

# the **big care** debate Care Support Independence

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Care Support Independence



Shaping the **Future of Care** Together



# Social Care Green Paper

End of consultation period: 13 November 2009.

A presentation for Officers and  
Members of NYCC

# Purpose

- To advise management Board and Executive of the content of the Green Paper and
- Secondly to put forward draft NYCC View point for debate and discussion before submitting a comment to the department of Health. ( NYCC draft comments are coloured)( these are open for discussion)

# Why change is needed

- Society is going through huge changes.
- People are living longer than ever before, and the ratio of older people to younger people is increasing dramatically.
- We have different social values, and we expect more choice and control over all areas of our lives, including public services.
- Furthermore, the current system has not always been able to keep pace with rising expectations and the increasing need for care.
- The existing system cannot cope with these pressures – it is not financially sustainable. In 20 years' time, the cost of disability benefits could increase by almost 50% and we expect a £6 billion 'funding gap' in social care.
- We therefore need to find a fair and sustainable way to fund care and support in the future.
- *NYCC Comment: North Yorkshire County Council acknowledges and recognises this scenario. We are facing a 68% increase in the number of people with dementia by 2020 and two years ago the Corporate Director of Adult Social Care predicted a £43m shortfall at 2007 prices for North Yorkshire alone by 2017.*

Members and officers can watch videos on the debate at:

[http://www.youtube.com/watch?v=EbL\\_L9cYEZg](http://www.youtube.com/watch?v=EbL_L9cYEZg)

and join in the Big Care Debate at <http://careandsupport.direct.gov.uk/>

# The Principles

- The vision for reform outlined in the Green Paper is based on six key principles:

1. A focus on prevention services
2. A portable national assessment of care needs
3. Joined-up health, social care, housing and benefits services
4. Good quality information and advice for everyone
5. Personalised care and support
6. Everyone will get some support in paying for care and support.

*•NYCC Comment: Acknowledges these as valid principles on which to base a national debate on the future of social care.*

# How to fund the system

- Proposes diverting the funds from disability benefits into funding for a new care and support system.
- However, there is a specific commitment within the Green Paper that 'people receiving any of the relevant benefits would continue to receive an equivalent level of support and protection under a new and better care and support system', and
- that the Government wants to 'ensure that the future care and support system retains and builds on the main advantages of the current disability benefits system'.
- The Government proposes different options of paying for the system, and asks for views on which of these should be adopted.

*•NYCC Comment: We recognise that funding is a primary issue in this debate and does need addressing. It will need all party consensus and possibly a national referendum.*

*•However it is not the only issue and system reform must also be driven forward.*

*•This should include integration of NHS Community Services with social care under an public accountability framework.*

# The future funding options set out in the green paper include:

- **The government's new green paper on social care and support has emerged against a background of rapidly rising demand and a potential funding shortfall of £6bn a year unless action is taken.**

- *Pay for Yourself:* everybody responsible for paying for own basic care and support. The green paper rules this out as some people would be unable to pay and the system would be fundamentally unfair.

- *Partnership;* state pays possibly a third or a quarter of an individual's basic care and support costs. Less well off would have more paid by the state, for example two thirds, or all costs in the case of the least well off

*Insurance:* Same as partnership model but people could cover additional costs through a voluntary insurance scheme, either privately or state-run. Those paying into scheme would receive all basic care and support free.

*Comprehensive:* Everyone over retirement age with sufficient resources would be required to pay into a state insurance scheme. The less well off would contribute less than everyone else. Basic care and support would be free.

