

Voluntary Organisations Disability Group Representation to HM Treasury on the Comprehensive Spending Review

September 2021

About VODG

VODG is the national infrastructure body representing organisations within the voluntary sector who work alongside disabled people. Our members' work is focused on enabling disabled people of all ages to live the lives they choose. VODG believes that an ambitious, trusted and vibrant voluntary sector that works together plays a unique role in achieving this aim. VODG members work with around a million disabled people, employ more than 85,000 staff and have a combined annual turnover in excess of £2.8bn.

VODG welcomes the opportunity to submit this representation to HM Treasury on the spending review. We also support the individual submissions being made by our members describing the pressures on their services, and our other key stakeholders such as the #BetterPay4SocialCare coalition, of which VODG is a member. We are also co-signatories to the representation submitted by the Charity Finance Group, and we are a supporter of the Care & Support Alliance's activity and endorse their recommendations. We support the work of Social Care Future and advocate for their vision of a social care as "people living in a place they call home with the people and things that they love, in communities where they look out for one another, doing things that matter to those people".¹ We use this paper to draw out those issues most relevant to disability, care and support providers and the people they support.

1. Introduction

Chancellor Rishi Sunak has stated that the Comprehensive Spending Review 2021 (CSR) will set out how the government will Build Back Better, through "Ensuring strong and innovative public services - making people's lives better across the country by investing in the NHS, education, the criminal justice system and housing".² Social care is not mentioned, yet the Spending Review will play a critical

¹ Social Care Future (2021) *Whose social care is it anyway?*
<https://socialcarefuture.files.wordpress.com/2021/05/whose-social-care-is-it-anyway-report.pdf>

² HM Treasury (2021) *Chancellor launches vision for future public spending.*
www.gov.uk/government/news/chancellor-launches-vision-for-future-public-spending



role in determining the sustainability of the sector and delivery of the government's *Building Back Better* plan.³

If there is to be genuine levelling up, the Treasury must include as a central focus, plans to prioritise disabled people and build an inclusive society for all.

There are 14.1 million disabled people in the UK, representing 22% of the population and 19% of working age adults. In England, there are 11.5 million people with a disability, 21% of the population.⁴ The provision of social care support to disabled people in ways that promote independence, choice and control, as well as supporting their carers is a statutory obligation. The hallmark of a fair and equitable society includes fully meeting people's needs and enabling disabled people to have full choice and control over their lives, and to be included in society. In the long term, this can reduce inequality, injustice and save public money.⁵ The provision of support for people with life-long disabilities will span a number of policy areas, including: education, particularly special education needs and disability (SEND), adult social care, mental health, employment, and welfare.

In setting out its future spending, the Treasury must work across government departments and fund policies that support and empower disabled people across their entire life. Such policies must be strongly interconnected across all relevant departments and be person-centred – as must be the funding that sits behind each policy.

VODG believes the Treasury must pledge three commitments in this year's CSR:

1. To continue to build on the government's funding proposals set out in the *Building Back Better* plan for health and social care. The Treasury must not think that the funding pressures experienced by the social care sector have now been addressed. The Spending Review must make amends to address immediate funding pressures and increasing concerns around access, quality, and the sustainability of the sector.
2. To urgently make funds available for the social care workforce, with a significant proportion of that ring-fenced for pay uplifts for care workers. We

³ HM Government (2021) *Building Back Better: Our Plan for Health and Social Care*. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1015737/Build_Back_Better-Our_Plan_for_Health_and_Social_Care_web_accessible.pdf

⁴ Department for Work and Pensions (2021) *Family Resources Survey*. www.gov.uk/government/statistics/family-resources-survey-financial-year-2019-to-2020/family-resources-survey-financial-year-2019-to-2020#disability-1

⁵ Public Health England (2014) *Local action on health inequalities: evidence papers*. www.gov.uk/government/publications/local-action-on-health-inequalities-evidence-papers



want to see social care commissioned, as a minimum, at Real Living Wage rates.

3. To invest in the voluntary, community, and social enterprise (VCSE) sector to prevent the erosion of innovative, community-focused services which promote choice and independence and empower people to live fulfilling lives, in a place that they call home.

