

# Agenda Rural Social Care & Health Sub-Group

Incorporating SPARSE Rural Members, Rural Assembly and Rural Services Partnership Members. All nominated members & officers of RSN can attend these meetings.

> Hosted: Online via Zoom Date: Monday, 15<sup>th</sup> November 2021 Time: 11:00am – 12:30pm

- 1. Attendance & Apologies.
- 2. Notes from the previous Rural Social Care & Health Sub-Group meeting that took place on 12<sup>th</sup> April 2021. (Attachment 1)
- "Towards the Social Care White Paper 2021: Social Care in a Rural Context" Draft Report for APPG for Rural Services. (Attachment 2) Draft Report from Graham Biggs MBE, Chief Executive, Rural Services Network for comments from members.
- Guest Speakers and Short Q&A.
  Lauren Giddins, Village Agent Locality Manager, The Community Council for Somerset & Rhys Davies, Enterprise and Network Development, Somerset County Council
   Increasing Somerset's capacity to care – building and connecting microproviders and communities
- 5. Any Other Business.

The next meeting of this group is scheduled for Wednesday, 6<sup>th</sup> April 2022.

Providing a voice for rural communities and service providers



# **Rural Social Care & Health Sub Group meeting**

**Date:** 12<sup>th</sup> April 2021 **Subject:** Rural Social Care & Health **Chair:** <u>Graham Biggs MBE</u>,<sup>1</sup> Chief Executive, Rural Services Network **Host:** Online Event via Zoom

# Learning Outcomes 3 Examples of Good Practice

- National Centre for Rural Health and Care<sup>2</sup>
- Rural Proofing for Health Toolkit <sup>3</sup>
- Better Ageing Through Digital Inclusion <sup>4</sup>

# **5 Key Learning Points**

- Rural residents pay more and receive less due to an unfair distribution of government funds. <u>The Revitalising Rural Campaign</u> <sup>5</sup> sets to right this lack of parity by asking government for a fairer distribution of national resources to rural areas and for more nuanced national policies that reflect rural circumstances.
- Key health and care issues in rural areas are:
  - Services are becoming more centralised and difficult to access
  - Increasing older population in rural areas
  - Difficultly in recruiting and retaining health workers
  - Increasing reliance on telecare services
- The Revitalising Rural Campaign has a set of specific policy asks related to the Rural Health and Care issues detailed above, <u>click here to view</u>.<sup>6</sup>
- The importance or working together to raise the temperature on rural health and care issues by ensuring rural representation on NHS Boards is key.
- More prominence needs to be given to Public Health and Mental Health Support in rural areas where isolation and loneliness impacts on all age groups.

#### Providing a voice for rural communities and service providers

#### **Rural Services Network**

<sup>&</sup>lt;sup>1</sup> <u>https://www.rsnonline.org.uk/page/our-team/graham-biggs/</u>

<sup>&</sup>lt;sup>2</sup> <u>https://www.ncrhc.org/</u>

<sup>&</sup>lt;sup>3</sup> <u>https://ruralengland.org/rural-proofing-for-health-toolkit/</u>

<sup>&</sup>lt;sup>4</sup> <u>https://tedineastlindsey.co.uk/wp-content/uploads/2021/02/Digital-Inclusion-v32021.pdf</u>

<sup>&</sup>lt;sup>5</sup> https://www.rsnonline.org.uk/revitalising-rural

<sup>&</sup>lt;sup>6</sup> <u>https://rsnonline.org.uk/images/revitalising-rural/access-to-health-and-care.pdf</u>



# Any Other Key Outcomes from the Seminar

• No one area of health and care is more important than another. The provision of good health and care provision in rural areas is dependent on many factors including availability of affordable homes, employment opportunities, education, transport and digital connectivity. To tackle rural health and care issues we must embrace partnerships and look at the whole.