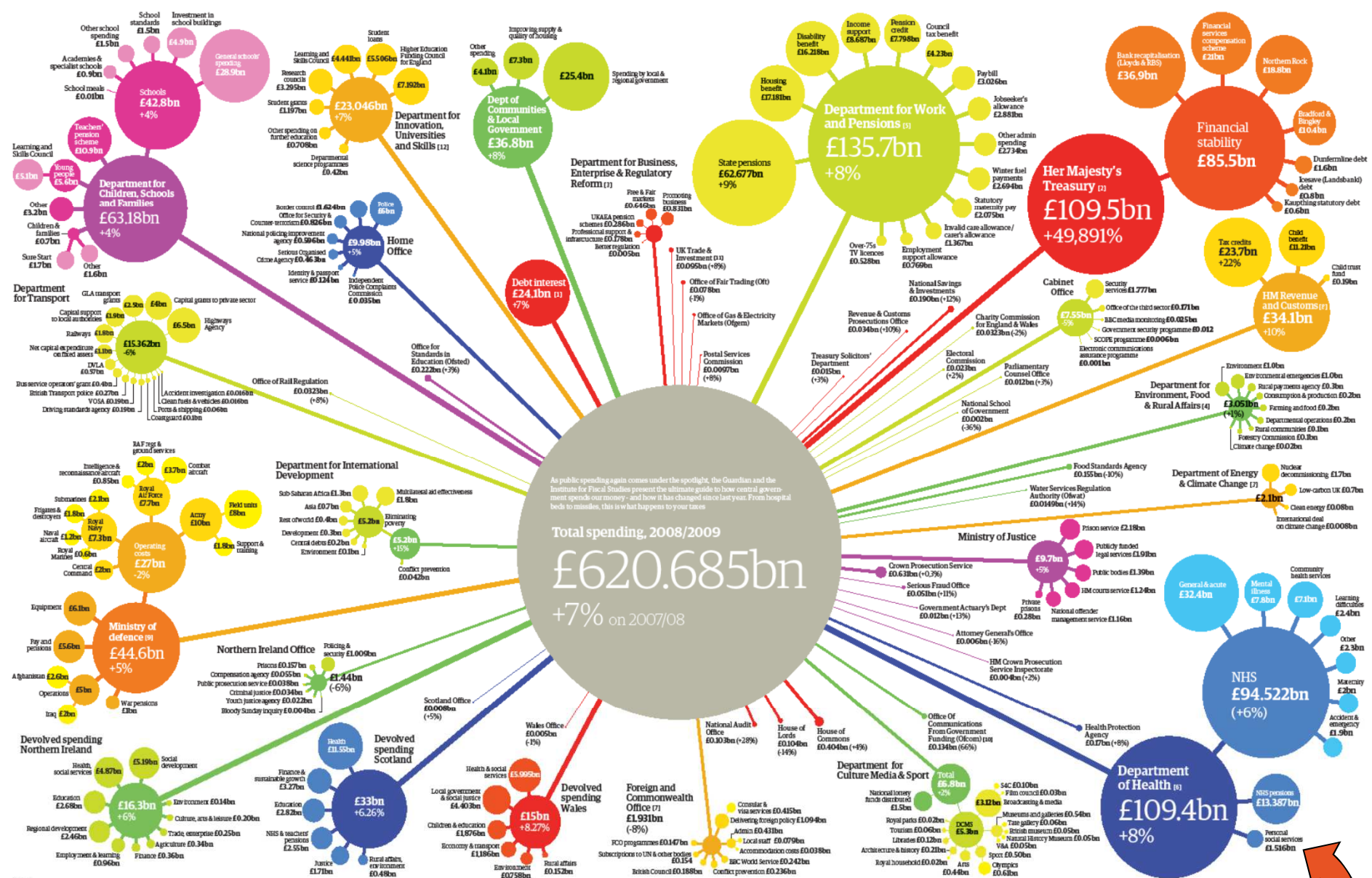
*Tax-funded:* Care and support funded from taxes and would be free, like NHS. Green paper rules this out as places a 'heavy burden' on people of working age

**NYCC Comment: As in Local Government the National Government will have to prioritise spending, raise taxes and drive forward a range of insurance options. See Next Slide!!!**

As public spending again comes under the spotlight, the Guardian and the Institute for Fiscal Studies present the ultimate guide to how central government spends our money – and how it has changed since last year. From hospital beds to missiles, this is what happens to our taxes

**Total spending, 2008/2009**  
**£620.685bn**  
 +7% on 2007/08

**Social Care's share of the national pot!! £1.6b**



**NOTES**

The figures in this chart are estimates and are subject to audit. This chart shows the current year's spending on a number of key areas. It does not show the total amount of government spending in the current year. For more information on government spending, visit [www.instituteforfinancialstudies.org.uk](http://www.instituteforfinancialstudies.org.uk).

**ALL FIGURES DO NOT TAKE ACCOUNT OF INFLATION**

**1** Figures are in billion pounds unless otherwise stated.

**2** The figures for the Treasury are in billion pounds unless otherwise stated.

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# The ambition and the gaps

- **The Ambition**

- Creating a national care service is ambitious. It could put care on a par with the NHS. Making care a universal service that everyone has a stake in and everyone benefits from would certainly make a big difference.

- **The Gap**

- The almost complete absence of financial figures and modelling. There is no clear indication what a national care service and the extra demands of our ageing population might cost; how much would be paid by the government; and critically what individuals would get for their contribution.

*NYCC Comment: The bottom line is that we believe we need to find substantial extra money to pay for care in the future - who pays, how much, when and how represent really hard choices but this is one issue that cannot be fudged.*



# National consistency vs local flexibility

- The Green Paper asks whether local government should say how much money people get depending on the situation in there area, or whether national government should decide.
- However it is clear it seeks to develop a 'National Care System'

**NYCC Comment: We are supportive of the comments of Councillor David Rogers ,chair of the Local Government Association Community Wellbeing Board:**

- *'whatever system is implemented we can be sure that councils will continue to play a crucial role in supporting people to receive good quality financial advice, and incentivising financial products which enable people to make their personal contribution.*
- *Of the two models proposed ...we believe there is a sound rationale for the part local/part national model, which will deliver better outcomes for people.*
- *More than that we believe a fully national system could undermine councils' flexibility in commissioning and designing care services around the needs of the user.'*

# The Debate Questions

## 1 The vision for the future

- Government has suggested six key things that everyone should expect from a National Care Service and want views on them.
- **Prevention services**
- **National assessment**
- **A joined-up service**
- **Information and advice**
- **Personalised care and support**
- **Fair funding**  
Everyone who qualifies for care and support from the state will get some help 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.

