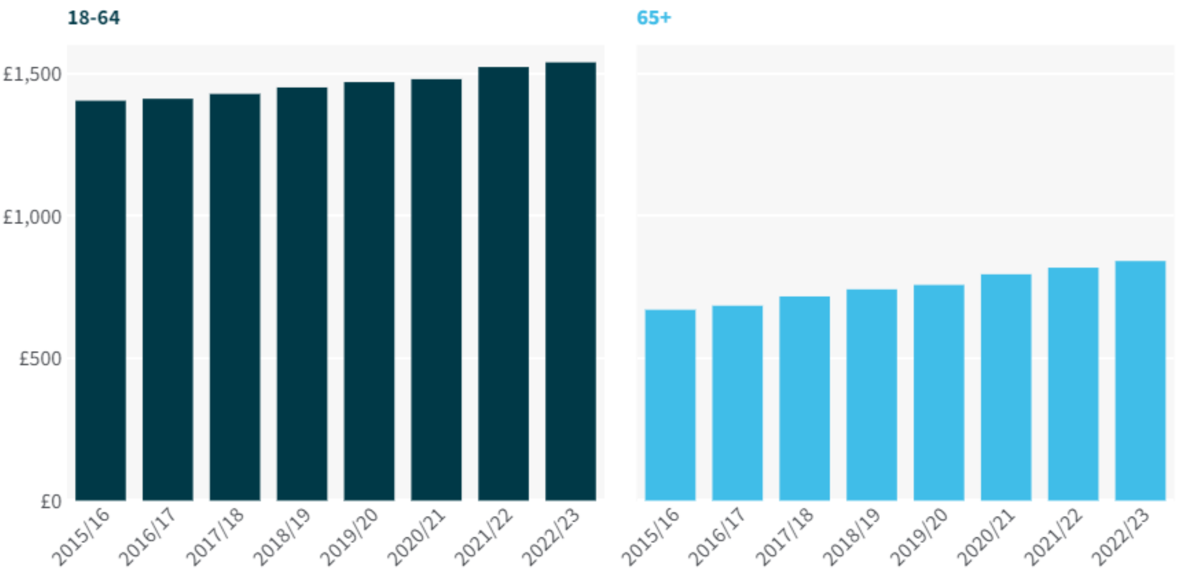
**Inflation calculated using September 2023 GDP deflators from HM Treasury. The GDP deflator has been affected by the impact of Covid-19 on the economy.*

5 Cost of commissioning

The cost to local authorities of buying care continues to increase

Once adjusted for inflation the average weekly cost of residential and nursing care in England rose for working-age and older adults

Average weekly cost of residential and nursing care. Costs adjusted to 2022/23 prices



Source: NHS England 2022/23
Inflation calculated using September 2023 GDP deflators from HM Treasury. The GDP deflator has been affected by the impact of Covid-19 on the economy.

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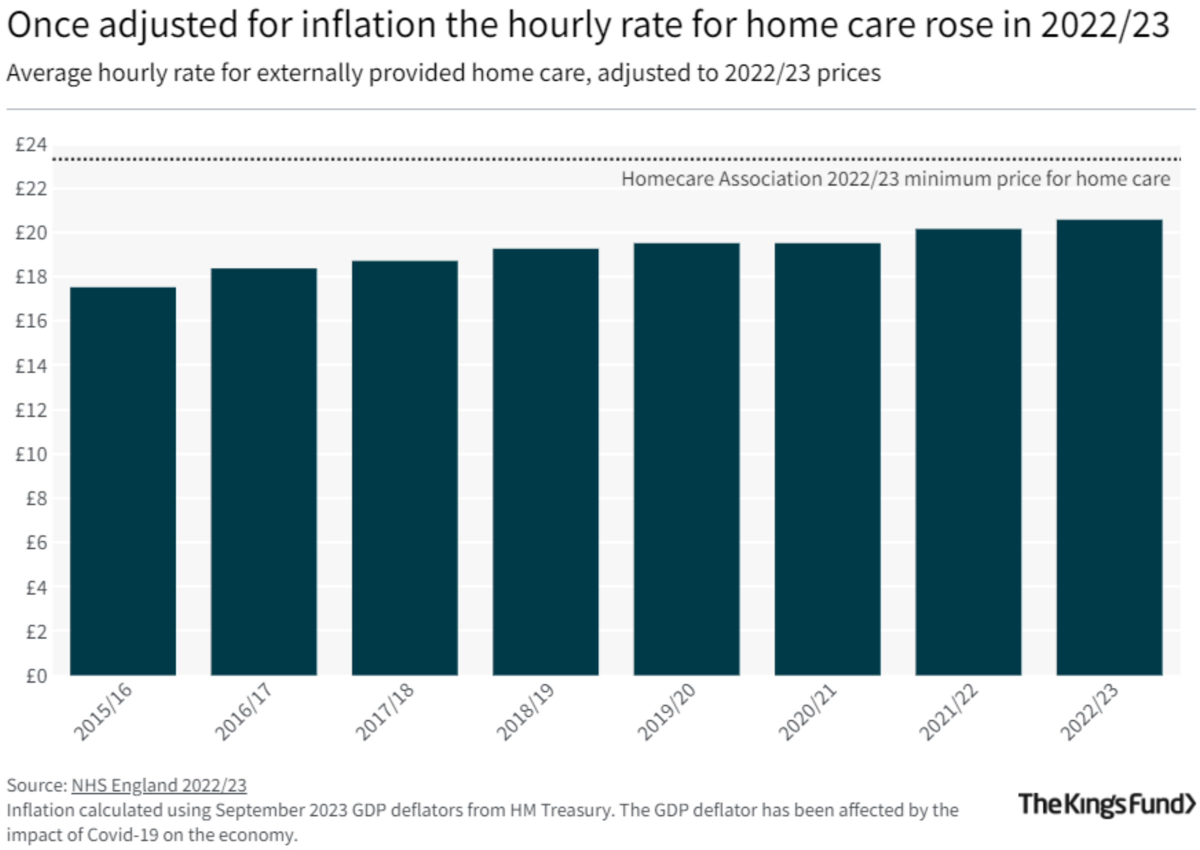


Why is this indicator important?

Local authorities do not usually directly provide services such as home care and care homes; instead they commission them from third-party providers. Providers need fee levels to be sustainable to ensure they can provide good-quality services and, ultimately, stay in business.

What was the annual change?

In real terms,* the average weekly fee paid by local authorities in England for care home places for working-age adults rose by 1.1%, from £1,523 to £1,540. The average weekly fee for older people's care home places increased 2.8% to £842. The average hourly rate for externally commissioned home care rose 2.1% to £20.57.

What is the long-term trend?

In real terms*, since 2015/16 the average weekly fee for working-age adults has increased by 10%, the average weekly fee paid for older people has increased by 26%, and the average hourly rate for home care has increased by 17%.

What explains this?

The above-inflation increases in care home and home care fees in 2022/23 are part of a wider trend since 2015/16 of local authorities increasing fees in order to stabilise the provider market.

