



The reform of adult social care and support

A guide for council leaders and chief executives

Show us you care 





Introduction

Following the recent publication of the government's care and support white paper, draft bill and progress report on funding, the debate about the future of adult social care and support has gathered further momentum and assumed a clearer direction of travel.

The importance of this agenda cannot be overstated. Securing reform of care and support is crucial for countless thousands of people who depend on council commissioned services on a daily basis, or are facing the uncertainties of how to fund care and support needs. It is also important for the future sustainability of local government as a whole, and highly relevant to one of the largest growing workforce sectors in the UK.

In the context of demographic pressures, reduced budgets and rising expectations, the Local Government Association (LGA), SOLACE (the Society of Local Authority Chief Executives and Senior Managers) and ADASS (the Association of Directors of Adult Social Services) have committed to work together to ensure that a strong and united local government voice helps inform and shape this crucial agenda.

As part of this commitment we have jointly produced this guide, which sets out:

- How we have got to where we are
- The main features of the recent white paper, draft bill and progress report on funding
- An initial identification of some of the key issues councils may want to think about as they begin to consider implementation
- What we are doing next and how you can feed into our work.

The guide is aimed at council leaders and chief executives but we hope it will be of interest and use to all council colleagues whose work focuses on, or has some crossover with, adult social care and support.

We are committed to supporting councils in understanding this most significant policy agenda, and in so doing we hope to build a powerful consensus for reform from across the local government sector.

Cllr David Rogers OBE, Chair, LGA Community Wellbeing Board

Terry Huggins, Chief Executive of Breckland and South Holland Councils and SOLACE President

Sarah Pickup, Director of Health and Community Services, Hertfordshire County Council and ADASS President

Show us you care 

Contents

A shared policy position	1
The coalition government and the journey so far	2
The broader context to reform	5
Shaping the government's reform proposals	10
Reform: the government's position	12
What does reform mean for local government	16
What next?	18
About us	22
Further reading	23

Show us you care 

A shared policy position

The LGA, SOLACE and ADASS share a number of high-level positions on the care and support reform debate, which are set out below.

On reforming the system

A future care and support system must:

- improve the individual's experience of care and support
- provide stability, predictability and transparency and encourage the long term view
- provide sufficient funding that is appropriately directed
- use the totality of local resources
- articulate a clear role for local government and recognise the importance of a local approach to care and support
- prioritise the promotion of prevention and recovery.

On the government's proposals

- The white paper and draft bill provide a good platform from which to deliver a reformed care and support system, building on the sector-wide consensus on the recommendations of the Law and Dilnot Commissions.
- We are pleased to see the government commit, in principle, to the main funding model outlined by the Dilnot Commission.
- However, the government's progress report on funding takes us no further forward on how such a modern, stable and predictable social care system can be properly resourced. Funding for reform and funding for the system must go hand in hand if we are to build a sustainable system for the future.



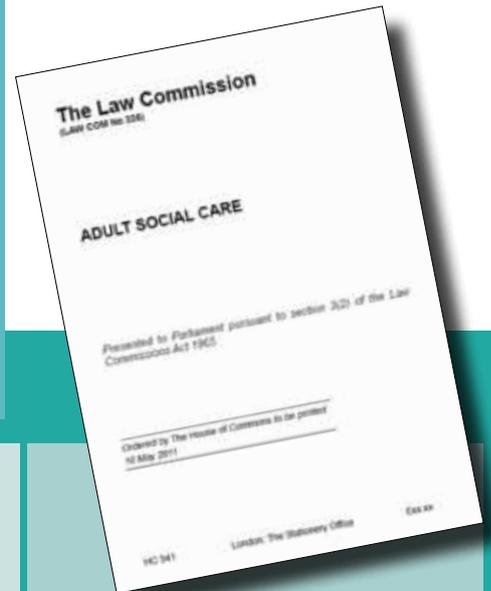
Funding for reform and funding for the system must go hand-in-hand if we are to build a sustainable system for the future.

The coalition government and the journey so far



In **November 2010** the government published its 'Vision for adult social care: capable communities and active citizens'. The vision was based around seven principles for a modern care system:

- personalisation
- partnership
- plurality
- protection
- productivity
- people
- prevention



In its **May 2010** document, 'Our programme for government' the coalition government stated that: "We understand the urgency of reforming the system of social care to provide much more control to individuals and their carers, and to ease the cost burden that they and their families face".

One of the government's actions was to: "establish a commission on long-term care, to report within a year. The commission will consider a range of ideas, including both a voluntary insurance scheme to protect the assets of those who go into residential care and a partnership scheme as proposed by Derek Wanless".



In 2008 the Law Commission announced a review of adult social care law to simplify the: "complex and confusing patchwork of legislation" that has developed piecemeal over time since 1948.

In **May 2011** the Law Commission published its final report, detailing 76 recommendations for the reform of adult social care law.

