

**CWOP/19/09**

**Policy & Scrutiny Committees** Community Wellbeing & Older People

**Date of meeting** 15 October 2009

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**SHAPING THE FUTURE OF CARE – CONSULTATION RESPONSE**

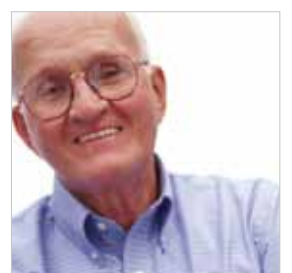
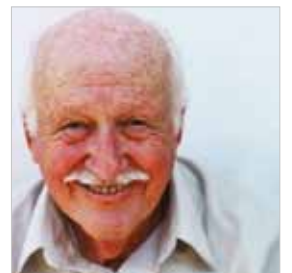
Enquiries to: Clare Hardy, Executive Support Manager  
Tel: 01245 435541  
E mail: [clare.hardy@essex.gov.uk](mailto:clare.hardy@essex.gov.uk)

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**1. Purpose:**

To consider the Government Green Paper on *Shaping the Future of Care Together*. The Executive Summary and Participants Guide are attached.

# Shaping the **Future of Care** Together





# Shaping the Future of Care Together

Presented to Parliament by  
the Secretary of State for Health  
by Command of Her Majesty  
14 July 2009

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## Executive summary

As promised in **Building Britain's Future**, this Green Paper sets out the Government's proposals for ways to reform the care and support system for adults in England. We need to respond to the challenges that it will face in the future, to build a new National Care Service for everybody.

During 2008, the Government ran a six-month engagement process with the public, people who use services, and people who work in care and support. We heard from hundreds of people about their views on the challenges that we face for the future and the problems within the current system. This Green Paper is our response to what people told us and the issues we face.

Across the country, rising aspirations demand a better system of care and support both for those who look forward to a long and active old age – but who may need some support to stay well during their later years – and for those who need support earlier in their lives due to disability. This Green Paper offers several options for debate around how we as a country can respond to this challenge by building a new National Care Service for everyone.

### Care and support

Care and support describes the activities, services and relationships that help people to stay as independent, active, safe and well as possible, and to participate in and contribute to society throughout the different stages of their lives. People rely on a whole range of support, from their families, friends and communities, as well as from state-funded support such as care in their own home or a care home, financial support from the benefits system and help with housing. All of these services combine to help people live active lives, whatever their priorities and needs may be.

There are many reasons why people might need care and support, such as:

- accidents
- long-term illnesses
- being disabled
- growing older.

These services are likely to affect every one of us in some way during our lives, whether directly, through needing care ourselves, or through knowing or helping to support someone who needs care.

### **Problems with the current system**

Our existing social care system is a legacy, not of a single bold reform like the creation of the NHS, but of a series of more limited and incremental steps.

Some people qualify for support through disability benefits. But, until now, the state has provided social care only to people on low incomes who cannot afford to pay for themselves. Those who can pay for themselves have been expected to do so with no support from the state, sometimes having to use up their savings, and the value of their house, to pay for care until they only have £23,000 left.

For the large number of people who are expected to make provision for themselves, with no help towards the costs of care and support, this system can seem unfair. And often, there is very little offered by way of advice and support, at times when families face difficult and expensive decisions about the care and support they require.

As life expectancy rises and care costs become ever higher, families face rising uncertainty about what costs they face and how best to plan for them. And because the system is often confusing, too many people face the prospect of having to use up their assets and sell their homes to pay for care and support. Even if they would like to prepare for this they cannot easily do so because the uncertainty in the existing arrangements makes it difficult for even a private insurance market to operate.

And even for those people who do qualify for state help, the system has significant weaknesses. There are wide variations in the standards and quantity of care and support offered by different local authorities. Such postcode lotteries are worsening as funding struggles to keep pace with rising numbers of older people in need of support. There are few clear rights or entitlements underpinning the service, and what people can expect to receive is often unclear until they actually apply for support.

### **Use of resources in the current system**

Too often our existing system makes poor use of its limited resources. Ever-increasing pressures on local authorities mean that resources are increasingly used to offer care and support when people's needs are highest. Money could often be better invested in prevention, rehabilitation and keeping people active and healthy. Fundamental reform of the system offers the opportunity to make better use of resources, to keep people independent and well for longer. If the system fails to pick people up early enough, both the NHS and care and support bear the costs.

### **Future pressures**

These weaknesses in the system are put under further strain by the growing pressures from changes in life expectancy and the changing demographics in England. By 2026, we expect there to be 1.7 million more adults who need care and support, and rising expectations mean that they will expect more choice and control over their services.

The care and support system therefore needs radical reform. As the number of people who need care and support increases, and expectations rise, the costs of providing care and support will increase dramatically. This means that the way in which the state system is currently funded will no longer be adequate. An absence of reform will mean restricting support further and growing numbers of people going without the care and support they need, with ever greater uncertainty and unfairness for families.

We also want to take the opportunity to build on the progress made in recent years, through reforms such as **Putting People First**, to improve the way in which the system works for people.