Nonetheless, despite this support, there remain serious concerns that the rates paid remain too low to be sustainable. In March 2021, the **National Audit Office** reported a Department of Health and Social Care assessment that most local authorities paid below the sustainable rate for care home placements for adults aged over 65 and below the sustainable rate for home care. It also noted estimates that self-funders pay around 41% more for their care in care homes and around £3 more per hour for home care than publicly funded clients. The rates paid for home care remain below the **Homecare Association's** minimum price of £23.20 for 2022/23.

The **Care Quality Commission** (CQC) reported that care home profits in March 2022 were at their lowest level since it began its market oversight regime in 2015 and that home care profits had also fallen. In its **2022/23 report**, the CQC said, 'workforce capacity and capability pressures, and concern about financial pressures, are forcing some care providers out of the market or increasing the reliance on people who pay for their own care (self-funded care)'. The CQC also suggested that local authorities were reporting that people's care needs were increasingly complex. This could further account for increasing provider rates.

During 2022/23, providers faced significant cost pressures, particularly from wages. In April 2022, the main rate of the National Living Wage increased by 6.6% to £9.50.

What has happened in 2023/24?

The **Homecare Association** published its new calculation for the Minimum Price for Homecare of £25.95 per hour in England, effective from April 2023, when the National Living Wage increased 9.7% to £10.42 per hour.

In April 2024, the **National Living Wage** is due to rise to £11.44 and the Homecare Association's **Minimum Price for Homecare** rises to £28.53.

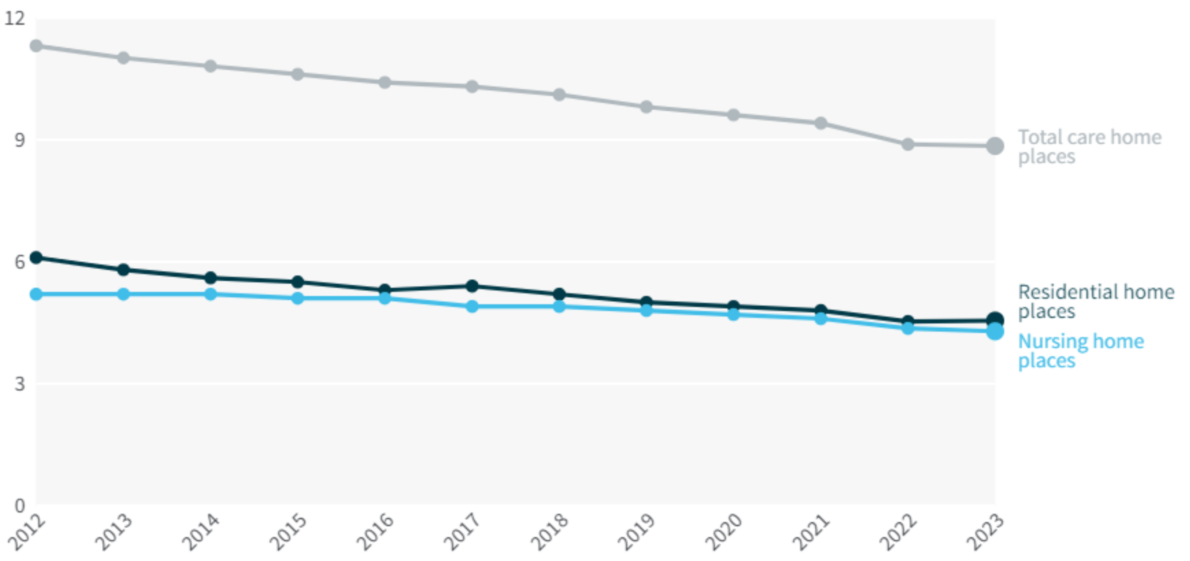
**Inflation calculated using September 2023 GDP deflators from HM Treasury. The GDP deflator has been affected by the impact of Covid-19 on the economy.*

6 Care home places

The total number of care home places has declined slightly

Since 2012 there has been a consistent fall in the number of nursing and residential home places in England compared to the size of the older population

Places per 100 people aged 75+



Source: Place data provided directly by CQC 2023, ONS population estimates 2022
Due to a lag in the data, 2022 and 2023 figures on places are both compared with mid-2022 population data.

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Why is this indicator important?

The number of places in residential and nursing homes (collectively called 'care homes') is an important measure of social care capacity and usage. However, it is only a partial measure because social care support is far wider than care homes: much care is provided at home, for example, but there are no publicly available measures of home care capacity. In addition, the data captures the number of places, but not whether they are occupied, and occupancy levels fell in the wake of the Covid-19 pandemic.

What was the annual change?

Overall, there was a small fall in the number of care homes places in 2022/23, down from 457,000 to 455,000. This was made up of a small increase in the number of residential home places but a slightly larger fall in the number of nursing home places. Overall, the number of care home places per 100 people aged over 75 in the population fell marginally to 8.8.

What is the longer-term trend?

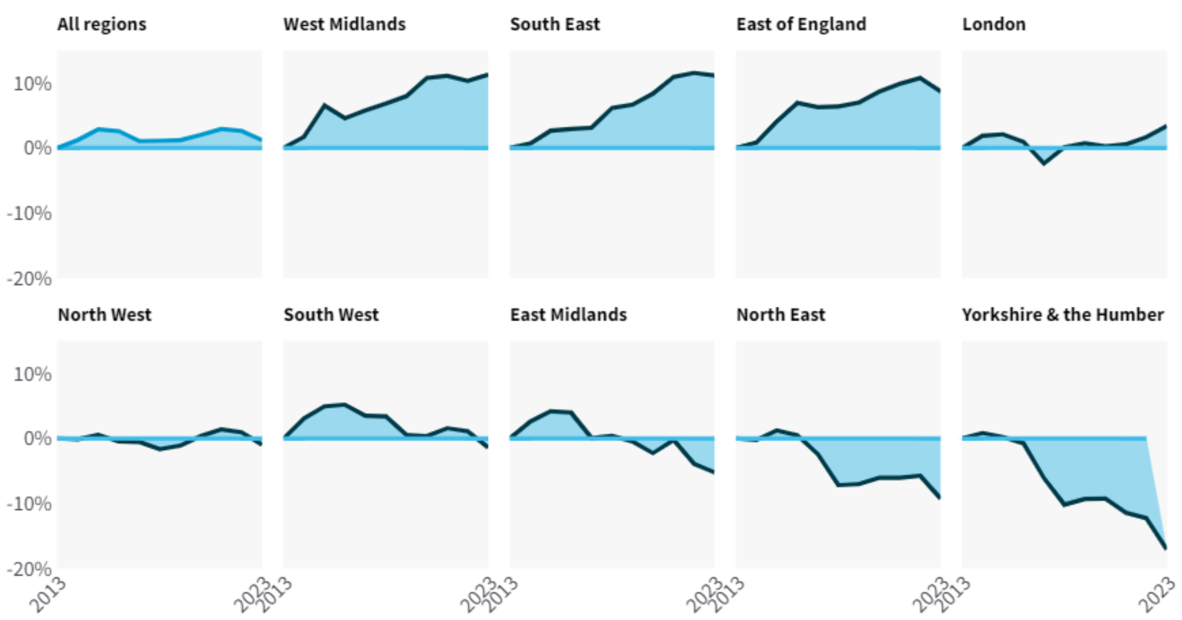
Since 2012, there has been a slight fall in the total number of care home places, made up of a 14,000 decline in residential home places, offset by a 6,000 increase in nursing home places.