Between **September-December 2011** the government ran a further engagement exercise called, 'Caring for our future: shared ambitions for care and support'. This sought to bring the recommendations from the Law Commission and Dilnot Commission together alongside the government's 'Vision for adult social care'. The exercise was an opportunity to discuss what the priorities for reform should be, based around six areas that were identified as having the greatest potential to improve the care system.

- quality
- personalisation
- shaping local care services
- prevention
- integration
- the role of financial services



In July 2010 the Commission on Funding of Care and Support was set up and chaired by Andrew Dilnot (the Dilnot Commission). It was tasked by government with making recommendations on how to achieve an affordable and sustainable funding system or systems for care and support, for all adults in England.

The Commission published its final report in **July 2011**, setting out 10 recommendations to make care funding fairer.

In **July 2012** the government published its white paper on care reform, 'Caring for our future: reforming care and support.' Alongside this the government published a draft care and support bill, and a progress report on funding (the government's response to the Dilnot Commission's final report).

Taken together these documents outline the government's vision for a future care system, proposals for changing the legal framework for care that will be subject to pre-legislative scrutiny, and a position on making care funding fairer.



The broader context to reform

Funding

The journey outlined already is very much towards reform of the system. This is about, for example, how to make care and support simpler and more transparent, how to make the costs fairer for those who have the means to contribute, how to ensure that care is based around the individual's preferences, and how to take a longer-term, preventative approach that joins up the different parts of the local wellbeing architecture.

System reform will mean very little however, if the issue of funding is not addressed as a priority as well. But getting more investment in the current economic climate will not be easy. So what is the current funding picture for adult social care, and the financial context in which the reform debate is playing out?

The 2010 Spending Review set out real terms reductions of 28 per cent in central government grant to local government by 2014-15, which compared with overall cuts of 8.3 per cent across all departmental budgets. It is no exaggeration to say that local government is operating in one of the tightest financial environments in living memory.

The government did respond positively to some of the central arguments made by the sector in the run up to the Spending Review. That resulted in new adult social care funding as follows:

Formula Grant		NHS	
Given "in recognition of the pressures on the social care system in a challenging fiscal climate" ¹		Given "to support integration between health and social care services at the local level...[the money is] specifically for measures that support social care, which also benefit health" ²	
2011-12	£530 million	2011-12	£800 million
2012-13	£930 million	2012-13	£900 million
2013-14	£1 billion	2013-14	£1.1 billion
2014-15	£1 billion ³	2014-15	£1 billion ⁴

Whilst welcome, the impact of this investment would only be truly felt if we were in a settled state, and the funding picture for local government outlined above makes clear that we are not. Furthermore, evidence from a budget survey⁵ by ADASS reveals that nearly £1.89 billion has already been taken out of adult social care budgets over the last 2 years and demographic pressures are growing at 3 per cent per year. This, combined with the fact that 85 per cent of councils are now operating at 'substantial' or 'critical' only, illustrates the extent to which councils have to ration their adult social care services to keep pace with demand.

1 Letter from David Behan to Directors of Adult Social Services, 2010, http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_120694.pdf

2 Letter from Sir David Nicholson to NHS Chairs and Chief Executives, 2010, http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_120693.pdf

3 Figures taken from LGA written evidence to Health Select Committee, 2010, <http://www.publications.parliament.uk/pa/cm201011/cmselect/cmhealth/512/512we16.htm>

4 Figures taken from HMT Spending Review, 2010, http://cdn.hm-treasury.gov.uk/sr2010_completereport.pdf

5 ADASS Budget Survey 2012 http://www.adass.org.uk/images/stories/Press12/ADASS_BudgetSurvey2012Summary.pdf

The wider local government funding context in which social care sits also cannot be ignored. LGA modelling of revenue and service demand shows that a likely funding gap of £16.5 billion a year will emerge by 2019/20, or a 29 per cent shortfall between revenue and spending pressures. As this threatens the future viability of a huge range of council services the LGA is clear that securing the future sustainability of local government must start with securing the future sustainability of adult social care.

Demography

The projected changes in demography are going to continue to be the biggest underlying pressure on the system. By 2030, there is predicted to be a 64 per cent increase in people aged 75 and over, compared to a 16 per cent increase for all ages.

Ages	(Number of people in thousands)					% increase 2010/30
	2010	2015	2020	2025	2030	
0-14	9,151	9,739	10,395	10,610	10,466	14.4
15-29	10,462	10,611	10,270	10,328	10,907	4.3
30-44	10,775	10,634	11,181	11,920	12,010	11.5
45-59	10,099	10,886	11,063	10,559	10,421	3.2
60-74	7,627	8,075	8,585	9,074	9,848	29.1
75+	4,119	4,523	5,112	6,116	6,756	64.0
All ages	52,233	54,468	56,606	58,607	60,408	15.7

Source: Office for National Statistics, <http://www.ons.gov.uk/ons/rel/npp/national-population-projections/2010-based-projections/index.html>

And this is not just an issue about older people. Over the same period there is predicted to be a 32 per cent increase in the number of people with disabilities aged 18-64. This is significant as the funding pressures arising from an increase in the number of people with learning disabilities is, in some areas, more of a pressure than that posed by increasing numbers of older people.