### **The vision for the future**

As part of our aspiration to build a stronger, fairer Britain, we want to build the first National Care Service in England. The Government's vision is for a system that is fair, simple and affordable for everyone, underpinned by national rights and entitlements but personalised to individual needs. In the new National Care Service, everyone should be able to get really good care wherever they live and whatever they or their family need.

The system must help people so that they can access the care and support they need and find out about the different kinds of support available. It must also be a system that helps people to live their lives the way they want to, supported by the staff who work with them. People who need services are often the experts in their own care, and the system for the future must respect this. People with care and support needs should be treated as citizens with rights, rather than having to fight to get services. Everyone who receives care and support must be treated with dignity and kindness, and their human rights must be respected.

## What people can expect

We think that there are six things that everyone in the country should be able to expect:

1. The right support to help you stay independent and well for as long as possible and to stop your care and support needs getting worse.

You will receive free support to stay well and as independent as possible. We think that people who are leaving hospital and need care and support for the first time should have the right to the re-ablement help they will benefit from at home, for example for six weeks. This extra support will help people get back to their normal lives and should save money for the care and support system and the NHS. And depending on funding decisions, we could extend this right to more people.

2. Wherever you are in England, you will have the right to have your care and support needs assessed in the same way. And you will have a right to have the same proportion of your care and support costs paid for wherever you live.

You will be able to take your needs assessment with you wherever you go, so wherever you are in England the assessment of your needs will be the same, enabling you to live the life you want wherever you want. Under the funding options discussed in Chapter 6, once you are assessed as needing care and support, you will get a proportion of your care and support costs paid for, and this will be the same wherever you are in England.

3. All the services that you need will work together smoothly, particularly when your needs are assessed.

Whatever your care and support needs, services will work around you and will be better joined up. You will only need to have one assessment of your needs to gain access to a whole range of care and support services.

4. You can understand and find your way through the care and support system easily.

When you need care and support, or are preparing for it, you will find it easy to get information about who can help you, what care you can expect and how quickly you can get it.

5. The services you use will be based on your personal circumstances and need.

Your care and support will be designed and delivered around your individual needs. As part of your care and support plan, you will have much greater choice over how and where you receive support, and the possibility of controlling your own budget wherever appropriate.



6. Your money will be spent wisely and everyone who qualifies for care and support from the state will get some help meeting the cost of care and support needs.

You will be able to get help with paying for your care and support needs, and your money will be used wisely to fund a care and support system that is fair and sustainable.

### Consultation question

1. We want to build a National Care Service that is fair, simple and affordable. We think that in this new system there are six things that you should be able to expect:

- prevention services
- national assessment
- a joined-up service
- information and advice
- personalised care and support
- fair funding.

a) Is there anything missing from this approach?

b) How should this work?

### Making the vision a reality

The reforms to the care and support system will develop a universal and sustainable system which empowers people to live their lives the way they want to. In order to deliver this, many different services will need to work together, and there will need to be changes across the whole care and support system.

To make our vision for the future of care and support a reality, we need to make three key changes. We need:

#### 1. More joined-up working

We need services that will keep people independent and well for longer. They should also help people with ongoing care needs to continue living in their own homes, if this is what they want, and maintain their independence. One way of doing this is through better joined-up working between health, housing and social care services and between social care and the disability benefits system.

Services will be fully joined up between the NHS and the new National Care Service. This will mean that people receive more appropriate care in the right setting, reducing costs, improving outcomes and ensuring that services work together to keep people healthy and active wherever possible.

This does not necessarily need to involve structural change. The mindset and behaviour of individual staff and managers can make a big difference. Shared goals and joint ways of working can all help to transform the experience of people who need care. The recently established Ministerial Group on Integration of Health and Social Care Services will identify what has worked well in places round the country, as well as what the evidence tells us, to help push forward joined-up working. The Working Group will also identify the barriers to integrated working which government needs to remove.

## **2. A wider range of services in care and support**

As people begin to have greater choice over the care they receive, they will need to have a range of services to choose from. We believe that local authorities are best placed to make sure that there is a wide range of services available in their area and to encourage new services.

We need to help local authorities make sure that the services and ways of working in their area support innovative and high-quality care. Local authorities should also understand how care and support services will need to adapt as more people begin to have more control over their care. Over the coming years, local authorities will play a crucial role in making sure that there are high-quality services available in their area, working closely with providers – including those from the third sector and private sector.

## **3. Better quality and innovation**

Everyone who uses care and support services should be able to expect that the services they use will be high quality, and that they will be treated with respect and dignity. We also know that improving quality is an important part of making the best use of taxpayers' money. The National Care Service will be underpinned by rights and entitlements, which support a high-quality service. It is better value for money and better for people to provide a good-quality service that keeps people as well as possible, than to provide poor-quality services which mean that people need other services later.

One of the most important aspects of improving quality is supporting the people who work in care and support. We want staff to be able to develop their own skills and make the most of their experience, as they build their career in a recognised and well-respected profession. The workforce will face big challenges over the coming years as more people need care. Staff may need different skills to support people in taking as much control as possible of their own lives. The Department of Health recently published a strategy on the future of the care and support workforce. Over the next few months, the Department of Health will develop an action plan to look at how the workforce will need to develop in the medium and long term. This will bring together

key partners in the social care sector and elsewhere, to look at the big challenges for the future.