The trend is more obvious when population size is taken into account. In 2012, there were 6.1 residential home places and 5.2 nursing home places for every 100 people aged over 75, but by 2023 this had fallen to 4.6 and 4.3 respectively.

However, there is a great deal of variation within regions and between sectors, with the South East and West Midlands seeing an 11% increase in overall nursing home places since 2013 and the East of England seeing a 9% increase, but Yorkshire and the Humber seeing a fall of 17%. Similarly, London has seen a fall of 19% in residential home places and the South West 11%, while the East Midlands has seen a 9% increase.

Between 2013 and 2023, the number of nursing home places has risen substantially in some regions and fallen substantially in others

Percentage change in number of nursing home places compared to 2013



Source: Data provided directly by CQC 2023

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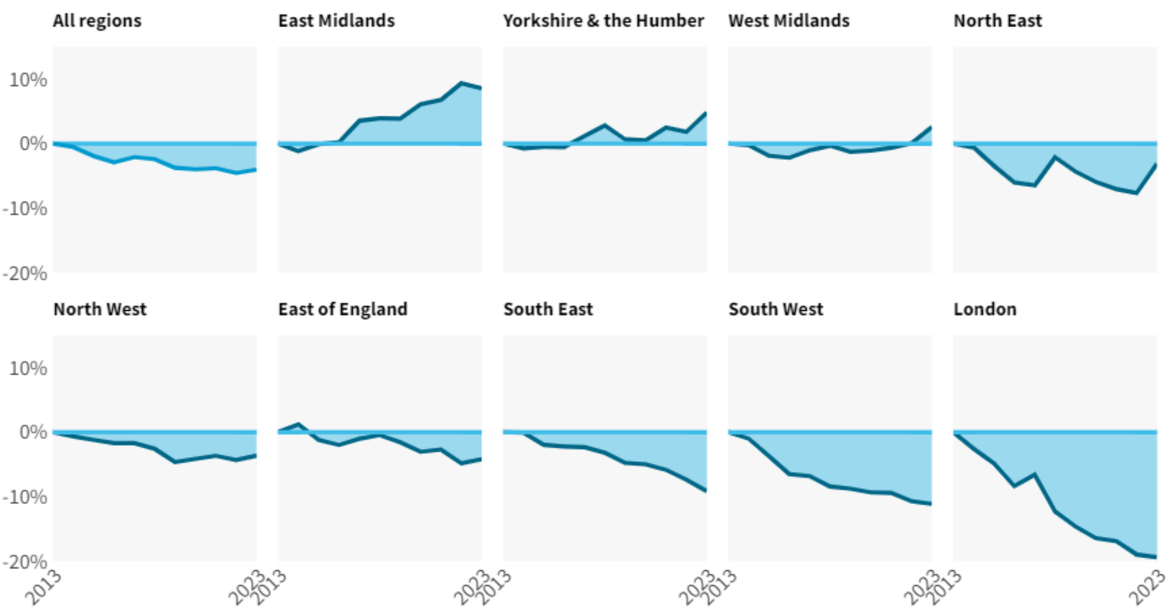
Between 2013 and 2023, almost all regions saw a fall in the number of residential home places

Percentage change in number of residential home places compared to 2013



Source: Data provided directly by CQC 2023

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The average size of care homes has also increased over time. In 2012 the average residential home had 19 places (beds) but by 2023 this had increased to 22, and the average nursing home had increased from 46 to 52 places.

What explains this?

An overall fall in the number of people using care homes is consistent with the **broad policy direction** of supporting people at home (this applies to publicly funded care: we have less knowledge about trends in decisions made by people who pay for their own care). It is also consistent with people's **frequently stated preference** to remain independent in their own homes.

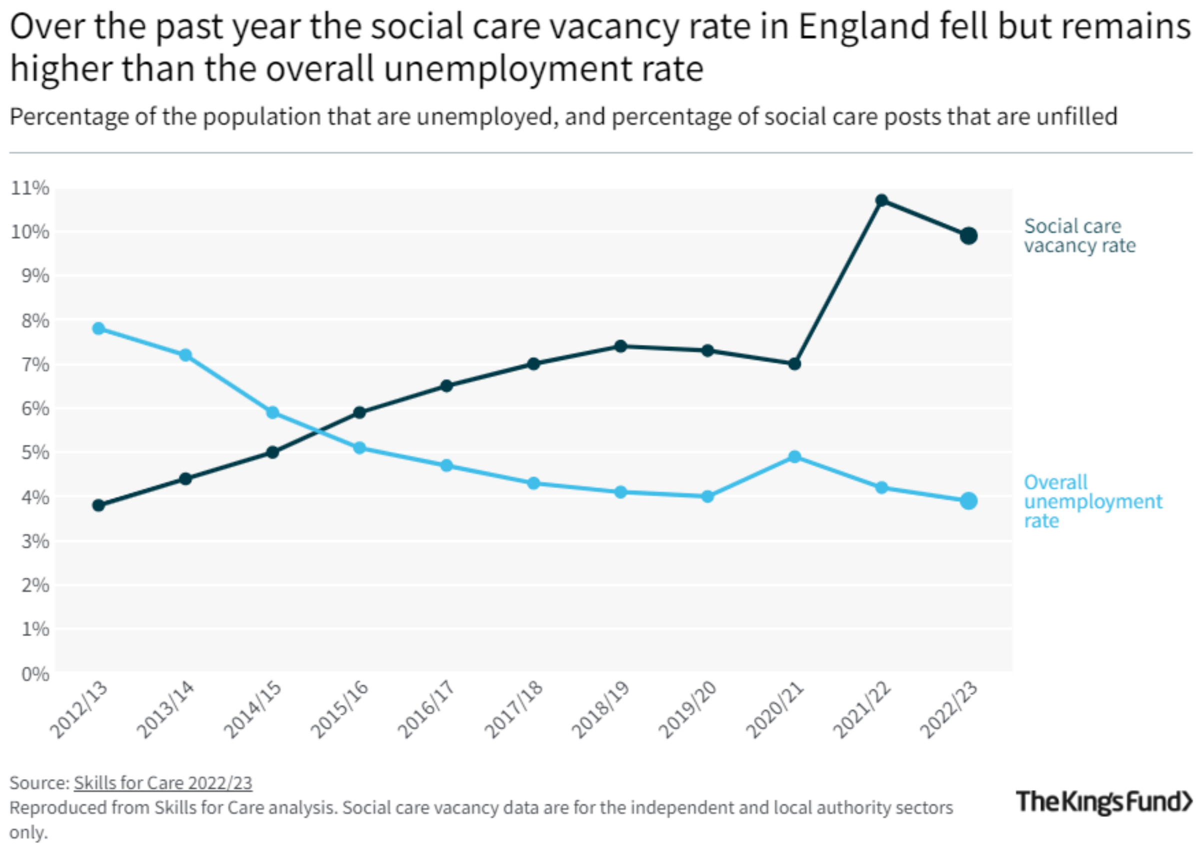
Covid-19 may have accelerated this trend because the high number of deaths in care homes, and the limitations on visiting, meant some people were **reluctant to move to or use care homes**. In 2019/20, **584** per 100,000 of the over-65 population had their publicly funded long-term care needs met by admission to a care home but in 2020/21, at the peak of the Covid-19 crisis, that fell by 15% to 498 per 100,000 population. However, in 2022/23, this had increased once again to 561.