2. Invest in the services supporting disabled people

The reform of adult social care

We welcome the step forward in the government's approach to social care. For far too long the social care sector has not been recognised for the vital contribution it makes to our society. COVID-19 has changed the landscape significantly, moving the sector from one subsisting in an already precarious state to one that is reaching a tipping point. The Government's *Build Back Better: Our Plan for Health and Social Care* report goes some way to addressing the issues facing the sector. However, it does not go far enough. The Spending Review provides an opportunity to address the significant pressures the sector is facing *right now* by tackling immediate funding pressures and stabilising the sector, as well as investing in the foundations for sustainable social care reform as laid out in the recently published plans and as anticipated in the forthcoming White Paper on adult social care and integration.

We are concerned that recent conversations around social care reform have been dominated by a focus on older people's care and selling family homes to pay for care. While the 'cap and floor' model will be appropriate for those people with their own assets, the government must take account of both working age disabled adults and older people with insufficient funds or assets to pay for their care.

Social care for disabled people has, at times, appeared as an after thought in policy making and implementation. This has been particularly evident in the government's response to the COVID-19 pandemic. It is critical for the government's approach to shift to an inclusive and balanced consideration for all when considering long-term funding reform. The government cannot afford to ignore disabled people who draw on social care, and the evidence for current and future demand is compelling.

Research predicts there will be an additional 261,000 working age adults with a mobility, visual or hearing disability and an additional 6,855 working age adults with a learning disability by 2025.⁶ The population is also ageing, with the number of people

⁶ Projecting Adult Needs and Service Information (online) *LD – Baseline estimates and Moderate or serious physical disability*. www.pansi.org.uk



over the age of 65 in England expected to increase by 1.2m (11%) from 2019 to 2025.⁷ The Department of Health and Social Care projects that if current patterns of care continue, around 29% more adults aged 18 to 64 and 57% more adults aged 65 and over will require care in 2038 compared with 2018. Between 2018 and 2038, the total costs of care are projected to rise by 90% for adults aged 18 to 64, from £9.6bn to £18.1bn, and 106% for adults aged 65 and over from £18.3bn to £37.7bn.⁸

The greatest pressures in adult social care are delivering care and support for working age adults, which accounts for 63% of the demographic pressures on adult social care budgets, compared to older people's services which accounts for 37%. This is also reflected in the fact that, in terms of budgetary pressure, 40% of directors of adult social services are most concerned about funding care for working age adults. This figure has steadily increased year on year from 17% in 2017/18. By comparison, only 3% identified older people as the greatest concern, a steady decrease from 19% in 2017/18.⁹

The government has committed to invest £5.4bn in adult social care over the next three years to deliver the commitments set out in the *Building back better* plan.¹⁰ While this is welcome, estimates of projected spending over the next three years suggest significant additional investment is required to meet future demand and implement the planned reforms, and more further to address long-standing issues such as workforce shortages and low pay. It is estimated that to simply stabilise the social care sector, which means to meet future demand and improve access, funding would need to be £3.7bn higher than projected spending in 2022/23 and £4.8bn higher by 2024/25.¹¹ If the government is to also enable local authorities to pay more for care and therefore improve provider sustainability and fair pay for care staff, this would require an additional £9.3bn more than projected spending by 2024/25.¹²

These figures are based on the existing model of social care funding. Previous estimates of the cost of implementing a cap on care costs – set at £78k – were an

⁷ Projecting Older People Population Information System (online) *Population by age*. www.poppi.org.uk

⁸ National Audit Office (2021) *The adult social care market in England*. www.nao.org.uk/wp-content/uploads/2021/03/The-adult-social-care-market-in-England.pdf

⁹ Association of Directors of Adult Social Services (ADASS) (2021) *Spring Survey 2021*. www.adass.org.uk/adass-spring-survey-21

¹⁰ HM Government (2021) *Building Back Better: Our Plan for Health and Social Care*. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1015737/Build-Back-Better-Our-Plan-for-Health-and-Social-Care-web-accessible.pdf

¹¹ The Health Foundation (2021) *Health and social care funding to 2024/25*. www.health.org.uk/publications/reports/health-and-social-care-funding-to-2024-25

¹² Ibid.



additional £2bn just for the year 2023/24.¹³ Through the Spending Review, the government must provide much needed clarification on how the £5.4bn will be allocated and what further investment will be made to “address the long-standing challenges in adult social care” and “recognise the extraordinary contribution that health and social care staff made in helping the country through the pandemic”.¹⁴