In order to improve quality, we need to know which care and support services work best. We think we could do this by giving an independent organisation the role of providing advice to government on what works best and is best value for money in care and support. Advice from this organisation could guide the decisions made by people commissioning care and support, and people who are choosing care and support services for themselves, helping ensure that services are based on the best and most recent evidence about what works in providing care and support. We also know that local flexibility in how services and entitlements are delivered fosters innovation.

### **Consultation question**

2. We think that, in order to make the National Care Service work, we will need services that are joined up, give you choice around what kind of care and support you get, and are high quality.
  - a) Do you agree?
  - b) What would this look like in practice?
  - c) What are the barriers to making this happen?

All of these reforms will be needed, regardless of how care and support is funded in the future. But the approach that we take, and how much state funding is available to support the reforms, will largely depend on which approach is taken regarding the funding of the care and support system.

### **The choices around funding**

In deciding how to fund care and support, there are some very difficult decisions to make. Stakeholders, experts and members of the public have given their views on these decisions through the engagement process that the Government ran from May to November 2008. The choices focus on who should be responsible for providing care and support and paying for it: people who need care; their families; or everyone in society via the state?

And, assuming that the state will always be responsible for paying for some care and support, there are choices about whether resources should depend on:

- where people live
- when people develop a care and support need, or
- whether they are able to pay.

Hundreds of people gave the Government their views on these difficult questions during the engagement process, and we have

used the agreement that emerged to shape our thinking around the funding of the care and support system.

**Who should be responsible for paying for care:** There was widespread agreement that there should be a significant role for the state, although there was less agreement around what the exact balance of responsibility should be around funding. There was widespread agreement that individuals and their families should also share this responsibility with the state.

**Where people live:** People told us that they could see the advantages of a system which allows areas to be flexible and respond to local needs. But the majority of people were more concerned that a system which varied a person's level of care and support because of where they lived was unfair.

**When people develop a care and support need:** People found it difficult to decide whether people developing care and support needs at different points in their lives should be treated differently. They were split on whether there should be a different approach to younger disabled people because they are usually unable to prepare to meet the costs of their care and support in the same way as people can prepare for their old age. Overall, people's main concern was that the system should be fair and that everyone should have an equal opportunity to achieve the same outcomes. If this were achieved, it did not matter to them so much whether this was through a single system for everyone.

**Whether people are able to pay:** There was also little consensus about whether a person's ability to pay for themselves should be taken into consideration when the state is deciding how much support to give to a person. Although people agreed that those who could not afford to pay for themselves had the greatest need for state support, they also felt it was unfair that people who had worked hard and made sensible decisions to save were less eligible for state support.

## Funding options

Our care and support needs in life and old age are inherently uncertain. Two in three women and one in two men will develop high care needs during their retirement. But some people will need no care and support at all. The current social care system does very little to help people minimise that uncertainty, with some facing very high costs near the end of their lives and others needing far less care.

## The cost of care

The cost of care and support is high. A 65-year-old can expect to need care costing on average £30,000 during their retirement. But there are great differences in people's needs and the amount that they pay: 20 per cent of people will need care costing less than £1,000 during their retirement – but 20 per cent will need care costing more than £50,000. Some people who spend years

in a care home could face a bill of more than £100,000. And for a couple, the cost of two people's care can be high.

At the moment, we cannot predict who will need high levels of care and support. People told us during the engagement process that they wanted to be clear on how they were going to pay for care and support, if they did need it, and how much it was going to cost them.

We know that as a society we will need more money for care and support. The question which we need to address as a society is where this will come from.

### **Making the most of current funding**

During the engagement process, many people told us that we need to make sure that the taxpayers' money that is already in the system is being used as well as possible. We have looked at the wide range of funding sources that make up the care and support system, to consider whether they are being used to the best effect.

In developing the new system, we think there is a case for drawing some funding streams together to enable us to deliver the new and better care and support system we want to create. We think we should consider integrating some elements of disability benefits, for example Attendance Allowance, to create a new offer for individuals with care and support needs.

If we did this, the future care and support system would build on the main advantages of the current disability benefits system, providing people with flexibility and an entitlement to have at least some of their care funded wherever they live in England.

Whatever the outcome of the consultation, we want to ensure that people receiving any of the relevant benefits at the time of reform would continue to receive an equivalent level of support and protection under a new and better care and support system.

### **Bringing more money into care and support**

But we know that the money in the system at the moment will not be enough to pay for everyone's care and support in the future. If we want to meet the needs of all those who require care in the future, then as a society we are going to need to pay more for care and support. The question is where this additional money is going to come from.

We have considered a range of different options, from a system in which everyone pays for themselves to one where everyone contributes to the cost of everyone's care and support.

### **Choosing between the systems**

In the current system, people who have the highest needs and lowest means get some help through the social care system, and some people get help through disability benefits. But many

people, including some with high needs, get no help with paying for care at all. If someone is in a care home and no one is living in their house, they are expected to use their savings and the value of their house to pay for care and accommodation, until they have used up almost all of them.