	(Number of people in thousands)					% increase 2010/30
	2010	2015	2020	2025	2030	
Projected number of younger adults with disabilities						
Adults with a severe learning disability	220	240	260	280	290	32.2
Adults with a sensory or physical impairment	2,890	2,930	3,030	3,110	3,110	7.5
Adults with mental health needs / other	210	210	220	220	220	7.3

Source: Projections of Demand for Social Care and Disability Benefits for Younger Adults in England – the Economics of Social and Health Care Research Unit (2011)



Show us you care

Health reform

The reforms taking place within the health system present additional risks and opportunities for councils.

On the one hand, the transfer of public health to local government, combined with a renewed focus on joint leadership through Health and Wellbeing Boards, has the potential to deliver a more joined-up and integrated health and care system that could improve outcomes and deliver increased efficiencies.

On the other hand, uncertainty around the total quantum for public health – both nationally and locally – combined with funding pressures on adult social care, presents a huge challenge for councils and their partners in planning and delivering meaningful integrated services.

There are only two options that will address the combined funding pressures on the health and care system: to increase the financial resource available for adult social care; and/or to deliver a substantial shift in resources from the acute sector to preventative work and the community service sector.

Achieving the latter will require strong political leadership and new ways of working at different levels within the system.

At a national level, the NHS Commissioning Board, the Department of Health and Public Health England will need to ensure that their national commissioning decisions support and align with local commissioning plans (articulated in Joint Health and Wellbeing Strategies).

The NHS Commissioning Board, who will be responsible for overseeing and authorising Clinical Commissioning Groups (CCGs), will also have an important role to play in ensuring CCGs are working effectively with councils through the Health and Wellbeing Board to join up the health and care system locally.

It is important that the integration agenda is owned by those jointly responsible for delivery, and that there is a real opportunity for local commissioners to influence a shift towards a holistic approach to the use of resources, and aligning budgets with strategic planning by CCGs and councils through Health and Wellbeing Boards.

This requires a focus on delivering integrated health and care for individuals, underpinned by a clear understanding of the needs of patients and communities, articulated through the individual patient voice and Healthwatch.⁶

Welfare reform

The Welfare Reform Act also presents opportunities for local government, and risks that will need to be mitigated. The aim of simplifying the benefit and tax credits system is laudable, as is much of the Act's recognition of the important role that councils have in delivering support to people in the most appropriate way locally.

Localised support for council tax will, subject to the Local Government Finance Bill receiving royal assent, replace council tax benefit (CTB) from April 2013. A grant equivalent to forecast CTB expenditure less 10 per cent will be paid to major precepting authorities on the basis of the proportion of their take from council tax.

⁶ For more information on the new health architecture and the implications of the Health and Social Care Act for local government please visit: http://www.local.gov.uk/c/document_library/get_file?uuid=81914af4-5de6-4ccb-93e2-3764523dd8b0&groupId=10171

Billing authorities are required to have agreed localised schemes in place by 31 January 2013 following full consultation or be forced to adopt the Department of Communities and Local Government default scheme, which will take no account of the 10 per cent saving.

This is a demanding timescale. In designing schemes councils are required to preserve the rights of pensioners, bear in mind their responsibilities towards the vulnerable, and be aware of the need for their schemes to continue to make work pay.

There is a degree of inevitability however, that the greatest impact will be felt by the working poor, who could see increases in their council tax bills of 20 per cent - 40 per cent depending on how much councils can recoup by reducing other discounts, such as that for second homes.

While many of the issues associated with delivering the reforms are already surfacing (for example IT and data exchange issues, and the role of councils in the delivery of Universal Credit), in most cases it is too early to say what the impact of the reforms will be.

However, councils will need to consider the following possibilities:

- the migration of families to cheaper localities with the chance of vulnerable families being lost to social care, education, job and family support
- an increase in the use of bed and breakfast and temporary accommodation
- overcrowding in lower cost but smaller properties (and consequent negative impact on health and wellbeing outcomes)
- reduction in rent and council tax collection rates with commensurate increases in collection costs
- increasingly unaffordable private rented sector in many areas, particularly London
- potential for the most vulnerable being less able to contribute to their social care costs.

Also relevant to the welfare agenda is the transfer of responsibility of the Social Fund to councils and the proposed closure of the Independent Living Fund. Both will have significant implications on the burdens facing councils and the amount of benefit and financial support available to individuals.