Despite the fall in nursing homes places in 2022/23, the longer-term shift has been away from residential care to nursing care. This might suggest that those people who do enter care homes have higher needs. However, the growth in nursing care is surprising given that the **number of registered nurses working in social care fell sharply** from 51,000 in 2012/13 to 33,000 in 2022/23.

The regional variation in care and nursing home places is explained, at least in part, by the market for care. Self-funders of care typically pay around **40% more** for their places than council-funded residents so it is no surprise that there are more care home places in areas with **higher numbers of self-funders.**

7 Staff vacancies

Vacancies fell in 2022/23 due to overseas recruitment



Why is this important?

The vacancy rate is an important indicator of providers' capacity to deliver social care services. Staffing also affects quality: higher staff-to-bed ratios in care homes correlate with higher Care Quality Commission ratings. In an open jobs market, it is also an indicator of the relative attractiveness of social care as a career compared to other sectors.

What was the annual change?

Between 2021/22 and 2022/23, the vacancy rate fell from 10.7% to 9.9% and the number of vacancies fell from 165,000 to 152,000. There was a continued gap between the vacancy rate in adult social care, the wider unemployment rate (3.9%), and the vacancy rate in the wider economy (3.4%).

The vacancy rate was **lowest** in Yorkshire and the Humber (8%) and highest in London (12.1%).

There was variation between roles, with higher vacancies in domiciliary care (12.5%) than in residential care (7.4%), and higher vacancies for regulated professionals (11.2%), care workers (11.8%) and personal assistants (11.4%) but lower vacancy rates for managerial and supervisory roles (5.3%).

What is the long-term trend?

At 9.9%, the vacancy rate in adult social care was the second highest it has been since Skills for Care began collecting data in 2012/13.

What explains that trend?

The fall in the vacancy rate, from the historic high in 2021/22, was driven by a sharp increase in the number of overseas staff recruited to work in adult social care. Between March 2022 and March 2023, around 70,000 people started direct care roles after arrival in the UK from abroad. The increase happened because changes to government immigration policy in February 2022 enabled overseas care workers to take up care worker roles in the UK providing they had a licensed sponsor and the role had a salary of at least £20,480.

However, the number of UK domestic workers fell by 30,000 over this period, and pay remains a significant factor in domestic recruitment. While pay for care workers has increased in real terms year-on-year since 2014 (*see* indicator 8, pay), the rate of increase has failed to keep pace with some other sectors. As a result, **people can now earn as much working as sales and retail assistants**, while in similar roles in the NHS they can earn more.

The vacancy rate in social care continues to be much higher than the overall unemployment rate and it appears that as unemployment falls, social care vacancies rise. This suggests that for many people other work is more attractive than social care. Vacancy rates in adult social care are higher than in the NHS (8%) and much higher than in other areas of the economy, such as retail (2.9%), education (2.6%) and manufacturing (3%). The gap between social care and the overall vacancy rate in the economy has also grown.

However, pay is not the only factor in recruitment. **Employees also value** wider terms and conditions, good working conditions, especially flexibility, and a positive culture and leadership.

What has happened in 2023/24?

In April 2023, the government published its **Next steps to put people at the heart of care**, which made available £15 million to support international recruitment in local areas. It also provided £250 million of additional investment in workforce recognition and career development, intended to 'help the sector move towards a more sustainable domestic supply of care staff in the future'. However this was only half the £500 million that had been promised in **People at the heart of care** in December 2021.

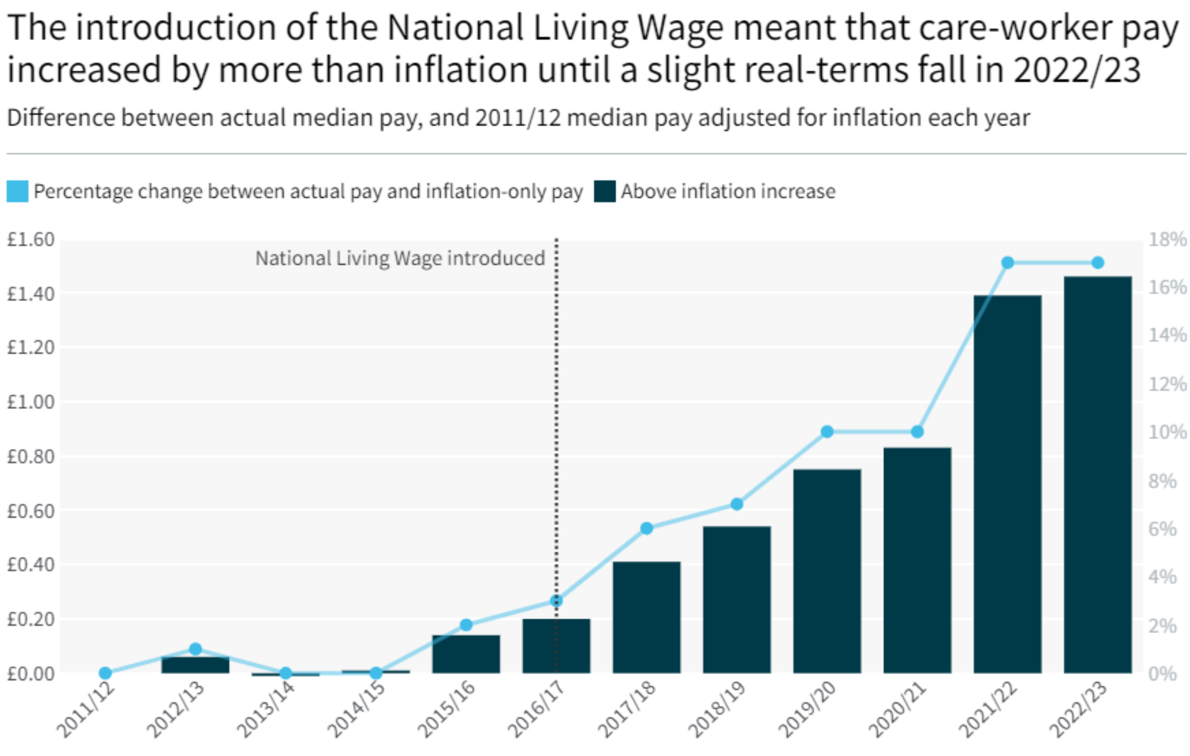
In addition, **the government made available £15 million** for the 2023/24 financial year to help local areas establish support arrangements for international recruitment in adult social care and bolster workforce in adult social care. Monthly tracking data from Skills for Care, while less comprehensive, suggests that the vacancy rate in adult social care has fallen still further. In November 2023, it had fallen to 8.4%. The vacancy rate was worse for London (11.4%) and in home care (12.3%). The latest data is **here**.

