



briefing

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Shaping the future of care together

Key points

- The Government is proposing a National Care Service, which will be fair, simple and affordable for everyone.
- Everyone who needs care and support would have their needs assessed in the same way.
- Care and support services would be based on personal circumstances and need.
- Three methods of funding are proposed, with the Government favouring a 'partnership' approach in which people will be supported by the state for around a quarter to a third of the cost of their care and support, or more if they have a low income.
- Two possible ways of organising the service are put forward: a part-local, part-national system and a national system.
- The consultation on the reform of adult care and support in England will run until 13 November 2009.

The long-awaited green paper, *Shaping the future of care together*, looks at the future of care and support in England. It proposes a National Care Service to ensure common standards and puts forward options for care funding. Although the NHS is only occasionally mentioned in the document, the proposed changes will have a major impact on NHS services and partnership working between health and local government.

The green paper considers the politically sensitive and complicated issue of how to provide a system of care and support that meets the needs of an ageing population and is fair and affordable. By 2026, the Government expects there will be 1.7 million more adults who need care and support – and people will expect more choice and control over their services.

This *Briefing* summarises the key features of the green paper.

Problems with the current system

A number of weaknesses exist in the current system of social care.

- It has been developed in a piecemeal way and different parts do not work well together.
- Many people do not get help from the state towards paying for their care and support.
- It is difficult for people to plan for unknown future costs.

- People with the same needs receive different levels of care depending on where they live.
- The system is not tailored to people's needs.
- It is confusing – there are few clear rights or entitlements and people often do not know what to expect until they apply for support.
- It makes poor use of its limited resources, for example, by not spending more on prevention, rehabilitation and keeping people as healthy and independent as possible.

Care and support

The terms 'care and support' cover 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 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.

The National Care Service

The Government wants to create the first National Care Service in England. Its 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 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 live their lives the way they want to, supported by staff who work with them."

The new system should respect people's ability to be experts in relation to their own care. Those with care and support needs should be treated as citizens with rights, rather than have 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 from National Care Service prevention services

Individuals will have the right to support to help them stay

independent and well for as long as possible to stop their care and support needs getting worse. They will receive free support to achieve this. Those leaving hospital and needing care and support for the first time should have the right to reablement help at home. This should save money for the care and support system and the NHS. Local authorities and primary care trusts (PCTs) will continue to share responsibility for promoting active and healthy communities.

National assessment

Wherever people live in England, they will have the right to have their care and support needs assessed in the same way. They will also have the same proportion of care and support costs paid for them. If they move they will be able to take their needs assessment with them. However, this does not mean services will be the same everywhere as local authorities will still be able to shape services to local needs.

A joined-up service

All the services someone needs will work together smoothly, particularly when their needs are assessed.

Information and advice

People will be able to find their way through the care and support system easily. They will find information about who can help them, what care they can expect and how quickly they can get it, readily available.

Personalised care and support

Services will be based on the individual's personal circumstances and need, with care and support being designed and delivered around these. People will have more choice over how and where they receive support, and may be able to control their own budgets.

Fair funding

Money will be spent wisely and everyone who qualifies for care and support will get some help meeting the cost of their needs.

What needs to change?

Three important changes need to be made to deliver the vision of a National Care Service.

More joined-up working

Health, housing and social care services all need to work well together, as do the social care and disability benefits systems.

Services will be fully joined up between the NHS and the 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 have to involve structural change. A ministerial working group on integration of health and social care services will report later on what has worked well and what barriers exist to integration. The green paper notes that good joint working is already in place in many areas, particularly through local area agreements and directors of public health shared by councils and PCTs.

A wider range of services in care and support

As people begin to have greater choice

over the care they receive, they will need a range of services to choose from. The Government believes that local authorities are best placed to make sure that this wider choice of services is available in their area and to encourage new services.

Better quality and innovation

Everyone who uses care and support services should be able to expect that they will be high quality and that they will be treated with respect and dignity. Improving quality is an important part of achieving value for money.

Improvements in quality will also depend on supporting people who work in care and support. Staff should be able to develop their skills and make the most of their experience, as they build their career in a recognised and well-respected profession. The workforce will face 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 over their own lives.

The Department of Health (DH) recently published a strategy on the future of the care and support workforce. Over the next few months, the DH will develop an action plan to look at how the workforce will need to develop in the medium and long term.

The Government is suggesting that an independent organisation – possibly a new body or possibly an existing organisation such as the Social Care Institute for Excellence – is set up to provide it with advice on what works best and what provides value for money in care and support. Advice from this organisation could guide the decisions made by people commissioning care and support, and people choosing care and support services for themselves.

'Services will be fully joined up between the NHS and the new National Care Service'

Funding

Two in three women and one in two men will develop high care needs during their retirement. The cost of care and support is high. A 65-year-old person 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: for example, 20 per cent of people will need care costing less than £1,000 during their retirement and 20 per cent will need care costing more than £50,000. Some of those who spend years in a care home could face a bill of more than £100,000.

The Government's view is that in the new National Care Service everyone who qualifies for care and support from the state should get some help 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.

The Government looked at five ways in which the National Care Service could be funded: pay for yourself, partnership, insurance, comprehensive and tax-funded. It has ruled out 'pay for yourself' because it is fundamentally unfair

and would offer no support even for those on the lowest incomes with no savings. 'Tax-funded' is ruled out because it would place a heavy burden on people of working age.