These factors will have serious consequences for individuals, councils and their partners; for example, if vulnerable people stop receiving care and support services upon which they rely, their needs could escalate, putting additional pressures on acute services.

Shaping the government's reform proposals

The 'care reform' agenda takes in a number of linked debates, including how to drive up quality, how to improve integration between care and health, and how to embed a greater emphasis on prevention.

Two issues have tended to dominate discussions: how to make care funding fairer for the individual (the focus for the Dilnot Commission); and how to make the system clearer (the focus of the Law Commission's inquiry on adult social care law). Outlined below is a summary of both commissions' main recommendations.

The Dilnot Commission

The main recommendations of the Dilnot Commission were as follows:

- **A capped-cost approach:** individuals' contributions to care costs should be capped. Dilnot recommended a cap between £25,000 and £50,000, with £35,000 "an appropriate and fair figure". Any costs incurred over and above £35,000 should be fully funded by the state.
- **Extended asset threshold for the means test:** continuing the offer of means-tested support to those who cannot make their full contribution and raising the means test threshold (beyond which no state support is given) in the residential means test from £23,250 to £100,000.
- **General living costs:** individuals' contributions to their 'hotel costs' (food and accommodation)

when in residential care should be capped. Dilnot said an appropriate figure would be between £7,000 and £10,000.

- **Adults of working age:** individuals who have a care and support need when entering adulthood should receive free state support, but from the age of 40 a cap of £10,000 per decade should be implemented.
- **Eligibility criteria:** the criteria for determining service entitlement should be set nationally. Dilnot recommended a national equivalent of the current 'substantial' criteria.
- **Portability:** assessments of needs and means should be portable so that an individual can take their assessments with them if they move to a different part of the country. The receiving authority should be required to meet eligible needs until they are able to reassess the individual.

- **Raising awareness:** a campaign to inform people of the new system and the importance of planning ahead.
- **Information and advice:** better access for the public to clear and reliable information and advice about services and funding options.
- **Carers:** improved assessments for carers that take place alongside the assessment of the person being cared for.
- **Deferred payment:** extension of the current scheme so that it is a full, universal offer across the country.

The Law Commission

The Law Commission's report makes more than 70 recommendations and outlined below are some of the headline proposals.

Structure of reform

A three-level structure for adult social care including:

- **statute:** the core duties and powers of councils with adult social services responsibilities
- **regulations:** to be made by the Secretary of State to provide more detail where necessary.
- **code of practice:** consolidated guidance to councils about the operation and implementation of the new statute.

Statutory principles

- The overarching purpose of adult social care must be to promote or contribute to the individual's wellbeing. There is no precise definition of 'wellbeing', rather a checklist of factors that would need to be considered (such as ensuring that decisions are based upon the individual's circumstances).

Assessments

- A single, clear duty to assess a person, with a low qualifying threshold for an assessment triggered by the appearance of need. The assessment must focus on an individual's needs and the outcomes they wish to achieve.

Eligibility

- An assessment of need, and the use of eligibility criteria, should be the sole means for determining eligibility for care services. If needs are deemed eligible there would be a duty to meet them, enforceable through judicial review.

Carers' assessments and eligibility

- A single and standalone duty to undertake a carer's assessment that should not be dependent on the cared-for person receiving an assessment at the same time.
- Removing the existing requirement for a carer to be providing a substantial amount of care on a regular basis.
- Carers will be entitled to a support plan (and services) if they meet the council's eligibility criteria.

Provision of services

- Services should be defined in statute as any of the following provided in accordance with the wellbeing principle: residential accommodation; community and home-based services; advice, counselling and advocacy services; financial or other assistance.
- A duty on councils to ensure the production of a care and support plan for people with assessed eligible needs.
- The Secretary of State be given powers to make regulations requiring councils to allocate personal budgets, and a removal of the restriction on using direct payments to pay for residential care.

Adult protection

- Establishing councils as lead coordinators responsible for safeguarding, with a duty to investigate adult protection cases.
- Councils to have a power to request cooperation and assistance from certain bodies (e.g. health and police) in adult protection matters.
- Statutory Adult Safeguarding Boards, with nominated representation from the council and NHS.

Portability

- If an individual moves from one council to another then the receiving authority must provide equivalent services until they have conducted their own assessment of the individual.

Reform: the government's position

On 11 July 2012 the government published a suite of documents that together outline its position on care and support reform. The main documents include:

1. the white paper, 'Caring for our future: reforming care and support'.
2. a draft care and support bill.
3. a progress report on funding reform (the government's response to the Dilnot recommendations).

1. The white paper

There are two central themes to the white paper: first, changing the focus of care and support toward the promotion of wellbeing and independence through prevention and early intervention (and away from a system characterised by crisis response); and second, improving people's experience of care by improving quality, developing services that are responsive to individuals' different needs, and giving people choice and control via their own budgets and care plans.

