

Written evidence submitted by UK Women's Budget Group (SCF0092)

Summary

- **WBG is in favour of a Universal Care Service** that provides non-means tested residential, domiciliary and other forms of care, free at the point of delivery and has equal standing to the NHS.
- **The Covid-19 pandemic** has exacerbated the long-standing need to reform the social care sector which has suffered from decades of financial neglect and privatisation.
- **Care shortages are widespread, and staff are poorly trained, paid and treated.**
- **There is increasing regional inequality in the social care system.** These have been exacerbated by reductions in central government funding to Local Authorities since 2010.
- **Staff shortages are high:** estimates suggest that there are 100,000¹ social care staff vacancies. This will increase if proposed immigration reforms go ahead as the new system will exclude thousands of care workers on the basis of their low pay and lack of qualifications.
- **The crisis in social care also exacerbates gender inequality** since women are more likely to work in care, be in receipt of care and take on responsibility for unpaid care for children, elderly, disabled and/or vulnerable people. This unpaid care work limits women's opportunities for paid work.
- **WBG calls for a new settlement for social care** that provides a stable, sustainable funding base to ensure that rising care needs are met now and into the future.
- **The Universal Care Service should be funded at the national level** to avoid the entrenchment of regional inequalities but delivered in response to local need. This investment should include better training, pay and working conditions for all care workers.
- Investment in care is not only needed to transform our broken social care system, it is also a **good way to stimulate employment, reduce the gender employment gap** and counter the inevitable economic recession as the UK comes out of lockdown².

¹ Skills for Care (2019) The State of the Adult Social Care Sector and Workforce in England

<https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/national-information/The-state-of-the-adult-social-care-sector-and-workforce-in-England.aspx>

² WBG (2020) A Care-led Recovery from Coronavirus <https://wbg.org.uk/analysis/reports/a-care-led-recovery-from-coronavirus/>

Introduction

- **The UK Women's Budget Group (WBG)** is an independent network of leading academic researchers, policy experts and campaigners that analyses the gender impact of economic policy on different groups of women and men and promotes alternatives for a gender equal future.
- We are responding to this inquiry on the basis of our policy work on social care including on funding and workforce³. Since March 2020, we have focussed on the experience and impact of Coronavirus on different groups of women in the UK⁴ including those in receipt of care, care workers and unpaid carers. Our most recent report highlights the economic and environmental benefits of investing in a care-led recovery from Coronavirus, including significant investment in social care to create millions of green jobs⁵.

What impact is the current social care funding situation having on the NHS and on people who need social care?

1. The Covid-19 pandemic has highlighted and exacerbated the crisis in the social care sector as well as its interaction with, and consequences for, the NHS. The consequences of decades of neglect and lack of regulation in a sector focussing on profits and cost minimisation - rather than on meeting need and ethical standards for the treatment of both service users and workers - are cruelly exposed by the levels of unmet need⁶.
2. Although the crisis in care has been heightened by Covid-19, its origins are deeper: the interaction between the NHS and the social care sector has been made fraught by inadequate funding to both services. Prior to Covid-19, cuts in social care and local authority budgets resulted in delayed discharges from hospital thereby reducing bed spaces and increasing waiting times in the NHS⁷.

Coronavirus and social care

3. Long standing funding restrictions on local authorities have left local health and social care infrastructures incapable of orchestrating a collective strategy, while central government has failed to come to the rescue. This, together with precarity and low pay in the care sector have undoubtedly contributed to almost 30,000 Covid-19 deaths in care homes⁸, not counting those at home and dependent on domiciliary or unpaid care.
4. Care homes have been worst affected because patients were discharged to them from hospital without first being tested, despite it being well-known that elderly care home residents were particularly vulnerable to the virus. This was compounded by the use of agency workers working in multiple settings and the failure to provide staff with PPE and testing soon enough, so that the virus was spread to other care homes and to workers and their families.⁹