In December 2023, the government **announced** a tightening of the rules affecting overseas care workers, who will now not be allowed to bring dependents with them to the UK.

Also in December 2023, the government's **Migration Advisory Committee report** warned of 'growing evidence of exploitation of migrant care workers'.

8 Pay

Inflation ate into care worker pay in 2022/23



Source: Skills for Care 2022/23
Inflation calculated using September 2023 GDP deflators from HM Treasury. The GDP deflator has been affected by the impact of Covid-19 on the economy.

Why is this an important indicator?

Care workers make up around **860,000** of the 1.64 million filled posts in the social care sector. Pay in the independent sector (ie, not including local authorities), which employs the great majority of staff, is a key factor in the sector's ability to recruit enough staff to meet demand. It also makes up a large proportion of provider costs, particularly in home care. Levels of pay also correlates with Care Quality Commission quality ratings.

What was the annual change?

Median care worker pay in the independent sector in 2022/23 was £10.11 an hour. Due to high levels of inflation* in 2022/23, this represents a decrease of 0.2% in real terms since 2021/22.

Mean care-worker pay in the independent sector was £10.34 an hour in 2022/23. This is slightly better than support and outreach workers: £10.31 an hour. Senior care workers earned £11.09 an hour and personal assistants, who are employed directly by people drawing on care services, averaged £10.92.

Care workers employed by local authorities had a mean hourly rate of £11.35 in 2022/23.

What is the long-term trend?

Since 2015/16, median care-worker pay has increased by 15% in real terms.

However, pay in other sectors has been increasing more quickly. In 2012/13, care workers were paid more than retail sales assistants but by 2019/20 this was no longer the case. Many care workers would be paid more in entry-level posts in supermarkets.

What explains that trend?

Care-worker pay has grown since 2015/16, driven by the introduction of the National Living Wage, which has risen faster than inflation. However, other sectors have proven more able to remunerate their lower-paid staff than social care.

While care-worker pay has increased, there has been a negative effect on the pay progression of more experienced care workers. Those with several years' experience earn just **6p more an hour on average (mean) than those with less than one year's experience**, down from 33p more an hour in 2016.

Uncompetitive levels of pay also have an impact on staff turnover (though **are by no means the only factor).** More than one-third of care workers (35.6%) leave their job during the course of the year, equivalent to more than 300,000 people. However, most stay within the social care sector.

What has happened in 2023/24?

In December 2023, the **Migration Advisory Committee**, which had identified low pay in the sector as critical to its recruitment problems, noted the 'increasing reliance on the immigration system by the health and social care sector... in part but not exclusively due to the government's reluctance to provide adequate funding to tackle the underlying workforce pressures'.

In April 2024, the **National Minimum Wage** – the level at which many care workers are paid – will rise to £11.44.

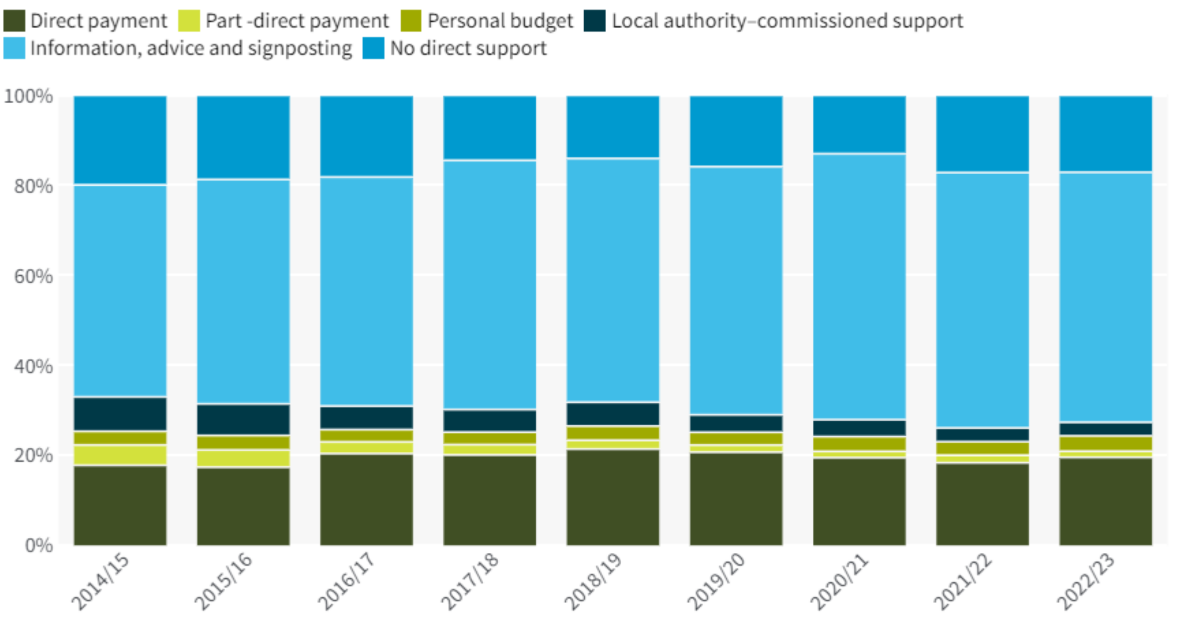
**Inflation calculated using September 2023 GDP deflators from HM Treasury. The GDP deflator has been affected by the impact of Covid-19 on the economy.*

9 Unpaid carers

Fewer carers now receive direct support

The proportion of carers in England receiving either no support, or information, advice and signposting has increased since 2014/15

Percentage of carers by type of support received



Source: NHS England 2022/23

The King's Fund

Why is this indicator important?

Unpaid carers – usually, but not always, family members – contribute the equivalent of **four million paid care workers** to the social care system. Without them, the system would collapse.

What was the annual change?

The number of carers receiving direct support – including paid support such as direct payments, services, and information and advice – fell from 314,000 in 2021/22 to 295,000 in 2022/23. The number of people provided with respite care (which is provided to support unpaid carers) rose to 36,000 from 33,000 in 2021/22.

What is the longer-term trend?

The number of carers receiving direct support from local authorities was lower in 2022/23 than it was in 2015/16. There has also been a shift in the type of support they receive. Fewer carers (27% compared to 31% in 2015/16) now receive paid support and more receive advice, information and signposting (56% compared to 50% in 2015/16).

The number of people provided with respite care delivered to support their carers fell from 57,000 in 2015/16 to 36,000 in 2022/23.

What explains this?