The recently announced social care reform plan provides no immediate solution to the financial pressures the sector is currently facing, created by historic underfunding alongside rising demand. Government funding for local authorities in aggregate fell by 55% in 2019-20 compared with 2010-11. With rises in council tax this has resulted in a 29% real-terms reduction in local government spending power.¹⁵ This led to an overspend on adult social care of £61m by local authorities in 2020/21.¹⁶

Yet people’s needs are not being met. There are nearly 300,000 people waiting for social care assessments, care and support or reviews, a figure which increased by just over a quarter in the three months prior to August 2021. Moreover, 11,000 people had been waiting more than six months for a care assessment, 4,000 more than in the previous three months.¹⁷ Local authorities are expected to make savings of £601m this financial year. This has a direct impact on levels of confidence amongst directors of social care in their ability to meet their statutory duties. 75% of directors have partial or no confidence that their budgets will be sufficient to meet their statutory duties in 2022/23, compared to 6% who are fully confident.¹⁸

The combination of squeezed funding, increasing demand and rising 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.

Quality of care is being compromised. In their recent review of adult social care complaints for 2021/22, the Local Government and Social Care Ombudsman reports

¹³ The Health Foundation (2021) *Social care funding gap*. www.health.org.uk/news-and-comment/charts-and-infographics/REAL-social-care-funding-gap

¹⁴ HM Government (2021) *Build back better: Our plan for health and social care*. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1015737/Build_Back_Better- Our Plan for Health and Social Care web_accessible.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1015737/Build_Back_Better_-_Our_Plan_for_Health_and_Social_Care_web_accessible.pdf)

¹⁵ National Audit Office (2021) *The adult social care market in England*. www.nao.org.uk/report/adult-social-care-markets/

¹⁶ Association of Directors of Adult Social Services (ADASS) (2021) *Spring Survey 2021*. www.adass.org.uk/adass-spring-survey-21

¹⁷ Association of Directors of Adult Social Services (ADASS) (2021) *Rapid Survey Findings 2021*. www.adass.org.uk/media/8863/final-rapid-survey-report-070921-publication.pdf

¹⁸ Association of Directors of Adult Social Services (ADASS) (2021) *Spring Survey 2021*. www.adass.org.uk/adass-spring-survey-21



a rise in upheld complaints. They found fault in 72% of these complaints received, up from 69% the previous year. Investigations of these complaints revealed that most were not one-off incidents, but the outcome of measures taken by councils and care providers “simply to balance the books” due to the extreme funding pressures they are facing.¹⁹ The damage of these cost-cutting measures is felt by the people who draw on social care. This worrying trend demonstrates a system that is “increasingly failing some of those who need it most”.²⁰

In recent years, social care providers have continued to cease trading or hand back contracts to local authorities. In the six months up to March 2021, 53% of local authorities reported that providers in their area had closed, ceased trading or handed back local authority contracts. These decisions have impacted upon 2,487 people in total.²¹

Without sufficient funding to stabilise the sector, we will continue to see increasing provider failure, unmet need and strain on the care workforce as well as on unpaid carers and families. Failure to address access to social care will also impact on NHS capacity as more people are admitted to hospital or have their discharge delayed due to a lack of available social care placements. This, in turn, will hinder the ability of the NHS to clear its backlog. In February 2020, 30.3% of delayed transfers of care were attributable to social care, up from 28.6% the previous year. The most common reason for delayed transfers of care was people waiting for a care package in their own home, which was responsible for a total of 4,883 days delayed.²² It does not, therefore, make any sense to wait for the NHS to clear its backlog before properly funding social care.

The government must start to see the opportunities investing in social care can bring. The Local Government Association have estimated that for every £1 invested in prevention, more than £7 of benefits could be generated.²³ Moreover, recent economic analysis has proven that social care has the potential to pay for itself. Improving access to social care would allow more disabled people to increase their income through entering work, progress existing careers or increase their working

¹⁹ Local Government and Social Care Ombudsman (2021) *Annual Review of Adult Social Care Complaints 2020-21* www.lgo.org.uk/information-centre/news/2021/sep/failing-social-care-system-reflected-in-relentless-rise-in-ombudsman-s-upheld-complaints

²⁰ Local Government and Social Care Ombudsman (2021) *Care provider bulletin*, 29 September 2021. <https://content.govdelivery.com/accounts/UKLGO/bulletins/2f51a23>

²¹ Association of Directors of Adult Social Services (ADASS) (2021) *Activity Survey 2021*. www.adass.org.uk/media/8714/adass-activity-survey-2021-cpdf.pdf