Providing a voice for rural communities and service providers

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# Rural Services APPG

# A REPORT TO THE RURAL SERVICES ALL PARTY PARLIAMENTARY GROUP ON TOWARDS THE SOCIAL CARE WHITE PAPER 2021: SOCIAL CARE IN A RURAL CONTEXT

Published: November 2021 by the Rural Services Network Secretariat to the Rural Services APPG

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# 1.0 BACKGROUND

- **1.1** In March 2018 the then Secretary of State responsible for Health and Social Care Secretary, set out <u>seven principles</u>, which would "guide the Government's thinking ahead of the social care green paper". These were:
  - quality and safety embedded in service provision
  - whole-person, integrated care with the NHS and social care systems operating as one
  - the highest possible control given to those receiving support
  - a valued workforce
  - better practical support for families and carers
  - a sustainable funding model for social care supported by a diverse, vibrant and stable market
  - greater security for all for those born or developing a care need early in life and for those entering old age who do not know what their future care needs may be.
- **1.2** In response to the above the APPG on Rural Services undertook an Inquiry into the future funding of Adult Social Care in the rural context. The Inquiry was limited to England. The <u>APPG on Rural Service Inquiry's Interim Report was published in 2018</u> and was discussed directly with the then Care Minister.
- **1.3** In early September 2021, the Government started to unveil its proposals for reform, setting set out its intentions to introduce an £86,000 life-time cap on care costs and an extended means-test from October 2023, funded through a new national health and social care levy. It also set out an objective to 'tackle persistent unfairness in the social care system' by enabling self-funders to ask their local authority to arrange their care at the lower rates currently paid by councils. It was confirmed this is to be followed by a White Paper setting out full detail of the proposed reforms later this autumn.
- 1.4 On 16th September 2021 the County Council' Network (CCN) and the Rural Services Network (RSN) published a Joint Report entitled <u>"The State of Care</u> in County and Rural Areas". This included initial reflections on the Government's proposals referred to in paragraph 1.3 above and identified specific issues for county and rural areas which need to be addressed in the proposals to be detailed in the proposed White Paper referred to. The overall conclusion of this report was "By themselves the reforms and funding announced to date will not be sufficient to fortify the system to address the challenges, especially in the short term. Moreover, while many elements of the reforms in relation to the cap on care and more rights to self-funders are well intended, they present a number of fundamental challenges which could destabilise local care markets unless they are fully understood, risk assessed and funded.

Unless the headline challenges identified below are recognised and acted upon, adult social care could be in worse position in the short term while facing a number of sustainability risks as a result of reforms".

## 1.5 The report referred to in paragraph 1.4 above identifies the following unique issues for county and rural areas when delivering Social Care

- **RESOURCE**: Government funded support for adult social care service costs is significantly lower in county and rural areas.
- WORKFORCE: Recruiting adult social care staff to work in rural areas can be more difficult than in urban centres.
- **DEMOGRAPHICS**: The higher average age alongside ageing population projections within county & rural areas places a high burden on these local authorities.
- 'SELF-FUNDERS': The balance of adults self-funding their care is higher in rural areas and likely to be more sensitive to reforms made to the funding system.
- CARE HOMES: The proportion of residential care homes situated in rural locations is higher than in metropolitan areas, often encouraging service user inflow to counties.
- **SPARSITY:** Geographical challenges in providing adult social care in large and remote rural areas, particularly the time and costs involved in delivering personal care over large distances.

#### The report also presents the following data summary:

# Service Demand

- County and rural unitary councils received 49% of all service requests in 2019/20, up by 5.6% since 2017/18. Nationally, those aged 65 and over accounted for 71% of all service requests **but in county and rural areas the share of requests received from this age group is disproportionately higher (75%) compared to other parts of the country.**
- The proportion of requests attributable to older adults has remained static over the past three years, with growth in requests across the two age bands remaining broadly similarly in county and rural areas. This is in contrast to urban authorities, with Metropolitan boroughs in particular seeing the number of requests from those 65 and over decline.
- County and rural areas have the highest percentage of service requests 58%, where no formal service is provided. Some 545,000 requests to county and rural unitary councils during 2019/20 resulted in advice or signposting, or no service being provided. Just 8% of all requests (77,000) resulted in long-term care support.