The detail of the white paper is set out around five "I statements" that articulate what the government's vision would mean for a service user or their family/carer. The statements are as follows:

I am supported to maintain my independence for as long as possible

How better community support, including housing, can help people stay active and independent.

Specific proposals include:

- stimulating time-banking and other systems to maximise the assets of local communities
- developing new ways to invest in services, such as Social Impact Bonds
- establishing a new care and support housing fund (worth £200m over five years) to support development of specialist housing
- legislating to introduce a duty on councils to incorporate prevention and early intervention into care commissioning and planning.

I understand how care and support works, and what my entitlements and responsibilities are

Developing a clearer system to aid people's navigation through it and make clearer the options available to them. Specific proposals include:

- establishing a new national information website
- supporting councils to develop new online information about local options (with start-up funding worth £32.5m)
- introducing a national minimum eligibility threshold to bring greater consistency in access to care
- achieving portability of care by removing the barriers that interrupt care if people move from one area to another
- a clearer, simpler assessment process for carers.

I am happy with the quality of my care and support

Meeting individuals' expectations of receiving quality services that are responsive to those individuals' specific needs. Specific proposals include:

- helping individuals understand what they can expect when accessing care and what the roles and responsibilities are for those involved in delivery
- developing comparison information on the quality of care providers to enhance informed decision making
- developing new feedback websites so individuals can comment on providers
- requiring councils to ensure the provision of a diverse market place of providers
- ending 'contracting by the minute'
- consulting on how best to ensure continuity of care in the event of a provider going out of business.

I know that the person giving me care and support will treat me with dignity and respect

Ensuring a skilled and responsive workforce that is sensitive to individuals' needs. Specific proposals include:

- developing a new code of conduct and minimum training standards for care workers
- training more care workers and doubling the number of care apprenticeships to 100,000 by 2017
- appointing a Chief Social Worker by the end of 2012.

I am in control of my care and support

Making sure that individuals are in charge of their budget and services fit around their unique needs.

Specific proposals include:

- legislating to give people an entitlement to a personal budget as part of their care and support plan
- improving access to independent advice to help people eligible for financial support from their council to develop a care and support plan
- developing, in a small number of areas, the benefits of direct payments for people in residential care
- investing a further £100m in 2013/14 and £200m in 2014/15 in joint funding between the NHS and social care to support better integrated care and support.

Show us you care

2. The draft bill

The draft bill takes forward many of the Law Commission's recommendations. The aim of the bill is to:

- modernise care and support law so that the system is built around the individual
- clarify entitlements so people are better aware of what is on offer and are able to plan for their future
- support the broader needs of local communities by improving access to information and promoting prevention
- simplify the care and support system
- consolidate existing legislation into a single, clear statute.

The draft bill is broken down into three parts:

- Part One (clauses 1 to 53) covers adult social care and support
- Part Two (clauses 54 to 77) covers health provisions
- Part Three (clauses 78 to 83) covers general provisions
- there are also eight schedules which contain additional details on some of the clauses.

Part One will be of greatest interest and below is a brief summary of what the bill proposes on 'adult social care and support'. An overview of the full bill is included at the end of this guide.

What the draft bill does	Clause/s	Commentary
Embedding the principle of wellbeing	1	Embeds the promotion of individual wellbeing as the driving force behind care and support.
Reflecting broader local responsibilities	2-7	Provisions which focus on more universal, population-level activities, including general duties on councils to: <ul style="list-style-type: none"> • provide information and advice • promote the diversity and quality of local services • cooperate with other local organisations, and work to integrate services to promote wellbeing • provide services to prevent, delay or reduce people's need for care and support.
Starting the care journey: assessments and eligibility	8-16	Sets out the process of assessments for both those who need care, and carers. The clauses set out the eligibility framework, with regulations on what constitutes eligible need, and how decisions on support are made. They also leave open the option to establish national eligibility in the future. Clause 16 allows for regulations requiring councils to offer deferred payment on a universal basis.
Clear entitlements to care and support	17-22	These clauses seek to create a single route through which consistent entitlements to care and support can be established. The clauses also clarify the circumstances in which care and support may not meet needs – such as when the responsibility rests with another organisation.

What the draft bill does	Clause/s	Commentary
Care planning and personal budgets	23-30	These clauses set out what must happen after an assessment has been conducted, including the care and support planning process for agreeing how eligible needs will be met. As part of this process, the requirement of personal budgets to help people understand the cost of meeting their needs, and what public funding is available to them, will be part of the legislation.
Moving between areas	31-33	These clauses deal with 'portability' arrangements to ensure an individual's care and support is not interrupted by virtue of moving from one part of the country to another.
A new framework for adult safeguarding	34-38	Included in the draft bill is the first ever statutory framework for adult safeguarding, which sets out councils' responsibilities and those of the organisations they work with.
Transition from children to adult services	39-44	These clauses give councils the powers to assess children, young carers, and the carers of children, under the adult statute.
Other provisions	45-53	A number of other important provisions are covered in these clauses including: <ul style="list-style-type: none"> • an update of council powers to recover debts • restating and rationalising the provisions which focus councils and the NHS on reducing delayed discharges • allowing the Secretary of State to issue guidance to councils in relation to their functions in this bill • giving councils new powers to delegate some of their care and support functions to other organisations.

