



A stitch in time: the case for funding social care

V O D G

About VODG and our members

VODG (Voluntary Organisations Disability Group) is a national charity that represents leading not-for-profit organisations in England who provide services to disabled people in ways that promote independence, choice and control. Our members work with around a million disabled people, employ more than 85,000 staff and have a combined annual turnover in excess of £2.8 billion. Our members are diverse in terms of their size, history and individual strategies, yet they share common values: promoting the rights of disabled people; shared approaches to citizenship; and user choice and control and in successfully delivering person-centred services.

VODG works on behalf of members to influence the development of policy, build relationships with government and other key agencies, promote best practice and keep members up to date on matters that affect service delivery. Our over arching aim is to ensure that VODG members, working in partnership with commissioners, people who use services and their families can provide progressive, high quality and sustainable services that uphold rights and meet the requirements of disabled people.





Contents

1. The state of social care – an overview	6
2. The aim of this report	7
3. Social care under strain – the demand	8
4. The impact of underfunding – the costs	12
5. The housing challenge for disabled people	18
6. Conclusion – an opportunity to shore up social care	20

Social care – the funding facts

There are **11.5 million** disabled people living in England, representing 21% of the population^a and this figure will increase to **12.2 million** by 2025

Local authorities' planned savings for adult social care in 2018/19 are **£700m^b**

Cumulative adult social care savings since 2010 have amounted to **£7bn^c**

In London non-British EU workers represent **14%** of the adult social care workforce^d

By 2025 we will need an estimated additional **250,000 to 450,000** adult social care workers compared to the 2017 workforce due to population growth and ageing

In 2017/18 just over half of councils overspent against their budgets, largely financed from council reserves or from underspending in other council departments

^a Department for Work and Pensions (2018) *Family Resources Survey*. www.gov.uk/government/statistics/family-resources-survey-financial-year-201617

^b Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

^c Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

^d Skills for Care (2018) *The state of the adult social care sector workforce in England*. www.skillsforcare.org.uk/NMDS-SC-intelligence/Workforce-intelligence/documents/State-of-the-adult-social-care-sector/The-state-of-the-adult-social-care-sector-and-workforce-2018.pdf

^e Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

^f Association of Directors of Adult Services (2017) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

In 2018/19 only **28%** of directors of social services are fully confident that the planned savings for 2018/19 will be met, with this falling to 1% for 2020/21^f

Only **34%** of directors of social services are fully confident that they are able to meet their statutory duties to older and disabled people in 2018/19; no directors are fully confident of being able to meet all statutory duties by 2020/21 onwards

The average fee per resident paid by local authorities to care homes falls short of the costs of provision by more than **£100** per week^g

At least **66%** of councils experienced some kind of provider failure from the six months to March 2018, affecting both home care providers and residential care providers^h

Despite the statutory advocacy duty in the Care Act 2014, only **2%** of people assessed and eligible for care had been assigned an independent advocate in 2015 (yet the government estimated 7% would qualify for advocacy support)ⁱ

There are **365,000** disabled people living in homes not suitable for their needs^j, with 68% of disabled adults with a mobility impairment reporting not having a bathroom large enough to fit a wheelchair^k

^g LaingBuisson (2017) *Care home funding shortfall leaves self-funders filling £1.3 billion gap*. Available at: www.laingbuisson.com/laingbuisson-release/care-home-funding-shortfall-leaves-self-funders-filling-1-3-billion-gap/

^h Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

ⁱ Local Government Association (2015) *Care Act stocktake*. www.local.gov.uk/sites/default/files/documents/stocktake-6-report-pdf-43-675.pdf

^j Equality and Human Rights Commission (2017). *Housing and disabled people: Britain's hidden crisis*. www.equalityhumanrights.com/en/publication-download/housing-and-disabled-people-britains-hidden-crisis

^k Leonard Cheshire (2018). *Hidden housing crisis is 'severely limiting' disabled people's independence*, article. www.leonardcheshire.org/about-us/latest-news/press-releases/hidden-housing-crisis-severely-limiting-disabled-peoples

1. The state of social care – an overview

There are 11.5 million disabled people living in England, representing 21% of the population¹. The provision of essential services to disabled people in ways that promote independence, choice and control, as well as supporting their carers, is a statutory obligation. Social care also has a vital role in preventing escalating needs and costs falling on other services, such as the NHS.

Voluntary and not-for-profit providers of social care predominantly serve people who rely on the state to pay for their care. This group is disproportionately affected by the reductions in adult social care budgets. However, these organisations provide 20% of adult social care jobs, indicating that they provide around one fifth of this vital support to disabled people². Without adequate public funding for their services nor a long term sustainable funding plan, voluntary sector providers, and the care and support they provide to disabled adults, are increasingly at threat.