• The percentage of service requests where no formal service is provided has remained static since 2017/18, demonstrating that while Government have provided temporary one-off resources for adult social care, this has only served to offset rising costs of providing services, rather than expand provision to more individuals.

#### **Care Provision**

- About 80% of total gross social care expenditure (£15.4bn) by local authorities in England is spent on direct forms of care, consisting of residential, nursing, and community or home care.
- Some 47% of spending in county and rural areas is on working age adults in receipt of care. This is despite three quarters of demand for care services in county and rural areas coming from those aged 65+.
- County and rural spend is proportionally higher on those receiving support with a learning disability. **Some 72% (£2.6bn) of provision for working age** adults is for this type of care recipient, higher than in London boroughs (66%), Metropolitan boroughs (69%) and other English unitaries (67%).
- Reflecting the fact that county and rural unitary authorities contain the largest proportion of residential and nursing homes, the spend on these forms of care setting is disproportionately higher than in other councils at 52.5%.
- The data shows that there has been a long-term trend of shrinkage of the residential care home market even before Covid, with county and rural areas witnessing the closure of 272 residential and nursing care homes over the past three years.
- Public and private fee polarisation has become more deeply embedded as a structural feature of the care home market, with private fees more than 40% higher than publicly paid fees for the same level of amenity, and in all probability the same level of care. Previous analysis for CCN has shown that this had led to a care home fee gap of £761m for counties alone in 2020/21.

### **Cost & Spending**

- County and rural unitary councils spend 4.1 times more on external providers than their in-house services. This is substantially higher than in any other type of council (English unitaries 3.3 times; London boroughs 3.2 times; metropolitan boroughs 3.0 times).
- County and rural unitary councils draw a disproportionately high amount of their from client contributions compared to other types of council. Over half of all client financial contributions (charges for local authority arranged care) towards the cost of social care in England were in county and rural areas in 2019/20, some £1.5bn.

- The data shows that the unit costs for clients aged 18-64 are most expensive in county and rural unitary councils for both residential and nursing care. Residential care for this age group is 15% higher compared to metropolitan boroughs.
- The cost of providing home care services in county and rural areas is significantly more expensive than for other types of council. It is just under 10% more expensive to deliver services when compared to English unitaries and London boroughs, and as much as 18% more compared to the average metropolitan borough.

# Funding & Financial Outlook

- Between 2015/16 and 2019/20 county and rural unitary councils having absorbed substantially larger reductions to their core funding for adult social care than any other type of council (42.3%).
- Decreases in funding have been offset to a large extent since 2017/18 by an increase in temporary grant funding. As a result of temporary grants, all council types except county and rural unitary councils have seen a rise in total grant funding in nominal terms, albeit small. By contrast county and rural unitary councils have seen a rise in total grant funding in nominal terms, albeit small. By contrast county and rural unitary councils have seen a rise in total grant funding in nominal terms, albeit small. By contrast county and rural unitary councils have seen an overall reduction of £128m.
- Funding and the costs of services has diverged dramatically over the past five years. As a result of growing demand for services and costs, the difference between funding and service costs has grown 20.8% over the period, some £1.2bn for county and rural unitary councils.
- Nationally government funding in 2019/20 was meeting almost 42% of the costs of providing services. There is a large variation between council types, with just 30% of costs met through grant funding in county and rural areas.
- Future cost projections for the period 2020/21 to 2029/30 show that nationally total costs will rise by £6.7bn, some 38%. just to keep services operating as they are presently are without any increase the level or quality of services. **County and rural unitary councils account for £3.3bn of this total increase in costs over the period, with estimated spending need rising 40% higher than the national average and for metropolitan boroughs.**
- While the additional Covid-19 expenditure on social care has been funded by Government, with this expenditure reducing by almost two thirds during the current financial year, there is growing evidence there will be medium-term 'legacy costs' from the pandemic which could become embedded beyond 2021/22.
- **1.6** The purpose of this report is to reflect on the APPG's 2018 Inquiry findings and to update the recommendations, particularly in the light of the issues raised in the Joint CCN and RSN report.