Because care and support costs can be so high, we think that the Government should provide some support to everyone who has to pay them. We therefore propose that, in the new National Care Service, everyone who qualifies for care and support from the state should get some help with paying for it.

Any new system must therefore be:

- fair
- simple and easy to understand
- affordable
- universal, underpinned by national rights and entitlements, and helping everyone who needs care to pay for it
- personalised to individual needs, and flexible enough to support people to live their lives in the ways they want to.

We have looked at five ways in which the National Care Service could be funded.

### **Funding options**

**Current system** – In the current system, people who have the highest needs and lowest means get some help through the social care system, and some people get help through disability benefits. But many people, including some with high needs, get no help with paying for care at all. Twenty per cent of people will need care that costs less than £1,000 – but 20 per cent will need care that costs more than £50,000. And someone who is in a care home for years could have costs of more than £100,000. If someone is in a care home and no one is living in their house, they are expected to use their savings and the value of their house to pay for care and accommodation, until they have used up almost all of them.

### **Possible funding options we have considered**

In order to have an informed debate between these models, we need to have a sense of how much the different options might cost to people. But the precise costs will vary depending on how we design the options and decisions made about spending at the time. The figures that we show here indicate how much it might cost to run systems like these at the moment. They show the cost of care, but do not include accommodation because we would expect people to pay for their own food and lodging whether or not they were in a care home.

**1. Pay for Yourself** – In this system, everybody would be responsible for paying for their own basic care and support, when they needed it. They could take out insurance to cover some of these costs, or use their income and savings. There would be no support from the state, even for people with the lowest incomes and no savings. This is **ruled out** because it would leave many people without the care and support they need, and is fundamentally unfair because people cannot predict what care and support they will need.

**2. Partnership** – In this system, everyone who qualified for care and support from the state would be entitled to have a set proportion – for example, a quarter or a third – of their basic care and support costs paid for by the state. People who were less well-off would have more care and support paid for – for example, two-thirds – while the least well-off people would continue to get all their care and support for free. A 65-year-old in England will need care and support that costs on average £30,000 during their retirement, so someone who got the basic offer of a third or a quarter paid for might need to pay around £20,000 or £22,500. Many people would pay much less. And some people who needed high levels of care and support would pay far more than this, and would need to spend their savings and the value of their homes. This system would work for people of all ages.

**3. Insurance** – In this system, everyone would be entitled to have a share of their care and support costs met, just as in the Partnership model. But this system would go further to help people cover the additional costs of their care and support through insurance, if they wanted to. The state could play different roles to enable this. It could work more closely with the private insurance market, so that people could receive a certain level of income should they need care and support. Or the state could create its own insurance scheme. If people decided to pay into the scheme, they would get all their basic care and support free if they needed it.

People could pay in several different ways, in instalments or as a lump sum, before or after retirement, or after their death if they preferred. Once people had paid their contribution they would get their care and support free when they needed it.

As an indication of the costs, people might need to pay around £20,000 to £25,000 to be protected under a scheme of this sort, compared with the average cost of care for a 65-year-old which is £30,000. This system would work for people over retirement age.

However people paid, the insurance payment would help people to protect their wealth and the value of their homes. Whether they decided to pay during their working life, during their retirement or after they died, people would know that once they had made their contribution and paid for their accommodation, the costs of their care and support would not prevent the rest of their wealth being passed on to their children.

**4. Comprehensive** – In this system, everyone over retirement age who had the resources to do so would be required to pay into a state insurance scheme. Everyone who was able to pay would pay their contribution, and then everyone whose needs meant that they qualified for care and support from the state would get all of their basic care and support for free when they needed it.

It would be possible to vary how much people had to pay according to what they could afford. The size of people's contribution could be set according to what savings or assets they had, so that the system was more affordable for people who were less well-off.

Alternatively, if people wanted to be able to know exactly how much they would have to pay, most people other than those with lower levels of savings or assets could be required to pay a single, set figure, so that people knew how much they would have to save for. As an indication of the costs, people might need to pay around £17,000 to £20,000 to be protected under a scheme of this sort compared with the average cost of care for a 65-year-old which is £30,000. The cost would be less for people who were over 65 when the scheme was introduced.

However people paid, the insurance payment would help people to protect their wealth and the value of their homes. Whether they decided to pay during their working life, during their retirement or after they died, people would know that once they had made their contribution and paid for their accommodation, the costs of their care and support would not prevent the rest of their wealth being passed on to their children.

We would also look at having a free care and support system for people of working age alongside this.

**5. Tax-funded** – In this system, people would pay tax throughout their lives, which would be used to pay for all the people who currently need care. When, in turn, people needed care themselves, they would get all their basic care free. This system would work for people of all ages. This is **ruled out** because it places a heavy burden on people of working age.



### **Basic care and support costs:**

The care and support that is needed to help people to meet their assessed needs. If people wanted to go beyond this, they could pay for additional care if they chose to.

The Government believes that three of these options could meet our criteria for a National Care Service: Partnership, Insurance and Comprehensive. We have ruled out Pay for Yourself because many people would not be able to afford to buy their care themselves, and we have ruled out Tax-funded because it would put a large burden of paying for care on people who are working.