The government currently has an opportunity to ensure that the provision of these care and support services are treated as a national priority. However, successive governments have failed to recognise

and adequately fund these services: local authorities' planned savings for adult social care in 2018/19 are £700m³, cumulative adult social care savings since 2010 have amounted to £7bn⁴, and the Government has yet again postponed its Green Paper on the long-term funding plan for adult social care⁵.

The decision for Britain to leave the EU makes the need for a sustainable funding plan all the more urgent for two key reasons. First, the likely negative impact on the economy has the potential to reduce public money available for social care. Second, Brexit has the potential to create instability in the social care labour market. While nationally only 8% (104,000) of adult social care jobs in England are filled by EU workers, there are large regional variations: for example, in London non-British EU workers represent 14% of the adult social care workforce⁶. It is vital that the sector is sufficiently resourced in order to ensure the social care sector is able to recruit and retain its workforce.

All political parties recognise that social care is in desperate need of funding; it is time that the current government act where others have failed and protect a vital public service.

¹ Department for Work and Pensions (2018) *Family Resources Survey*. www.gov.uk/government/statistics/family-resources-survey-financial-year-201617

² Skills for Care (2018) *The size and structure of the adult social care sector and workforce in England, 2018*. www.skillsforcare.org.uk/NMDS-SC-intelligence/Workforce-intelligence/documents/Size-of-the-adult-social-care-sector/Size-and-Structure.pdf

³ Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

⁴ Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf


⁵ House of Commons (2018). *Social care: forthcoming Green Paper on older people and parallel programme (England)*, Research briefing, August 2018, London: House of Commons library. researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-8002#fullreport

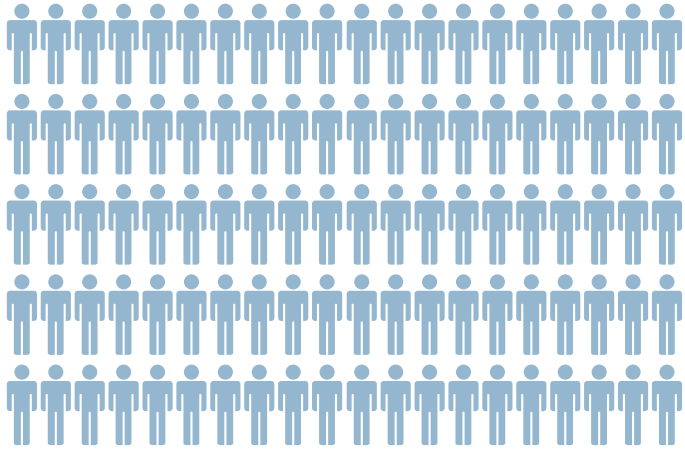
⁶ Skills for Care (2018) *The state of the adult social care sector workforce in England*. www.skillsforcare.org.uk/NMDS-SC-intelligence/Workforce-intelligence/documents/State-of-the-adult-social-care-sector/The-state-of-the-adult-social-care-sector-and-workforce-2018.pdf

2. The aim of this report

This report sets out the key financial pressures facing providers of social care to disabled people. It describes the impact of an under-resourced adult social care sector that is already in evidence, and highlights the growing crisis in housing for disabled people.

It also outlines how the government can best secure the provision of high quality care and support and accessible housing, fulfilling the right of disabled people to choice, control and independence in their lives in the present and into the future.

 =100k


11.5 million
disabled in England

3. Social care under strain

VODG welcomes the additional resources provided to the sector by the government in the short term through the Improved Better Care Fund (IBCF) and the adult social care precept. For example, the IBCF brought an additional £1.1bn to the sector (with the condition that it be spent on integrated care), representing an 8.6% increase in the adult social care budget compared to 2016/17. The IBCF funding continued into 2018/19 and will continue into 2019/20⁷.

This additional funding has gone some way in helping many local authorities to avoid a crisis in social care in the immediate term, i.e. it has enabled local authorities to delay irreversible damage to the level of care organisations are able to provide to disabled people and their families, and further fragmentation of the social care market. The outlook is more positive than this time last year. In 2017/18 local authorities have been able to reduce the number of people being delayed in hospital and, when taken on national aggregate, local authorities have been able to balance their adult social care budgets⁸.

However, this additional funding is only guaranteed until 2019/20 and will reduce year-on-year to £674m in 2018/19 and

£337m 2019/20. The additional funding is also set against a continued programme of planned savings for adult social care⁹. A funding gap therefore still remains if essential adult social care needs are to be met.