³ WBG (2020) Social care tag <https://wbg.org.uk/?s=social+care>

⁴ WBG (2020) Covid-19 tag <https://wbg.org.uk/topics/covid-19/>

⁵ WBG (2020) A Care-Led Recovery from Coronavirus <https://wbg.org.uk/analysis/reports/a-care-led-recovery-from-coronavirus/>

⁶ Age UK The number of older people with some unmet need for care now stands at 1.5 million <https://www.ageuk.org.uk/latest-press/articles/2019/november/the-number-of-older-people-with-some-unmet-need-for-care-now-stands-at-1.5-million/>

⁷ NHS England, 2019, NHS referral to treatment (RTT) waiting times data March 2019 <https://bit.ly/2pmWCpT>

⁸ William, L. and Buisson. (2020) 34,000 older care home residents in England will have died from Covid-19 and collateral damage by the end of June, it is projected. *Care markets*. https://www.laingbuisson.com/wp-content/uploads/2020/06/Covid-story_v4.pdf

⁹ BBC News (2020) Coronavirus: What guidance did care homes get from the government? <https://www.bbc.co.uk/news/52674073>

5. Due to financial constraints, care workers receive comparatively little training even in basic social and health care skills and only a minority choose to learn how to handle medication. Many residential homes no longer have any medically trained nursing staff¹⁰. Care workers have done their best to protect recipients from the virus under challenging conditions, but, had they received more extensive training, in particular to deal with problems arising from over-medication, which accounts for one in ten older people's admissions to hospital, over a third of these admissions would have been avoided in the first place¹¹.
6. There is little information on the impact on home care services where over 97%¹² of care is provided by independent agencies. Zero-hour contracts are used widely in the home care sector and workers are still not paid adequately for overnight care and many for travel time. The obligation to visit numerous clients a day, often making multiple visits, has contributed to spreading the virus in the community and amongst the work force and their families.
7. The easements to the Care Act 2014, introduced by the Government in the face of the pandemic have also further deregulated services putting vulnerable people at further risk. Furthermore, disabled, older and people with serious health conditions may have been denied treatment for Covid-19¹³, even where these conditions would not reduce their chance of benefiting from such treatment. Age UK has described reports¹⁴ that some GPs, and in one case an entire care home, were asked to pressure patients to sign 'do not resuscitate' (DNACPR) forms as "morally repugnant".
8. Many¹⁵ care workers, in both home care and residential care, do not qualify for sick pay due to the £120 per week eligibility floor and, and many, as migrant workers, have no access to public funds. For them any requirement to self-isolate has been financially disastrous. There have been reports¹⁶ of care workers who do self-isolate being accused of breach of contract and risking dismissal.
9. ONS data now shows the fatal consequences of this precarity for care workers: care workers are twice as likely to die from Covid-19 than non-key workers and Black, Asian and ethnic minority workers are at particularly increased risk¹⁷. Care workers are more likely to die from Covid-19 than

¹⁰ Skills for Care (2012) The social care workforce 2019 www.skillsforcare.org.uk/adult-social-care-workforce-data-2018-19/2019.p93

¹¹ NHS England (2019) Army of NHS experts to tackle over medication www.england.nhs.uk/2019/05/army-of-nhs-experts-to-tackle-over-medication/

¹² Age UK (2018) Behind the headlines: the struggle to get care at home https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/reports-and-briefings/care--support/rb_jun18_-_the_struggle_to_get_care_at_home.pdf

¹³ In breach of the UN Convention on the Rights of Persons with Disabilities <https://www.equalityhumanrights.com/en/our-human-rights-work/monitoring-and-promoting-un-treaties/un-convention-rights-persons-disabilities>

¹⁴ Huffington Post (2020) Age UK Calls Pushing People To Sign 'Do Not Resuscitate' Forms 'Morally Repugnant' https://www.huffingtonpost.co.uk/entry/do-not-resuscitate-age-uk-coronavirus_uk_5e877643c5b609ebfff0b746

