

## Double blow for charities

CHARITIES critical to social care reforms unveiled by the Coalition Government are being threatened by a double whammy – disastrous cutbacks in grant-aid and a loss of millions of pounds caused by the VAT increase.

The setbacks, expected to lead to the collapse of hundreds of voluntary and not-for-profit organisations across the UK, could prove a hammer-blow to Prime Minister David Cameron's 'flagship Big Society' ambitions.

The 2.5% rise in VAT – to 20% - will lead to the loss of £140 million in irrecoverable VAT in the charity sector. Sue Ryder, who support people with end-of-life and long-term care needs, say they will lose £1 million alone.

Paul Woodward, the charity's CEO, says the money would be enough to fund a 16-bed hospice for 6 months and provide 50,000 hours of in-patient care. Sue Ryder is now calling on the Government to cut red tape on VAT for charities and the care they provide.

Mr Woodward said: 'We have heard a lot about the Big Society and support the idea of charities delivering more high quality, innovative and cost-effective public services. However, this is only possible if we are afforded the same benefits the NHS and local authorities are given relating to VAT.

'Limited companies, local authorities and some parts of the NHS can reclaim VAT yet our 6 charitable hospices, 7 care centres and 10 homecare services are left to swallow this burden. In this tough economic climate the rise of VAT will hit charities like Sue Ryder even harder.'

Meanwhile, new surveys have revealed that many voluntary adult care organisations have been forced to shed staff after having their funding cut by 10% and more by cash-strapped local authorities.

There are fears that many smaller voluntary organisations – regarded by the Government as critical in delivering social care to many communities in the future – will be forced to close or merge with larger charities.

### Have your say

How can dementia care be improved in Britain today?

Contact us at:

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## Dementia care: the shocking truth

THE shocking lack of care for many people with dementia in Britain is exposed in a major new survey carried out by the Alzheimer's Society.

It reveals that a quarter of a million people with dementia are being let down by care and support that fails to meet their needs.

The sub-standard care means that 50,000 people are being forced into care homes early at a cost to the state of £70 million a month – and thousands more are being admitted to hospital unnecessarily.

The survey, conducted among more than 2,000 people with dementia, carers and home care workers, found that:

- Many people are left bedridden, wearing unchanged incontinence pads and malnourished
- More than half of carers are being put at risk of stress, depression and other illnesses because they are left to struggle unsupported

The Alzheimer's Society warns that the situation is set to get much worse amid unprecedented spending cuts.

The charity is calling on commissioners to think long term and invest in dementia services and training to keep more people out of hospitals and care homes and to save the NHS and councils from bankruptcy.

Jeremy Hughes, chief executive of Alzheimer's Society, said: 'It is an absolute travesty that so many people with dementia are being forced to struggle without the care and support they need. The consequences of this represent an unacceptable human and financial cost.

Meanwhile, a new Which? investigation exposing huge variations in the availability and cost of home care provided by local authorities has cast serious doubts over the Coalition Government's ability to end the 'postcode lottery' of care.

The cost of providing home care is soaring in many areas – and 70% of local authorities are only providing care for those with 'substantial' or 'critical' needs.

The Government is planning to end the postcode lottery

in England by putting a million eligible service users on Personal Budgets (or direct payments) by 2013.

However, there are growing fears that the hourly rate for direct payments will vary from £10-£15 across the country.

And local authorities – likely to become commissioners rather than providers of care – are expected to drive direct payment and care contract prices down to reduce costs.

About 250,000 people currently pay for their care from Personal Budgets – and attempts to quadruple that number in two years is widely regarded as highly ambitious.

The Which? Investigation compared the eligibility criteria of more than 150 local authorities in England and Wales.