For example, behind the on-budget aggregate spend for local authority social care departments in 2017/18 lies the fact that just over half of councils overspent against their budgets, largely financed from council reserves or from underspending in other council departments¹⁰.

This funding gap is also set to continue to grow under current arrangements. In 2018/19 only 28% of directors of social services are fully confident that the planned savings for 2018/19 will be met, with this falling to 1% for 2020/21¹¹. Directors of social services admit that these reductions will have a direct impact on services for working age adults in 31% of local authorities¹².

Social care therefore faces two key pressures - adult social care budgets continue to tighten, yet the pressures on adult social care services are set to increase. We explore these challenges in the next section of this report.

⁷ Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

⁸ Association of Directors of Adult Services (2017) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

⁹ Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

¹⁰ Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

¹¹ Association of Directors of Adult Services (2017) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

¹² Association of Directors of Adult Services (2017) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

3.1

Social care under strain – the demand

Our ageing and growing population means that there is increasing need and demand for social care for disabled people and for older people.

The number and proportion of disabled people in the UK population has been increasing year-on-year from 11.9 million (19%) in 2013/14 up to 13.9 million (22%) in 2016/17. Most of this change has come from an increase in working-age adults and state pension age adults who are disabled, as opposed to children¹³.

This trend is also true for England, with the number of disabled people increasing year-on-year from 9.9 million (19%) in 2013/14 to 11.5 million (21%) in 2016/17^{14 15}. If the disabled population continues to grow at the same rate as the general population as a whole, this could increase to 12.2 million by 2025 and 12.9 million by 2035¹⁶. Research also predicts there will be an additional 150,000 working age adults with moderate or severe physical disabilities and an additional 16,000 working age adults with a learning disability by 2025¹⁷.

The population is also ageing, with the number of people over the age of 65 in England expected to increase by 1.7 million (17%) by 2025¹⁸.

Within this growing and ageing disabled population, there will be increasing numbers of people who will require support with their mental health, physical disability, or learning and social impairments.

By 2025 we will need an estimated additional 250,000 to 450,000 adult social care workers compared to the 2017 workforce due to population growth and ageing. This represents an increase of between 16% to 28% in the size of the adults social care workforce by 2025¹⁹. Within this increasing need for social care workers will be an increase in demand for disability-specific support for older people for the estimated additional 35,000 older people with a learning disability by 2025²⁰.

¹³ Department for Work and Pensions (2018) *Family Resources Survey*. www.gov.uk/government/statistics/family-resources-survey-financial-year-201617

¹⁴ Department for Work and Pensions (2015) *Family Resources Survey*. www.gov.uk/government/statistics/family-resources-survey-financial-year-201314

¹⁵ Department for Work and Pensions (2018) *Family Resources Survey*. www.gov.uk/government/statistics/family-resources-survey-financial-year-201617

¹⁶ Estimates based on FRS (2018) results as referenced above, with population increase rate drawn from: Projecting Adult Needs and Service Information (online). *Total population – all ages*. Available at: www.pansi.org.uk [accessed 06.09.2018].

¹⁷ Projecting Adult Needs and Service Information (online) LD – *Baseline estimates and Moderate or serious physical disability*. Available at: www.pansi.org.uk [accessed 06.09.2018].

¹⁸ Projecting Older People Population Information System (online) *Population by age*. Available at: www.poppi.org.uk [accessed 06.09.2018].

¹⁹ Skills for Care (2018) *The size and structure of the adult social care sector and workforce in England, 2018*. www.skillsforcare.org.uk/NMDS-SC-intelligence/Workforce-intelligence/documents/Size-of-the-adult-social-care-sector/Size-and-Structure.pdf

²⁰ Projecting Older People Population Information System (online) LD – *Baseline estimates*. Available at: www.poppi.org.uk [accessed 06.09.2018].

3. Social care under strain

3.2

Social care under strain – the costs

Compounding the increasing demand on disability services, adult social care is also experiencing an increase in the costs of care provision. We welcomed the introduction of the National Living Wage (NLW) in April 2016, and its increase in April 2017. However, ADASS calculate the NLW to have added £585m to the annual adult social care bill.

On the whole, fees paid by local authorities to providers did rise between 2016/17 and 2017/18, reflecting the increase in labour costs. However, pay to provider organisations is still insufficient: the average hourly rates paid by local authorities do not cover their costs. For example, LaingBuisson, independent health and social care analysts, find that the average fee per resident paid by local authorities to care homes falls short of the costs of provision by more than £100 per week. This leaves a funding gap of £1.3 billion that is currently being filled by self-funding residents²¹.