# 2.0 HEALTH AND WELL-BEING IN RURAL AREAS

# In a joint report issued in 2017 the Local Government Association and Public Health England considered a whole host of issues impacting on <u>"Health and Wellbeing in Rural Areas"</u>. That report commented:

- "But for a number of years, there has been a growing realisation by national and local government those broad-brush indicators measuring the largely positive health, wealth and wellbeing in rural area can mask small pockets of significant deprivation and poor health outcomes"
- "Both sparsity and rurality appear to affect poverty levels and consequently the health of people in rural areas".
- "One of the difficulties in writing this document is the absence of statistical information on health outcomes in rural areas as they are usually sub-divisions of the larger areas for which statistics are available"
- "Financial poverty in rural areas is also highly concentrated amongst older people, with around one-quarter of those in poverty in pensioner households"
- "Along with reductions in central government grant to local authorities, expenditure on adult social care services has declined and this has led to provision focusing on those assessed as having either critical or substantial needs"
- While the 'personal budgets' awarded to people in rural areas are lower, charges for social care are, on average, higher in rural areas, significantly so with respect to home care charges"
- "Reductions in resources for social care are compounded by the fact that population sparsity leads to higher delivery costs and makes it more difficult for commercial providers to keep their staff"
- "Overall, around one sixth of areas with the worse health and deprivation indicators are located in rural or significantly rural areas"
- "It cannot be assumed that the health and social care needs amongst older people are or will be evident, Research for Defra in 2013 identified evidence of significant unmet needs from health services but found that these were often hidden"
- "Service users themselves tend not to identify unmet need, and are also reluctant to discuss challenges around getting the health care that they require. Also, many older residents do not seek out preventative health care or even acute treatment, and in some cases avoid seeking care even in moments of emergency and health crisis"

# 3.0 CONCLUSIONS FROM THE 2018 APPG INQUIRY ON THE SEVEN PRINCIPLES OF SOCIAL CARE

# The Government's seven principles for social care, published in March 2018:

- quality and safety embedded in service provision
- whole-person, integrated care with the NHS and social care systems operating as one
- the highest possible control given to those receiving support
- a valued workforce
- better practical support for families and carers
- a sustainable funding model for social care supported by a diverse, vibrant and stable market
- greater security for all for those born or developing a care need early in life and for those entering old age who do not know what their future care needs may be.

# The 2018 Rural Services APPG's conclusions in respect of the seven principles:

- 1. The rural authorities that responded have a high proportion of their population as over 65 residents.
- 2. Dispersed population patterns lead to higher service provision costs in terms travel to care distances and reduce the contact time that can be allocated to clients. This can be exacerbated by seasonal weather fluctuations.
- 3. In many rural areas there are very few providers of social care to choose from due to the relatively high cost of providing services and the small number of clients.
- 4. Clients with complex support needs in rural areas are harder to support because of the distance between the agencies involved in providing care. Some residents require two care workers to provide their care in their own home. The workforce challenge increases the difficulty in accessing care for these rural residents, as to access two people to provide care and arrive at the same time increases the practical challenge of delivering services.
- 5. The overall demography of rural areas means there is a smaller stock of workers to support those needing adult social care.
- 6. Low wages and high housing costs make it difficult to recruit and retain care workers in rural areas. As an example, house prices can be significantly higher in some rural communities, meaning that care workers are less likely to be able to live within these communities. This can subsequently increase their travel to work in rural areas and create difficulties recruiting and retaining staff in these areas.
- 7. The high level of replacement demand, linked to a higher proportion of care workers retiring compared to new ones entering the profession is a significant challenge in rural areas.
- 8. All the authorities responding have a high proportion of their net budgets allocated to supporting a very small proportion of their overall population. This is an issue, which is common to both rural and urban authorities.