¹⁵ Community Care (May 2020) Covid-19 deaths among social care staff far outstripping those in healthcare <https://www.communitycare.co.uk/2020/05/11/covid-19-deaths-among-social-care-staff-far-outstripping-healthcare/>

¹⁶ Community Care (May 2020) Covid-19 deaths among social care staff far outstripping those in healthcare <https://www.communitycare.co.uk/2020/05/11/covid-19-deaths-among-social-care-staff-far-outstripping-healthcare/>

¹⁷ ONS (2020) Coronavirus (COVID-19) related deaths by occupation, England and Wales: deaths registered between 9 March and 25 May 2020 <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/causesofdeath/bulletins/coronaviruscovid19relateddeathsbyoccupationenglandandwales/deathsregisteredbetween9marchand25may2020#women-and-deaths-involving-covid-19-by-occupation>

their NHS counterparts (19.1 deaths per 100,000 women for care workers compared with 15.3 deaths per 100,000 women for NHS staff¹⁸.)

10. Many care providers, particularly in the residential sector, have made incredible efforts to protect both care recipients and their staff, both of whom have suffered disproportionately due to lack of government action (and some misguided actions.) The combination of increased costs and reduced demand due to Coronavirus may lead to the closure of many care homes and domiciliary agencies. Government intervention is now needed to protect both those receiving care and the care workers they rely on. This makes the long-promised reform of social care funding even more urgent.

A legacy of neglect: how did we get here?

11. The social care sector was widely recognised to be in crisis long before the arrival of Covid-19 because of successive governments failing to adequately fund and plan for rising care needs. Growing numbers both of older people and those of working age who need care increase the urgency of reform, as well as for the 1.2 million paid workers and the over 5 million unpaid carers¹⁹.
12. Since 2001, the number of people aged 85 and older has increased by 33%, and those aged 65 and over by 22%.²⁰ This would only be a cause of celebration had healthy life expectation grown similarly, but it has not. **By 2018 there were 2.9 million people with long-term conditions in England in 2018, 1.9 million more than in 2008²¹.**
13. Funding has not kept up with increased need. In 2019, Age UK reported in 2019 that nearly 1.5 million people aged 65 and over, nearly 1 in 7, are living with unmet care needs that prevent them being able to accomplish some daily activities.²² This is a 50% increase in people with unmet needs since 2010. The majority of them are women because women still live longer than men. Of those aged over 75 years old and living alone, 72% are women.²³ Older men (over 65 years) are less likely to be widowed than older women (and therefore slightly more likely to be caring for a spouse).²⁴
14. There has also been an increase in people of working age with disabilities or special needs. The percentage of the population reporting a disability has increased – from 15% in 2010/11 to 18% in 2017/18.²⁵ Some local authorities now spend more on social care for this group than they do for older

¹⁸ ONS (2020) Coronavirus (COVID-19) related deaths by occupation, England and Wales: deaths registered between 9 March and 25 May 2020

<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/causesofdeath/bulletins/coronavirusrelateddeathsbyoccupationenglandandwales/deathsregisteredbetween9marchand25may2020#women-and-deaths-involving-covid-19-by-occupation>

¹⁹ Carers UK (2020) Briefing on Governments' Carer's Leave Consultation - Carers UK's views and evidence <https://www.carersuk.org/for-professionals/policy/policy-library/briefing-on-governments-carer-s-leave-consultation-carers-uk-s-views-and-evidence>

²⁰ Care Quality Commission (2016) *The State of Health Care and Adult Social Care in England 2015/16* <https://bit.ly/2q0RWTd> (p.42, Figure 1.16.)

