

# Rural areas lose in ‘unfair’ funding of elderly care

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The elderly population in the shires is increasing at a faster rate than in cities but they receive 60 per cent less money for their social care  
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Rural councils receive 60 per cent less money for social care per elderly resident than those in London, because of an “unfair” cash formula, a study says.

The County Councils Network (CCN), a pressure group representing England’s shire authorities, has condemned “regressive, unfair and opaque” Treasury methodology. Counties received £279 in social care funding for each resident over 65 in 2013-14, according to a study by LG Futures.

This compares with £717 for London councils, £590 for metropolitan boroughs and £449 for non-county unitary authorities.

Since then, funding has fallen by 20.1 per cent between 2013-14 and last year, but funding for London authorities fell by 17.6 per cent, CCN said.

The gap is widening, the pressure group says, because the elderly population is increasing at a faster rate in the shires than in cities. Between 2015 and 2020 the number of over 65s is likely to increase in rural areas by 2 per cent a year. The national average is 1.8 per cent a year.

This growth will increase the burden on rural councils by an estimated £247 million. County councils have had to raise more money locally to pay for care and have often put up council tax beyond the level of inner London councils for the same band properties.

The CCN said that the local government funding formula, which calculates the central money allocated to social care and other services, uses out-of-date demographic data. It is calling for a “cost-driver” approach that would focus on population and infrastructure pressures.

Last week the government confirmed that a review of local government funding would be completed by 2019-20. County councils and Conservative MPs with shire seats are putting pressure on ministers to ensure that specific challenges relating to social care and other services in rural areas are reflected in the funding formula that results from the review.

Last week James Heappey, Conservative MP for Wells, called on Sajid Javid, the communities secretary, to pledge that any additional funding for elderly care would be allocated according to a needs-based formula that recognised, with appropriate weighting, sparsity of population and a deteriorating demographic: issues in rural areas.

Paul Carter, chairman of the CCN, and the Conservative leader of Kent county council, said: “The prime minister quite appropriately wants to create a ‘society that works for everyone’. However, the method of funding local government clearly does not pass the fairness test for everyone and this has a profound effect on county residents.”

He wants more funding for social care in the budget next week and said he hoped that the funding review would lead to a fair and equitable solution to “glaring discrepancies [in funding] . . . rather than the current regressive, unfair and opaque methodology”.

A government spokesman said that it had “provided a further £80.5 million for rural authorities through the rural services delivery grant”.

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Tiger crab

It was always a constant battle to get care organisations to come out to serve patients when I was practising as a GP in a very rural area. Funding for my patients was, as described in this article, disproportionately low and in turn, the care organisations wouldn't pay carers travelling costs to come out. Carers could see 5 or 6 people in urban areas in the time it took them to come out and see

1 person where I practised and so the whole system cost them and their employer money.

Yet another example of the inverse care law in operation.

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