3. Progress report on funding reform

Through this paper the government signs up to implementing many of the Dilnot Commission's recommendations, with particular commitment to:

- the main model of financial protection through a cap on costs and extended means test threshold
- national minimum eligibility
- deferred payments available to all from April 2015
- improving the assessment process
- a universal and authoritative source of information about the health and care system
- clarify the tax treatment of disability-linked annuities.

Although the government supports many of the Dilnot Commission's recommendations, it will not commit to a new funding model at this stage. That decision will be considered as part of the wider discussions for the next Spending Review.

A period of pre-legislative parliamentary scrutiny will run from Autumn 2012 to Spring 2013, with a bill likely to be introduced the same year.

What does reform mean for local government?

The white paper, draft bill, and progress report on funding contain a great number of proposals. Some will have direct implications for councils, whilst others require a watching brief. We are beginning to identify all the issues that will impact on councils, and which will require a strong local government line. This is a work in progress but our initial thinking is set out below.

Where should the Dilnot cap be set?

The Commission used a working figure of £35,000 throughout its report but acknowledged the cap could be set higher or lower. A higher cap would cost the government less and the individual more, with a lower cap having the opposite effect. Linked to this point is the issue of whether contributions to the cap should be made on a voluntary or compulsory basis, and whether contributions should differ according to age.

How will the 'meter' work?

Central to the idea of the capped cost model is a 'metering' of the costs of care an individual will incur along the way to reaching the capped limit. Clarity will be required as to what count towards the meter, with attention given to removing potential loopholes. It is likely that activities would need to be determined more by an indicative

budget or agreed spend to meet needs (proxy personal budget), as opposed to a fixed list of activities.

How will 'hotel' costs be paid?

Dilnot proposed that individuals should pay hotel costs for residential care in the same way that individuals pay similar costs if they receive care at home. For those with low incomes welfare benefits would help meet these costs; however, wider welfare reforms seem likely to reduce the amount of benefit available to individuals. Moreover, the figure Dilnot attaches to hotel costs – £7,000 to £10,000 – is not likely to cover the full costs an individual may incur. A mechanism to cover the balance will therefore be required, as well as clarity of exactly what the hotel costs add up to beyond the costs of care and support.

Are the reforms equitable for councils?

The distribution of house values across the country is likely to place certain councils under further funding pressure (i.e. where the value falls below the extended threshold). These councils may also be those that have restricted opportunities to raise additional income from economic growth. Furthermore, some councils may

face disproportionate costs if their population includes a high number of self-funders who, upon reaching the cap, enter the state system.

What do the Dilnot proposals cost?

The Dilnot Commission stated that the cost of its proposals would be £1.7 billion per year (depending on where the cap was set), rising to £3.6 billion in 2025/26. However, this needs further clarity as the calculations are based on 2009/10 unit costs, and the number of self-funders in the wider system is not accurately known. There will also be incidental costs stemming from, for example, additional assessments, increased care management, and increased administrative costs in tracking personal spend on care.

How will transition work?

Moving from the current system to a capped-cost model will inevitably raise some difficult questions, particularly whether people's contributions to care and support costs in the current system would count towards the cap, or whether the meter should start at £0. Similarly clarity is required to understand what the arrangements are for existing service users if the proposed shift to national eligibility takes place.

Duties on councils

The draft bill places a number of new duties on councils, which raises questions about a potential increase in legal challenge. With those duties may also come further costs and we will need assurances that government will fully fund any proposed changes that have a cost implication.

National Eligibility

We have some concerns about the workability of a nationalised system, particularly the potential for an overly prescriptive assessment process and resource allocation systems. Councils must be able to retain the freedom to develop services and allocate resources as they see fit, and in accordance with local priorities and market conditions. In parallel with a new assessment system, there will need to be a 'right to challenge' service that is quick, simple, effective and low cost.

Universal Assessment

Opening up assessments will move the system away from a model where the individual has to identify their needs and make the approach for support, and toward a model where the duty lies squarely with the council. We believe this is correct but it will require a significant

cultural and information revolution, as well as investment, at a time of financial pressures and limited staff capacity.

Universal deferred payment

Deferred payments are already in use but the success of rolling out a more universal system will depend on recovery rates, the scale and volume of the agreements themselves, and the ability for councils to charge interest to ensure the agreements are cost neutral. Central government must be prepared to underwrite the cost of a fully national deferred payment offer.

Is the market ready?