²¹ The Kings Fund (2020) Long-term conditions and multi-morbidity <https://www.kingsfund.org.uk/projects/time-think-differently/trends-disease-and-disability-long-term-conditions-multi-morbidity>

²² Age UK (2019) Briefing: Health and Care of Older People in England 2019 (<http://bit.ly/2MPOoiG>) p. 4

²³ ONS (2015) *Life Expectancy at Birth and at Age 65 by Local Areas in England and Wales: 2012 to 2014* (<http://bit.ly/2my29mD>) (Figure 6)

²⁴ ONS (2013) *Full story: The gender gap in unpaid care provision: is there an impact on health and economic position?* (<http://bit.ly/2oqur8L>)

²⁵ Care Quality Commission (2019) *The State of Health Care and Adult Social Care in England 2018/19* (<http://bit.ly/2p8axQt>) p. 40

people. Working age adults now account for 64% of demographic pressures on the adult social care budgets compared with 58% 2019-20. Older people now account for 36%²⁶.

15. Many more people born with learning disabilities or long-standing conditions who, in the past would have died young, now survive well into adulthood but many need some social care - either residential or in the community. With sufficient support disabled people or those with long-standing conditions can be employed especially if they have a personal assistant and/ or supportive employers. The independence they can achieve in this way is invaluable to many. This support also comes from local authority social care budgets.
16. The different groups receiving care may have different needs, reflected the focus among older people's organisations on social care and, among disabled people's organisations on independent living. Any care system needs to take account of these needs, balancing flexibility with regulation to ensure care is of high quality and care workers receive decent pay and conditions.
17. The anatomy of the care sector is largely hidden from the view of the general population and even from service users and their families. The sector comprises a hybrid mix of local authority, not for profit providers and, privately owned residential care facilities and home care agencies. These range from small family-owned individual homes and local agencies, to large-scale multi-home chains owned by private equity finance. Since competitive tendering for council services was introduced in the 1990 National Health Service and Community Care Act local government has become a 'purchaser' of services, while the private and non-profit sectors became 'providers.'
18. Since 2010, English local authorities have lost 50% of their funding from central government.²⁷ Meanwhile staffing costs in social care have increased and now the care sector is grappling with the financial consequences of the Coronavirus pandemic. Regressive plans to make local authorities 'self-sufficient' and more dependent on their own business rates also impacts unevenly across local authorities²⁸. Those with the lowest receipts from business rates are likely to have the poorest populations and the highest social care needs. This may result in the poorest localities having to charge a higher rate of Council Tax, even though their residents can least afford this.²⁹
19. The 2019 Spending Round perpetuated these inequalities by assuming councils can raise £500 million of the £1.5 billion extra for social care from a 2% precept on council taxes and increased business rates. Beyond a potential share of the £5 billion emergency response fund, and possible access by small and medium sized social care providers to the refunded Statutory Sick Pay, local authorities will receive no extra funding in 2020/21 over and above what was provided in the 2019 Spending Round³⁰. These announcements do not match the scale of the problem and have been mostly absorbed by the health service, while demands on local authorities have increased significantly.
20. Covid-19 has presented further funding challenges to the sector: a recent ADASS survey found that just 4% of Directors of Social Services were confident their budget would be sufficient to meet their statutory duty. Last years, 35% of Directors were confident of this showing the damning impact of the virus on already stretched funding constraints³¹.

²⁶ ADASS (2020) ADASS Budget Survey 2020 <https://www.adass.org.uk/adass-budget-survey-2020-coronavirus-budgets>

²⁷ WBG (2019) Triple whammy: the impact of local government cuts on women

<https://wbg.org.uk/analysis/reports/triple-whammy-the-impact-of-local-government-cuts-on-women/>

²⁸ The plan is currently under review by the Government <https://www.gov.uk/government/consultations/business-rates-retention-reform>

²⁹ Communities and Local Government Select Committee (March 2017) *Adult Social Care* (<http://bit.ly/2jsjaCa>) (p.1)

³⁰ The Kings Fund (2020) What the spring budget means for health and social care <https://www.kingsfund.org.uk/blog/2020/03/spring-budget-mean-health-and-care>

