

£1bn further cuts to social care will hit tens of thousands, say experts

 [theguardian.com/society/2015/jun/04/1bn-further-cuts-to-social-care-will-hit-tens-of-thousands-say-experts](https://www.theguardian.com/society/2015/jun/04/1bn-further-cuts-to-social-care-will-hit-tens-of-thousands-say-experts)

Patrick Butler

More than £1bn will be cut from social care services for older and disabled people in England over the next year, leaving tens of thousands facing reduced help with basic tasks such as washing, dressing and eating, council care bosses have said.

Despite rising demand driven by an ageing population, fewer people will qualify for state-funded care while those who continue to receive a service may have to accept lower levels of support and a worse quality of life, they said in a report.

The quality and reliability of local services would also suffer as a consequence of turmoil in the private care sector caused partly by an ongoing council freeze on fees, undermining attempts to maintain a “caring, compassionate and trained workforce”.

Ray James, president of the [Association of Directors of Adult Social Services](#) (Adass), which produced the report, called on ministers to reverse five years of cuts and invest “sustained and substantial” extra funds to care for and protect older people.

“Short-changing social care is short-sighted and short-term. It must also be short-lived if we are going to avoid further damage to the lives of older and vulnerable people who often will have no one else but social care to turn to. It is vitally important these care and support services are protected,” he said.

He also warned that the cuts to social care would increase pressure on the NHS, a view [shared by health service leaders](#), who earlier this week said ministers had to guarantee spending on social care as well as hospitals if the NHS was to survive five more years of austerity.

A government spokesman downplayed the report, which he said ignored ministerial commitments to invest extra resources into social care through the [Better Care fund](#), which focuses on innovative ways of helping people live independently. “Increasing budgets isn’t the only solution. By working innovatively and joining up health and social care we can improve care – and also save money.”

But James accused the government of spin and double-counting, and called for a “transparent debate” on the pressures facing adult social care departments.

More than half of directors surveyed by Adass were worried that some local care provider markets, which have been racked by [scandals over low pay](#), and high staff turnover, could collapse under the financial strain of the cuts.

To date councils have cut £4.6bn from adult social care budgets since 2009-10, equivalent to almost a third of net real terms spend, says Adass. They are now running out of “efficiencies” and are set to make £500m of service reductions over the next 12 months at a time when they face £600m in extra service demand and price inflation – equivalent to an overall cut in funding of £1.1bn.

Around 400,000 fewer people received social care support over the past five years, a trend that social care directors say they expect to continue. Councils are forecasting a £4.3bn black hole in social care funding in England by 2020.

Responding to the Adass report, Clare Pelham, chief executive of the Leonard Cheshire [Disability](#) charity, said: “The only choices that the councils at the frontline have to offer are less care or care for fewer people. Sometimes both.

“Let’s not hide from the reality of what this means. This means disabled ex-soldiers coping all day with one ‘flying’ homecare visit and a thermos. This means people who need help to go to the bathroom, falling and going to hospital sometimes several times a week. And now it might get worse.”

Richard Humphries, director of policy at the King’s Fund thinktank, said: “There is no hiding the fact that, despite the best efforts of local authorities, a sixth consecutive year of budget cuts will mean further reductions in services and fewer people receiving support.

“It defies demography that councils will spend £1bn less this year on essential services that more of us will need.

“Social care is now at a crossroads. It is at risk of becoming a residual service, available only to those with the lowest incomes and highest needs, leaving thousands of people and their families struggling to meet the costs of care.”

Izzie Seccombe, chair of the Local Government Association’s community wellbeing board, said: “The necessity for further budget savings worth £1.1bn combined with other pressures of insufficient funding, growing demand and escalating costs mean that despite councils’ best efforts they are having to make tough decisions about the care services they can provide. This cannot continue.”

The Adass survey was completed during March and April 2015. Of 151 councils surveyed, 147 responded.

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Healthcare Network

NHS cannot take more cuts to social care, say healthcare leaders

Poll of senior NHS professionals finds 99% believe cuts to social care funding are putting pressure on the health service



Some 86% of leaders support the idea of 'a binding agreement on absolute NHS and social care spending over the course of the next five years'. Photograph: Burger/Phanie/Rex Features

David Brindle

Tuesday 2 June 2015 11.59 BST

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[Health](#) service chiefs are to tell the government it must guarantee spending on social care as well as on hospitals if the NHS is to ride out five more years of austerity.

In a poll of more than 300 top managers and directors of [NHS](#) care bodies, 99% have warned that cuts to social care funding are loading extra pressure on the health service and 92% say such cuts are hitting their own organisations.

Asked if they would support a binding agreement on social care spending as well as on health, 86% said yes – more than those supporting a binding agreement on NHS spending alone.