- 9. Poor broadband and mobile connectivity limit the scope to deploy technological innovations to support people in their own homes for longer. They also limit the potential to deliver cost efficiencies in the management of health conditions by both older people and their support workers accessing/providing services remotely.
- **10.** Notwithstanding the practical challenges facing rural areas in terms of connectivity there is a strong consensus that technological solutions provide real, but largely unfilled potential to improve outcomes for adult social care clients. The presentation to the APPG by Hampshire County Council on its use of Assisted Technology in its Social Care Services shows what can be achieved including examples where Broadband "efficiency" is not a totally limiting factor.
- 11. Carers in remote settings find it more difficult and expensive to network and support each other in rural settings.
- **12.** Direct payments have the potential to help stimulate very local enterprises providing care, but are not effectively rolled out, the people eligible for them are often not well supported in their use. In cases where vouchers are used, rather than direct financial payments, innovation and choice is further limited due to the limitations placed on the use of the vouchers.
- **13.** The housing stock in rural areas often fails to match the needs of the vulnerable older population. There is an acknowledgement of the need for, but a lack of, adequate provision of extra care housing in many rural settings.
- 14. The declining number of rural GPs has a knock-on effect in terms of support for vulnerable older people in rural settings and where they have a key role in preventive strategies limits their potential impact.
- **15.** Whilst preventive strategies based on mutli-agency working and early intervention offer the potential to reduce rising costs they are more difficult to deliver in rural areas. This is because of the wide distribution of clients and the greater distances, which agencies seeking to work collectively have to overcome in pursuit of integrated care approaches.
- **16.** The challenge of supporting people is getting worse. Very few providers appear to have a long-term plan for overcoming the scale of challenge they face under the current system of providing adult social care. There is a wide acknowledgement that not only does the funding regime for providing adult social care need to change but so do attitudes about what is expected.
- **17.** Respite care is more difficult to provide in rural settings due to sparsity in terms of the number of eligible clients within manageable geographical bounds.
- **18.** There is a very acute cost linked to providing support for younger and disabled local authority clients, which is equally as severe as the pressures put on local authority finances by adult social care. Taken together with adult social care and these costs are rapidly eroding the financial viability of many local authorities.

# 4.0 RECOMMENDATIONS FOR THE FORTHCOMING SOCIAL CARE WHITE PAPER

Detailed below is a summary of recommendations made by the 2018 Rural Services APPG; additional data published since 2018 and suggested recommendations for the forthcoming White Paper. For ease the recommendations have been broken down into three themes, namely:

- The Social Care System Generally
- Resource Distribution
- Workforce Planning

It is felt the recommendations from the 2018 APPG inquiry should still stand and that in light of further research the additional suggested recommendations be added to the APPG representations ahead of the White Paper.

# THE SOCIAL CARE SYSTEM GENERALLY

# THE APPG 2018 INQUIRY RECOMMENDATIONS SAID:

# **Recommendation 1:**

The present system of funding both Adult and Children's Social Care Services needs to be changed urgently and ahead of new legislation flowing from the Green Paper's wider considerations. The present system is unsustainable and, moreover, is very unfair and inequitable for providers operating across rural areas (and the Council Tax payers in those areas) when compared to their urban counterparts. There needs to be a substantial re -balancing to those areas which have the oldest populations in both the 65+ and 85+ age categories.

# **Recommendation 2:**

Social Care is a national issue – and at present is in crisis nationally. It should be 100% funded by central government in terms of a national core level(s) of service available (at the same cost if personal financial contributions are to be required) to all, irrespective of where they live. The Service should continue to be delivered at the present level of County/Unitary local authorities with sufficient discretion to determine how that core level(s) of services should be provided in their local context. Council Tax is not a suitable taxation vehicle for demand responsive services and produces a postcode lottery of supply which is able to be funded.