21. Cumulatively, these political decisions have had huge consequences for regional inequality, especially when it comes to care: there is now a seven-year difference between healthy life expectancies in the richest and poorest local authorities³². The quality and quantity of care is also a postcode lottery: private providers are concentrated in wealthier areas where low care costs can be subsidised by self-funders. Those local authorities with greatest need for social care have faced the greatest cuts. The more deprived areas have become ‘care deserts’ as private providers concentrate on wealthier areas. This combination of funding cuts and deregulation has led to excess deaths during – and before – the Covid-19 pandemic.
22. The crisis in social care also exacerbates gender inequality since women are more likely to take on responsibility for unpaid care for children, elderly, disabled and/or vulnerable people. Women are also the majority of those in need of care and the majority (83%) of frontline paid care workers, with Black, Asian and ethnic minority people overrepresented (21% of care workers compared with 14% of the population).³³ Additionally, 1 in 4 paid carers is born outside the UK³⁴. Both zero-hour contracts and low pay are common.
23. Investment in care is not only needed to transform our broken social care system, it is also a good way to stimulate employment, reduce the gender employment gap and counter the inevitable economic recession as the UK comes out of lockdown. Investing in care is economically sound not only because it generates employment but also because it helps create a healthier, better educated and more productive population.

What is the extent of current workforce shortages in social care, how will they change over the next five years, and how do they need to be addressed?

24. Estimates suggest that there are 100,000³⁵ social care staff vacancies while a recent survey found that 1 in 4 carers were thinking of leaving their roles due to lack of support³⁶. As above, there are already huge gaps and inequalities in care which will only be exacerbated unless action is taken to recruit, train and retain care workers offered adequate training, working conditions, promotion opportunities and pay.
25. In 2020, women made up 83% of the 840,000 care workers and home carers.³⁷ The Communities and Local Government select committee’s concluded in 2017 that there were ‘severe challenges in the social care workforce’, citing ‘low pay not reflecting the amount or importance of the work involved, low status, poor terms and conditions, and lack of training opportunities and career progression’³⁸ as

³¹ ADASS (2020) ADASS Budget Survey 2020 <https://www.adass.org.uk/adass-budget-survey-2020-coronavirus-budgets>

³² WBG (2019) Office for National Statistics data reveals: Life expectancy for women has fallen <https://wbg.org.uk/media/press-releases/office-for-national-statistics-data-life-expectancy-for-women-has-fallen/>

³³ Gov.uk (2020) NHS workforce <https://www.ethnicity-facts-figures.service.gov.uk/workforce-and-business/workforce-diversity/nhs-workforce/latest>

³⁴ Skills for care (2019) State of the adult social care sector <https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/documents/State-of-the-adult-social-care-sector/State-of-Report-2019.pdf>

³⁵ Skills for Care (2019) The State of the Adult Social Care Sector and Workforce in England <https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/national-information/The-state-of-the-adult-social-care-sector-and-workforce-in-England.aspx>

³⁶ CIPD (2020) 1 in 4 working carers consider giving up their job entirely as many struggle to balance their responsibilities without employer support <http://view.comms.cipdmail.com/?qs=0ce6791536806e3cc0751d0d160e962bf7fd758fe24aed792eab73192d9e9ddab8cb1389779fc0bb10a2ceb1653c6aa83aaff7ed64194dc68007d2c78e8eb21689a8553cd41cef8d829b8de63d2bde8>

³⁷ Skills for Care (2019) *The State of the Adult Social Care Sector and Workforce in England* (<http://bit.ly/31UezsV>) p. 9

³⁸ Communities and Local Government Select Committee (2017) op. cit.

the roots of the problem. This analysis shared by the Migration Advisory Committee still stands especially after the Covid-19 pandemic.

