

REPORT OF LIAISON COMMITTEE

ON PRESENTATION OF

CONSERVATIVE SOCIAL SERVICE POLICIES

SECTION I - Importance and Public Perception

In this paper the term "social services" includes the social security system, the National Health Service and the personal social services administered by local government. Special attention is also paid to non-state provision by volunteers and families.

1. Although the most urgent political issues in the minds of the electorate are mainly in the economic field, the Conservative Party has traditionally recognised the importance of wider values.
2. These values underpin the kind of society to which the Conservative Party is committed and the policies which are needed to sustain them.
3. Conservative values include the cohesion and stability of our society; the establishment of good standards of learning and behaviour; freedom of choice for individuals and their families as well as the devolution of responsibility to them; and the humane and religious tradition of caring for those in real need.
4. These qualities are reflected in good family life where children are brought up with stability, security and love and are prepared for adult life as responsible citizens. Families also play a major role in caring for disabled relatives and there is no evidence that the modern family has given up its caring functions.
5. Against this background, one of the main functions of the statutory services is to back-up the family and help it to carry out its responsibilities.
6. Clearly these services also have a major role to play where there is no family or where the family are unable to cope.
7. In the final analysis the statutory services act as a safety net. No-one is denied medical treatment because he cannot afford it and no-one need be reduced to real poverty, by unemployment, widowhood or old-age. In a very real sense the social services in Britain re-inforce the claim that a free enterprise economy and a compassionate society go hand in hand. Each are different sides of the same coin.

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8. There is strong support in principle for the present system of social services. For example, last year's poll found that 71% of those asked about the National Health said that it represented value for money and 83% would oppose replacing it by private medicine. (Marplan, December 1981). Popular support for a system which provides an income for old people is equally high. When given a list of seventeen things the 1981 budget should or should not have done, the one issue easily topping the list was raising pensions - which was favoured by 95% of the respondents and was more popular than raising tax allowances (favoured by 73%).
9. The elderly strongly identify with Conservative values and as a result about 30% of those voting Conservative at the last General Election were over pensionable age.
10. The Government's overall record in the social services is a very creditable one and many achievements have been carried out of which we can be proud. Unfortunately there is absolutely no reason to think that this is getting through to any but a small section of the electorate.
11. For example, a Gallup survey in December 1981 showed that 64% of respondents disapproved of the way the Government was handling the Health Service and only 28% approved. (In June last year, the figures were 55% and 33% respectively). It is likely that the public, if asked whether the Health Service was being expanded or reduced, would almost unanimously assume the latter. The fact that the real resources going into the NHS have never been higher is almost certainly disbelieved.
12. Similarly, 55% of respondents disapproved of the way in which the Government was handling pensions whilst only 34% approved.
13. Other poll evidence shows that in our first three budgets (but not the fourth) the majority of people felt that pensioners and families with children had actually been made worse off, whilst in all our budgets widows and the low-paid were seen as being the worse-off.
14. In sum the social services are an essential element in our society and command widespread support; they are directly relied upon by large numbers of people; although the Conservative record is very creditable the majority of the electorate do not share this view.

SECTION II - The Record

1. The present Government has fully lived up to the tradition of the Conservative Party in protecting the old and recognising the special needs of the disabled; in safeguarding those who are most in need; and in improving the National Health Service.

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2. The Elderly

- pensions have been fully protected against prices, as we promised at the last General Election. Indeed by November 1982 they will have been raised during our period of office slightly ahead of prices
- the £10 Christmas Bonus has been paid each year
- the weekly amount pensioners can earn without loss of pension will have been increased from £45 under Labour to £57 by November 1982
- poor pensioners on supplementary benefits receive more help with their heating costs than they received under Labour
- the number of sheltered housing places for the elderly, with a warden service, has been increased in England from 264,000 in March 1979 to 302,000 in March 1982
- The Government's prime economic objective of reducing the rate of inflation is of great importance to the elderly, because inflation erodes the value of their savings as well as any fixed income they may have. The inflation rate is expected to fall from 12% at the beginning of 1982 to 7½% by the end of the year.

3. The Disabled

- the attendance allowance paid to 300,000 handicapped people has been fully protected against prices
- the mobility allowance will have been raised from £10 per week under Labour to £18.30 by November 1982. Its value will therefore have been increased by 83% under the Conservatives. In addition, the mobility allowance has been made non-taxable and this will benefit some 40,000 disabled people, many of who are in work and thus have other taxable income
- in total, social security expenditure on the long-term sick and disabled has risen by 5% in real terms between 1978-9 and 1981-2
- Under the Companies Act 1980, company policy towards the disabled must be set out in the director's report
- measures taken by the Government last year include doubling the tax allowance for the blind and the Education Act 1981, updating the law on the special education of handicapped children

4. Low-income Groups

Supplementary benefits assist 6 million people (including dependent wives and children) and the main categories are pensioners, the unemployed and single-parent families.

The Government will have raised supplementary benefits fully in line with the increases in prices in the four years to November 1982.

This means that the very poorest in our society have had their living standards maintained. The idea that we are inviting the poor to bear the brunt of our economic strategy bears no relation to the truth.

