

# Shaping the Future of Care Together

## Response from London Councils

### EXECUTIVE SUMMARY OF RESPONSE AND RECOMMENDATIONS

#### Introduction

- London Councils welcomes the green paper and the government's action in highlighting the importance of the debate surrounding the future of the social care system. We agree that now is a critical junction and opportunity to change the face of the health and social care system.
- Whilst we support the aspirations behind the green paper, we are concerned that the options presented as funding solutions for a new National Care Service may not have achieved the right balance and may not deliver the government's vision in practice.
- Until the government is able to discuss the reality of the whole social care system and its interaction with the health service, and begin to share clear financial modelling - a whole system universal debate on social care can not begin.
- London as a region has specific social care needs, costs and pressures and therefore needs social care funding that reflects all of these factors. In any funding system that is created for a new social care system, London as a region needs to be adequately funded so it is able to continue to deliver high quality social care services for London's population.

#### A National Care Service

##### **National assessment**

- London Councils welcomes the introduction of a portable national assessment; however the success of the portable national assessment relies on the assessment being dynamic, reflecting the reality of social care needs, actually being portable and being subject to evaluation and review after its implementation.

##### **Minimum entitlement**

- London Councils welcomes a minimum entitlement that the government will fund for everyone who needs social care. However London Councils is concerned that the green paper is not explicit about the connection between an individual's contribution, their minimum entitlement and what extra services/costs they might have to pay for on top of this.

##### **Personalisation**

- Significant progress has been made by London boroughs on the transformation and personalisation agenda in London. We are concerned that the green paper does not tie up how the new National Care Service links in with the personalisation agenda.

#### Funding a National Care Service

London Councils do not consider that the green paper has found the right balance in determining how the National Care service will be funded. We recognise the need for the new National Care Service to take a whole system approach, whilst presenting a cost effective, fair

and sustainable funding system into the future but do not feel these balances have been properly addressed in the paper.

### **Attendance Allowance**

- London Councils believes the government should reassess the basis of the social care funding system and reform it on a whole system basis before it starts to unpick the very effective benefit that attendance allowance provides to individuals.

### **Implications for national tax-payers**

- The sustainability of the system and the future funding have not really been addressed in the paper. The compromises made on domiciliary and residential care and attendance allowance have not been associated with a significant reduction in the assessed long term costs of the social care system and therefore will not by themselves ensure the long term sustainability of the system. Each funding option actually represents a huge potential cost to the state and to the national and local tax payer.

### **Implications for local tax-payers**

- Proposals in the green paper do not address the impact of the changes on council tax payers and services users in different local authority areas. Council tax payers and service users in different areas will be affected in very different ways and this issue needs to be acknowledged together with approaches for addressing it.

### **Integrated services**

- It is vital that health and social care and other related services are brought together to deliver better quality and efficient services designed around individuals and not institutions. London Councils believes there is much work to be done on the pooling and sharing of budgets between health and social care bodies that have been separated because of historical institutional circumstance and not because of logic or social care outcomes. It is at these junctures that London Councils believes many funding issues can be addressed and solved.

### **Funding options presented in the green paper**

- Feedback from community consultation events held by London boroughs suggests that there is no clear consensus on the three funding options presented in the green paper; however we do see that each funding system has its relative advantages and disadvantages.
- Of specific interest to London boroughs is that, if the insurance option is chosen, any insurance system created does not penalise individuals with high insurance premiums who happen to live in high cost areas based on their postcodes. This would go against notions of fairness and equality that the new National Care Service would wish to deliver.

### **Part national, part local system or a fully national system?**

- Each local authority's communities, structures, services and priorities differ dramatically. Local services should be tailored to benefit the local community and therefore local authorities are best placed to understand how they can deliver personalised care packages that are also good value and high quality.
- Hence local authorities need to retain the flexibility and autonomy to make decisions about how much an individual would receive to spend on their care. London particularly needs to take account of different local services and costs. Therefore, London Councils' members have indicated that they want the new national care service to be funded on a part-national, part local basis.

- The important role of local authorities in the new care system does not seem explicit enough since they are currently, and will be, the bodies on the front line meeting all the principles of the new system. The place of local authorities must be elevated and acknowledged in making this system work.

### **London's funding needs**

- Whichever system of funding is chosen for a new National Care Service, London Councils asks that this new service is properly funded to reflect the needs and costs that London boroughs face as a region. These include the amount of clients London provides for in different categories, the type and high quality of service (and therefore cost) of services commissioned for London, and the pervasive health inequalities and diversity that London faces as a region in providing services
- Without adequate and appropriate funding, London boroughs will not be able to support the growing number of individuals that need social care, and as a result, the quality and levels of adult social care that London boroughs will be able to offer will be severely undermined.

### **Other**

#### **Carers**

- London Councils asks the government to elevate the important role played by carers in the health and social care system and to make explicit how the Carers Strategy links in with the new National Care Service.

#### **Re-ablement services and telecare/telehealth**

- London Councils supports the progress already made in London with offering re-ablement services and telecare services. London Councils is aware that while these services provide benefits for both health and social care bodies, they currently suffer from a lack of joint funding to reflect the joint benefits and savings. This is a deficit that needs to be addressed a new national care service.

