

**SHAPING THE FUTURE OF CARE TOGETHER - THE GREEN PAPER ON
CARE AND SUPPORT**

Introduction

1. (1) In May 2008, the Government issued *The Case for Change – Why England needs a new care and support system*, launching a large-scale public debate on whether there is a need for social care and support reform. After publication, the Department of Health set out on a six-month engagement and consultation process. The responses received during the consultation fed into the Green Paper *Shaping the Future of Care Together* published on 14 July 2009.

(2) The Green Paper concerns the future shape and funding of social care, setting out the challenges we face today and in the future and the options for addressing them. It heralded the start of a public consultation period which will last until 13 November. The document invites responses to three main, and a series of subset, questions. The Government has been running a series of events for the public and interested groups. They intend to follow the consultation with the publication of a White Paper on care and support in 2010.

Key proposals

2. (1) The Green Paper's 'Vision' is a 'National Care Service' that is fair, simple and affordable. In this new system there are six things that everyone should be able to expect:

- prevention services (including reablement and Telecare schemes)
- national assessment
- a joined-up service
- information and advice
- personalised care and support (including increased individual control through personal budgets and direct payment initiatives)
- fair funding

(2) Not all of these aspirations are totally new. In many respects the Green Paper builds on previous strategies and papers, and on existing good practice. However, there are certain new proposals in the Green Paper which, if developed and implemented, could have significant implications for the way care and support currently operates. These are the proposals around national assessment and fair funding.

(3) **National assessment** seeks to address the issue of the 'postcode lottery'. It is proposed that everyone will have the right to have their care and support needs assessed in the same way, with universal eligibility criteria and an assessment that is 'portable' throughout the country. They will also have the right to have the same proportion of their costs paid for wherever they live.

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(4) **Fair funding** proposes that, regardless of means, everyone will get some state funding to help meet the costs of their care and support. There is also recognition of the need to make better use of current funding, for example by drawing some funding streams together – in particular certain Disability Benefits for older people (£6.1 billion) and the current funding for social care (£14.7 billion). However it is made clear that additional funding will be needed.

(5) The Government has ruled out funding systems that would either expect people to pay for all their own care and support costs ('Pay for Yourself') or put the burden entirely on the State ('Tax-funded'). Three funding options are put forward for further consideration:

- **Partnership Model:** the State would fund a set proportion of an individual's total care costs, possibly between a third to a quarter (typically £10,000 to £12,250 out of a typical total cost of £30,000). This minimum proportion would apply to everyone regardless of means. The typical remaining cost to the individual would be £20,000 to £22,500 according to the Green Paper. It would be up to the individual to fund this. Those less well off (though what this means is not defined) could have a higher proportion paid for - up to 100% for the poorest.
- **Voluntary Insurance Model:** there would be the same minimum help as above. Insurance could be then taken out for the remainder of the cost, either through the private sector or through a state insurance scheme. The insurance payments could be made in a variety of ways – in installments, as a lump sum, before or after retirement or after death from a person's estate. At the time care was needed it would be provided free of any extra charge. Typical cost to the individual would be between £20,000 and £25,000 according to the Green Paper.
- **Comprehensive Model:** everyone over retirement age who "had the resources" (again, this is not defined) would have to pay into a state insurance scheme. The size of a person's contribution could vary according to their savings or assets. Alternatively a single one-off payment could be made before retirement, after retirement or after death from a person's estate. Typical cost to the individual would be £17,000 to £20,000 according to the Green Paper. Care and support would then be available for no extra charge when needed. The Green Paper states that the Government would also look at having a free care and support system for people of working age alongside this.

(6) The Government believes that the *Partnership Model* should be the foundation of the new system. It also thinks that existing funding should be allocated more fairly so that everyone who has high needs gets some of their care and support paid for and the poorest people get all of it paid for.

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However this is seen as insufficient on its own as it does not fully protect people against the risk of high costs and the possibility of having to sell their home. Therefore either the *Voluntary Insurance Model* or *Comprehensive Model* would be needed in addition.

(7) **The Green Paper states specifically that accommodation costs are not included in the cost of care and support proposals.** It is expected that the majority of people will pay for these accommodation costs themselves although it is stated that, “there will always be a role for the state to play in helping people with low income and assets”. For the majority that do have to pay accommodation costs, the Government proposes a “universal deferred payment mechanism” allowing residential accommodation and care costs to be charged upon a person’s estate when they die.

Role of local authorities

3. (1) The Green Paper puts forward three alternative proposals on the balance of power between local and national government. Depending on which is chosen there could be significant implications for Councils with Adult Social Services Responsibilities. These are as follows:

(2) **A fully national system** under which central government decides how much funding people get and this is **the same across the country**, in the same way that Attendance Allowance is. The funding provided all comes from central government with no contributions from Council Tax.

(3) **A fully national system** under which central government decides how much funding people get but they set **different amounts depending on where a person lives** – so someone in Kent would get more than someone in Lancashire (or someone in the South East would get more than someone in the North East). As in (2) above this funding would all come from central government with no contributions from Council Tax.

(4) **A part-national, part-local system** under which central government sets the eligibility criteria and the proportion of care costs paid by the state but the local authority decides how much an individual should receive, presumably giving them the flexibility to raise extra money through Council Tax.

(5) Whichever system is chosen local authorities are seen as having a key role to play in the delivery of care and support, providing and commissioning services and fostering local innovation.

(6) A vital aspect of the role of local authorities will be their role in the distribution of money to the individual and the collection of the individual’s contribution. There are various ways this could work with a greater or lesser role for the local authority.