We think that the Partnership option should be the foundation of the new system. Under Partnership, existing government funding is allocated more fairly, so that everyone who has high levels of care and support need gets some of their care and support paid for by the state, and many people get all of their basic care and support for free.

Under Partnership, everyone would get some help with paying for care and support. For most people, it would provide a good level of support. However, Partnership does not fully protect people against the risk of having to pay high costs towards their care and support – and, if they are one of the small number of people who spend years in residential care and own their own home, they might still have to use almost the whole value of their home to pay for care and support.

So the question for us as a society is how we can best support those people who want to protect themselves against the risk that they may need to pay really high care and support costs.

We could have a system where people could choose to protect themselves against the risk of potentially high care and support costs. This would be the Insurance option.

Or we could have a system that everyone had to pay into and, in return, everyone's basic care and support costs would be covered. People would no longer risk having to pay potentially high care and support costs. This would be the Comprehensive option.

As this would be a significant reform, we would expect the introduction of the new National Care Service to be phased in over a number of years.

### **Accommodation costs**

As well as care and support costs, people entering residential care have to also pay for their accommodation costs, for example food and lodging. Although there will always be a role for the state to play in helping people with low income and assets, we believe it is fair to expect the majority of people to meet these costs themselves. However, we also think there is more that the Government can do to help people with the way they pay

these costs. We are proposing a universal deferred payment mechanism, allowing residential care and accommodation costs to be charged upon a person's estate when they die, rather than having to go through the process of selling their home when they need residential care.

### **The role of carers**

Family and friends play a vital role in caring for people who need care and support. Carers are an extremely diverse group of people, with widely differing needs. We recognise this and believe that we should support people who care for others. We need to try to ensure that their caring responsibilities are not so great that they harm carers' wellbeing.

The new system that we propose in this Green Paper would help carers in many ways. Everyone who needs care and support will get a national assessment, information and advice, and personalised care and support. These measures will help carers by making the process of getting care and support easier and making sure that their loved ones are receiving better care and support.

Each of the three funding options that we think are possible would provide some funding for people who qualify for care and support. By improving support to people who need care, we will also be supporting carers, particularly people who care for those who would have received no funding from the state under the current system.

### **National consistency and local flexibility**

The Government believes that the care and support system should be fair and universal. This means that it must make sure that everyone who qualifies for care and support can get it, regardless of where they live. This will ensure that people who need care and support are empowered to live their lives the way they want to and able to choose where they want to live and work, in the way that most people take for granted.

But we also need to ensure that the system is flexible enough to respond to local circumstances and to encourage innovative approaches. Services need to be designed locally, so that they can respond to what people need in a particular area. We need to decide how the new funding system should balance local flexibility and national consistency.

Moving to a universal system has important consequences for the way in which care and support works across England. In particular, it has consequences for the way in which money for care and support is raised and spent across England. We have already said that we want a standardised national needs assessment process, and the Government would set the level of need at which someone qualifies for state funding. The Government would also set, nationally, what proportion of

someone's care package would be funded by the state. Beyond this, however, there could be two different approaches to how the system worked, depending on how standardised the system was. The two approaches have different implications for the way in which money is raised and distributed around England.

### **1. A part-national, part-local system**

Under this system, people would know that they were entitled to have their needs met, and a proportion of their care and support package would be paid for by the state, wherever they lived. But local authorities would be responsible for deciding how much an individual should receive to spend overall on care and support, giving them the flexibility to take into account local circumstances.

So a disabled person would know, before they moved somewhere, what level of support they would be entitled to in the new area, but the actual amount of funding that was put into their care could vary from place to place. This would reflect the fact that the costs of care and the requirements of individuals would also be likely to vary across the country.

The advantage of the part-national, part-local system is that local authorities would be able to set the actual amount of funding that someone would receive. This could provide more space and flexibility for local authorities to encourage new kinds of care and support in their area. It would also help them respond to local conditions to deliver real choice and control for individuals. But it would mean that people could still get different amounts of funding in different places, which might be seen as unfair.

### **2. A fully national system**

Under this system, national government would decide how much funding people should get, instead of local authorities. The amount of funding allocated could be consistent across the country, or could vary depending on location to take account of the different costs of care across England.

The advantage of this system is that it would be easy for people to understand and plan for. This will enable people to move around more freely and live the lives they want, wherever they are. People told us that the system seems fairer if everyone gets the same amount of money. The disadvantage is that the system would decide at national level how much funding someone was going to receive. It could be more difficult for local authorities to tailor the care package that people receive to their wishes and to respond to local circumstances, and it would make the system more rigid.

#### **The consequences of a fully national system**

This system would also be likely to mean major changes to the way in which money for care and support is raised and spent in

England. At the moment, local authorities can decide to fund social care by using funding from council tax over and above the funding they receive from national government. If national government, rather than local authorities, were deciding how much funding people should get, it would be unfair to ask local authorities to fund this new system from money they raised themselves, as they would have no way of controlling these costs. Under a national system it is likely that all funding for care would need to be raised nationally through national taxation instead of some of it coming through council tax.