Voluntary sector providers most often support local authority-funded clients and are therefore less able to recoup a funding shortage via self-funded clients: they are therefore not in a position to independently

underwrite the year on year increases in cost demanded by the application of the NLW. While local authority payments fail to fall in line with the uplift in costs related to NLW increases, voluntary sector will remain particularly vulnerable to the increase in labour costs.

A second potential driver of cost increases stems from the ongoing legal process regarding the application of the national minimum wage to sleep-in shifts. The Court of Appeal's reversal of the Royal Mencap Society v Tomlinson-Blake Employment Appeal Tribunal in favour of Mencap has provided some short-term relief for overnight support providers who would have been liable for up to six years of staff back pay. However, uncertainty remains while Unison's appeal to the Supreme Court is pending²².

Should the Supreme Court rule in favour of Unison, HMRC's proposed recovery of six years of additional employer tax and the order on care providers to remunerate care workers with back-pay for up to six years of work would represent a significant threat to the sector. Without additional public funding for such back-pay, many providers say they would be threatened with closure if

²¹ LaingBuisson (2017) *Care home funding shortfall leaves self-funders filling £1.3 billion gap*. Available at: www.laingbuisson.com/laingbuisson-release/care-home-funding-shortfall-leaves-self-funders-filling-1-3-billion-gap/

²² House of Commons (2018). National Minimum Wage – sleep in care, Research briefing, September 2018. researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-82438

HMRC proceeds with this course of action, and many individual disabled people who employ personal assistants through their personal budgets will be directly affected too.

Government should confirm that the current legal position means employers will not face potential HMRC retrospective action to recover underpayment of national minimum wage for sleep in work which would put further pressure on already stretched budgets. If the Court of Appeal decision is overturned, Government must fund the retrospective and ongoing higher costs providers will face with genuinely new money given funding pressures.

The Mental Capacity (Amendment) Bill aims to provide legal safeguards required under the European Convention on Human Rights²³. VODG believes mental capacity legislation reform is vital to safeguard people who need support; the Bill will affect the human rights of over 300,000 people in England and Wales including those with dementia, learning disabilities and brain injuries. VODG agrees with the recent Joint Committee on Human Rights²⁴ report stating that the existing system is broken and needs urgent action.

However, VODG is critical of the content, motive and ethos of the Bill and the fact that the Department of Health and Social Care (DHSC) has failed to fully engage and consult with social care providers on the reforms. There is the conflict of interest created by placing liberty protection safeguard assessment responsibilities on service managers because the person responsible for maximising the use of the service will also be responsible for deciding if someone objects to being there. Providers may face allegations they are depriving someone of their liberty to fill a vacancy. VODG also has concerns about the financial and practical impact of fulfilling this new responsibility when care providers are already under enormous strain. The focus on how reforms will save local authorities an estimated £200m a year calls into question the motives for the changes²⁵ and given that many disabled people receive state funding then these costs will only be returned back to health and social care commissioning bodies.

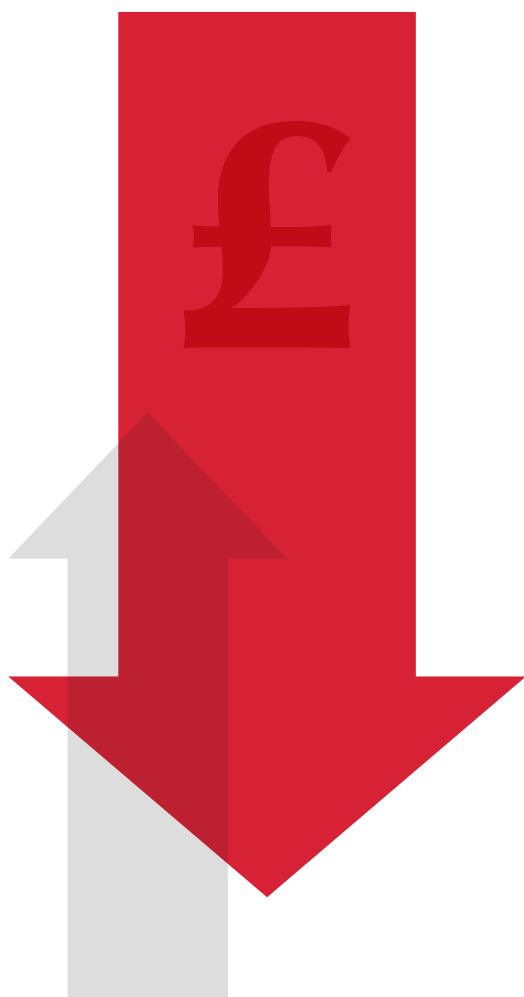
²³ 'New law introduced to protect vulnerable people in care' Department of Health and Social care: www.gov.uk/government/news/new-law-introduced-to-protect-vulnerable-people-in-care