# **Recommendation 3:**

Council Tax should only be used to fund any exercise of discretion by the local authority to provide a service above the national core level(s).

# **Recommendation 4:**

A future system of dealing with care needs must address, and properly fund, the "prevention" services" provided by County and Unitary Councils through Public Health funding and also those services provided by District/Borough Councils which are aimed at enabling people to live healthily and safely in their own homes (if necessary, with support) as long as possible.

# **RELATED ISSUES RAISED AND OTHER DATA PUBLISHED SINCE THE 2018 APPG INQUIRY:**

In relation to recommendation 1 above, analysis in the <u>CNN/RSN September 2021 report</u> shows that demand and costs for social care continue to increase, outpacing the level of Government resources provided. At present, funding challenges necessarily lead to high thresholds for eligibility to access services - meaning 58% of those requesting support are currently not ending up receiving any formal care service.

The first priority of reform must be to ensure the system remains stable during a period of great change in the lead up to the introduction of reforms in 2023. Any planned new investment must not only focus on service users of the future, but also the very real pressures already within the care sector including high levels of unmet need.

Reform also needs to be balanced so its impact is felt across the whole system. It must not be forgotten that – in spending terms at least – nearly half of the system is directed towards adults of working age that require intensive levels of support. Only a very small proportion are likely to benefit from the proposals and funding announced to date.

There are also other indirect costs arising from the reforms, Covid-19 beyond 2022 and wider system reform. For instance, the national insurance rise for providers is likely to drive up commissioning costs for councils, while creating further challenges in recruiting and retaining an already underpaid workforce. Moreover, the national hospital discharge pathway is welcome and has generally worked well, but requires urgent long-term funding in the period leading up to reform.

Alongside access to a new cap on care, a key objective of the Government proposed reforms is to "tackle persistent unfairness in the social care system" with reference to the higher rates charged to self-funders when compared to councils for the same care. It will do this by enabling self- funders through Section 18(3) of the Care Act to ask their local authority to arrange their care, with a stated ambition for self-funders to access local authority rates for care. County and rural unitary councils will be particularly exposed to the risks of increased demand and greater financial pressures, given their higher average percentage of self- funders (53%) and proportion of care homes. These areas already facing a care market 'fee gap' of £761m - the estimated annual cost of bringing local authority fees closer to self-funder rates. Moreover, analysis in the lead up to the previous plans to implement a cap on care showed CCN member councils accounted for two-thirds of the total early assessment and review costs identified.

While the Government have committed to funding a 'fair price for care', it is extremely uncertain that the funding announced to date will be sufficient to meet the costs arising from reform when the full additional costs from market equalisation are considered - estimated at £761m annually in county and rural areas alone.

The impact of extending commissioning duties to self- funders to enable them to have their care arranged by councils, and access local authority contracts and fee levels, must be consulted on, and risk assessed, with appropriate funding and policy mitigation to prevent unsustainable financial costs and risks to councils and providers.

In relation to recommendation 2 above, for Government Adult Social Care Support Grant urban areas are receiving 16% more than rural in 2021/22 (up from 4% in 2017).

In relation to recommendation 4 above, from a review of local authority discretionary services proposed spending in 2021/22 we see that urban authorities are able to plan to spend almost 3 times more per head of population than their rural counterparts (£187.70 compared to £68.50 per head).

# **SUGGESTED RECOMMENDATIONS FOR THE FORTHCOMING WHITE PAPER:**

#### **INCREASE FUNDING IN THE SPENDING REVIEW TO MEET RISING COSTS & UNMET NEED BEFORE 2023**

Support the principles of protecting more people from catastrophic care costs and extending the means-test threshold. But these reforms alone and the level of investment in the short-term – compared to the NHS – will not deal with existing problems within the system identified in our analysis.