The long-term fall in support for carers can be explained, at least in part, by pressure on local authority budgets, which has also impacted the number of people receiving long-term care (*see* indicator 2, receipt of social care).

A further possibility is that the number of family carers has fallen. The 2021 census estimated the **proportion** of people in England providing unpaid care fell from 11.3% in 2011 to 8.9% in 2021, and the **number** had fallen from 5.4 million to 4.7 million. However, this finding may have been affected by a change in the survey question and **the impact of Covid-19 on caring behaviour.** The proportion of people providing more than 50 hours of unpaid care a week increased, in fact, meaning that an estimated **1.4 million people** in England provide this amount of care. Other data does not necessarily support the fall identified in the UK census: the total number of people claiming Carer's Allowance has increased since 2016, from 1.2 million in in **February 2016** to 1.4 million in **February 2023**.

What has happened in 2023/24?

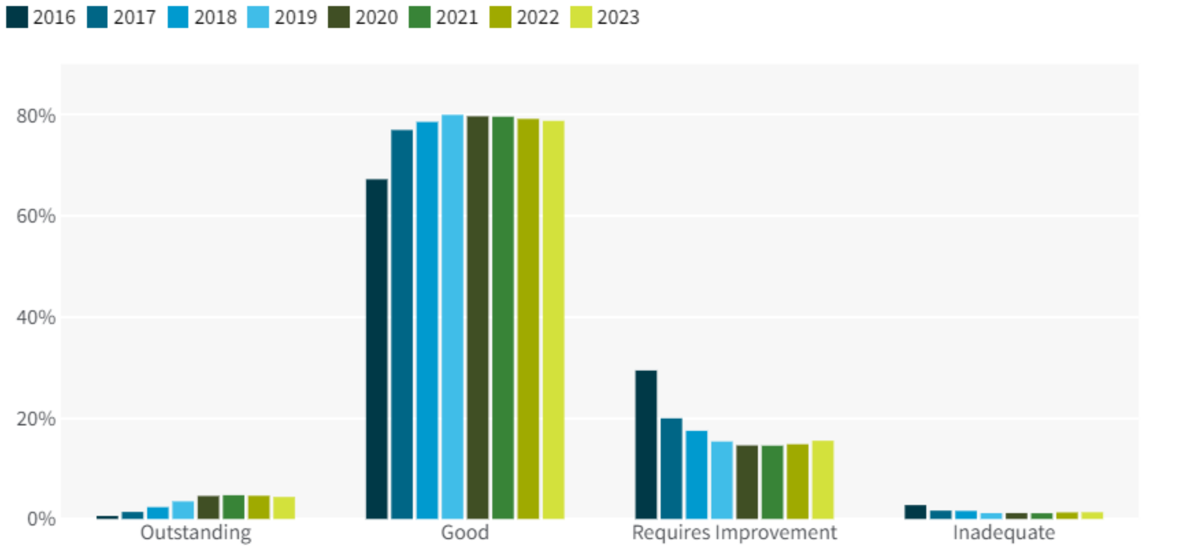
In December 2021, the government's social care White Paper had promised up to £25 million to 'kickstart' a change in the services provided to support unpaid carers. In November 2023, this support was incorporated into an **Accelerating Reform Fund** of £42.6 million over two years for local authorities and integrated care systems. Consortia of local authorities and their partners bidding for the fund were required to have at least one project supporting unpaid carers.

10 Quality ratings

Quality is largely stable but fewer ratings are being published

The percentage of adult care services in England whose overall rating is 'outstanding' or 'good' has increased since 2016

Data as at April each year



Source: Data provided directly by CQC 2023
In 2023 there were 15 care services with insufficient data to rate, these have been excluded from the analysis. Services are given a rating for each of the five key questions: Are they safe?, Are they effective? Are the caring? Are they responsive? Are they well-led? These are aggregated to give an overall rating for the location.

The King's Fund

Why is this indicator important?

The Care Quality Commission (CQC) inspects and rates care services, giving an overall picture of the quality of social care provision in England.

What was the annual change?

The pattern of quality ratings in April 2023 was very similar to that in April 2022: 4% of services were rated 'outstanding', 79% were 'good', 15% 'requires improvement' and 1% 'inadequate'.

What is the longer-term trend?

Ratings have been relatively stable since 2018 when the initial programme of inspections under a new ratings framework was completed, though there has been a small overall improvement, with the percentage of inspected services rated good or outstanding increasing from 80.9% in April 2018 to 83.2% in April 2023.

What explains the trends?

The very similar pattern of results for quality ratings from April 2021 to April 2023 in part reflects the fact that in March 2020, due to Covid-19, the CQC paused routine inspections. Instead, it focused its activity on services where there was a risk to people's safety and on inspections to assess care homes' infection, prevention and control measures. These inspections did not result in ratings and, as a result, far fewer ratings have been published in recent years – only 6,784 in 2022/23 compared to 13,505 in 2019/20.

The longer-term upwards trend reflects efforts by care services to improve ratings and is consistent with the high level of satisfaction reported by people who use publicly funded care services (see indicator 12, user satisfaction,). It might also be expected in a residential care market where people are able to make choices between providers. CQC ratings correlate with **higher fees**.

Nonetheless, 1 in 6 services remain below standard and there **remains a problem with services that stubbornly fail to improve**: as of March 2020, 3% of care homes and a similar percentage of community care agencies had never been rated better than 'requires improvement'.

