

# **Disability & Society**



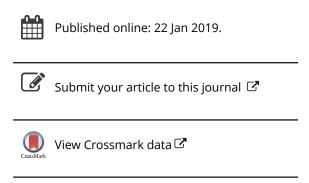
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#### **CURRENT ISSUE**



# The crisis of local authority funding and its implications for independent living for disabled people in the United Kingdom

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#### **ABSTRACT**

The recent financial collapse of Northamptonshire County Council sets a worrying precedent for local authorities in the United Kingdom, and in particular for disabled people who depend on services provided by local authorities, such as Direct Payments for personal assistance, for their daily living needs. While the Northamptonshire situation has been blamed on financial incompetence, we argue that it has deeper roots in austerity policies implemented by Conservative-led governments since 2010 on a national level. We also argue that the placement of responsibility for funding personal assistance services in the hands of local authorities creates a deeply unjust 'postcode lottery' for disabled people, and we call for a national right to all services necessary for independent living, regardless of cost.

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austerity; direct payments; Disabled People's Movement; local authorities; local government funding; personal assistance; adult social care

Since the election of a Conservative-led government in 2010, disabled people in the United Kingdom have been disproportionately affected by cuts to welfare benefits and public-sector services under the ideological framework of 'austerity' (Dodd 2016). One of these cuts which has received significant media attention was the closure in 2015 of the Independent Living Fund (ILF). This fund provided many disabled people with the highest support needs with money to directly employ personal assistants (PAs) (Gradwell 2015). Former recipients of the ILF had responsibility for their personal assistance budgets transferred to their local authorities (LAs). However, ILF recipients were only ever a small minority of disabled people with personal assistance needs, and direct payments (DPs) from LAs have always been the main source of funding for the vast majority.

LAs have themselves been subject to severe cuts in funding from the national government in recent years (Thorlby et al. 2018). While disabled

people's organisations such as Disabled People Against Cuts (DPAC) have largely focused their attention on cuts administered directly by the national government (such as the abolition of the ILF and cuts to benefits like Disability Living Allowance and Employment Support Allowance), services provided by LAs are arguably the 'next wave' of cuts that will most drastically affect disabled people. We write this as members of DPAC, and as a disabled person with multiple impairments who depends on 24-hour assistance provided by a team of PAs directly employed by her (Roxanne) and as a doctoral student whose research focuses on the employment of PAs by disabled people (Steve). Thus, our particular concern here is personal assistance; however, disabled people are also affected by many other cuts being implemented on a local level.

Northamptonshire, where Roxanne lives, is a dramatic illustration of this which has made national and even international news. Northamptonshire County Council (NCC) is in the process of being abolished and replaced by two unitary authorities after issuing a 'section 114 notice', essentially a declaration of bankruptcy, in February 2018. Even after closing libraries and other services, selling off buildings, and cutting staff pay, NCC had to issue an unprecedented second section 114 notice in July, declaring that 'no new expenditure is permitted, with the exception of safeguarding vulnerable people and statutory services' (Northamptonshire County Council 2018). This financial crisis has been blamed on mismanagement by the council itself. However, in a report released in April, local campaign group Save Northants Services describe this suggestion as 'a re-writing of history', arguing that 'cuts in funding ... and Tory policies/ideology are at the very heart of the crisis' (Save Northants Services 2018). It is therefore likely that, while Northamptonshire is the first council since 2001 to issue a section 114 notice (Golding 2018), it will not be the last. Indeed, other Conservative-controlled councils including East Sussex and Somerset are now severely cutting servavoid following Northamptonshire into bankruptcy ices to 2018a, 2018b).

The National Audit Office has suggested that up to 15 other councils could be forced to take similar action by increasing demand for adult social care - which, according to the Association of Directors of Adult Social Services (2018), made up on average 37% of UK council budgets in 2017/18 - combined with the fact that central government funding for LAs has fallen by about half since 2010 (Thorlby et al. 2018). The extent of these cuts is such that adult social care spending has simultaneously increased as a percentage of total council spending and decreased in real terms (Brady 2018). The government is also set to completely abolish general-purpose grants to LAs from 2020 (Amin-Smith, Phillips, and Simpson 2018), which will make an already bad situation even worse.

### How these cuts affect disabled people and PAs

NCC has not raised their DP rate since 2006, despite the increases in both the cost of living and the National Minimum Wage over that time period, meaning that disabled people who employ their own PAs have not been able to increase their wages for over 12 years. The proportion of the DP rate paid by NCC that is intended for paying PAs' wages is now in fact lower than the National Minimum Wage. NCC opened a consultation on DP rates in May (Northamptonshire Adult Social Services 2018); however, all of the options up for consideration can be seen as cuts to the overall DP budget and will leave PAs paid low, barely legal wages.