The unprecedented findings will be published later this week as NHS leaders gather for the health sector's main annual conference. The health secretary, Jeremy Hunt, is due to address the NHS Confederation event on Thursday.

Directors of adult social care services in English councils will on Thursday release details of their annual spending survey, which is expected to show further deep cuts being made this year in care and support for elderly and disabled people.

[Last year's survey](#) found that social care budgets had been cut by 12% in cash terms under the coalition government, while demand for services had grown by 14%, largely because of the ageing population. Councils are forecasting a £4.3bn black hole in social care funding in England by 2020.

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Without care and support to keep them living in their own homes, people with care needs are turning up in hospitals where two-thirds of beds are already occupied by elderly patients.

The poll of health leaders was carried out by Populus for the confederation, which represents bodies both commissioning and providing services. Of 313

respondents, 99% agreed and no one disagreed with the proposition that social care cuts were increasing pressure on the NHS as a whole, while 92% agreed and only 2% disagreed that they were increasing pressure on their own organisation.

In a previous poll for the confederation in 2012, 66% of respondents said social care cuts had affected their organisation over the previous 12 months – suggesting a sharp deterioration in the picture since then.

This time, 79% of all those reporting an impact said patients were forced to stay longer in hospital because of lack of social care support on discharge. Other reported effects included higher demand for community health services (69%), mental health services (61%) and GP services (57%); growing numbers attending hospital (67%), being admitted (66%) and attending A&E (61%); and more emergency readmissions to hospital (59%).

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The poll found 86% of respondents support, and just 6% oppose, the idea of “a binding agreement on absolute NHS and social care spending over the course of the next five years”. On such an agreement on NHS spending alone, support was 81%.

The new government has promised to increase real-terms NHS spending in England by a minimum [£8bn a year by 2020](#). But social care funding, which is channelled through local councils, is exposed to a further [15.7% cut](#) in the budgets of unprotected Whitehall departments as indicated by analysis of government plans by the Institute for Fiscal Studies.

Dr Johnny Marshall, director of policy at the NHS Confederation, said “central government needs to provide a strong commitment to solve and stabilise social care funding for the future”.

A Department of Health spokesperson said: “We have given an extra £1.1bn to councils to help protect social care services this year and have committed £10bn extra by 2020, which is going into health and social care systems that are being merged for the first time.”

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Institute for Fiscal Studies

IFS challenges George Osborne over £12bn welfare spending cut plan

Thinktank says chancellor must specify how he will reach targets announced in the budget, given that the poor had been hardest hit by benefit changes



George Osborne's claim in the budget that 'we are all in it together' has come under scrutiny from the IFS.
Photograph: Chris Yates/Demotix/Corbis

Larry Elliott and Patrick Wintour

Friday 20 March 2015 07.52 GMT

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George Osborne is under pressure from the [Institute for Fiscal Studies](#) to specify how he planned to cut welfare spending by £12bn in the next parliament, and warned the poor had lost most from the coalition's benefit changes of the past five years.

Britain's leading experts on tax and spending also said the pickup in living standards hailed by the chancellor in his budget was the slowest in modern history and "no cause for celebration" – although the IFS did suggest living standards on current projections would be higher in 2015 than 2010, a finding that was hailed by Osborne.

The IFS director, Paul Johnson, said Osborne's defence against claims that cuts in Whitehall departmental spending will be even bigger after the election than in the current parliament was that he would raise £12bn from welfare savings and £5bn from a fresh crackdown on tax avoidance.

"But it is now almost two years since he announced his intention of cutting welfare spending by £12bn. Since then the main announcement has been the plan not to cut anything from the main pensioner benefits," Johnson said.

"We have been told about no more than £2bn of the planned cuts to working-age benefits. And, remember, apparently the 'plan' is to have those £12bn of cuts in place by 2017-18. It is time we knew more about what they might actually involve."

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Earlier in the day, a senior Conservative minister said the party would not spell out all its welfare cuts until after the general election. David Gauke, the Treasury secretary, was pressed repeatedly on the BBC's Daily Politics to explain if the Tories would detail their planned welfare cuts beyond the £3bn previously specified.

He replied: "We will set it out nearer the time which will be after the election." He said such cuts were normally agreed as part of a wider

spending review.

The current coalition plans would involve a cut of £30bn in public spending in the first three years of the next parliament. Analysis by the IFS showed that this would mean a cumulative cut of 7.2% in departmental spending by 2017-18. But on the assumption that the NHS, overseas aid and schools would continue to be ringfenced, the cuts for unprotected departments, including the Home Office and the Ministry of Defence, would be 15.7%.

Johnson continued: “The chancellor argues that because he is committed to £12bn of welfare cuts and £5bn of anti-tax-avoidance measures the required cuts to public service spending are much more modest. But if he really wants us to believe that, then he needs to be more explicit about how he actually thinks he can cut welfare spending and raise substantial additional sums from clamping down on tax avoidance.”