### It then asks:

- 1a) Is there anything missing from this list?
- 1b) How should this work?

### NYCC Comment:

• As an authority we are already committed to early intervention and prevention and understand it makes care and economic sense. There should be further ring fenced investment in the area.

• National assessment concept is support but getting consistency of approach requires retraining many staff, a bespoke assessment tool with minimised room for professional discretion and the introduction of the idea of a national tariff or fixed price for care.

• While supportive of a joined up service we believe it should not be optional and be local authority led and be public accountable

• Information and advice: we see this as a given and therefore see Library Services as playing a key role.

• Personalised care and support. Fully supported. But this should not be about who has the money but how its used.

• Fair Funding: this is commented upon elsewhere

# The debate questions continued

## NYCC Comment:

### 2 Making the vision a reality

- Government think that to deliver this vision three main changes are required to the care and support system. There should be:
  - **More joined-up working** between health, housing, social care and benefits systems.
  - **A wider range of care and support services**, so people have a greater range of services to choose from.
  - **Better quality and innovation.** Staff must have the right training and skills, and services should be based on the best and most recent information about what works well in providing care.
- It then asks:
  - **2a) Do you agree?**
  - **2b) What would this look like in practice?**
  - **2c) What are the barriers to making this happen?**
- As a two tier authority we are fully supportive of more joined up working. We are constantly seeking ways forward with Seven District Councils partners and our local NHS North Yorkshire and York.
- Partnership working consumes a lot of time when performance frameworks are not joined up and the allocation of funding is not allocated on joint efficiency delivery programmes. Our view is there is need for more incentives to deliver joined up working and penalties for failure to address the needs of communities in a collective manner. Our view is that more public accountable authorities are more partnership and integrated orientated. World Class Commissioning Framework has yet to deliver this drive within the NHS.
- We are fully supportive of the widest range reasonable choices for people.
- We believe the present inspection regime of social care with its outdated input measurement approach acts as a barrier to innovation and its minimum standards in care approach acts as a perverse incentive to quality delivery.

### 3 Funding care and support in the future

- Govern proposes to achieve its 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 **Funding options for consideration** for funding a National Care Service.
  - **Partnership:** The responsibility for paying for care and support would be shared between the Government and the person who has care and support needs. Today's care costs on average £30,000. The Partnership system would work for adults of all ages.
  - **Insurance:** The same as Partnership but the Government could help people prepare to meet the costs that they would have to pay for themselves through an insurance-based approach. Insurance could be around £20,000 to £25,000.
  - **Comprehensive:** Everyone over retirement age who can afford it would pay into a state insurance scheme,. It is estimated that the cost of being in the system could be between £17,000 and £20,000. This system would be for people over retirement age.
  - **What about a system based on tax funding?**  
We have ruled out a system based on tax funding, because it would put a large burden of paying for care and support on people who are working.
  - **3a) Which of the three funding options do you prefer?**
- **Why is this your preference?**

### NYCC Comment:

- As one of the lowest funded authorities in the country with a minimum tax burden on our local community we still deliver a highly rated Council agenda with a three star performance in social care.
- We are therefore supportive of Government tacking both authorities and NHS systems which do not deliver VFM.
- Government itself must have and lead a rational debate about the use of public purse and not focus on social care in isolation. This need was brought into sharp relieve by the bailing out of banks and investments in the armed forces.
- We believe in and support a partnership approach between the state and its people.
- There must be a major communication and education programme on the need for insurance. There are too many perverse incentives to approach this on a voluntary basis.
- The most vulnerable must also be protected.

# Final debating point

- **A national or local system?**  
Government believes that the care and support system should be fair and universal.
- It recognises the need to ensure that the system is flexible enough to respond to local circumstances and encourage innovative approaches.
- There are in broad terms two different approaches to how the system might work
  - either a part-national, part-local system or
  - a fully national system.
  - The two approaches have different implications for the way money is raised and distributed around England.
- **The associated question for debate:**
  - **3b) Should local government say how much money people get depending on the situation in their area, or should national government decide?**

## NYCC Comment:

- As we have already commented above we are supportive of a system which is fair and universal.
- This does not mean it is identical though.
- Local communities want to comment on the local priorities for investment as invariably there will have to always be a prioritisation of how public money is spent. We are therefore supportive of a part national part local approach.
- There should be some entitlements which are universal as can be afforded by the tax / insurance system and are therefore nationally agreed. These should not be imposed locally if not nationally agreed and funded.
- Local taxation can then give added value according to the local communities willingness to invest via local taxation and participate via dialogue and community engagement.

Officers and Members may choose to engage individually to the BIG Care Debate or submit their comments to ACS for inclusion in the NYCC response.