²⁴ 'Scheme safeguarding for people who lack mental capacity is broken', Joint Committee on Human Rights: www.parliament.uk/business/committees/committees-a-z/joint-select/human-rights-committee/news-parliament-2017/right-to-freedom-and-safety-report-published-17-19/

²⁵ House of Commons (2018) *Deprivation of liberty safeguards*. researchbriefings.files.parliament.uk/documents/CBP-8095/CBP-8095.pdf

4. The impact of underfunding

The combination of squeezed funding, increasing demand and increasing costs is already having far-reaching impact on the social care market and service provision. This has a direct impact on the lives of disabled people as well as a knock-on effect on other public sector services such as the NHS. We describe the key areas of impact in this part of our report.



4.1

The impact of underfunding – market failure

The social care market is already failing as a result of increased pressures. As with previous recent years, social care providers are continuing to cease trading or hand back contracts to local authorities. At least 66% of councils experienced some kind of provider failure from the six months to March 2018, affecting both home care providers and residential care providers²⁶. Social care markets are currently set to continue to fail, which will have further harmful implications for the millions of people who use these services, as well as adding stress on the NHS as demand increases for emergency and hospital services.

²⁶ Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

4.2

The impact of underfunding – recruitment and retention

Social care providers are also struggling with low workforce recruitment and retention, with strong evidence that this is in large part related to the under-resourcing of the sector.

Worker turnover is high and increasing in this sector. Turnover trends for the sector as a whole have increased steadily by 7.6% since 2012/13, up to 30.7% in 2017/18. In 2017/18 care workers (37.6%) followed by nurses (32.4%) had the highest turnover rate²⁷.

Providers report many reasons for challenges in the retention of staff. However, a key aspect is reported to be the increasing complexity of the care needs of people who use services – social care work is becoming more skilled and specialised. Yet the sector remains relatively low paid, and this low pay is correlated to the turnover rate – as hourly pay rates increase, the turnover rate falls.

The sector is also facing challenges in recruitment. In 2016/17 there were an estimated 90,000 vacancies (6.6%) across the adult social care sector at any given time, prior to which vacancy rates had been increasing year on year from 5% in 2012/13 to 7% in 2015/16. It is also the case that the highest turnover rate is found among care workers with the least experience in the role, indicating that employers are struggling to find and recruit people that are likely to stay and progress within the adult social care sector²⁸. The high pressures and low pay of the sector are again likely to be one of the key barriers to recruitment.

The social care workforce challenges are also significant for the national economy generally, because the sector provides such a large number of jobs: there were an estimated 1.6 million jobs in adult social care roles in England in 2017, providing employment for 1.47 million people²⁹.

²⁷ Skills for Care (2018) *The state of the adult social care sector workforce in England*. www.skillsforcare.org.uk/NMDS-SC-intelligence/Workforce-intelligence/documents/State-of-the-adult-social-care-sector/The-state-of-the-adult-social-care-sector-and-workforce-2018.pdf

²⁸ Skills for Care (2017). *The state of the adult social care sector workforce in England, September 2017*. www.skillsforcare.org.uk/NMDS-SC-intelligence/Workforce-intelligence/documents/State-of-the-adult-social-care-sector/2State-of-the-adult-social-care-sector-and-workforce-2017.pdf

²⁹ Skills for Care (2018) *The size and structure of the adult social care sector and workforce in England, 2018*. www.skillsforcare.org.uk/NMDS-SC-intelligence/Workforce-intelligence/documents/Size-of-the-adult-social-care-sector/Size-and-Structure.pdf

4. The impact of underfunding

4.3

The impact of underfunding – less care and less good quality care

The squeezed funding and provider failure is already impacting on the lives of disabled and older people. For example, an estimated 8,000 people will have been directly impacted by providers ceasing trading or handing back contracts in the six months to March 2018. This builds on the estimated 11,000 people who were affected in the same period the previous year³⁰.

The market failure is also impacting on the quality of care. Where providers are able to stay in the market, CQC data indicates that quality is being compromised. From 2014 to 2017, 19% of adult social care providers inspected by CQC were rated as “requiring improvement” and 3% as “inadequate”, with CQC noting the funding shortage as a concern for both quality and quantity of adult social care provision³¹.