Osborne will need unprecedented cuts in  welfare to meet targets, said the IFS.

Osborne will need unprecedented cuts in welfare to meet targets, says IFS

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After the three-year squeeze up until 2017-18, the plans published in [the budget](#) show a sharp increase in spending in the final year of the next parliament. This is a significant deviation from the blueprint in the autumn statement just three months ago, which saw the size of the state as a percentage of the economy in 2020 at its [lowest level since the 1930s](#).

Johnson said “the apparent change in economic philosophy in the three months since the autumn statement is pretty remarkable”.

The IFS also challenged Osborne’s claim in the budget that “we are all in it together”, in its assessment of winners and losers from the benefit changes introduced by the coalition. Johnson said that while those on middle- and upper-middle income benefits had been left “remarkably insulated” on average, benefit cuts had hit those at the bottom of the income distribution, while tax increases had hit hardest those at the top.

Looking at the entire period of tax increases and spending cuts since deficit reduction began under the last Labour government in early 2010, the richest had been the biggest

losers. “Looking only at changes implemented by the coalition the poorest have seen the biggest proportionate losses,” Johnson said.

The IFS also adjudicated in the row between the Conservatives and Labour over whether living standards are higher or lower than they were in 2010. Johnson said Osborne and Ed Miliband were looking at different things, with the chancellor able to say that on his measure of household incomes, living standards should be higher by the end of this year than when the coalition came to power. The Labour leader was looking at earnings, he said.

He added average household incomes had just about regained their pre-recession levels. “They are finally rising and probably will be higher in 2015 than they were in 2010, and possibly higher than their 2009 peak. But that still represents by far the slowest recovery in incomes in modern history. Having household incomes crawl back up above pre-recession levels six or seven years after the recession hit is no cause for celebration.”

Shadow chancellor Ed Balls said: “This proves government’s changes have hit the poorest hardest of all. If the Tories want to spend the election campaign telling people they’ve never had it so good, they’re even more out of touch than I thought.”

Conservative sources insisted “the steady-as-she-goes budget” had struck the right note, and predicted Labour would now chase a fantasy that the cuts meant the NHS was under threat.

“It is pure core vote stuff, and will not work because no one believes David Cameron wants to wreck the NHS,” one government source said.

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Minimum wage

HMRC investigates 100 social care firms over 'failure to pay minimum wage'

Government promises to 'name, shame and fine employers' in crackdown in sector where there is high risk of workers not receiving legal minimum



Norman Lamb, the care minister, said there was 'absolutely no excuse' for employers who fail to pay the minimum wage. Photograph: Steve Parsons/PA

James Meikle

Tuesday 24 February 2015 20.03 GMT

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About 100 social care companies in England are being investigated for their alleged failure to pay their workers the national minimum wage while [HM Revenue and Customs \(HMRC\)](#) is conducting its own proactive inquiry into practices at six of the largest employers in the sector, the government has announced.

Ministers say the investigations that have followed complaints to a [special helpline](#) represent “just the tip of the iceberg in the care sector” and have promised to “name, shame and fine employers” until every care provider gets the message.

The scale of the crackdown was revealed as two more care companies were named as part of the campaign to bring employers into line on minimum pay rates. Another, named last month, was the first in the sector to be outed for failures in this area.

Norman Lamb, the care minister, said: “We want a fairer society where everyone gets the care they deserve – to do this we need a skilled, valued and [fairly paid workforce](#). There is absolutely no excuse for employers that fail to pay the minimum wage.

“We know the 100 care companies being investigated are just the tip of the iceberg in the care sector and are absolutely committed to getting back the wages people have worked so hard for.”

HMRC investigates complaints made to the pay and work rights helpline and also conducts its own checks in areas where there is considered a higher risk of workers [not being paid the legal minimum wage](#).

Those breaking the law face having to have to pay back the arrears owed to workers, a financial penalty and being publicly named.

Last month, Ultimate Care UK Ltd, Ipswich, was named by the government for neglecting to pay £613.79 to seven workers.

These were followed on Tuesday by East Midlands Crossroads, Nottingham, for neglecting to pay £37,592.56 to 184 workers and Swan House Residential Home in

Shropshire which was said to have underpaid £4,395.78 to 27 workers.

The Guardian called Swan House on Tuesday evening and was told no-one would be available until Wednesday. No one was available at East Midlands Crossroads.

[HMRC](#) declined to name the six care employers it was now checking, saying it was bound by taxpayer confidentiality.

Jo Swinson, the business minister, said paying less than the minimum wage was illegal, immoral and completely unacceptable.

[Minimum hourly rates](#) are £6.50 for those over 21, £5.13 for 18- to 20-year-olds and £3.79 for 16- and 17-year-olds. Apprentices should get a minimum of £2.73.

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