### The role of local authorities

Under either system, local authorities would play the key role in delivering care and support. They would continue to:

- be the channel for state funding and support
- undertake assessments
- provide information, advocacy and care management for individuals
- provide and commission services, and manage the market of care and support providers
- foster innovation in care and support, using their freedom to decide exactly how services are delivered at a local level.

### Consultation question

3. The Government is suggesting three ways in which the National Care Service could be funded in the future:

- **Partnership** – People will be supported by the Government for around a quarter to a third of the cost of their care and support, or more if they have a low income.
- **Insurance** – As well as providing a quarter to a third of the cost of people’s care and support, the Government would also make it easier for people to take out insurance to cover their remaining costs.
- **Comprehensive** – Everyone gets care free when they need it in return for paying a contribution into a state insurance scheme, if they can afford it, whether or not they need care and support.

a) Which of these options do you prefer, and why?

b) Should local government say how much money people get depending on the situation in their area, or should national government decide?

## Having your say

There are many very difficult issues involved in the reform of the care and support system. This is why the Government has already run an engagement process, to get people's views, and why we will now be consulting on the proposals contained in this Green Paper.

This Green Paper sets out a number of questions we would like to hear your views on. We want you to get involved in our consultation, to let us know your thoughts on these difficult issues. This is your opportunity to tell us what you think about the difficult choices that need to be made, and to help us to make the firm decisions about how best to create a new system. The consultation will run until 13 November 2009. Details on how to respond can be found in Chapter 7.

Once the consultation has finished, we will publish the results of what people told us. We will also set up a national leadership group, bringing together the leading experts and organisations across care and support to drive forward changes and to resolve issues where clear differences remain, even after the consultation on the Green Paper.

We will publish a White Paper on care and support in 2010, with detailed proposals for implementing a new National Care Service offering care and support for everyone.



Join the **big**



debate

... help shape the  
**future of care** together

**Running your own  
Big Care Debate**

visit [www.careandsupport.direct.gov.uk](http://www.careandsupport.direct.gov.uk)

# Participants' guide

... help shape the **future of care and support** together



## Part 3 Guide for people attending your Big Care Debate

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Hand this out to the people who attend your Big Care Debate. It will give them the background to the consultation, and some guidance notes on each of the consultation topics. It will also give them space to jot down their own thoughts as you debate the issues. More copies are available to download online at: [www.careandsupport.direct.gov.uk](http://www.careandsupport.direct.gov.uk).

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### Introduction

The Government's new Green Paper **Shaping the Future of Care Together** sets out a vision for a **National Care Service for all adults in England** – a service that is fair, simple and affordable for everyone, underpinned by national rights and entitlements and personalised to individual needs. It asks for your views on some difficult choices that we need to make for this vision to become a reality. The proposals in the Green Paper constitute some of the most fundamental reforms ever in this area.

### Why do we need a debate?

We are an ageing society. For the first time ever there are more people over the age of 65 than there are under the age of 18. Life expectancy is going up and advances in medical science mean that people with a disability are living longer. This is worth celebrating but it does mean we need to radically change the way care and support is provided and paid for. The current system has its basis in the 1940s and there have been huge social changes in terms of what we value and what we want from public services. People now want more independence, choice and control, and we need to reflect these demands.

As a society we will have to spend more on care and support in the future. One of the most important issues we want your views on is what is fair to ask people to pay for themselves, and how we protect people from having to pay a huge bill if they need long-term residential care.

### The process

The Green Paper has been informed by a six-month engagement process, which took place in 2008 in which thousands of people were asked about their views on the challenges that we face for the future and the problems with the current system.

### **Why this debate matters to you**

Everyone will be affected by the proposed changes: stakeholders, people who care for friends and family, people who use the care and support system and all of us who pay for care and support services through taxes.

With your help we can raise awareness of the Green Paper, promote the Big Care Debate and get the views and opinions of as many people as possible.

This is your opportunity to take part and shape the future of the care and support system for all adults in England.

### **Topic 1 for discussion: The Government's vision for the future**

The Government wants to build a National Care Service that is fair, simple and affordable. The Government thinks that in this new system there are six things that you should be able to expect:

- **Prevention services**

You will receive the right support to help you stay independent and well for as long as possible and to stop your care and support needs getting worse.

- **National assessment**

Wherever you live in England, you will have the right to have your care needs assessed in the same way. And you will have a right to have the same proportion of your costs paid for wherever you live in England.

- **A joined-up service**

All the services you need will work together smoothly, particularly when your needs are assessed. You will only have to have one assessment of your needs to access a whole range of care and support services.

- **Information and advice**

If you need care and support, or you are preparing for it, you will find it easy to get information about who can help you, what care and support you can expect, and how quickly you can get it.

- **Personalised care and support**

Your care and support will be designed and delivered around your individual needs. As part of your care and support plan, you will have much greater choice about how and where you receive support, and the possibility of controlling your own budget wherever appropriate.

- **Fair funding**

Everyone who qualifies for care and support from the state will get some help towards meeting the cost of their care and support needs. Your money will be spent wisely to fund a care and support system that is fair and sustainable.