In some cases, local authorities and providers are struggling to meet statutory requirements set out by the Care Act 2014. For example, despite the advocacy duty enshrined in the Care Act 2014, only 2% of people assessed and eligible for care had been assigned an independent advocate in 2015 (yet the government estimated 7% would qualify for advocacy support)³². Similarly, pressure on resources is restricting the choice and personalisation that is required by the Care Act 2014. True personalisation and choice requires a healthy supply of innovative, high quality providers.

This is also impacting on the quantity of care that local authorities are able to provide. Only 34% of directors of social services are fully confident that they are able to meet their statutory duties to older and disabled people in 2018/19, with no directors fully confident of being able to meet all statutory duties by 2020/21 onwards.

³⁰ Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

³¹ Care Quality Commission (2017) *The state of adult social care services 2014 to 2017*. www.cqc.org.uk/sites/default/files/20170703_ASC_end_of_programme_FINAL2.pdf

³² Local Government Association (2015) *Care Act stocktake*. www.local.gov.uk/sites/default/files/documents/stocktake-6-report-pdf-43-675.pdf

This means that people who are eligible for state-funded support are receiving reduced levels of support, with councils planning to make 20% of their adult social care savings through service reduction in 2017/18. In 2018/19 this rationing is set to continue, albeit with a smaller expected reduction in services of 12%³³. These cuts create a significant risk to disabled people's independence and well-being.

Figures from previous years have shown that not only are individuals eligible for increasingly lower levels of support, but that few older people and disabled people are eligible to access publicly-funded support. In 2016, 90% of councils were only able to respond to people with "critical or substantial" needs, compared to 47% who set this threshold in 2005. This means, despite the growth in size of the older and disabled population, 400,000 fewer people were getting publicly funded help³⁴.



2014 - 2017: Adult social care services -
19% Requiring improvement
3% Inadequate

³³ Association of Directors of Adult Services (2018) *ADASS Budget Survey 2018*. www.adass.org.uk/media/6434/adass-budget-survey-report-2018.pdf

³⁴ Association of Directors of Adult Services (ADASS 2016) *ADASS budget survey 2016*. www.adass.org.uk/budget-survey-2016/

4. The impact of underfunding

4.4

The impact of underfunding – struggling local government

The underfunding of social care, and of underfunding to local government more widely, is borne out most strongly in the financial collapse of Northamptonshire council and near collapse of East Sussex council, and their subsequent decision to provide only statutory duty services³⁵. A National Audit Office report finds that up to 15 other local authorities are also at risk of insolvency³⁶.

At present it is uncertain what steps are being taken by national government to ensure local authorities remain compliant with the Care Act 2014 in these circumstances and there are concerns that vulnerable disabled people are experiencing significant reductions in their quality of their lives. VODG welcomes the CQC local area reviews of the health and

social care system for older people. In light of the potential non-compliance with the Care Act in local areas, we recommend that the Treasury funds performance reviews of local health and social care commissioners across all care groups and all local areas. This could be through an extension of the CQC local reviews or, ideally, as an independent performance assessment of local health and social care commissioners as a whole.

It is also unclear what emergency planning is in place to ensure service continuity in the event of a local authority becoming insolvent, we appreciate that there are already strategies in place for provider failure but this would be failure by a commissioner with statutory duties.

³⁵ The Guardian (2018). East Sussex set to cut services to bare legal minimum, article, 3 August 2018. www.theguardian.com/society/2018/aug/03/local-council-funding-crisis-east-sussex-cuts-services

³⁶ National Audit Office (2018). Financial stability of local authorities 2018. www.nao.org.uk/wp-content/uploads/2018/03/Financial-sustainability-of-local-authorities-2018.pdf

4.5

The impact of underfunding – an under pressure NHS

Senior NHS leaders agree that cuts to social care funding are also putting increasing pressures on the NHS. For example, in June 2018 there were 134,300 hospital days lost due to delayed discharges. However, it should be noted that this represents a decrease from 177,900 days delayed in June 2017. The proportion of delays due to social care also decreased over the year, from 38% down to 30%³⁷.

It is hoped that this reduction is part of a sustained pattern but much will depend on the allocation of additional funding for the NHS announced as part of the 70th anniversary of the service. Unless these new monies are at least in part targeted at delayed discharge we believe that the perilous financial position of some local authorities is likely to reverse this trend.