²² NHS England (2020) *Delayed Transfers of Care, February 2020*. www.england.nhs.uk/statistics/wp-content/uploads/sites/2/2020/04/February-20-DTOC-SPN-JQU3J.pdf

²³ Local Government Association (2015) *Prevention: A shared commitment*. www.local.gov.uk/sites/default/files/documents/prevention-shared-commitm-4e7.pdf



hours. It is estimated that this would boost the economy by £6bn to £20bn a year, £1bn to £4bn of which would be through income tax alone.²⁴

The funding of social care is a long story of sustained political failure to invest. It is crucial that the government realises the wide-ranging benefits of social care. Social care is about more than personal and nursing care, it is about enabling people to live in their own homes that meets their needs, enabling them to work, and to participate in their local community. Ultimately, social care is about empowering people to live independent, fulfilling lives. The government must realise the opportunity it has, through the Spending Review, to not just fix social care but to rebuild a sustainable social care system that prioritises solutions that work for everyone.

Workforce

Delivered by over 1.5 million people²⁵, social care services are a lifeline for many disabled people. The COVID-19 pandemic has led to wider public recognition of the social care workforce, shining a light on the valuable work that individuals and organisations carry out across the country to support people in vulnerable circumstances each and every day. The government now has an opportunity to, in the words of the Prime Minister, “recognise the extraordinary contribution that health and social care staff made in helping the country through the pandemic” and step in and fund pay at the Real Living Wage (RLW).²⁶

The sector is experiencing long-standing workforce challenges. Pre-pandemic the sector vacancy rate was 7.3%, representing approximately 112,000 vacancies at any one time and far higher than the rate of the wider UK economy - 2.7%.²⁷ 30.4% of staff left their roles in the 2019/20 financial year, and 149,000 people left the sector entirely.²⁸ These challenges have only been intensified by recent external factors and policy developments. To secure the current and future supply of the care workforce, pay and conditions must be improved so that job seekers see social care as not only a fulfilling career but also one that is financially rewarding. To pay more

²⁴ Leonard Cheshire (2021) *Invest in social care and it could pay for itself*. www.leonardcheshire.org/about-us/our-news/press-releases/invest-social-care-and-it-could-pay-itself

²⁵ Skills for Care (2021) *The size and structure of the adult social care workforce in England*. www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/national-information/The-size-and-structure-of-the-adult-social-care-sector-and-workforce-in-England.aspx

²⁶ HM Government (2021) *Build back better: our plan for health and social care*. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1015737/Build_Back_Better_-_Our_Plan_for_Health_and_Social_Care_web_accessible.pdf

²⁷ Skills for Care (2020) *The state of the adult social care workforce in England, 2020*. www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/documents/State-of-the-adult-social-care-sector/The-state-of-the-adult-social-care-sector-and-workforce-2020.pdf

²⁸ Ibid.



requires additional funding and a professionalisation of social care work so that it can be seen on a par to other valued professions, including those in the health services.

A recent (September 2021) survey of VODG member CEOs revealed a vacancy rate of 10% across our membership. Workforce challenges were a key priority for 91% of members who responded to the survey, with 62% citing it as their top priority. These findings highlighted the perfect storm the layering of Covid 19, Brexit and mandatory vaccinations could have on the continuation of delivery of safe and effective services delivered by charities within the disability sector.

Although recruitment and retention had improved for some providers earlier in the pandemic, reflecting a trend observed across the adult social care sector²⁹, competition from other sectors has led to the reverse as lockdown restrictions ease. More than two thirds of VODG members reported that recruitment of staff has become much more difficult since the emergence of the pandemic. This, for many, is leading to concerns about sustaining high quality care for the disabled people they support.³⁰ Unlike other industries, such as hospitality and retail, providers of state commissioned services cannot respond to workforce pressures by increasing their fees to in turn raise their pay rates. The government must ensure sufficient funds are available for local authorities to commission services at rates which ensure fair pay for care workers, at a minimum this should be the RLW.

