

Care costs in rural areas

Funding for adults' and children's care is in crisis. The present system is unsustainable in both urban and rural areas, even in the short term.

The Public Accounts Committee has predicted that the social care system 'could soon be on its knees' but, in reality, that point has already passed and the situation is deteriorating.

Council tax is an unfair way of funding demand-responsive services because it produces a postcode lottery of supply. Local taxation can no longer meet the rising care costs of a growing elderly population



Councillor Cecilia Motley
(Con, Shropshire)
is Chair of the Rural
Services Network

– it's time for central government to accept responsibility.

Our research has revealed the funding crisis is demonstrably more acute in rural areas. Why? For starters, significantly more residents aged 65-plus live in rural districts, business rates income is lower, and council tax levels are much higher than in urban areas. The Office for National Statistics predicts that by 2039, one in three rural residents will be aged 65-plus and, of those, 11 per cent (currently 6 per cent) will be aged 80 or more.

Ageing populations are more likely to need complex, more intense and wider-ranging social care support, which is more expensive to provide. Furthermore, adult and children's social care costs are substantially higher in sparse rural areas where demand is higher per capita and markets weaker.

Rural local authorities have historically been chronically underfunded, despite higher service delivery costs. Government's core spending power figures for 2018/19 again demonstrate that rural residents will face a greater council tax burden than urban. Rural residents pay higher council tax but receive fewer services, costing more to access.

Recent research demonstrates that rural residents pay some £3,000 more per year for essentials than their urban counterparts, despite earning less. In 2019/20 Improved Better Care Funding will benefit urban residents by some £37.74 per head – £8.20 more than rural residents at £29.54. Thus, the inequity continues.

Government can no longer ignore this huge funding discrepancy. Action is needed now.



The Rural Services Network is a non-governmental organisation representing the interests of rural service providers and the communities they serve. For more information, please visit www.rsonline.org.uk/

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