#### **Current and transitional pressures**

- London boroughs are already facing funding problems and rising demand for social care services. London Councils is concerned that the green paper focuses on the structure of a future system at the expense of current and transitional pressures.
- Measures to save and share social care funding must be made now. There must be engagement and cooperation from all health and social care bodies to take actions now that can really affect change and create better outcomes in health and social care. For example, the joining up of services, the pooling and sharing of budgets, and investment into re-ablement and telecare/telehealth services is something that can be done now; it does not need to wait for the implementation of a whole system.

## LIST OF RECOMMENDATIONS

### **A National Care Service**

- London Councils asks that the creation of the national assessment be made in consultation with the relevant professional, health and social care bodies as well as users and providers to ensure it is fit for purpose.
- London Councils asks that there is a review of the national assessment after its implementation to determine whether assessments are actually portable across England and ensure that individuals' needs are actually being met.
- London Councils asks the government to clarify (for example by providing case studies) what benefits a minimum entitlement could potentially give to different groups of individuals compared to the status quo.
- London Councils asks the government to specify how the transformation/personalisation agenda fits in with each component of the new National Care Service.

### **Funding a National Care Service**

- London Councils asks the government to reassess the basis of the social care funding system and reform it on a whole system basis. This needs to consider both domiciliary and residential care and the role that attendance allowance plays in the system, before it starts to unpick the very effective benefit that attendance allowance provides to individuals.
- London Councils would like the government to acknowledge that none of the options presented are cost neutral to the national taxpayer and that, from the impact assessment, each system presents a potential huge cost option which will only be sustainable in the future if looked at in the context of overall health and social care needs.
- London Councils asks the government to ensure that cost increases incurred prior to implementation of the new National Care Service are properly funded and do not impose additional burdens on local council tax payers; and that arrangements for the introduction of the new system fully accounts for funds that will be required for assessment and care management, tackling social care inequalities, and other continuing costs not directly related to the provision of care packages.
- Proposals in the green paper do not address the impact of the changes on council tax payers and services users in different local authority areas. Council tax payers and service users in different areas will be affected in very different ways and this issue needs to be acknowledged together with approaches for addressing it.
- London Councils will expect the introduction of a National Care System to be associated with changes to the basis for assessing needs for social care which properly reflect the additional costs of providing a service in London, including reversing the unjustified changes to younger adults' needs assessments introduced in 2006.
- London Councils believes that the key to solving the future funding of social care hinges on the reform of the arbitrary division between health and social care services and importantly budgets. London Councils asks the government to make available pooled and shared budgets where appropriate to implement an integrated approach.
- London Councils asks that the government continues to focus on the retraining of the social care workforce to enable a better multidisciplinary approach with a professional workforce.

### **Funding options presented in the green paper**

- London Councils asks that if the government is serious about an insurance option it gives consideration to:
  - incentives that the private market would need in order to be able to offer a long term

- care insurance product; and
- ways around pension legislation that could allow long term care insurance packages to work in different ways.
- London Councils also asks the government that any insurance system created does not penalise individuals with high insurance premiums who happen to live in high cost areas based on their postcodes.

### **London's funding needs**

- Whichever system of funding is chosen for a new National Care Service, London Councils asks that this new service is properly funded to reflect the needs and costs that London boroughs face as a region.
- London Councils asks the government to provide details on the allocation formula to be used in the distribution of funds. We anticipate this will take into account the extra cost pressures that London faces as a region that can not only be explained by price differentials. These include the amount of clients London provides for in different categories, the type and high quality of service (and therefore cost) of services commissioned for London, and the pervasive health inequalities and diversity that London faces as a region in providing services.
- For the distribution of social care funding to be fair and equal, London Councils asks the government, at a minimum, to change the way in which population statistics are calculated and fund every single individual that lives in London.
- With all of the pressures faced by London boroughs in mind (e.g. population and diversity, high costs and need), London Councils asks that in any distribution of funding, London boroughs must receive adequate and appropriate funding if the government wishes to fulfill the principles embedded in the new National Care Service.

### **Carers**

- London Councils asks the government to elevate the important place of carers and make explicit how the Carers' Strategy links in with the new National Care Service.
- The government must support carers in a real and tangible way and London Councils asks that the government addresses as a matter of extreme importance the fact that only one £10 million of the £50 million earmarked within PCTs for carers' services this year has been spent on these services.

### **Re-ablement and telecare/telehealth**

- London Councils asks that, if re-ablement services are to be offered as a right, that this provision is properly and fairly funded so the benefits of this preventative service are received by all parties. For some London boroughs this may be a new service they will have to offer and we believe at a minimum this service should be funded jointly between the local authority and PCT.
- Telecare and telehealth make savings by reducing acute admissions into hospitals and intervening before crisis points, therefore London Councils asks that funding is directed from health services to jointly provide resources to fund the advancement of these technologies to reflect the joint benefits that can be obtained by health and social care bodies.