Concerns were also raised about the impact workforce shortages were having on the health and wellbeing of existing staff, with burnout and fatigue resulting in increased sickness days. This can be seen across the social care sector, for example, in a recent survey more than two thirds of care workers said their mental health had declined during the pandemic.³¹ Across the UK, the percentage of days lost to sickness has increased by 97% since the emergency of the pandemic to 5%, compared to 2.6% before the pandemic. Although this includes absence for shielding and self-isolation, the strain sickness absence is placing on the sector is evident.³²

The consequences of the high turnover, vacancy and sickness rates are also felt by those who draw on social care through unsafe staffing levels, risk of infection, poor

²⁹ The King's Fund (2020) *How covid-19 has magnified some of social care's key problems*. www.kingsfund.org.uk/publications/covid-19-magnified-social-care-problems

³⁰ Voluntary Organisations Disability Group (2021) *VODG research reveals extent of workforce concerns among disability charity leaders*. www.vodg.org.uk/news/vodg-research-reveals-extent-of-workforce-concerns-among-disability-charity-leaders/

³¹ Unison (2021) *Huge vacancy rates across care sector adding to staff mental health*. www.unison.org.uk/news/press-release/2021/09/huge-vacancy-rates-across-care-sector-adding-to-staff-mental-health-crisis

³² Skills for Care (2021) *Days lost due to sickness – monthly tracking*. www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/Topics/COVID-19/days-lost-due-to-sickness.aspx



continuity of care and poor quality of care.³³ If the government fails to recognise the criticalness of the situation social care providers are in and does not invest in measures to secure the recruitment and retention of the workforce, these impacts will only become more severe and widespread. Particularly when taking into account the additional 458,000 FTE social care staff required by 2033/34 to meet increasing demand for social care.³⁴

To address the immediate and long-term challenges facing the social care workforce, there needs to be greater investment in developing effective workforce planning, career pathways, training and qualifications and, most importantly, in recognising the valuable contribution made by health and care staff by rewarding them accordingly through improved pay and conditions.

Fair pay

Increases to the national living wage (NLW) and national minimum wage (NMW), have, in principle, always been warmly welcomed by providers. Social care is a labour-intensive sector and the workforce should be recognised for the essential work they carry out. Indeed, given the impact care staff and the services they provide have on the lives of disabled people, the government should actively seek out solutions that lift disability services out of the low pay sector.

However, increases to the NLW and NMWs need to be properly funded by central government. The increase in the NLW rate of 2.2% from 1 April 2021 will cost councils in the region of £228m and at least £266m in further costs in the current financial year. This additional financial pressure totals £494m.³⁵

The implementation of increases must ensure that monies secured to pay for the NLW is cascaded straight to the frontline workforce as reflected in increases in fees paid to social care providers. Many voluntary sector providers do not have confidence that future costs associated with NLW increases will be supported by uplifts from health and social care commissioning. It is concerning that nearly half of the organisations who responded to VODG's Workforce Survey stated that they would not be able to continue local authority funded services if commissioners did

³³ Skills for Care (2021) *Evidence review and sector consultation to inform Skills for Care strategy: Final sector report*. www.skillsforcare.org.uk/Documents/Evidence-review-and-consultation-analysis.pdf

³⁴ Health and Social Care Committee (2021) *Second Report - Workforce burnout and resilience in the NHS and social care*. committees.parliament.uk/publications/6158/documents/68766/default/

³⁵ Association of Directors of Adult Social Services (ADASS) (2021) *Spring Survey 2021*. www.adass.org.uk/adass-spring-survey-21



not match fee rates with rises in NLW, and a further 35% were unsure what they would do.³⁶

The very fact that the government's solution to low pay for social care workers is centred on increases to the NLW demonstrates lack of recognition of the skills and qualities required by the role. It's imperative that the government understands that social care is so much more than washing, dressing, and helping people have their meals. Care and support services for working age disabled adults enable people to live independent and fulfilling lives.

Research using Korn-Ferry's world-leading methodology for evaluating the complexity, content and remuneration of roles concluded that, far from being low-skilled, the role of a support worker requires a wide range of skills and competencies, whilst being both physically and emotionally demanding. It was calculated that frontline social care workers would be paid 39% more (nearly £7000 per year) in equivalent positions within the NHS, local authorities and other public funded industries.³⁷

It is critical to recognise increased costs created by low pay. Low pay is a false economy. For example, low pay leads to increased reliance on agency workers, who are on average 30% more expensive³⁸, although these costs are currently rising at a concerning rate to unaffordable levels. We have heard reports of agencies headhunting staff for significant increases in pay which is further depleting the sector's workforce. Furthermore, low pay leads to reduced social care capacity, which means people have to draw on more expensive and less appropriate care.³⁹