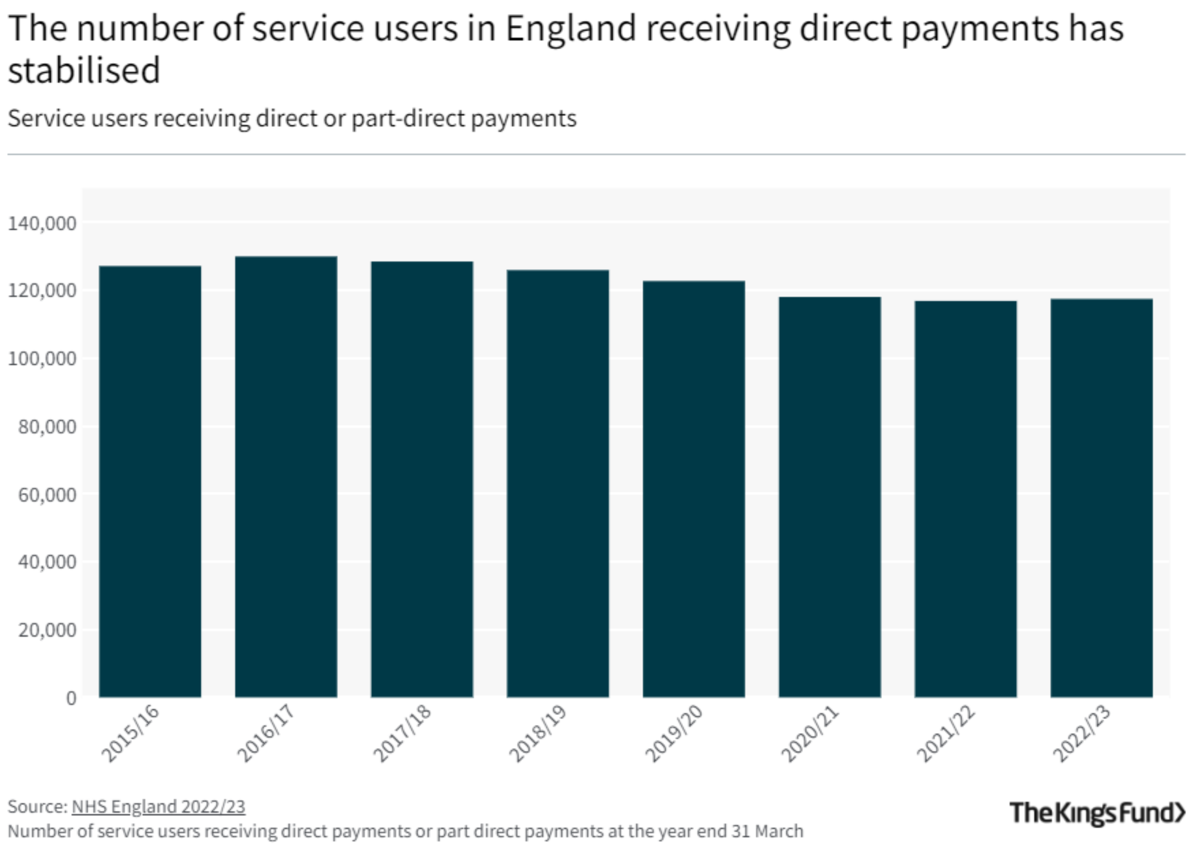
What has happened in 2023/24?

During 2023/24, the CQC began rolling out its new **single assessment framework** for care providers, local authorities and integrated care systems.

In November 2023, the CQC **published the five pilot assessments** in response to its new duty to independently review and assess local authority performance in delivering their adult social care duties. It began rolling out the assessment programme to all local authorities in December 2023.

11 Direct payments

The fall in people using direct payments levelled off in 2022/23



Why is this indicator important?

Direct payments are intended to allow people using care services more choice and control over their own support. They were intended as a key route to reform of social care in the Care Act 2014.

What was the annual change?

The number of people using direct payments increased slightly from 117,000 in 2021/22 to 117,500 in 2022/23. However, the proportion of people receiving long-term care who used direct payments fell from 27% to 26%.

What is the longer-term trend?

Around 9,700 fewer people used direct payments in 2022/23 than in 2015/16. Overall, just 26% of people (38% of working-age adults and 15% of older people) drawing on adult social care use direct payments, down from 28.1% in 2015/16.

What explains this?

There is likely to be more than one reason for this. Opting for a direct payment requires more involvement and responsibility than simply receiving a service, and people may need support to manage one. Equally, if there is limited choice of local services on which to spend a direct payment, people may wonder whether it is worth the extra work.

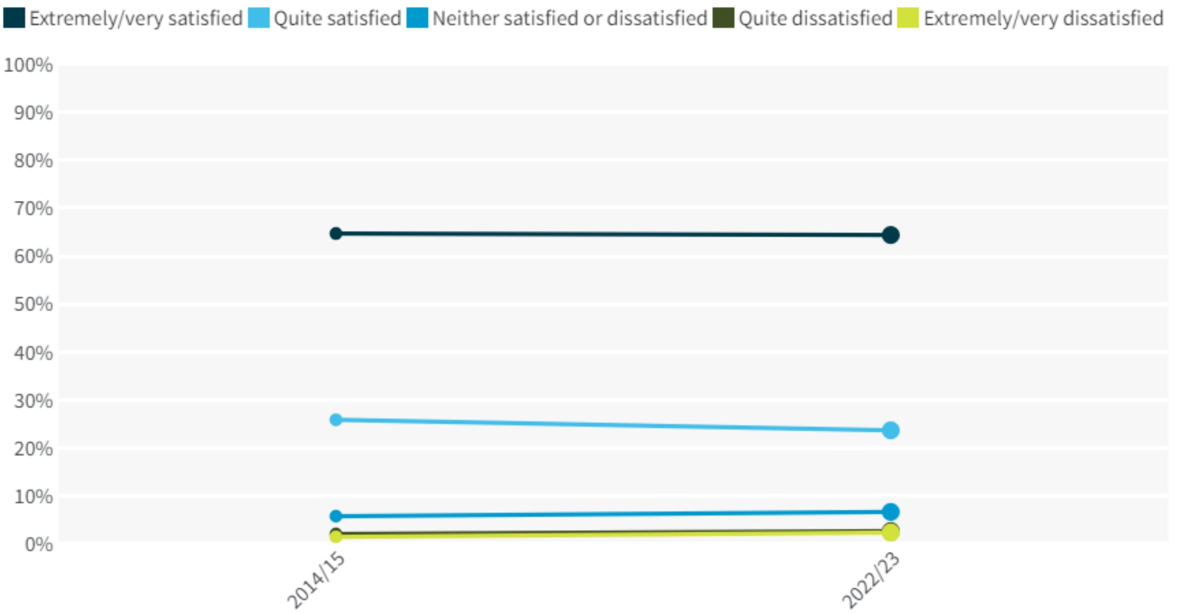
If an individual wants to employ their own care worker (personal assistant (PAs)), then direct payments make that possible. Skills for Care estimated that around **70,000 people receiving direct payments** were employing their own staff in 2021. For those not employing their own staff, direct payments may be less appealing. However, it is difficult to recruit PAs. In 2022/23, the vacancy rate for PAs stood at **11.4%.** While this was lower than for care workers generally (where the vacancy rate was 11.8%), it may still reduce the attraction of using a direct payment to employ personal assistants. However, at 19.9% the turnover rate of PAs was much lower than for care workers as a whole.

12 User satisfaction

Satisfaction of people drawing on services is stable

Service-user satisfaction in England is stable

Overall, how satisfied or dissatisfied are you with the care and support services you receive?



Source: NHS England 2022/23
Response to question 1 combined (standard and easy read questionnaire). Intervening years are not included due to low response rates in 2020/21

The King's Fund

Why is this indicator important?

This annual survey by local authorities of people using publicly funded social care services **has limitations** but is one of the few available indicators of individual satisfaction with care and support.

What was the annual change?

Between 2021/22 and 2022/23, the percentage of service users saying they were 'extremely' or 'very satisfied' rose slightly from 63.9% to 64.4%. Working-age adults (68%) are **more satisfied** with their care and support than older people (61.9%).

What is the longer-term trend?

The percentage of people satisfied with their care and support is essentially unchanged over time – in 2014/15, 64.7% expressed satisfaction while in 2022/23 it was 64.4%.

What explains this?

The simplest explanation is that service quality has largely held up well during a period when social care budgets have been struggling (see indicator 1, requests for support). This suggests that the most detrimental effect of underfunding has been on the number of people receiving publicly funded care (see indicator 2, receipt of social care) rather than its quality. This would be consistent with the stability in quality as measured by Care Quality Commission (CQC) ratings.

