

REPORT TO ADULT SOCIAL CARE PARTNERSHIP BOARD

12 JULY 2011

BY HEAD OF STRATEGIC COMMISSIONING

FAIRER CARE FUNDING: THE REPORT OF THE COMMISSION ON FUNDING OF CARE AND SUPPORT

1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to provide a briefing on the Commissions report into the funding of care and support.

2. BACKGROUND

- 2.1 The Commission on Funding Care and Support was set up by the Government to make recommendations on how to achieve a fair, affordable and sustainable system for funding adult social care in England. It is proposing a partnership model in which costs are shared between the state and individuals who have sufficient means.

3. RECOMMENDATIONS

- 3.1 The review makes the following main recommendations.
1. A cap on the lifetime contribution of individuals to their social care costs (residential or home care) – the review suggests a range between £25,000 and £50,000 and proposes £35,000. Once they have paid this amount, individuals would be eligible for full support from the state.
 2. For residential care, the level of assets which people should be able to retain while being eligible for full state funding should increase from £23,250 to £100,000.
 3. People with care and support needs from childhood cannot be expected to plan for their future care needs and should be eligible for free state support.
 4. Universal disability benefits for people of all ages should continue, but the government should consider how to align benefits with the social care funding system and Attendance Allowance should be re-branded to clarify its purpose.

5. People should contribute a standard amount to cover their food and accommodation in residential care - £7,000 to £10,000 a year is proposed.
6. Eligibility criteria for service entitlement should be set on a national basis with an improved framework. In the short term the report suggests a national minimum threshold of 'substantial'.
7. The Government should invest in an awareness campaign to inform people about the new system and encourage them to plan ahead.
8. The Government should develop a major new information and advice strategy to help people when care needs arise.
9. The report supports the Law Commission's proposals to give carers new legal rights to services and to improve assessments.
10. The Government should review the scope for improving the integration of adult social care with other services in the wider care and support system, particularly health.

3.2 The Commission estimates that the additional funding required for its proposals would initially cost between £1.3 and £2.2 billion a year depending on the level of cap – with a cap of £35,000 it would cost £1.7 billion.

3.3 The Commission's report endorses the role of local authorities in commissioning and delivering local services. A consistent theme is that current funding for adult social care is inadequate and that the Government should ensure that local authorities receive sufficient and sustainable funding. While the details need to be examined in more depth, there is much in the report to welcome, and the question now is whether there is political will to go forward and to find the additional funding. The previous timetable for social care reform was a White Paper this autumn with a Bill in spring 2012. The White Paper has now been put back to next spring with a Bill 'at the earliest opportunity'. These issues and others are considered in more depth in the comments section of this briefing.

4. GOVERNMENT RESPONSE SO FAR

4.1 In a Statement to Parliament, Andrew Lansley welcomed the report and confirmed the Government would progress the recommendations as a priority. However, he also warned that the cost of reform would have to be considered alongside other priorities, and pointed to the wider range of options in the report such as setting the cap at £50k. The Government's response will appear in a White Paper which will now be published next spring. There will now be a period of engagement with stakeholders and with the Labour Party who have agreed to join discussions. The

Secretary of State set out six tests that any reform would have to meet.

- promoting closer integration of health and social care
- promoting increased personalisation, choice and quality
- supporting greater prevention and early intervention
- promoting a viable insurance market for care and a more diverse and responsive care market.
- achieving a consensus that additional resources for care should be targeted at capping costs for individuals.
- ensuring a fair and appropriate method of financing the costs.

5. RECOMMENDATIONS

5.1 The Board is requested to receive this report for information.