It found that:

- Hourly charges vary enormously – from £21.66 in Surrey to £5 an hour in Barnsley
- Derbyshire, Tower Hamlets and Newham provide free home care
- A weekly cap on charges varies from £60 in Barnsley to £850 in Brighton and Hove

*See: A bold vision or a transformation too far on Page 2*



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# CFYB Health care shake-up

## A bold vision or a transformation too far?

*The biggest shake-up of the National Health Service since it was founded in 1948 will have a significant impact on the future of social care in England. Paul Roberts looks at the implications of widespread change in the NHS*

TACKLING bureaucracy and inefficiencies in the NHS has proved a 'graveyard' for many a politician. Change – particularly radical restructuring – is usually avoided because of the enormity of the task and the potential public backlash.

David Cameron describes the Coalition Government's proposed reform of the health service in England as a 'once in a lifetime opportunity' and warns that the shake-up is vital in saving the NHS and making it the best in Europe.

He is taking the biggest gamble of his political life. Opinion on the radical measures, particularly among GPs and consultants, could not be more polarised. The battle to win the 'hearts and minds' of NHS staff and the public may already have been lost.

Heavyweight critics inside and outside the Coalition have fired substantial missiles at the plans for reform. None more so than Tory MP and former GP Sarah Wollaston, who likened the shake-up to 'throwing a hand grenade' into the system.

The restructuring of the NHS is the key to the Government's campaign to transform health and social care in England. Its 356-page Health and Social Care Bill has been published just two months after the unveiling of its *Vision for Adult Social Care*.

Although there are huge differences and priorities in reforming the NHS and transforming social care services, the two are inextricably linked. Successful re-organisation of both is a monumental task but will be critical in reducing inefficiencies and bureaucracy and improving care pathways.

The big question is: is the Government trying to do too many things too quickly? Cabinet heavyweight Vince Cable certainly thinks so. And growing warnings that changes – particularly in health care – would be 'potentially disastrous' cannot be ignored.

BMA and Royal College of Nursing leaders warn that the reforms risk undermining the care of patients by putting cost before quality. The National Audit Office says the overhaul could overwhelm the NHS if mishandled.

The changes are happening against the backdrop of the biggest financial challenge in the NHS's history, with the health service having to make £20 billion in savings by 2013/14. Morale is low and health professionals are speaking out against cuts in services.

The Government has come under fire for pay freezes



among NHS staff, a serious shortage of midwives and for calling a halt to non-emergency operations for cataracts, hernias and arthritic joints in parts of the country to save money.

Nurses are leaving the health service in droves to take more lucrative work abroad and staff are leaving PCTs in increasing numbers, fuelling fears that the health care system could collapse before control of funds switches to the GPs.

This is hardly an auspicious beginning for transforming health care. It raises questions over the Government's ability to bring about real change and whether an obsession to save money is at the heart of reforming health and care services.

The Prime Minister argues with some justification that, with increasing pressure to reduce public spending, there is no option but to deal with inefficiencies in the NHS and ever increasing demand for health services.

But are the planned reforms the right ones? Is there a danger that old bureaucracy will be removed and replaced by even more red tape? Will age-old inefficiencies really become a thing of the past? And can less investment lead to the health and care services we all desire?

Is there really an overwhelming need to remove the PCTs and replace it with new GP consortiums, potentially with top-heavy administrations? Many GPs believe that they could have taken charge of PCTs without replacing them and achieved the same results.

If, as the Government suggest, cash bonuses are given to GPs as a reward for delivering the best care, family doctors could find themselves as unpopular as bankers who have claimed billions of pounds in bonuses in the past year.

How can we be sure that health and wellbeing boards, being set up by each of England's local authorities to promote joint working between health and social care, will not be plagued by jungles of red tape and high costs?

Over-stretched local authorities are taking responsibility for public health from the PCTs and strategic health authorities, working in co-operation with a new quango, Public Health

England and GP commissioning services. Job cuts and re-organisation already happening in public health are in danger of leaving the service in a vacuum, with highly trained and skilled staff capable of making the transition a success, leaving or being redundant. There are question marks over how the Health and Care Professions Council will take over the regulation of the social care workforce from the General Social Care Council, the public body now facing abolition.

