

Committee:	County Council
Meeting Date:	24 October 2013
Lead Councillor/s:	Councillor Alan Murray, Cabinet Member for Health and Adult Care.
Local Councillor/s:	All Councillors
Director:	Anna McCreddie, Director for Adult and Community Services.
Assistant Director or Head of Service:	Eric Prince, Assistant Director, Strategic Finance.
Author:	Eric Prince, Assistant Director, Strategic Finance. eric.prince@suffolk.gov.uk Telephone: 01473 264267

Care and Support Bill: consultation on the implications for adult care charges and working practice

Brief summary of report

1. The purpose of this report is to highlight the Department of Health's consultation 'Caring for Our Future' and the implications for adult care funding.
2. The consultation relates directly to the Care and Support Bill and presents a critical opportunity for Suffolk County Council to influence how the proposals set out in the Bill should work and be put into practice.
3. This report gives an overview of the changes set out in the Care and Support Bill and the impact of those changes on both local residents and the County Council.
4. The deadline for local authorities to respond to the consultation is 25 October 2013.

Action recommended

- | |
|---|
| <ol style="list-style-type: none"> 5. To note the changes in the Care and Support Bill and their potential impact both financially and administratively on Suffolk County Council. 6. To note the potential impact on Suffolk County Council and how this informs the 'Caring for Our Future' consultation and response to Central government. 7. To note Appendix A of this paper and the recommendations from the Health and Adult Care Policy Development Panel who have deliberated on some of these key changes. 8. To agree the local authority's response to the government's 'Caring for Our Future' consultation, including the issues considered in this covering report. |
|---|

Reason for recommendation

9. The proposed funding reforms to adult care are a symbolic policy milestone and represent the largest overhaul of the law around adult care and support in 60 years. This is significant issue nationally and for Suffolk County Council, requiring close attention and debate.
10. This consultation represents an opportunity for Suffolk County Council to lobby and report back to Government on how the proposed changes should work, helping shape national policy and the approach taken.

Alternative options

11. The alternative options available to the local authority are:
 - Not to respond to Department of Health's consultation and call for evidence
 - To respond to a selective proportion of questions that the Council feels most relevant
 - To amend the consultation questions and respond on the Council's own terms

Who will be affected by this decision?

12. Adults aged 18 or over who are assessed as needing care (either in their own home or in a residential care or nursing home) after 2016 will be directly affected.
13. Potentially those currently receiving care funded by Suffolk County Council will be affected and some people who currently pay for their own care.
14. The local authority will incur additional costs and possibly lower levels of income through the implementation of these changes. These costs need to be recognised and compensated for through future revenue support grant settlements, in order to neutralise the additional burden on local authorities, at a time when budgets are already being reduced.

Main body of report

Background

15. The draft Care and Support Bill was introduced to Parliament in March 2013. It was informed by the findings of the Dilnot Commission into funding of care and support called 'Fairer Funding for All'. The Dilnot Commission, chaired by Sir Andrew Dilnot, was an independent panel set up to look at the fairest and most sustainable way to fund social care.
16. In July 2011, The Dilnot Commission published recommendations on how to share costs between the state and individuals, and reform of the way in which people pay for their care and support. Among the recommendations to Government, was a cap on the lifetime costs that people face when paying for their care, to raise the threshold at which people lose means-tested support and to allow people to defer payments for their care.
17. In July 2012, the coalition government published its White Paper 'Caring for Our Future: reforming care and support'. It agreed the principles of the Dilnot Commission's model for a new funding model and the principle of deferring

payment of care, with the intention that no-one will be forced to sell their home in their (or their spouse's) lifetime to pay for care.

18. The White Paper also outlined a vision focussed on promoting 'wellbeing and independence...to avoid people falling into crisis, a person focussed system', this vision is included in the Care and Support bill. It focuses on placing:

'the wellbeing, needs and goals of people at the centre of the legislation to create care and support which fits around the individual and works for them. It provides a new focus on preventing and reducing needs, and putting people in control of their care and support' (Care and Support Bill, Foreword, July 2012).

19. The overall vision and underlying principles outlined in the White Paper and Bill are welcomed and fit well with Adult & Community Services strategy and new way of working, Supporting Lives Connecting Communities (SLCC). Prevention, reducing needs, putting people in control of their care and support.

20. Suffolk County Council is supporting people to live this way and to live independently for longer in their communities through SLCC. This has been piloted in different locations since April 2012 and will be rolled out across the whole of the county in 2014.

21. SLCC is based on a three tier offer to people:

1. Help to help yourself
2. Help when you need it, immediate short-term help
3. Ongoing support for people who need it

22. Underpinning these tiers is a way of working that puts people in touch with what is in their community that can support them. It builds strong links with the local voluntary and charitable sector and places a focus on prevention to help people live longer healthier lives as they grow older. This includes information and support to be able to remain self-sufficient for longer so that people can plan for their later years and incorporates independent advice on finance options from CareAware, ACS's preferred information provider. CareAware is a non profit making public information and advisory service specialising in issues relating to funding long term care for older people.