³⁷ NHS England (2018) *Monthly DTOC data, England, June 2018*. www.england.nhs.uk/statistics/wp-content/uploads/sites/2/2018/08/June-18-DTOC-SPN.pdf

5. The housing challenge for disabled people

Set against the backdrop of the decreasing access to quality advice, support and advocacy described above, disabled people are experiencing another challenge to their right to independent living: there is also a dearth of accessible housing.

The recent inquiry by the Equality and Human Rights Commission has highlighted that there is a severe shortage of accessible housing across all tenures. Disabled people represent 21% of the population of England and the number of disabled people is increasing, yet only 7% of homes in England offer minimal accessibility features³⁸.

Moreover, where adaptations are required in order to make existing homes accessible, disabled people are left waiting for long periods of time, with an average waiting time of 22 weeks between application to the local authority and installation. The challenge to adaptations for private sector renters is even greater, with disabled people, occupational therapists and local authorities all reporting that private sector landlords are reluctant to allow adaptations³⁹.

There are 365,000 disabled people living in homes not suitable for their needs⁴⁰, with 68% of disabled adults with a mobility impairment reporting not having a bathroom large enough to fit a wheelchair⁴¹. The implications of this crisis are huge, with unmet accessible housing needs having a negative impact on the outcomes and quality of life of disabled people.

For example, research has shown that four in ten disabled adults with mobility impairments who have had difficulty in finding an accessible home experienced a negative impact on their physical and mental health as a result⁴². The impacts are even greater for the disabled people who continue to have unmet need for accessible housing, with evidence highlighting impacts such as increased mobility problems, the indignity of not being able to live independently, and feelings of social isolation and anxiety. Disabled people with unmet need for accessible housing are also four times less likely to be in work than disabled people whose needs are met or disabled people who do not need accessible housing⁴³.

³⁸ Equality and Human Rights Commission (2017). *Housing and disabled people: Britain's hidden crisis*. www.equalityhumanrights.com/en/publication-download/housing-and-disabled-people-britains-hidden-crisis

³⁹ Equality and Human Rights Commission (2017). *Housing and disabled people: Britain's hidden crisis*. www.equalityhumanrights.com/en/publication-download/housing-and-disabled-people-britains-hidden-crisis

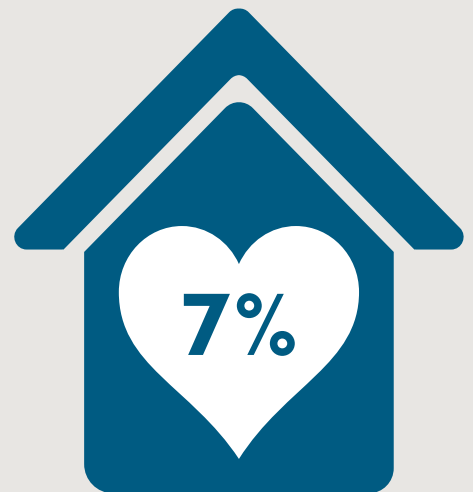
⁴⁰ Equality and Human Rights Commission (2017). *Housing and disabled people: Britain's hidden crisis*. www.equalityhumanrights.com/en/publication-download/housing-and-disabled-people-britains-hidden-crisis

⁴¹ Leonard Cheshire (2018). *Hidden housing crisis is 'severely limiting' disabled people's independence*, article. www.leonardcheshire.org/about-us/latest-news/press-releases/hidden-housing-crisis-severely-limiting-disabled-peoples [accessed 12/09/2018]

⁴² Leonard Cheshire (2018). *Hidden housing crisis is 'severely limiting' disabled people's independence*, article. www.leonardcheshire.org/about-us/latest-news/press-releases/hidden-housing-crisis-severely-limiting-disabled-peoples [accessed 12/09/2018]

⁴³ Equality and Human Rights Commission (2017). *Housing and disabled people: Britain's hidden crisis*. www.equalityhumanrights.com/en/publication-download/housing-and-disabled-people-britains-hidden-crisis

Alongside the lack of funding in social care, the issue of inadequate accessible housing must also be addressed if disabled people are to realise their right to independent living, as enshrined in the UN Convention on the Rights of Persons with Disabilities.



Only 7% homes in England offer **minimal accessibility features**

6. Conclusion – the opportunity to shore up social care



The government must not overlook the urgent need for sustainable and sufficient funding for social care.

This report describes how a sufficient funding is required for social care now and how any future funding decisions consider social care for working age adults alongside that of older people as part of the same system.

Delays with government's green paper setting our reform mean that any changes are not likely to be in place before 2012⁴⁴. The need to secure funding for social care services supporting both older people and those of 'working age' needs to be brought forward urgently⁴⁵.