There are concerns about how Monitor, the independent regulator of NHS foundation trusts, will handle the role of economic regulator for all health and adult social care in England. The organisation, established in 2004, says:

'We believe it is right to have an economic regulator which is independent of political influence, can build specialist skills and is transparent in the way it sets prices, promotes competition and deals with failure, both of markets and of institutions.'

We can only speculate on why it seems necessary to allow the National Institute for Health and Clinical Excellence (Nice) to 'extend its remit to social care' to 'set quality standards for a person's care experience'. The role is presently carried out by the Social Care Institute for Excellence (Scie).

Just as local authorities are facing the loss of 140,000 staff in the next one-two years, they are being asked to take on many more responsibilities. Most notably, re-shaping social care services under the *Government's Vision for Adult Care* by 2013.

They are being asked to spearhead plans to:

- Put all one million eligible service users in England on Personal Budgets
- Shape the social care workforce of the future
- Forge new partnerships with charities, social enterprises and mutuals to make the vision a reality
- Bring about a vibrant plural market to serve all those needing care at home and end block care contracts

On top of all this, the Independent Commission on funding of care and support is due to unveil its recommendations on how we should pay for our care needs in July 2011, to enable a 'fair for all' system to be introduced in 2013.

So, if all goes well for the government, we should have a new and better NHS, a radically restructured social care sector and a bullet-proof system for funding our future care needs within the next two years. I won't be holding my breath.

**Key points from Health and Social Care Bill – Page 3**



# Paul's view on social care

## Small businesses facing their 'darkest hour'

THE growing threat to Britain's small businesses – including many under pressure social care companies – is revealed in alarming new statistics.

The Federation of Small Businesses, the voice of more than 210,000 firms, warns that the rises in fuel and VAT are putting the future of many companies, particularly in rural areas, in jeopardy.

Many businesses are freezing wages, cancelling recruitment drives, reducing their workforces or putting more employees on part-time to cut costs and survive.

All the evidence points to many businesses being caught – as one leading figure in Scotland's Institute of Directors has already put it – in a 'perfect storm'.

Almost 150,000 companies in Britain are reported to be in serious financial problems and an insolvency specialist says that 23,500 could go bust in 2011 as spending cuts start to bite.

It's a gloomy picture for many, with unemployment rising, hundreds of thousands of public sector workers facing redundancy and few signs of private sector growth. And it's a massive challenge for David Cameron who has pledged to establish the 'most pro-business, pro-growth, pro-jobs agenda ever unleashed by a government'.

The Prime Minister says thousands of new posts will be created this year as a result of a 'strong, confident economy'. He is looking to the giants – Microsoft, McDonalds, John Lewis and the big supermarkets – to kick-start the economy and spearhead a surge in new employment. But he must know that a recovery will not happen without incentives and support for small businesses, the real backbone of Britain's economy.

Figures produced by the Department for Business Innovation and Skills highlight the vital importance of small and medium sized private enterprises. They make up 99% of the 4.8 million private businesses in the UK, employ about 60% of the 22 million people in the private sector and have a combined annual turnover of about £1,600 billion.

The high cost of borrowing and swingeing rises in fuel, VAT and business rates mean that many small companies are operating at little or no profit and struggling to stay afloat.

Fuel costs are reaching crippling levels in rural areas. Petrol in some remote parts of Scotland has reached £1.50 a litre, or £6.82 a gallon. The RAC warn that it could rise to £8 a gallon by April. The Government has still not honoured its pre-election pledge to introduce a fuel duty stabiliser to ease the pain at the pumps. It may look at reducing fuel duty in the March Budget. But a delay is likely to prove fatal for firms who have been reduced to using high interest credit cards to keep their businesses alive.

The Federation of Small Businesses says employment growth is expected to weaken in the coming months, with more than 77% expecting not to expand. In the face of warnings that interest rates could rise to 2% by the end of



2011 to counter soaring inflation, more than 12% are expecting to reduce staff numbers.