The care and support provider market is fragile in places, particularly those areas that are less wealthy and tend to still rely on more traditional care and support provision models.

Do the proposals promote integration?

In some respects, the proposals exacerbate the inherent tensions of integrated approaches along the national-local fault line. On the one hand there is strong national prescription (such as from the NHS Commissioning Board), but this sits alongside the need for effective

localism and strong Health and Wellbeing Boards. Consolidating outcomes frameworks will be a key catalyst for improving integration.

The rollout of Personal Health Budgets will create further opportunities for integration but this will need careful development to reflect issues such as continuing healthcare.

Prevention and early intervention

A greater focus on prevention is certainly welcome, but the proposals do not include additional investment to help secure the approach.

"Prevention" means different things in social care and public health. For the latter, prevention will not yield significant results except in the very long term.

Whilst the proposals will encourage individuals to make full use of community assets and solutions (which will contribute to the cap), it remains important that this does not inadvertently discourage the valued contribution of informal care that is not included in the cap.

What next?

The future of care and support is an issue of major importance for the LGA, ADASS and SOLACE.

The **LGA** is currently running a campaign called 'Show us you care', which aims to secure the Dilnot reforms and keep the issue of funding for the system at the top of the political agenda.

Alongside this the LGA will continue to be heavily involved in helping to inform and shape the reform agenda, such as through giving evidence to the Health Select Committee, responding to the draft bill consultation, hosting events on the subject, engaging with senior government and Whitehall figures, and keeping the debate alive through media and public affairs activity.

Further information on the LGA's campaign is available at: <http://www.local.gov.uk/show-us-you-care>

The LGA's starting position on the reform debate is summarised in our March 2012 document, 'Ripe for reform: the sector agrees, now the public expects – a guide to the care and support white paper'.

This sets out our vision for a future system via a series of tests we are using to judge the likely effectiveness of the white paper. The document is available at: <http://tinyurl.com/co6r26o>

As the professional body for public sector leaders, **SOLACE** has continuously pushed for deep and wide reform to create a modern care system fit for the 21st century; reform that will address the system's broken financial framework and anachronistic legal base.

We have been influencing Government behind the scenes through our involvement in key national stakeholder groups and through our own Health and Social Care Policy Network.

We have welcomed the Government's acceptance of the Dilnot proposals for a cap on individual contributions and an improved system of deferred payments but share the sector's concern that the White Paper and Draft Bill detach policy decisions from financial ones.

We are clear that the Government must act now to reach a decision on the future funding of social care in order to secure a sustainable system.

To make the financial judgements required, the Government needs to engage in an honest and open conversation with the public about what kind of society citizens want to live in and how they want to pay for their care in the future. The funding decision rests with society as a whole and with Government.

Through our involvement in the House of Lords Committee's enquiry on The Impact of Demographic Change on Public Services, we will draw upon the experience and expertise of our members to help shape public debate and foster meaningful civic engagement on these fundamental issues.

We recognise the importance of working with other partners in the voluntary sector too, which is why we continue to work with organisations such as Macmillan Cancer Support and Scope on issues such as delivering integrated health and social care to deliver better outcomes for people with long term conditions.

To learn more about our policy and influencing activities, please contact Philippa.mellish@solace.org.uk

ADASS is already working closely alongside stakeholders across the health and social care agenda to bring about the reforms detailed in the white paper.

This co-production is far ranging with ADASS through its active Regional and Policy Networks and membership of key strategic groups providing leadership and informed advice and guidance on both the practicalities of reform and in the development of innovative solutions to address many of the challenges and opportunities ahead.

In terms of next steps ADASS is taking forward work in a number of areas including: personalisation, sector led improvement, market development, commissioning and procurement, workforce and leadership development, dementia, safeguarding, integration of health and social care and preparations for the next Spending Review.

This is not an exhaustive list, but charts some of the key themes of the reforms and demonstrates the extent by ADASS is already engaging and pushing forward on these important areas.

The LGA, ADASS and SOLACE are very keen to hear councils' views on the draft bill and receive, in confidence, any responses to the consultation on the draft bill. If there are any issues that you believe are best dealt with at a national level, or specific points that you think we should be aware of, we would be pleased to hear from you. You can contact us as socialcare@local.gov.uk



Show us you care



Overview of the full draft care and support bill

Part One: Adult social care and support	General responsibilities of local authorities
	Meeting needs for care
	Assessing needs
	Imposing charges and assessing financial resources
	Who can have their needs met?
	What happens after the assessments?
	Who can receive direct payments
	Establishing where a person lives, etc
	Safeguarding adults at risk of abuse or neglect
	Transition for children to adult care and support, etc
	Enforcement of debts
	Miscellaneous
	General
Part Two (Chapter 1): Health Education England	Establishment
	National functions
	Local functions
Part Two (Chapter 2): Health Research Authority	Establishment
	General functions
	Regulatory practice
	Research ethics committee
	Patient information
Part Two (Chapter 3): Miscellaneous/General	Miscellaneous
	General