5. The National Health Service

- in 1979 the Conservative Party promised to increase the resources of the NHS and this commitment has been fulfilled. Between 1978-9 and 1981-2 spending on the National Health Service rose by about 5% in real terms and now runs at some £14,500 million p.a. in Britain.
- over £1000 million has been set aside for 123 important new hospital building schemes costing over £2 million each
- to increase NHS efficiency, a series of initiatives have been launched including regional reviews of plans and performance - in particular manpower plans, development of performance indicators, the introduction of "scrutinies" under the guidance of Sir Derek Rayner and the experimental use of commercial auditors
- staff employed in actually caring for patients have been greatly increased. In two years to September 1981 the number of nurses and midwives in Britain (whole-time equivalents) rose by over 41,000; the number of doctors and dentists directly employed in the NHS by 2,300; and the number of GPs and General Dental Practitioners by 2,350.
- until the industrial dispute in the NHS this year waiting lists were being reduced and patients were being treated more quickly. The number of people waiting for admission to hospital fell, in England alone, from 752,000 in March 1979 to 619,000 in September 1981
- administration is being simplified in England by the removal of one administrative tier (the area health authority); decision-making will be nearer to the point where health care is actually delivered; and some £30 million p.a. will be saved on administration and transferred to patient care
- private medicine has been encouraged by abolishing Labour's legislation to phase out paybeds; easing restrictions on private hospitals and restoring tax relief on employer/employee medical schemes. These measures have increased total health care in the UK and relieved the strain on the NHS

6. Personal Social Services and Voluntary Effort

- local authorities have increased their spending on the personal social services in real terms and there have been increases in the number of home helps, as well as meals-on-wheels and other services, since 1978-9. Such services together with social security improvements like those made in the mobility allowance, help more people to be cared for in their own homes, where they want to be
- important changes are being made in "joint finance" arrangements, which foster collaboration between health authorities, local authorities and voluntary bodies in schemes for more "care in the community" so that, for example, fewer mentally handicapped people have to be in long-stay hospitals

- the amount of voluntary effort in the personal social services is actually greater than that provided by local government and budgetary concessions worth over £30 million p.a. have been made by the Government to help charities. In addition, central Government has maintained the value of its grants to voluntary organisations and the DHSS in particular will be helping some 250 voluntary bodies in England to a total of about £9 million in 1982-3. Local authority support for the voluntary sector in England has risen substantially from £15.6 million in 1979-80 to £23 million in 1981-2

- it has been made easier for the unemployed to do voluntary work without losing entitlement to benefit. In addition, £4 million will be available in 1982-3 in Britain to help provide opportunities for unemployed people to do voluntary work in the health and personal social services field

SECTION III - Themes and Presentation

1. Improving the Social Services 1979-82
 - (a) It must be accepted that the propaganda climate in recent years has been a difficult one. Some hard but necessary decisions have had to be taken in which certain benefits have been cut in real value (e.g. unemployment benefit, sickness benefit and child benefit) and earnings-related benefits abolished. This has been aggravated by a constant barrage of ill-informed press and TV comment about "the cuts" and rumours about further proposed public expenditure economies in the last two years. The end result has been to create a climate of opinion in which everything is seen to have been cut even if it is untrue. Many Conservatives appear to share these widespread misconceptions.
 - (b) Fortunately we now have a good practical record in Government and we can claim to be judged on what we have done. Furthermore, on the assumption that the public expenditure programmes are established and will be adhered to, there will be a period of relative calm and consolidation. Now is a good time for a much more aggressive approach in selling our achievements.
 - (c) Public opinion will, on all the polling evidence that is available, strongly support our positive actions in the social services and there is no reason to believe that the unfavourable attitude currently displayed by the electorate is somehow set or immovable. Interestingly, in the 1981 budget we were seen for the first time, by a small majority, as making the disabled better-off and in the 1982 budget we were seen as making pensioners better-off (by 31% to 19%), also for the first time. This shows that with imaginative measures, like doubling the blind allowance, and good presentation it is possible to alter public perception of the Government.
 - (d) In the Health Service we should stress not only our record but also the dedication shown by the nurses, and hence the damage done to patients as well as to their own interests by health service workers going on strike.

- (e) Unemployment is the most important political issue at the present time and, although it is not a DHSS matter, the electorate may well see the Government's response as an important indication of its social attitudes. This suggests that our publicity in the social services field should be complemented by similar illustrations of what we are doing to help the unemployed (e.g. educational provisions, training and job release) whilst the economy is being put on a sounder footing.
- (f) We have done as much for the social services as any responsible Government could do and this is a point which we should aim to get across to the electorate. By contrast, the Labour Party proposals for massive extra public borrowing, in the social services as elsewhere, carry little conviction and highlighting them may help us to damage Labour's credibility