The £500m allocated to social care workforce is a start, but the NHS Pay Review Body reported that the governments estimated cost to bring lowest paid care workers in line with NHS counterparts would be £1.2bn.⁴⁰ This does not take into account the need for relative pay increases for more experienced care workers, and differentials for registered managers of services. In 2019/20 care workers with five or more years in the sector were only paid 12p more on average than care workers who are new to

³⁶ Voluntary Organisations Disability Group (2021) *VODG research reveals extent of workforce concerns among disability charity leaders*. www.vodg.org.uk/news/vodg-research-reveals-extent-of-workforce-concerns-among-disability-charity-leaders/

³⁷ Community Integrated Care (2021) *Unfair to Care: Understanding the social care pay gap and how to close it*. www.unfairtocare.co.uk/wp-content/uploads/2021/07/Unfair-To-Care-Summary-Report-Single-Pages.pdf

³⁸ Ibid.

³⁹ Ibid.

⁴⁰ NHS Pay Review Body (2021) *NHS Pay Review Body Thirty-Fourth Report 2021*. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005011/NHS_PRB_2021_Report_-_Web_accessible_version.pdf



the sector. This has more than halved since March 2016 when the gap was 30p.⁴¹ Any pay uplifts for the lowest paid care workers must also be reflected in the pay of more experienced care workers and those with greater responsibilities. This is essential for social care to be recognised as a respected and well rewarded career path.

The Government must urgently make further funds available to ensure the sustainability of the sector, with a significant proportion of that ring-fenced for pay uplifts for care workers. We want to see social care commissioned, as a minimum, at Real Living Wage rates.

Supreme Court judgment on sleep in payments

The Supreme Court has upheld a 2018 Court of Appeal decision that social care workers who sleep during night shifts are entitled to the national minimum wage (NMW) only when they are awake and supporting people who require overnight support services.

Now the sector has some clarity on this issue, there is an opportunity to introduce a system that enables government, commissioners, and providers to place proper value on the work of social care professionals, and on the vital care and support they provide to disabled people.

The ad hoc arrangements of the past must be replaced with a new reality – one that provides sustainable, clear, and fair funding arrangements for sleep in shifts.

We cannot have a postcode lottery in pay for social care workers doing such important work. Anything that worsens retention will only impact on disabled people who rely on social care services and lower the quality of care.

There is, at present, a window of opportunity for the government to put in place an equitable solution. The majority impact of commissioners moving back to a flat rate of pay for sleep in will likely be seen at the start of the 2022/23 financial year. We have seen strikes on the issue of sleep in pay in some parts of the country before, and those could be repeated if this situation is not urgently resolved.

The VCSE sector: an integral part of the solution

Now more than ever we need robust investment from central government to sit alongside strong local leadership to work hand in hand with the voluntary sector.

⁴¹ Skills for Care (2021) *Pay in the adult social care sector*. www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/documents/Pay-in-ASC-sector-2020.pdf



Voluntary sector disability organisations are at the heart of the communities they support and their contribution to society is significant.

Just under a fifth of the 163,150 voluntary organisations in the UK work in social services and over a third of the voluntary sector workforce are employed in social work, with a further 12% who work in residential care.⁴² As providers of not-for-profit care and support services, they predominantly serve people who rely on the state to pay for their care. They have a track record of innovation and enterprise and are an integral part of the solution to improving outcomes in public services.

Voluntary sector organisations are a valuable asset, contributing £20bn to the UK economy each year, approximately 0.9% of total GDP.⁴³ However, the true value of the voluntary sector is hard to quantify. Pro Bono Economics estimate that if 'spillover benefits' – wider economic benefits such as reduced expenditure on other public services or individuals' higher lifetime earnings – are taken into account the figure could amount to as much as £200bn, 10% of the country's economic output.⁴⁴

Investing in the voluntary sector also means investing in, and keeping money invested in, local communities. One such example is NHS England and NHS Improvement's work to re-provide care for disabled people, and those suffering ill-health, out of expensive long-stay hospitals and into their own homes supporting by local community services. By partnering with the voluntary sector to build community provision and move people out of long-stay hospitals, the government can move away from expensive and outdated forms of care, and save public funds. Moreover, recent analysis estimates that optimising the amount of care provided in community settings would lead to cost savings of £2.5bn for the NHS and local authorities.⁴⁵

We have witnessed over the past year and a half how integral the voluntary sector has been to the country's response to the COVID-19 pandemic. Yet charities are facing mounting pressure from increased demand coupled with reduced income. Just over half of UK charities (53%) saw increased demand for services between April 2020 and March 2021, and a quarter observed an increase of more than 25%.⁴⁶ It is essential that voluntary sector disability organisations can continue to thrive and

⁴² National Council for Voluntary Organisations (2021) *UK Civil Society Almanac*. <https://beta.ncvo.org.uk/ncvo-publications/uk-civil-society-almanac-2021/executive-summary/>

⁴³ Ibid.