⁴⁴ The Guardian (2018). *Northamptonshire forced to pay the price of a reckless half-decade*, article, 1 August 2018. www.theguardian.com/society/2018/aug/01/northamptonshire-council-forced-pay-price-reckless-half-decade

⁴⁵ House of Commons (2018). *Social care: forthcoming Green Paper on older people and parallel programme (England)*, Research briefing, August 2018, London: House of Commons library. researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-8002#fullreport

6.1

Key messages

- ▶ There are 11.5 million disabled people living in England. Voluntary and not-for-profit organisations provide one fifth of the services supporting disabled people. Provision of these support services is a statutory obligation.
- ▶ The additional funding made available for adult social care through the Improved Better Care Fund and the Adult Social Care Precept is welcome, but insufficient to meet demand, costs and to secure a reliable workforce.
- ▶ The number of disabled people in England is expected to grow from 11.5 million in 2017 to 12.2 million by 2025. Within this group will be increasing numbers of people requiring support with mental health, physical disability, a learning disability or autism.
- ▶ The unit cost of care provision is also increasing due to National Living Wage increases, yet the average hourly rate paid by local authorities to providers does not cover these costs. This disproportionately affects voluntary sector providers, who are less able to rely on self-funders to make up the shortfall.
- ▶ Uncertainty regarding the application of the national minimum wage to sleep-in shift workers is ongoing, as Unison appeals to the Supreme Court. A requirement to provide back-pay and retrospective employers taxes for up to six years would be disastrous for many social care providers.
- ▶ The increasing pressures on adult social care, combined with squeezed funding, are having far-reaching impact on the social care market. Providers are handing back contracts and ceasing trading. Workforce retention and recruitment are low and have been decreasing in recent years. This is linked to the complex nature of the work and the typically low rate of pay.
- ▶ The market failure and funding shortfall is in turn impacting directly on the lives of disabled care, who are experiencing restrictions on the choice, quality and personalisation of care that is required by the Care Act 2014. Disabled people are receiving less care, and sometimes less good care.
- ▶ This restriction on the right to independence and choice is exacerbated by a crisis in accessible housing.
- ▶ There is a knock-on impact on other services. Local governments are unable to meet statutory obligations within adult social care budgets. The NHS is struggling to cope, with a significant proportion of delayed transfers of care due to adult social care.

6. Conclusion – the opportunity to shore up social care

6.2

A government opportunity for action

It is not too late for government to improve the fragile state of the adult social care sector and to safeguard existing and future support of people who rely on care services.



The government must:



- identify a long term and sustainable funding solution for adult social care to cover working age disabled adults and older people, and ensure the process of development takes fully into account the cumulative impact on cost of the National Living Wage and the workforce challenges likely to result from Brexit
- continue to pay for the care of individuals with insufficient funds or assets to pay for their support; for those who do have the means to pay, the cost of care should be divided between the state and the individual
- ensure that where local councils are in serious financial difficulties, such as Northamptonshire, appropriate central government inspection is applied to ensure that statutory duties in relation to social care are actually being fully met in line with the responsibilities and duties set out in the Care Act 2014
- fund performance reviews of local health and social care commissioners across all care groups and all local areas
- support the position of regulator CQC in the promotion of the highest possible standards of care and support and in particular the continued drive towards greater personalisation of services
- confirm that the current legal position in relation to overnight support means that employers will not face potential HMRC retrospective action to recover underpayment of national minimum wage – if the Court of Appeal decision is overturned, Government must fund any additional costs provider face with genuinely new money.
- work with relevant bodies to develop a plan for a sustainable social care workforce and in particular how the sector can respond to the challenge of leaving the EU, the continued impact of low wages and the continued requirement to increase the quality of service provided. VODG is committed to co-operating with a strategy of this kind.
- build more accessible and adaptable homes and improve the installation of home adaptations. VODG recommends the Government adopt the recommendations of the Equality and Human Rights Commission⁴⁶.


VODG is poised to work with government to strengthen the social care sector and collaborate on long-term funding strategies to ensure its future is sustainable.

⁴⁶ Equality and Human Rights Commission (2017). *Housing and disabled people: Britain's hidden crisis*. www.equalityhumanrights.com/en/publication-download/housing-and-disabled-people-britains-hidden-crisis



Published 2018

 info@vodg.org.uk
 [@VODGmembership](https://twitter.com/VODGmembership)
 www.vodg.org.uk

 New Bridge Street House
30-34 New Bridge Street
London EC4V 6BJ