As the wages of PAs have been squeezed in comparison to those of other workers, the knock-on effect has been that it has become harder for disabled people to recruit and retain suitable PAs, particularly for those, like Roxanne, who have more extensive assistance needs and therefore need PAs to do more work within the same length of shift. This means that disabled people are often left struggling to access basic levels of personal care necessary merely to stay alive, let alone have any kind of independent living, and/or relying on the unpaid labour of family members. This situation is likely to only get worse for employers like Roxanne with Brexit, as most of her PAs are citizens of other EU countries, who are often more likely than British citizens to apply for, and to put up with, such poorly-paid work (Lawson and Sayce 2017).

At the same time, NCC are considering paying a private company to administer a new system of allocating care funding via pre-payment cards. According to a report by the Independent Living Strategy Group (2017), such schemes cost an average of over £30,000 per LA to set up, and have average operational costs of over £90 per person per year. These costs will inevitably either add to LAs' budget deficits or be passed on to personal assistance users. We would argue that pre-payment card schemes are an ideologically driven waste of public money, part of a broader privatisation agenda within local government which can also be seen in the privatisation by many LAs of the payroll services that disabled people must use in order to be entitled to DPs.

While Northamptonshire may constitute an extreme example, we are certain it is not the only place in the United Kingdom where disabled people's right to independent living – which ought to be guaranteed by Article 19 of the UN Convention on the Rights of Persons with Disabilities – is being denied them by the failure of LAs to deliver adequate personal assistance funding and support services. Steve's PhD research shows that disabled people across the United Kingdom are deeply concerned about potential loss of choice and control over basic everyday living activities caused by cuts to both DPs themselves and to formerly LA-funded support services, such as payroll services for direct employers, training for both employers and PAs, and assistance with recruitment.

There are also huge differences between LAs with regard to their eligibility criteria for DPs, the number of hours of personal assistance that individuals are assessed as needing, and the hourly rates paid. This results in an arbitrary and unfair 'postcode lottery' of provision, which also means that disabled people who rely on personal assistance cannot easily move to a new area, because they may not be able to keep the personal assistance services that they were previously getting. Those who do move may have long struggles even to get assessed by their new LA while no longer receiving funding from their old one. This denies disabled people the freedom to move wherever they want within the country, a right taken for granted by non-disabled people. We would therefore argue that the current system of administering adult social care through LAs is fundamentally unfit for the purpose of delivering independent living.

## Implications for action

There are two main tactical implications of all this for the Disabled People's Movement in the United Kingdom, Firstly, both analysis and action need to focus on the local as well as the national level of policy and provision that impact on disabled people's lives. While high-profile direct action in London targeting central government is very welcome, there is also a need for the national movement to direct its energies towards supporting local struggles (including both advocacy for individuals put in emergency situations by cuts to funding and services, and public demonstrations and media campaigns targeting LAs on a policy level).

Secondly, there is an equally urgent need for disabled people's organisations to unite around a demand for a right to live independently in the community, regardless of how much the services needed for this would cost. A recent report by the Institute for Fiscal Studies (Amin-Smith, Phillips, and Simpson 2018) recommends centralising the funding of adult social care, but still administering it through LAs. However, we would argue that this proposal does not go far enough, as it does not distinguish the support needed for independent living from the more generic concept of 'adult social care', and would still leave the actual provision of personal assistance services in the hands of LAs which have proven themselves incompetent to deliver them.

Instead, we support Beresford and Harrison's (2017) call for 'a new universal right to independent living, enshrined in law and delivered through a new national independent living service managed by central government, led by disabled people, but delivered locally'. This would replace both the ILF and 'adult social care' funding from LAs. We propose that in the first instance the social care departments of LAs would be split from them and incorporated into this new nationally funded body. A longer-term aim would be to enable disabled people to control the assessment process and local provision of support services, such as payroll management, by training disabled people to take on social work roles in the new national body and by strengthening local disabled people's organisations in partnership with it.

Establishing this new independent living service would require new legislation to implement an 'independent living bill of rights', built on the foundation of Article 19 of the UN Convention on the Rights of Persons with Disabilities, and informed by the social model of disability and the fundamental principles of independent living: that all lives are of value; that everyone can make choices; and that all disabled people should have the right to have choice and control over their everyday life and to participate fully in society (Morris 1993). We would assert that only with this uncompromising universal basis can disabled people with personal assistance needs truly achieve 'independent living' on an equal basis with non-disabled people. However, we invite responses from those who might favour other ways of organising support for independent living.

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