2. Paying for the Social Services

- (a) Although any Government would obviously like to improve the social services, the fact is that huge sums are already being spent and that extra expenditure has to be paid for.
- (b) This year the personal social services will cost over £2000 million; the NHS around £14,500 million and the social security programme over £32,000 million. This means that out of every £10 of public spending, £4 goes on the social services.
- (c) Emphasis must be constantly laid on the fact that expenditure on the social services is financed out of taxation and that the increases in expenditure since 1979 have had to be financed by increasing taxation. For example, the NI contribution paid by employees since 1979 has risen from 6.5% to 8.75% mainly to finance expenditure on social security benefits and the NHS.
- (d) Any responsible Government must strike a balance if only because heavier taxation can damage the very groups which the social services are trying to help. Increases in personal taxation mean that people on low incomes are made worse-off whilst increases in business taxation simply results in higher unemployment.
- (e) In the longer term, the most important reason for controlling expenditure and taxation is that such restraint is vital to the Government's economic objectives and hence to a healthier and more productive economy. Unless we can achieve industrial recovery we will not create the wealth that is necessary to put into effect our plans and aspirations. People dependent upon the social services, including the unemployed, are among those who will gain most from the success of the Government's economic strategy.

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3. Strengthening the Family

- (a) The family provides the framework in which almost all children are brought up and develop as individuals and as members of society. The quality of family life is therefore of fundamental importance to our country.
- (b) In the social services field the family is important not only because of its role in raising children but because of its functions in caring for disabled relatives. A survey by "Age Concern" confirms that very few elderly people are ever visited by a social worker or a voluntary worker and that the bulk of supporting help for the elderly disabled is met by the family. ("Beyond Three Score and Ten", 1978). Of some 700,000 elderly people suffering from dementia, only 13,500 are being cared for in hospital and the vast majority are being looked after by their families.
- (c) It is totally in accord with Conservative values to help families who wish to look after their relatives. The social security system can help ease the financial strain on the family (e.g. the attendance allowance, introduced by the last Conservative Government, is especially helpful) and the personal social services are becoming more family-oriented. For example, some local authorities take disabled people into residential accommodation for short periods so that families can be given a break.
- (d) The removal of children in care from institutional homes and placing them with carefully chosen foster parents is a good example of family policy. It is in the interests of the children to be brought up in a family and they are most likely to accept social discipline in adulthood.
- (e) Conservatives have strengthened the family in other areas. The sale of council houses means that many working families can, for the first time, acquire their own home and a major financial asset, which they can leave to their children. The Education Act 1980 has established a Parents Charter in our schools and given parents more say in how their children are educated.
- (f) Families have duties as well as rights and in the past too little emphasis has been laid on parental responsibility. The Criminal Justice Bill makes parents face up to their responsibilities by normally paying the fines imposed on their children or entering into recognisances to ensure their good behaviour.
- (g) However, the family is coming under strain as a result of the rising divorce rate. Whatever the effects may be on adults, studies show that divorce is generally a devastating experience for children. There are important implications for public policy because of the heavy burdens that divorce places on the legal system, the social service departments and social security benefits. It also seems probable that divorce leads to an increase in juvenile delinquency among the children involved. Calls

have been made for more effective conciliation and reconciliation procedures and the Government is studying these recommendations.

4. Privatisation and Freedom of Choice

- (a) The Conservative Government has strongly encouraged the growth of the private sector in the social services.
- (b) About half of all earnings-related pensions are in the private sector and the reliance on state pensions provided after the war has been radically diminished. The introduction of the new sick pay scheme means that employers rather than the state will be responsible for administering income during the first eight weeks of their employees' sickness and this will cut out some 3000 civil service jobs.
- (c) The private medical sector is also rapidly expanding and over 4 million people now have medical insurance with the provident associations.
- (d) Conservative policy is to encourage the private medical sector, thereby widening freedom of choice and easing the strain on the NHS. The policy is strongly supported by the electorate and indeed a BUPA survey of September 1981 shows that 57% of all union members would be in favour of accepting a wage deal which included private medical insurance (excluding the 6% who already have this type of insurance) and only 24% would not be in favour.
- (e) Conservative policy is therefore going with the grain of public opinion, whereas the Labour Party - which has traditionally opposed private medicine - and the SDP/Liberal Alliance, which appears to favour restrictions on private medicine, are both in some difficulties. The Conservative Party could take a much more aggressive approach in its publicity in this area.

5. Encouraging the volunteers

- (a) The role of the volunteer is valued by the Conservative Party. Volunteers embody individual responsibility in a free society and represent a personal response to social needs. The voluntary movement often does what the state cannot do and in addition, is innovative, quick and flexible.
- (b) Some 1½ million people take part in voluntary work in the community every week and the amount of voluntary effort in the personal social services exceeds that provided by the statutory services. Many disabled people, especially those without families or friends to support them, are only able to live in their own homes because of voluntary workers.

- (c) The voluntary and the statutory workers are being encouraged by the Government to work in partnership and as a result many local authorities now provide basic services in conjunction with voluntary bodies.

- (d) The suggestion that charities should be helped by tax concessions is extremely popular. When, after the 1981 budget, people were given in a poll a list of seventeen measures which they would have liked to have seen in the budget, the third most popular proposal (after raising retirement pensions and tax allowances) was tax concessions for charities. In fact, the 1980 budget gave about £30 million in tax relief for charitable giving and that was the biggest incentive to charities for half a century.