26. Despite the size of the adult social care sector the workforce of 1.3 million is affected by high turnover, a lack of training and limited levels of professionalisation in care work.³⁹ If health and social care services are to be better integrated the government will have to do a great deal more than 'explore options to align and integrate the two workforces'.⁴⁰
27. 24% of the workforce overall were on zero-hour contracts (375,000 jobs) in 2018-2019.⁴¹ This figure was 58% for domiciliary care workers and 18% for registered nurses. Retention is a challenge with staff turnover estimated at 30.8%, with 440,000 workers leaving jobs over the year 2018/19 and 122,000 positions in the care sector vacant.⁴²
28. A 2018 report shows just 34% of the total adult social care workforce had achieved or was working towards their 'Care Certificate' which is designed to train workers in basic standards of care in their day-to-day work. Two-thirds had not started working towards the qualification.⁴³ In 2016 a third of domiciliary care workers had no training in dementia care and a quarter no training in the administration of medication.⁴⁴
29. The impact of the Brexit vote and subsequent immigration reform will have a significant impact on the social care workforce. 8% of care workers (115,000) have an EU nationality.⁴⁵ Skills for Care estimate that 47% of them were eligible to apply for 'settled status' and 33% for 'pre-settled status' (remaining 19% also have British citizenship⁴⁶.) A greater number (9%) of social care workers (134,000) are immigrants from outside the EU. This flow of labour into care jobs is under distinct threat from the UK's proposed points-based immigration system to be implemented in January 2021.
30. The new system will exclude millions of care workers on the basis of their low pay and lack of qualifications: The median wage for a social care worker is £15,522, well beneath the threshold for 'low-skilled' salary threshold (£25,600) and, beneath the 'skilled' threshold (£20,480.) 47 IPPR finds that 71% of EU migrants who are currently defined as 'key workers' would be disqualified from working in the UK under current immigration plans.⁴⁸ 63% of EU national women and 79% of EU national men would not qualify due to low wages in the care, transport and construction sectors where migrant workers dominate. 66% of health and care workers, where more than 80% of workforce are women, would not qualify. 55% of education professionals would not qualify⁴⁹.

³⁹ Skills for Care (2018) *The state of the adult social care sector and workforce in England 2018* (<https://bit.ly/2xB5GIZ>)

⁴⁰ Department for Communities and Local Government (2017) *Adult social care: government response to the Select Committee report* (<http://bit.ly/2hAXK5b>) (para.73)

⁴¹ Skills for Care (2019) *The State of the Adult Social Care Sector and Workforce in England* (<http://bit.ly/31UezsV>)

⁴² Migration Advisory Committee (2018), op. cit. p 90

⁴³ Care Quality Commission (2018) *The State of Health Care and Adult Social Care in England 2017/18* <https://bit.ly/2vXXSjf>

⁴⁴ Skills for Care (2018) op. cit.

⁴⁵ IPPR (February 2017) *Care in a Post-Brexit Climate* (<http://bit.ly/2zERuAA>)

⁴⁶ Skills for Care (2019) *The State of the Adult Social Care Sector and Workforce in England* (<http://bit.ly/31UezsV>) p. 10

⁴⁷ ONS (2019) Annual Survey of Hours and Earnings

https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/careworker_ssocashetable26

⁴⁸ IPPR (19 Feb 2020) Immigration plans analysis: two thirds of current EU migrants in health and social care sector would have been found ineligible <https://www.ippr.org/news-and-media/press-releases/immigration-plans-analysis-two-thirds-of-current-eu-migrants-in-health-and-care-sector-would-have-been-found-ineligible>

⁴⁹ IPPR (19 Feb 2020) Immigration plans analysis: two thirds of current EU migrants in health and social care sector would have been found ineligible <https://www.ippr.org/news-and-media/press-releases/immigration-plans-analysis->