Part Three: General provisions	Power to make consequential provision
	Regulations and orders
	General interpretation
	Commencement
	Extent and application
	Short title
Schedule 1	Safeguarding Adults Boards
Schedule 2	Discharge of hospital patients with care and support needs
Schedule 3	After-charge under the Mental Health Act 1983
Schedule 4	Repeals, revocations and savings
Schedule 5	Health Education England
Schedule 6	The governing body of a Local Education and Training Board
Schedule 7	The Health Research Authority
Schedule 8	Research Ethics Committee: amendments



**“ The LGA, ADASS and SOLACE
are very keen to hear councils’
views on the draft bill to
help inform our responses ”**

About us

The Local Government Association

The Local Government Association (LGA) is the national voice of local government. We work with councils to support, promote and improve local government. We are a politically-led, cross party organisation which works on behalf of councils to ensure local government has a strong, credible voice with national government. We aim to influence and set the political agenda on the issues that matter to councils so they are able to deliver local solutions to national problems.

Supporting local government as the most efficient and accountable part of the public sector, the LGA will play a leading role in improvement and innovation so that councils can continue to make a difference in their local areas and to the lives of their residents.

The LGA will fight local government's corner, supporting councils through challenging times and focusing our efforts where we can have real impact. The LGA covers every part of England and Wales, including county and district councils, metropolitan and unitary councils, London boroughs, Welsh unitary councils, fire, police, national park and passenger transport authorities.

Visit www.local.gov.uk

SOLACE (the Society of Local Authority Chief Executives and Senior Managers) is the representative body for senior strategic managers working in the public sector in the UK. We are committed to promoting public sector excellence. We provide our members with opportunities for personal and professional development, and seek to influence debate around the future of public services to ensure that policy and legislation are informed by the experience and expertise of our members. Whilst the vast majority of SOLACE members work in local government we also have members in senior positions in health authorities, police and fire authorities and central government.

The SOLACE Health and Social Care Policy Network is chaired by Tony Hunter, Chief Executive, North East Lincolnshire Council, and David White, Chief Executive of Norfolk County Council. Geoff Alltimes, Chair of the Health Transition Task Group, is Advisor to the Network. It represents all types of local authority and other public services. It exists to inform the development of SOLACE's policy positions on health and social care issues, provide a forum for peer-to-peer support, and facilitate learning and knowledge exchange.

Visit www.solace.org.uk

The Association of Directors of Adult Social Services (ADASS)

represents Directors of Adult Social Services in councils in England. As well as having statutory responsibilities for the commissioning and provision of social care, ADASS members often also share a number of other responsibilities for the commissioning and provision of housing, leisure, library, culture, arts, community services and a significant proportion also hold statutory children's Director role.

ADASS membership has recently been extended to one director and four direct reports per council, furthering its depth and breadth in accessing and sharing support expertise and knowledge. This is complimented by active Policy and Regional networks, allowing for local issues and solutions to be connected to more broader national policy developments creating innovative and practical responses.

Visit www.adass.org.uk

Further reading

The Coalition: our programme for government, HM Government, 2010

http://www.direct.gov.uk/prod_consum_dg/groups/dg_digitalassets/@dg/@en/documents/digitalasset/dg_187876.pdf

A Vision for Adult Social Care: capable communities and active citizens, Department of Health, 2010

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@ps/documents/digitalasset/dh_121971.pdf

Adult social care, Law Commission, 2011

http://lawcommission.justice.gov.uk/docs/lc326_adult_social_care.pdf

Fairer Care Funding, Commission on Funding of Care and Support, 2011

<https://www.wp.dh.gov.uk/carecommission/files/2011/07/Fairer-Care-Funding-Report.pdf>

Caring for our future: shared ambitions for care and support, Department of Health, 2011

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@pg/documents/digitalasset/dh_130455.pdf

Caring for our future: reforming care and support, HM Government, 2012

<http://www.dh.gov.uk/health/files/2012/07/White-Paper-Caring-for-our-future-reforming-care-and-support-PDF-1580K.pdf>

Caring for our future: progress report on funding reform, HM Government, 2012

<http://www.dh.gov.uk/health/files/2012/07/progress-report-on-social-care-funding-reform-Accessible-version1.pdf>

Draft Care and Support Bill, The Stationery Office, 2012

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/documents/digitalasset/dh_134740.pdf



Local Government Association

Local Government House
Smith Square
London SW1P 3HZ

Telephone 020 7664 3000

Fax 020 7664 3030

Email info@local.gov.uk

www.local.gov.uk

© Local Government Association, October 2012

For a copy in Braille, larger print or audio,
please contact us on 020 7664 3000.
We consider requests on an individual basis.