Additional expenditure from Covid-19, coupled with other trends in care provision and workforce pressures, will undoubtedly widen the gap between council costs and available resources. Existing funding commitments, coupled with council tax rises, will not provide the resources necessary to fulfil the commitment to improve the quality and access to care services in the lead up to 2023.

Unless Government provides more funding at the 2021 Spending Review to meet rising costs; expand service provision to meet needs going unmet; and better support younger adults, further reductions to services will be required in county and rural unitary councils.

#### MANAGE THE TRANSITION FROM RESIDENTIAL TO DOMICILIARY CARE

Reform will need to manage the expected transition of demand moving from residential care to domiciliary and other forms of home and community-based care. This trend has already been evident for some years, but appears to have hastened during the pandemic due to public perception of care homes. Incentivising the development of more retirement communities using models of private housing with onsite care will help manage this transition and better balance how care can be provided as people age.

To help support the transition from residential to more domiciliary care reform should help encourage the better development of mixed forms of provision such as retirement communities which offer specifically adapted housing with care on site enabling a more gradated approach to care needs among those ageing.

#### FULLY ASSESS THE IMPACT OF NEW DUTIES FOR SELF-FUNDERS

Support the introduction of a cap on care, and recognise the need to address the unfairness in the fee levels paid for care. But these commitments will have enormous implications for councils and providers. The cap-on-care will come with additional administrative and workforce burdens of operating care accounts for people approaching the authority. Moreover, the Government's intention to actively encourage self-funders to access council-arranged care will lead to greater 'market equalisation' between council and self-funder fees. Unless significant resources are provided this would potentially further undermine the profitability of providers and result in large-scale care home closures, or unfunded commissioning costs for councils to sustain their local provider market.

# **RESOURCE DISTRIBUTION**

# **APPG 2018 INQUIRY RECOMMENDATIONS SAID:**

#### **Recommendation 5:**

The way in which resources from taxation are distributed/ re-distributed and the proportion of the total costs to be funded by local Council Tax payers must be fair across both urban and rural areas and fully reflect the costs of providing the care needed in different geographical contexts. This demonstrably is not the case at present. This applies to government distribution/re-distribution of funding for both Adult and Children's Care and Pubic Health duties.

#### **Recommendation 6:**

In taking account of the amount to be funded by local council tax payers a notional amount of council tax should be applied across all councils. This would remove any perverse incentives for Councils to keep council tax low to generate more government grant.

#### **Recommendation 7:**

Formulae to fund the delivery of the national core levels of service must fully reflect the different costs of delivery imposed by the geographical conditions and population dispersal patterns of each area. Such costs inevitably impose service delivery impacts on rural councils, which are compounded by issues such as poor broadband and mobile phone connectivity, lack of economies of scale and poorer external markets for delivery

#### **Recommendation 8:**

It should not be the case that because it costs substantially more to provide Adult (and Children's) Social Care in rural areas than it does in urban -and there is higher demand for services - the necessary prioritisation of these (statutory) services, comes at the expense of other services such as rural transport support, for example.

# **RELATED ISSUES RAISED AND OTHER PUBLISHED DATA SOURCES SINCE THE 2018 APPG INQUIRY:**

The local government finance settlement 2021/22 shows:

- Urban areas receiving some 61% (£107) per head more government funding than rural areas.
- Rural residents are already funding 69% of their local government funding power through Council Tax compared to urban residents who fund theirs by 57%.
- Rural residents are paying more (from lower average local earnings), but receive fewer services

# **SUGGESTED RECOMMENDATIONS FOR THE FORTHCOMING WHITE PAPER:**

# ENSHRINE IN LAW A DEDICATED PROPORTION OF THE NEW HEALTH & SOCIAL CARE LEVY FOR CARE SERVICES

The Government has outlined the new Health and Social Care Levy will raise £12bn per annum, with this to be dedicated to spending on these services. However so far there are no commitments on how these resources will be distributed between health and care services beyond 2025. Only 20% resources before this date are dedicated to the reform elements of the adult social care proposals.