However, satisfaction varies between service users and according to setting. Working-age adults are significantly more satisfied with their care than older adults; white service users report higher satisfaction than service users from Black and minority ethnic backgrounds; people using residential care report higher satisfaction than people using nursing care or community care; and service users in London (59.5%) report much lower satisfaction than service users in England as a whole.

There are other reasons to be cautious, not least from surveys of carers. In 2021/22, **only 36.3% of carers** report they are extremely satisfied or very satisfied with the services and support received by themselves and the people they care for; 8.5% of respondents say they are extremely dissatisfied or very dissatisfied. The **2022 British Social Attitudes survey** found that two-thirds of people who had used or had contact with social care either for themselves or for someone else were dissatisfied with it. This was 20 percentage points higher than people who have not had contact.

What has happened in 2023/24?

In December 2023, the government’s **Care Data Matters** committed to revising the adult social care survey (and also the survey of adult carers), which is the primary source of information on people’s satisfaction with publicly funded care services.

During 2023/24, the CQC began rolling out its **single assessment framework** for care providers, local authorities and integrated care systems. This places significant emphasis on **individuals’ experience** of the services they receive.

Data and methodology

How is Social care 360 put together?

This review draws on data that is:

- publicly available
- published at least annually
- comprehensive (or, at the very least, a representative sample)
- from a reliable source.

This approach gives a broad perspective on adult social care, and especially the large part of it that is publicly funded. However, it does have gaps, notably around people who fund their own care (sometimes referred to as 'self-funders'), for whom there is relatively little data.

According to the Office for National Statistics, between 2022 and 2023 there were approximately **137,000** people (37%) self-funding their care in care homes in England, compared with 235,000 (63%) state-funded care home residents. There is no similar data available for people who use home care.

Due to rounding, figures in the review may not sum exactly. Also, this review focuses on national trends, but it is important to note that within many indicators there is very wide local variation.

	Definition	Methodology	Source
Introduction	Requests for support Long-term care recipients and number of episodes of short-term support to maximise care (ST-Max)	Calculated year-on-year change	
1 Requests for support	Number of requests for support received from new clients, by age group	As reported	Adult Social Care Activity and Finance Report, NHS Digital
2 Service users	New clients with an episode of ST-Max care and a known sequel, by age group Long-term	As reported	Adult Social Care Activity and Finance Report, NHS Digital

	support during the year, by age group Voluntary sector grants Carers receiving financial support		
3 Financial eligibility	Upper capital limit	Adjusted to 2022/23 prices using September 2023 GDP deflators from HM Treasury	Local authority circulars
4 Expenditure	Total expenditure Gross current expenditure Expenditure by type of care	Adjusted to 2022/23 prices using September 2023 GDP deflators from HM Treasury Calculated year-on-year change	Adult Social Care Activity and Finance Report, NHS Digital
5 Costs	Unit costs for clients accessing long term support – residential and nursing, by age group Unit costs, average weighted standard hourly rate for the provision of home care – external	Adjusted to 2022/23 prices using September 2023 GDP deflators from HM Treasury	Adult Social Care Activity and Finance Report, NHS Digital
6 Care home beds	Care home (residential/nursing home) beds per 100 people 75+ Care home (residential/nursing home beds) by region	As reported Calculated year-on-year change	Data provided directly by CQC
7 Vacancies	Vacancy rate (adult social care) Unemployment rate (whole economy)	As reported	The state of the adult social care sector and workforce in England, Skills for Care

8 Pay	Median hourly pay for care workers	Adjusted to 2022/23 prices using September 2023 GDP deflators from HM Treasury	The state of the adult social care sector and workforce in England, Skills for Care
9 Carer support	Support provided to carers during the year, by type of support provided Number receiving respite care	As reported	Adult Social Care Activity and Finance Report, NHS Digital
10 Quality	Overall ratings for all active adult social care locations as at 1 April each year	As reported	Data provided directly by CQC
11 Personalisation	Number of service users receiving direct payments and part-direct payments at the year-end 31 March	As reported	Adult Social Care Outcomes Framework, NHS Digital
12 Satisfaction	Question 1 combined – Overall, how satisfied or dissatisfied are you with the care and support services you receive?	As reported	Personal Social Services Adult Social Care Survey, NHS Digital
Methodology sources	GDP deflator Population estimates	As reported	HMT GDP deflator ONS population estimates

Our methodology outlined

	Definition	Methodology	Source
Introduction	Requests for support Long-term care recipients and number of episodes of short-term support to maximise care (ST-Max)	Calculated year-on-year change	
1 Requests for support	Number of requests for support received from new clients, by age group	As reported	Adult Social Care Activity and Finance Report, NHS Digital
2 Service users	New clients with an episode of ST-Max care and a known sequel, by age group Long-term support during the year, by age group Voluntary sector grants Carers receiving financial support	As reported	Adult Social Care Activity and Finance Report, NHS Digital
3 Financial eligibility	Upper capital limit	Adjusted to 2021/22 prices using September 2022 GDP deflators from HM Treasury	Local authority circulars
4 Expenditure	Total expenditure Gross current expenditure Expenditure by type of care	Adjusted to 2021/22 prices using September 2021 GDP deflators from HM Treasury Calculated year-on-year change	Adult Social Care Activity and Finance Report, NHS Digital

5 Costs	Unit costs for clients accessing long-term support – residential and nursing, by age group Unit costs, average weighted standard hourly rate for the provision of home care – external	Adjusted to 2021/22 prices using September 2022 GDP deflators from HM Treasury	Adult Social Care Activity and Finance Report, NHS Digital
6 Care home beds	Care home (residential/nursing home) beds per 100 people 75+ Care home (residential/nursing home) beds by region	As reported Calculated year-on-year change	Data provided directly by CQC
7 Vacancies	Vacancy rate (adult social care) Unemployment rate (whole economy) Number of adult social care jobs. Full-time equivalent jobs. Number of people working in adult social care	As reported	The state of the adult social care sector and workforce in England, Skills for Care
8 Pay	Median hourly pay for care workers and other low-paid jobs	Adjusted to 2021/22 prices using September 2022 GDP deflators from HM Treasury	The state of the adult social care sector and workforce in England, Skills for Care
9 Carer support	Support provided to carers during the year, by type of support provided Number receiving respite care	As reported	Adult Social Care Activity and Finance Report, NHS Digital
10 Quality	Overall ratings for all active adult social care	As reported	Data provided directly by CQC

	locations as at 1 April of each year		
11 Personalisation	Number of service users receiving direct payments and part-direct payments at the year-end 31 March	As reported	Adult Social Care Outcomes Framework, NHS Digital
12 Satisfaction	Number of service users receiving direct payments and part-direct payments at the year-end 31 March	As reported	Adult Social Care Outcomes Framework, NHS Digital
Methodology sources	GDP deflator Population estimates 75+ population estimates	As reported	HMT GDP deflator: ONS Census Palliative and End of Life Care Profiles, Public Health England

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