The FSB is urging the Government to bring forward its plans for growth including a competitive tax system and incentives to help create new jobs and to keep the base interest rate at 0.5%.

A poll by the FSB shows that Government bureaucracy is preventing the creation of tens of thousands of new jobs in Scotland.

Of the 200,000 one man band businesses in the country, almost half say they would like to employ at least one other person. But they are being put off by legal and other red tape and are unlikely to expand until many of the employment hurdles are overcome.

The scale of the financial problems facing small businesses is revealed in a report by Begbies Traynor, the UK's leading business recovery specialist.

It says the 148,000 companies are experiencing 'significant' or 'critical' difficulties with 3,000 owing more than £50 billion to creditors, suppliers and service providers.

The number of social care providers going bust is expected to increase. In the first half of 2010, 106 health and care providers collapsed, a 49% increase on the same period in 2009.

Ric Traynor, executive chairman of the Begbies Traynor Group, says businesses are 'demonstrating real signs of distress and trade creditors are both losing patience with their debtors and in need of collecting cash into their own businesses'.

He adds: 'Coming against a backdrop of the largest decline in house prices for a year, higher inflation, an accelerated decline in business confidence, and higher unemployment forecasted for 2011, these figures indicate the renewed challenges facing businesses across most industries in 2011, particularly in the SME sector.'

'For smaller businesses, we are entering the darkest hour before the dawn; as they face the dual challenges of weak domestic demand and greater pressures from larger competitors and business customers looking to preserve their own profitability. As such, it will be smaller businesses that bear the brunt of an increase in formal insolvencies.'

A stark warning flying in the face of Government optimism that the private sector will grow sufficiently to employ 500,000 public sector workers facing redundancy.

And it's one that Mr Cameron and his Cabinet will ignore at their peril.

## Key points from Health and Social Care Bill

THE controversial health reforms will give GPs – via new consortiums replacing the 152 primary care trusts – responsibility for an £80 billion budget for commissioning health care from providers in the public, private and charity sector.

Already more than 140 GPs have offered to participate in pilot 'pathfinder' projects – covering more than 28 million people – to test the success (or otherwise) of consortiums before their official introduction in 2013.

Many doctors who support the change, believe that GP commissioning will allow them to operate more effectively, to focus on frontline patient care, cut waiting times and offer patients a person-centred medical referral service.

The GPs will be members of new health and wellbeing boards being established in each local authority area and which will focus heavily on promoting joint working between health and social care at local and regional levels.

Local authorities will take responsibility for public health from the PCTs and strategic health authorities and will work in co-operation with a new quango, Public Health England, who will take over the role of the Health Protection Agency.

The General Social Care Council, an executive non-departmental public body responsible for the regulation of social workers and social work students in England, is to be abolished. The regulation of the social care workforce will be transferred to the Health and Care Professions Council.

Monitor, the independent regulator of NHS foundation trusts, will take on the role of economic regulator for all health and adult social care in England. It will operate as licensing providers and have a key role in price setting, promoting competition and 'supporting service continuity'.

The National Institute for Health and Clinical Excellence (NICE) will 'extend its remit to social care', setting quality standards for a person's care experience, a role that is currently fulfilled by the Social Care Institute for Excellence (Scie).

The Scie say the transfer of public health to local authorities, the establishment of health and wellbeing boards, and the development of GP-led commissioning consortia offer them the opportunity to 'support models of good practice in integrated working across health and social care. We are already working with NICE to help them to develop a new approach to quality standards which will improve the health and care services that people use.'

# CFYB how we can help you

## News . . .

### 'Once-in-a-lifetime' opportunity for radical change

THE funding crisis facing social services departments in Scotland offers a 'once-in-a-lifetime' opportunity for radical reform, according to a new manifesto published by the Association of Directors of Social Work for Scotland.

About 650,000 people and their families are supported by social care services in Scotland. The services are provided by a workforce of 198,000, made up of staff from local authorities, the NHS and private and voluntary organisations.