The nature of insufficient short-term settlements and temporary resources for social care have undermined efforts to transform services. It is therefore imperative the Government enshrines in law the proportion of the Health and Social Care levy that will be dedicated to social care. Without a proportion of funding being enshrined in law for social care, there is no guarantee that income from the levy beyond 2025 will be used to predominantly fund social care once the NHS backlog is cleared.

# ENSURE FAIR FUNDING AND EQUALITY OF SERVICE ACROSS THE COUNTRY

Alongside the additional demands created by extending local authority duties in relation to self-funders, the data in this paper has highlighted the significantly higher costs which are incurred by county and rural unitary councils to deliver some social care services, such as home care.

Moreover, an overall shift in the way councils are funded for adult social care - with direct grant funding for services reduced and councils expected to fund more services through council tax - means just 30% of care costs in county and rural areas are funded through Government grants; much lower than other parts of the country.

The Government needs to ensure that all citizens are able to access the similar levels of social care service regardless of where they live. A sustainable and fair distribution of resources between health and social care must be coupled with a fair formula for distributing between different councils. This must recognise the costs of service delivery in county and rural areas and also an understanding that reform to social care will change demand patterns and eligibility for support for self-funders, in the process creating new, specific pressures, for these councils. Any funding distribution must also recognise the already disproportionate burden placed on council tax to fund services in county and rural areas.

# WORKFORCE PLANNING

# **APPG 2018 INQUIRY RECOMMENDATIONS SAID:**

#### **Recommendation 9:**

Introducing 'rural proofing into health service planning and delivery in rural areas is strongly recommended. A good way of doing this would be to introduce an additional 'spatial' component to Health Education England's (HEE) workforce planning STAR tool.

### **Recommendation 10**

There should be investment into disseminating good practice and this could include developing centres of excellence in specific aspects of rural health and care delivery.

### **Recommendation 11**

A more segmented approach to workforce recruitment, retention and development should be developed based on a better understanding of the demographics of rural areas (e.g., age cohorts and sub-groups of the current and future workforce).

### **Recommendation 12**

There should be a detailed mapping of programmes and initiatives that have funded innovative approaches to workforce development in the past 15 years and identify projects located in rural areas.

# **RELATED ISSUES RAISED AND OTHER PUBLISHED DATA SOURCES SINCE THE 2018 APPG INQUIRY:**

The <u>'Rural Proofing for Health Toolkit'</u> published in December 2020 by Rural England CIC.

Re recommendation 11 above, a consistent issue which destabilises the adult social care sector is the transient nature of its workforce. This is due to a variety of factors, but is largely underpinned by the low pay and low status of the workforce. County and rural unitary councils have already faced difficulties recruiting staff to work across remote and disparate geographies for some time. However, these difficulties are now compounded as the much-publicised labour

shortage in other low-wage industries such as retail or hospitality - which draw from the same labour pool - begin to push up wages. If the care sector is not resourced to be able to compete for these workers, then the already large number of vacancies is likely to soar – particularly in regions with low population density such as counties.

As part of its proposals for reform, the Government has outlined that it will invest at least £500m in new measures to provide support in developing the workforce and introduce further reforms to improve recruitment and support for our social care workforce.

# **SUGGESTED RECOMMENDATIONS FOR THE FORTHCOMING WHITE PAPER:**

### PROMOTIONG OF RURAL PROOFING FOR HEALTH TOOLKIT

The 'Rural Proofing for Health Toolkit' should be promoted by the Government.

# SUPPORT THE SOCIAL CARE WORKFORCE IN COUNTY & RURAL AREAS

Welcome the emphasis on improving the workforce. However, the details of these proposals must recognise the particular challenges faced in county and rural areas and ensure that the workforce is adequately recognised and rewarded. This may involve specific policies and resources to allow county and unitary councils which have difficulty recruiting staff to work.