**For the consultation questions, and a space to jot down your thoughts, please turn over.**

**Topic 1: Consultation questions:**

**a) Is there anything missing from this approach?**

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**b) How should this work?**

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## Topic 2 for discussion: Making the vision a reality

The Government thinks that, in order to make the vision of a National Care Service a reality, there are three key changes we will need to make to the care and support system. We need:

- **More joined-up working**

We need services that will keep people independent and well for longer. They should also help people with ongoing care and support needs to stay at home, if this is what they want, and maintain their independence. One way of doing this is through better joined-up working between health, housing and social care services and between the care and benefits systems.

- **A wider range of care and support services**

As people begin to have greater choice over the care and support they receive, they will need to have a range of services to choose from. The Government believes local authorities are best placed to manage this. We need to help local authorities make sure that the services and ways of working in their area support innovative and high-quality care and support.

- **Better quality and innovation**

Everyone who uses care and support services has a right to expect high-quality services and to be treated with respect and dignity. There are many ways of improving quality, but the most vital is through the people who deliver the services. Staff must have the right training and skills to provide the care and support that people want. We also need to make sure that the services that are available are based on the best and most recent information about what works in providing care and support. We think that we should have an independent body to provide advice on what works best in care and support.

**For the consultation questions, and a space to jot down your thoughts, please turn over.**

**Topic 2: Consultation questions:**

**a) Do you agree?**

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**b) What would this look like in practice?**

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**c) What are the barriers to making this happen?**

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### Topic 3 for discussion: Funding options

We will achieve this vision by making better use of taxpayers' money so funding is focused on people who can benefit from it and need it most. But the money in the system at the moment won't pay for all of everyone's care in the future.

In deciding how to fund care and support, there are some very difficult decisions to make.

#### The current system

In the current system, people who have the highest needs and lowest means get some help through the social care system, and some people get help through disability benefits. But many people, including some with high needs, get no help at all with paying for care. Twenty per cent of people will need care that costs less than £1,000 – but 20 per cent will need care that costs more than £50,000. And someone who is in a care home for years could have costs of more than £100,000. If someone is in a care home and their house is empty, they are expected to use their savings and the value of their house to pay for care and accommodation, until they have used up almost all their money.

#### The future funding options

The Government is suggesting three ways in which care and support could be funded in the future.

It is important to note that these options consider only the cost of people's care and support. People entering a care home would also have to pay for their accommodation costs, such as the costs of food and lodging. This is because the state would not pay for people to buy their food or pay their mortgage or rent if they were living at home. Of course, the state would always have a role in supporting people who are in a care home who cannot afford these costs.

- **Partnership**

The responsibility for paying for care would be shared between the Government and the person who has care and support needs. The Government provides between a quarter and a third of the cost of care and support, more for people on a low income. Today's 65-year-olds will need care and support costing on average £30,000.

The Partnership system would work for adults of all ages. Under this system we expect many people born with a care and support need to qualify for free care, as they do under the current system. Those working-age adults who do not qualify for free care (those who are better off) would have the same offer around funding as people over 65.

- Everyone who qualified for care and support would be entitled to have a set proportion – for example, between a quarter and a third – of their basic care and support costs paid for by the state.
- People who were less well off would have more care paid for.
- The least well off people would continue to get all their care free.
- This system would work for people of all ages.

An **advantage** of the Partnership option is that people only have to pay for their own care and support costs, and if they don't develop a care need they don't have to pay anything (beyond the contribution that they have already made through general taxation).

A **disadvantage** is that people who have really high care and support costs and own their own homes or have savings might still have to pay very high contributions.

- **Insurance**

This option is the same as the Partnership option but the Government could help people prepare to meet the costs that they would have to pay for themselves, through an insurance-based approach. As well as providing between a quarter and a third of the cost of care and support, the Government would make it easier for people to take out insurance to cover care and support costs. It is estimated that the cost of insurance could be around £20,000 to £25,000.

The Insurance part of the second option would be likely to be less relevant to people who have been born with a care and support need, since people cannot insure against the risk of something that has already happened. However, many people born with a care and support need are likely to qualify for free care under the Partnership element of the system.

- Like the Partnership model, everyone would be entitled to have a share of their care and support costs met.
- This system would go further to help people cover the additional costs of their care and support through insurance, if they wanted to.
- The state could play different roles to enable this – it could work more closely with the private insurance market or the state could create its own insurance scheme.
- If people decided to pay into the scheme, they would get all their basic care and support free if they needed it.
- People could pay in several different ways.
- This system would work for people over retirement age.



An **advantage** of the Insurance option is that people would have a choice and flexibility over whether they wanted to insure themselves.

A **disadvantage** is that people who chose not to take out insurance would still face the risk of potentially high costs later on in life. If they needed residential care, they would be likely to have to use their savings or their assets to pay for care and support.

- **Comprehensive**

Everyone over retirement age who could afford it would pay into a state insurance scheme, meaning that everyone who needs care and support would receive it free. It is estimated that the cost of being in the Insurance system could be between £17,000 and £20,000.

The Comprehensive system would be for people over retirement age, but we would also look at having a free care and support system for people of working age alongside this.