The ADSW's manifesto – *Challenging Systems, Changing Lives* – says unprecedented spending reductions over the next 4-10 years means that 'our society's whole system for meeting need and promoting social justice will have to be transformed'.

A debate is already underway in Scotland on ending free personal care for the elderly – and on merging health and social budgets to create a National Care Service.

'However efficient and lean public service organisations may become, the ratio of current and projected demand to volume of resources available is such that transformational change is required,' say ASDW.

'Change is required not only for financial reasons, but because people want and expect choice over the type of support they access; they want flexibility, independence and control. Our systems and services need to reflect these aspirations'.

ASDW pledges to:

- Help to deliver social work services that get the best out of the 'social work pound'
- Promote and develop ways in which other services (for example, the NHS) and social work can work together more effectively
- Promote ways in which different services can share resources or be brought together, and encourage agencies and the government to introduce radical new ways of providing care for more people

### Images that shocked a nation

A carer allowed a pensioner with Alzheimer's disease to go hungry – by eating her meals?

Shocking video footage of the carer eating the food in front of a helpless 70-year-old has appeared on the website of BBC Radio Ulster's Stephen Nolan Show.

A hidden camera was installed at the pensioner's home to monitor the carer after relatives became alarmed by the woman's loss of weight.

The daughter of the pensioner, who died several months later, said: 'We cannot comprehend how any human being can do it to another human being.'

The carer pleaded guilty to ill-treating the woman on a number of occasions at her home in 2009. She has been sacked from her job and will appear before magistrates in February for sentencing.

## Embrace change – and lead the way in making it happen

IT WOULD appear that everywhere we look a transformation of one kind or another is taking place. Change can be positive and sometimes very necessary to help us improve, achieve and become creative. But it can also make us feel insecure and uncomfortable whilst we try to make sense of the implications and the direction that the change is taking us.

There is comfort in familiarity and a *status quo*. We get used to how a particular system works and know what to do when it doesn't. We understand how we are regulated and the standards by which we will be measured, and we can plan our financial investment in growth, training and development. Some of us have been in the field so long we can call ourselves experts!

Up and down the county I hear providers talking about change.

- Change in language, personalisation, direct payments, self directed support and focus on outcomes.
- Change in approaches to person-centred, individual, support planning.
- And change in the way we work – from forming partnerships with charities and social enterprises and others, to embracing the concept of personal assistants in care.

All of this is taking place amid dramatic cuts taking place across our public sector and severe financial constraints and concerns in social care. This can stifle innovative and creative thinking and lead to many of us going into survival mode and returning to safe, familiar territory to try and make sense of change and how to operate within new boundaries.

People who know me know that I am a 'glass half full' person. I try to see opportunities where others see difficulties and build on what I have.

So my message for care providers is: grasp the opportunities being presented and do what you do best.

We all talk about task and time approaches being the wrong way to deliver a service. How many times have you rang your care manager to discuss changing a care package because the time of the visit doesn't work or the person you are caring for wants you to do something different in the time allocated?



**Jennifer Roberts:** Try to see opportunities where others see difficulties

The reason you have made that call is because you understand that caring for a person in their own home is about understanding what is important to them and how you can make a difference to their lives.

Given a choice, most of us want to stay in our homes. We want the choice to do what we want, when we want and understand the importance of being able to choose who we share our lives with.

Home care is about supporting that choice. So many of you already know about thinking in a person-centred way – that deciding with your client what you are aiming for comes before setting tasks to overcome problems. And you know that it doesn't always mean more money; it means spending it in a different way.

You are the natural leaders in providing person-centred care. As with all things, it is sometimes more difficult to lead and show others the new way, to fall over and make mistakes.

Think about how rewarding it would be to know that you were part of the change that ensures everyone has the right to remain in their own homes, receives the right support and care – and words such as dignity, choice and personal control are part of everyday thinking.

Think about it and then do it.

**Jennifer Roberts**

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