31. The Home Secretary has suggested that there are 8.5 million “economically inactive” people in the UK who can help to fill these staffing gaps.⁵⁰ This fails to acknowledge that many of these people are women already undertaking unpaid care work. It is estimated that as a result of Covid-19 there are over 5 million more unpaid carers in total⁵¹. Many others are disabled or students unable to participate in the paid economy. Working in care jobs should be a rewarding employment choice rather than a default option for those who are already overburdened with care responsibilities.
32. In July 2020, it was confirmed that care workers would be excluded from both the Health and Care Visa (fast track) and, the Shortage Occupation list authored by the Migration Advisory Committee. This will exacerbate rather than alleviate the problems outlined above.
33. If the sector is to become more attractive to UK workers, it must dedicate substantial and long-term investment to improve the poor pay and conditions that currently lead to low levels of staff recruitment and retention, and ‘strengthen opportunities for development and progression’.⁵² As the Migration Advisory Committee argues: ‘the sector’s problems are not primarily migration related. A sustainable funding model, paying competitive wages to UK residents, would alleviate many of the recruitment and retention issues.’⁵³
34. The All-Party Parliamentary Group on Social Care recommended as a matter of urgency not only a national model of registration and qualifications for the social care workforce in England, in line with Wales, Scotland and Northern Ireland, but also recognised the need for parity between the sector’s employees and equivalent colleagues in the NHS.⁵⁴
35. WBG has long advocated for increased investment in developing the skills and career paths which care workers need, not only so that social care becomes an attractive occupation to which both women and men would be proud to belong, but, crucially, to improve the quality of care provided. Analysis by WBG has shown that investing public funds in childcare and eldercare services is more effective in reducing public deficits and debt than austerity policies and would create more jobs than the equivalent investment in construction.⁵⁵ Such investment is urgently needed as the social care workforce will need to grow by 275,000 by 2025, with a further increase to 650,000 by 2035 just to keep pace with demographic trends.⁵⁶

What further reforms are needed to the social care funding system in the long term?

36. WBG calls for a new settlement for social care that provides a stable, sustainable funding base to ensure that rising care needs are met now and into the future. In the midst of this global pandemic, the social care system can no longer be ignored. We have seen the fatal consequences of this neglect. The social and economic recovery from Covid-19 must be care-led.

[two-thirds-of-current-eu-migrants-in-health-and-care-sector-would-have-been-found-ineligible](#)

⁵⁰ BBC News (19 Feb 2020) Are economically inactive people the answer to staff shortages?

<https://www.bbc.co.uk/news/51560120>

⁵¹ Carers UK (2020) Briefing on Governments' Carer's Leave Consultation - Carers UK's views and evidence

<https://www.carersuk.org/for-professionals/policy/policy-library/briefing-on-governments-carer-s-leave-consultation-carers-uk-s-views-and-evidence>

⁵² Skills for Care (2018) op. cit.

⁵³ Migration Advisory Committee (2018), op. cit. p 90

⁵⁴ APPG on Social Care (2019) *Elevation, Registration and Standardisation: the Professionalisation of Social Care Workers* (<http://bit.ly/34a6jGU>)

⁵⁵ Women’s Budget Group (2016) *Investing 2% of GDP in care industries could create 1.5 million jobs*

(<http://bit.ly/2IRoZZm>)

⁵⁶ Skills for Care (2017) op. cit.

37. We call for the establishment of a Universal Care Service that provides non-means tested residential, domiciliary and other forms of care, free at the point of delivery with equal standing to the NHS. It should be funded at the national level to avoid the entrenchment of regional inequalities.
38. To achieve this, investment in the training, pay progression and career development of social care workers to give them parity with health workers is urgently needed so that good care can be provided. Good care should enable maximum autonomy for the care recipient, with dignity, safety and respect as in capabilities and human rights models. Different groups of people with different needs use social care and/or independent living services and a Universal Care Service should reflect these needs.
39. Much like in the health service, there should be no place for private profiteering in the social care sector which provides vital care to those in need. Privatisation and financialisation in the sector have caused a decrease in the quality of both care and working conditions⁵⁷. The move to raising revenue from local taxation has exacerbated regional inequalities and is counter to the Government’s commitment to ‘levelling up’ ‘left behind’ regions of the UK. Instead, both residential and domiciliary care should be funded and regulated by central government– as in the health service.
40. Health and social care services need to be coordinated at the local level to meet different local needs and demographics. Local authorities should have the responsibility and resourcing to make sure care needs are met in their locality to nationally agreed standards of both care and employment. This will require adequate resource from central government and better integration with the NHS. Covid-19 has also demonstrated how interdependent health and social care services are - and need to be.
41. Our research, set out in Table 1 below, also finds that investing in care and care workers is economically prudent: calculations using Eurostat data find that investing in care produces 2.7 times as many as the same investment in construction – 6.3 times as many for women and 1.1 times as many for men (taking account of direct, indirect and induced employment created in the economy). This is at current wages, but even if care-workers were better paid, table 3 shows that 2 million jobs would be created by raising the proportion of the employed population employed in care to 10% (approximately the level of Denmark or Sweden)⁵⁸.