- Everyone over retirement age would be required to pay into a state insurance scheme if they had the resources to do so.
- Everyone whose needs meant that they qualified for care and support would get all of their basic care and support for free when they needed it.
- It would be possible to vary how much people had to pay according to what they could afford. The size of people's contribution could be set according to what savings or assets they had, so that the system would be more affordable for people who are less well off.
- Alternatively, people could pay a single, set figure, so that they would know how much they would have to save.
- People could pay in several different ways.
- The Government will also look at having a free care system for people of working age alongside this.

An **advantage** of this Comprehensive option is that once people had paid their contribution they would know that they would receive the care and support they needed.

A **disadvantage** of the system would be that everyone would have to pay in, whether or not they actually needed care and support themselves.

### **Ways to contribute**

In the long term, we could have a system that would enable people who are still working to make regular contributions so that they could save up and pay their contributions to the Insurance or Comprehensive system by the time they had retired. In the short term, we could have a menu of different ways in which people could choose to contribute – for example, by a lump sum on retirement, by deferring their state pension, by paying in instalments throughout retirement, by paying out of their estate (defer until death) or a mixture of these options.

### **Why not a tax-funded system?**

The Government has ruled out a system based on tax funding because it would put a large burden of paying for care on people who are working. Given demographic changes, there will be increasing pressure on a shrinking proportion of working-age people. In 2007, the number of people aged over 65 became greater than the number of people under 18 for the first time. Because the majority of people benefiting from a reformed care and support system will be pensioners, it is fairer to think about more targeted ways of bringing in extra funding, rather than placing the burden of the system on people of working age.

### **A nationally or locally determined funding system?**

The Government is also seeking your views on whether the funding system should be determined at a national or local level.

The Government believes that the care and support system should be fair and universal. This means that everyone who needs care and support will receive it, regardless of where they live. But we also need to ensure that the system is flexible enough to respond to local circumstances and encourage innovative approaches. There are two different approaches to how the system could work:

- a part-national, part-local system – local authorities decide how much is to be spent on care and support, or
- a fully national system – government decides how much is to be spent on care and support.

These two approaches have different implications for the way money is raised and distributed around England.

**For the consultation questions, and a space to jot down your thoughts, please see opposite.**

**Topic 3: Consultation questions:**

**a) Which of these options do you prefer, and why?**

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**b) Should local government say how much money people get depending on the situation in their area, or should national government decide?**

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# Feedback form

... help shape the **future of care and support** together

## Part 4 Feedback form

Thank you for contributing to the Big Care Debate and responding to the consultation questions in the Green Paper **Shaping the Future of Care Together**.

**Please use this form to record your group's conclusions to each of the questions. This form should be used in conjunction with stimulus material, which includes more detail about each of the questions.**

Please complete only **one** feedback form for each group debate. Make a note of answers where there was agreement in the group, and where there were differences. Do add pages if you need more space.

This form should also include the names of the participants. **Important: please do not attribute feedback on the form to specific individuals.**

**Once completed, please return this document by 13 November 2009:**

- **via email to** [careandsupport@dh.gsi.gov.uk](mailto:careandsupport@dh.gsi.gov.uk)
- **or by post to** Care and Support Team, Room 149, Richmond House, 79 Whitehall, London SW1A 2NS

### Organiser contact details:

Name

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Organisation

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Address

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Email

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Telephone

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### About your debate:

When was the discussion held?

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How many people took part?

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What groups of people took part (e.g. care workers, disabled people, staff)

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Please list the names of people who took part

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### Confidentiality of information

Please be aware that under the Freedom of Information Act 2000, we may be asked to share the information we receive as part of this consultation. If you would like your response to remain confidential, it would be helpful if you could explain why. If we receive a request to disclose the information, we will take full account of your explanation but we cannot guarantee that confidentiality can be maintained in all circumstances. Your name, address and any other personal data as defined under the Data Protection Act is exempt from disclosure.

**Topic 1: The Government’s vision for the future**

The Government wants build a National Care Service that is fair, simple and affordable. The Government thinks that in this new system there are six things that you should be able to expect:

- prevention services
- national assessment
- a joined-up service
- information and advice
- personalised care and support
- fair funding

**a) Is there anything missing from this approach?**

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**b) How should this work?**

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**Topic 2: Making the vision a reality**

The Government thinks that, in order to make the vision of a National Care Service a reality, there are three key changes we need to make to the care and support system. We need services which are joined up, a wider range of care and support services and better quality and innovation.

**a) Do you agree?**

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**b) What would this look like in practice?**

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**c) What are the barriers to making this happen?**

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### Topic 3: Funding options

The Government is suggesting three ways in which care and support could be funded in the future:

- **Partnership:** People will be supported by the Government for around a quarter to a third of the cost of their care and support, or more if they have a low income.
- **Insurance:** As well as providing a quarter to a third of the costs of people's care and support, the Government would also make it easier for people to take out insurance to cover their remaining costs.
- **Comprehensive:** Everyone gets care and support free when they need it in return for paying a contribution into a state insurance scheme, if they can afford it, whether or not they need care and support.

a) Which of these options do you prefer, and why?

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b) Should local government say how much money people get depending on the situation in their area, or should national government decide?

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