⁴⁴ Pro Bono Economics (2020) *Undervalued and overlooked? The need for better understanding civil society's contribution to the UK economy*. www.probonoeconomics.com/undervalued-and-overlooked-the-need-for-better-understanding-civil-societys-contribution-to-the-uk-economy

⁴⁵ Institute of Public Policy Research (2021) *Community First Social Care*. www.ippr.org/files/2021-09/1631196359_community-social-care-2021.pdf

⁴⁶ Pro Bono Economics (2021) *PBE Charity Tracker, May 2021*. www.probonoeconomics.com/Handlers/Download.ashx?IDMF=0a8d6fb3-e555-457e-8469-d4a9b948a99d



carry out the innovative work for which they are recognised so that disabled people, some of whom have been disproportionately affected by the pandemic, can lead fulfilling lives.

Even before the COVID-19 outbreak, voluntary sector providers were increasingly coming under strain because of poor public sector commissioning, which has been focussed on markets, competitive tendering and low-cost contracting instead of quality provision delivered at a fair rate. This is now being exacerbated given the additional funding pressures on local authorities. Fees paid by local authorities to voluntary disability organisations have not kept pace with the costs of delivering care and many providers are questioning how long services can continue without a clear direction in their funding. Moreover, local authorities have budgeted for 6.1% reduction in VCSE funding in 2022/23, and only 30% of Directors plan to increase VCSE funding.⁴⁷ This is in the same year that voluntary sector employers will be required to pay increased national insurance contributions for the health and social care levy, adding further to their financial strain.

Without adequate 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 risk of being pulled back. In order to prevent voluntary sector providers handing back contracts or ceasing trading altogether as a result of the challenges involved in trying to deliver services for ever lower priced contracts, the government needs to invest in supporting local authorities to strengthen local partnerships and collaborative working with the voluntary sector via improved commissioning practices such as collusive tendering and relational partnerships.

3. Tackle unmet need and inequality

The number of people reporting a disability in the UK has continued to rise from 19% of the population in 2009/10 to 22% of the population in 2019/20. The main drivers for this rise have been increases in the number of working age adults and children reporting a disability.⁴⁸

The government's National Disability Strategy published earlier this year acknowledges the inequalities disabled people face and points to a series of actions assigned to government departments to address each of these, some of which were

⁴⁷ Association of Directors of Adult Social Services (ADASS) (2021) *Rapid Survey Findings 2021*. www.adass.org.uk/media/8863/final-rapid-survey-report-070921-publication.pdf

⁴⁸ Department for Work and Pensions (2021) *Family Resources Survey: financial year 2019 to 2020*. www.gov.uk/government/statistics/family-resources-survey-financial-year-2019-to-2020/family-resources-survey-financial-year-2019-to-2020#disability-1



already in the pipeline. These actions will not be sufficient to address the deep rooted and systematic inequalities disabled people experience.

The strategy fails to address increasing unmet and under-met need due to increased strain on the social care system, the level of poverty millions of disabled people experience due to inadequate benefit rates, nor does it provide any large-scale initiatives to get disabled people into work.⁴⁹ Through the Spending Review, the government must ensure there are sufficient funds not only to deliver the promises set out in the disability strategy but also to ensure disabled people can access adequate social care, welfare provision and participate in employment if appropriate.

The disability employment gap is growing, it stands at 28.8% which is 0.7 percentage points higher than last year.⁵⁰ Disabled people in employment have been impacted harder by the pandemic, with a quarter facing redundancy compared to 17% of the whole working population. This figure rises to one in two for people who are extremely clinically vulnerable to COVID-19.⁵¹ To ensure inclusive economic development, it is important that the government continues to invest in policies that support disabled people to start and stay in employment as well as support to employers to offer and maintain inclusive workplaces.