That leaves three options for funding basic care and support costs that it is seeking more views on.

Partnership

This is the Government's preferred option. In this system, everyone who qualified for state care and support would be entitled to have a set proportion of their basic care and support costs paid for by the state, possibly a quarter or a third. People who were less well-off would have more care and support paid for, for example two-thirds, while the least well-off would continue to get all their care and support free.

Under this system, many people would pay much less than the current average. Some people who needed high levels of care and support would pay more and would need to spend their savings and the value of their homes. This system would work for people of all ages.

Insurance

In this system, everyone would be entitled to have a share of their care and support costs met. But it 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 with the private insurance market so that people could receive a certain level of income should they need care and support, or it could create its own insurance scheme. If a person decided to pay into the scheme, they would get all their basic care and support free if they needed it.

Payment could be made in different ways: in instalments or as a lump sum, before or after retirement, or after their death if they preferred. Once they had paid their contribution, the individual 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 £30,000 cost of care for a 65-year-old person. This system would work for those over retirement age.

However they paid, the insurance payment would help to protect their wealth and the value of their homes. Whether they decided to pay during their working lives, during their retirement or after they died, they 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.

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 able to would pay their contribution, and then all those whose needs meant that they qualified for care and support from the state would get all of their basic care and support 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 their contribution could be set according to what savings or assets they had, so the system was more affordable for those who were less well-off.

Alternatively, if they 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 they knew how much they would have to save. 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. The cost would be less for those over the age of 65 when the scheme was introduced.

However they paid, the insurance payment would help the public to protect their wealth and the value of their homes.

The Government would also consider having a free care and support system for those of working age alongside this.

Accommodation costs

The cost of two years' accommodation in a care home can be around £25,000 – as much again as the cost of care and support. Although the Government says that there will always be a role for the state in helping those with low incomes and assets pay for the accommodation costs of residential care, it believes it is fair to expect the majority of the public to meet these costs themselves.

However, to help with the way these costs are paid, it is proposing a universal deferred payment system, allowing residential care and accommodation costs to be charged on a person's estate when they die.

National consistency and local flexibility

The care and support system should be fair and universal – it must make

'The Government takes the view that in the new National Care Service everyone who qualifies for care and support from the state should get some help paying for it'

sure that everyone who qualifies for care and support can get it, regardless of where they live.

However, the system also needs to be flexible enough to respond to local circumstances and to encourage innovative approaches. Services need to be designed locally, so that they can respond to needs in a particular area. Decisions need to be made about how the new funding should balance local flexibility and national consistency.

Moving to a universal system has consequences for the way in which money for care and support is raised and spent across England. The Government will set the level of need at which someone qualifies for state funding and 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 it was: a part-national, part-local system or a fully national system.

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.

For example, 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.

A fully national system

Under this system, national government would decide how much funding people should get. 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 loss of flexibility under a national system would be a risk when planning how local care and support services work with services provided by the NHS.

This system would 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 the Government 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.

Consultation

The consultation will run until 13 November 2009. For full information about the consultation visit

'The NHS Confederation believes that the case for change is clear'

www.careandsupport.direct.gov.uk.

Alternatively, email views to careandsupport@dh.gsi.gov.uk or write to the Care and Support Team, Room 149, Richmond House, 79 Whitehall, London SW1A 2NS.

Question 1: Features of a National Care Service

The Government wants to build a National Care Service that is fair, simple and affordable. It thinks that in this new system there are six things that people 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?

Question 2: Making the National Care Service work

The Government thinks that to make a National Care Service work, it will need services that are joined up, give choice around what kind of care and support people 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?

Question 3: Funding

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?

Confederation viewpoint

The limitation of local authority-funded care in many places to those with substantial or critical needs and the variability of advice and support services for those not eligible for state-funded care have led to a situation where radical changes to the scope and funding of the care and support system are necessary. We believe that – alongside the transformation programme for social care, Putting People First – the development of a National Care System with a core universal offer is to be welcomed. The NHS Confederation believes that the case for change is clear and will be a vital part of dealing with the economic pressures on both health and care over the next few years. While we recognise that each of the proposed models have pros and cons, we agree that the debate

'The presence of a robust, sustainable and inclusive care and support system is therefore of great importance to the NHS'

needs to be wide ranging and we hope that that future governments will continue the development of this policy after the next election.

The challenges that face the NHS over the next few years require commissioners and providers to look in the widest sense at the range of services available locally

to support people to live healthy and independent lives for as long as possible. This includes early intervention and ill health prevention services such as falls prevention and personal support; and information, advice and advocacy services, where local partnerships between health, local authority and other providers have already shown that marked improvements in outcomes can be made. High-quality and universally accessible reablement services are also of great importance if the shift of care into settings closer to home

is to be fully realised. The presence of a robust, sustainable and inclusive care and support system is therefore of great importance to the NHS. The NHS Confederation welcomes the breadth of the current consultation and would urge the NHS to get involved in the ongoing debate on how to fund our social care system in the long term.

We welcome your views on the green paper. For further information on the issues covered in this *Briefing*, contact jo.webber@nhsconfed.org

The NHS Confederation

The NHS Confederation is the only independent membership body for the full range of organisations that make up today's NHS. Our ambition is a health system that delivers first-class services and improved health for all. We work with our members to ensure that we are an independent driving force for positive change by:

- influencing policy, implementation and the public debate
- supporting leaders through networking, sharing information and learning
- promoting excellence in employment.

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