42. *Table 1 Raising employment in care to 10% of employed population: employment generated, and spending required under various wage scenarios*

	With wages in care at:			
	Current level	Raised by 24% for all care workers	Raised by 45% for new care workers (24% for existing)	Raised by 45% for all care workers

⁵⁷ Bayliss, K. and Ginn, J. (2020) The privatisation and financialisation of social care <https://wbg.org.uk/wp-content/uploads/2020/07/Privatisation-of-social-care.pdf>

⁵⁸ WBG (2020) A Care-Led Recovery from Coronavirus <https://wbg.org.uk/analysis/reports/a-care-led-recovery-from-coronavirus/>

Total number of jobs generated	1,982,000	2,110,000	2,161,000	2,215,000
of which % for women	71%	70%	69%	69%
Effect on gender employment gap (% pts)	-4.0	-4.0	-3.9	-3.9
Effect on total employment rate (% pts)	4.8	5.1	5.2	5.4
Gross spending required (% GDP)	2.8%	3.6%	3.9%	4.3%
Net spending (% GDP)	1.9%	2.3%	2.5%	2.7%
Multiple of total employment created for same net spending on construction	3.1	2.7	2.5	2.4

Source: Calculations by Jerome De Henau for WBG, based on 2015 data from Eurostat

43. These investments are also future proof: each job created by investment in care is only one third as polluting (in terms of GHG emissions) as each job created by investment in the construction industry⁵⁹. As a result, the total emissions from investing in care are lower, at 85% of those of an equivalent investment in construction, even though *each pound invested in care produces nearly three times as many jobs*.
44. Such large-scale reshaping and expansion of the existing care system would require whole scale reform of the taxation system in the UK so that the costs of care are shared by society as a whole, and not just by those needing care or their loved ones. It is likely that we will all need social care at some point in our lives therefore, much like the health service or the social security system, social care should be funded through progressive general taxation.
45. There is also a need to recognise that the care system, and consequently the economy, is currently underpinned by unpaid care work, often done by women. The Association of Directors of Social Services (ADSS), in the Forward to Coronavirus Survey 2020, wrote, “If you reach the tipping point where there is a crisis and insufficient care, you start pulling unpaid carers from the working population which will impact on the economy. This impacts more on women.” A Universal Care Service should alleviate this burden so that family members are not expected to do unpaid care unless they wish to and, when they do, have access to respite care.
46. Meanwhile, carers allowance has continued to be paid at the lowest rate of any benefit should be increased. Appropriate support and compensation for lost of earnings for unpaid carers, as well as the right to flexible working, should be available for all including self-employed and gig economy workers.
47. It is important to note that the care system does not stand alone in creating an environment whereby everyone has access to the care they need. A successful social care system requires other agencies and services to function well, including social security, pensions, housing, transport, healthcare, childcare, education and other community services like public health and libraries. For this to happen the local government, which has taken a 60% in funding since 2010 and suffered the consequences of increased demand for services during the Covid-19 pandemic, will need an urgent and substantial increase in funding.

⁵⁹ Calculations by Jerome De Henau for WBG, using Eurostat data <https://ec.europa.eu/eurostat/data/database>

UK Women's Budget Group

Submission to the Health and Social Care Committee

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