There is strong evidence that disabled people also face inequality in access to education, to financial security and in health outcomes. 15% of disabled people have no qualifications, compared with 5% of non-disabled people.⁵² Moreover, only 23% of disabled people aged 21 to 64 have a degree as their highest qualification, compared to 40% of non-disabled people.⁵³

Disabled people of working age are less likely to own their own home than non-disabled people and a quarter of disabled people have rented social housing compared to 8% of the non-disabled people.⁵⁴ The poverty rate for people in a family

⁴⁹ Disability Rights UK (2021) *Assessing the Government's Disability Strategy*. www.disabilityrightsuk.org/news/2021/august/assessing-government's-disability-strategy

⁵⁰ House of Commons Library (2021) *Disabled People in Employment*. <https://researchbriefings.files.parliament.uk/documents/CBP-7540/CBP-7540.pdf>

⁵¹ Citizens Advice (2020) *An unequal crisis: Why workers need better enforcement of their rights*. www.citizensadvice.org.uk/about-us/our-work/policy/policy-research-topics/work-policy-research-surveys-and-consultation-responses/work-policy-research/an-unequal-crisis/

⁵² Office for National Statistics (2021) *Outcomes for disabled people in the UK: 2020*. www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/disability/articles/outcomesfordisabledpeopleintheuk/2020

⁵³ Ibid.

⁵⁴ Ibid.



with disabled family members is also higher than the rate for people in a family with no disabled family members – 30% vs 19%.⁵⁵

People with learning disabilities die prematurely and from treatable causes of death - 63% of people with a learning disability die before reaching 65, compared to only 15% in the general population.⁵⁶ A quarter of these deaths were from COVID-19, compared to 13% in the general population. More recent data shows that this proportion continued to increase reaching a height of 80% of deaths of people with a learning disability that were COVID-19 related, compared to 45% in the general population.⁵⁷

The health and wellbeing of disabled people has also been disproportionately impacted by the COVID-19 pandemic. Disabled people made up six in ten of all deaths involving COVID-19 up to November 2020, despite making up 17% of the study population.⁵⁸ The pandemic also had a greater impact on the mental health of disabled people as 46% of disabled people reported that COVID-19 had made their mental health worse, compared to 29% of non-disabled people and 67% were feeling stressed and anxious compared to 54% of non-disabled people.⁵⁹

The Spending Review is an opportunity to build on the measures set out in the disability strategy and to address the issues that have the biggest impact on the lives of disabled people. The strategy must go hand in hand with investment in social care, welfare reform and more ambitious and extensive plans to improve access to employment and accessible housing.

4. Conclusion

The provision of essential care and support services to people with life-long disabilities is the hallmark of an equitable society that supports and protects its

⁵⁵ Joseph Rowntree Foundation (2017) *Poverty rates in families with a disabled person*. www.jrf.org.uk/data/poverty-rates-families-disabled-person

⁵⁶ University of Bristol (2021) *The Learning Disabilities Mortality Review Programme Annual Report*. 2020 www.bristol.ac.uk/media-library/sites/sps/leder/LeDeR%20programme%20annual%20report%2013.05.2021%20FINAL.pdf

⁵⁷ Mencap (2021) *Eight in 10 deaths of people with a learning disability are COVID related as inequality soars*. www.mencap.org.uk/press-release/eight-10-deaths-people-learning-disability-are-covid-related-inequality-soars

⁵⁸ Office for National Statistics (2021) *Updated estimates of coronavirus (COVID-19) related deaths by disability status, England: 24 January to 20 November 2020*. www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/articles/coronaviruscovid19relateddeathsbydisabilitystatusenglandandwales/24januaryto20november2020

⁵⁹ Office for National Statistics (2021) *Coronavirus and the social impacts on disabled people in Great Britain*. www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/disability/articles/coronavirusandthesocialimpactsondisabledpeopleingreatbritain/february2021#well-being-during-the-coronavirus-covid-19-pandemic



citizens. This must be rooted in a robust and sustainable social care system that has embedded within it, investment and support for voluntary sector service provision. Behind the provision of care and support services is a workforce that each day is supporting disabled people to live independent lives and the contribution of this workforce must be recognised in a fair and equitable system of reward. The investment in such policies will lead to public funds being saved over the long term.

The 2021 Spending Review affords the government an opportunity to deliver a funding injection that bolsters the government's inadequate offering thus far and ultimately stabilise, strengthen and improve social care and finally put care for disabled people on a stable footing for the long-term.

-Ends-

For more information or to arrange a further a discussion with VODG or our members, please contact research.policy@vodg.org.uk.