Caring for Our Future: consultation on reforming what and how people pay for their care and support

23. The consultation paper associated with the draft Care and Support Bill is called 'Caring for Our Future: consultation on reforming what and how people will pay for their care and support'. Published in July 2013 it is a comprehensive consultation (111 pages) on detailed plans for reforming the way that adult care and support is funded.

24. It seeks views on 11 consultation questions and calls for evidence on 40 questions spread across five themes. In addition it also asks for views on five general implementation questions. The full list of questions is available as Appendix B.

The Main Changes to Funding Outlined in Bill

Introduction of a Cap on Care Costs

25. The consultation is proposing a cap to protect all people from the burden of care costs by placing a limit on the lifetime contribution any individual needs to make towards the cost of their personal care at a maximum of £72,000. Where an individual's care costs exceed the cap, they would become eligible for full financial support from the local authority towards the cost of their residential or nursing care costs but not their hotel (bed & board) costs which have no cap. The cap also applies to people receiving non-residential care, but there will be significantly less impact on this group due to the lower cost for most people of purchasing care in the community.
26. Points to note about the split between the weekly hotel costs and the residential and nursing care costs:
- a. The hotel costs for residential care will be set nationally at £12,000 per year. The care costs will be the difference between the total residential rate and the hotel element.
 - b. There is no indication yet of any regional difference for the £12,000 hotel costs but it is believed that local authorities will be free to negotiate the total residential rate locally.
 - c. For a resident whose only income is the state pension it would appear that there will be a shortfall of around £6000 per year on meeting the hotel costs. Making up this shortfall will impact on a person's assets which form part of their financial assessment.

New financial assessment thresholds for calculating customer contributions

27. There is currently an upper and a lower limit for someone's assets that are taken into account when working out how much they should contribute to their care costs. People with assets over £23,250 pay all their costs while people with assets below £14,250 are assessed on their income only. The Bill changes these thresholds.
28. Points to note about changes to financial assessment thresholds:
- d. Currently anyone with assets of £23,250 pays for their own residential care. The Bill raises this limit to £118,000 (taking into account the value of their home). Clients with assets over this figure will pay all their own residential care costs until they reach the £72,000 cap or their capital reduces below the £118,000 threshold.
 - e. Currently anyone with assets of £23,250 pays for their own non-residential care. The Bill raises this limit to £27,000 (not including the value of their home). Customers with assets over this figure will pay all their own non-residential care costs until they reach the £72,000 cap, or their capital reduces below the threshold of £27,000.
 - f. Currently anyone with assets under £14,250 is assessed on their income only. The Bill raises this lower threshold to £17,000.
29. Where the value of someone's home is not included, financial support with care costs will be provided to people who have assets of up to £27,000. This

could help people who have a partner or dependent living in the home as well as those people who are receiving non residential care.

Free care for young people with care needs moving out from Children and Young People's Services to Adult and Community Services.

30. Currently, contributions to care in the main are treated the same for all customer groups, with no universal free care. The Bill makes provision for lifetime free care for those people who have eligible needs that started before they reached the age of 18 (and possibly for those aged up to 25 who remain under the care of Children and Young People's Services).
31. There will be a cap on the amount that an individual has to pay for care for those entering care between the ages of 18 and 65 but no details are yet available, other than the cap will be less than £72,000.

Implementation of a Universal Deferred Payment agreement

32. The government is also planning to introduce the Universal Deferred Payments Scheme from April 2015. This will mean that people will have the choice not to have to sell their homes in their lifetime to pay for residential care. Consequently, local authorities will have to offer a universal deferred payments scheme from April 2015; whereby they will pay someone's care fees on their behalf which the person agrees to repay later, generally from their estate or the sale of their home.
33. Suffolk already operates a deferred payment scheme but does not routinely charge interest. The reforms will allow interest charges to accrue.
34. In Suffolk there are 189 deferred and accrual arrangements currently in place.

National eligibility criteria

35. People in Suffolk eligible for care are currently assessed according to their needs and financial situation. The criteria used for someone's needs are: low, moderate, substantial and critical. The Bill is likely to set this level for eligibility for care nationally at a level equivalent to substantial.
36. Currently, Suffolk already operates at 'substantial' which is in line with most other local authorities.

The potential impact of these changes on Suffolk County Council

37. The proposed changes in the Bill will be mostly introduced in 2016 (although the mandatory deferred payment scheme will commence in 2015). There is little detail at this stage on how they will be implemented. Likewise funding details around those transitioning from Children and Young Peoples Services to Adult and Community Services have not been clarified. Certainly the reforms are not cost-neutral for the local authority and how they will be funded must be clarified.
38. As well as one-off transition costs to manage the process and system changes brought in by the Bill there is little detail of what on-going mitigation there is from government for local authorities to manage the implementation and recurring costs. These costs could be substantial and, at a time when

large reductions of budgets are having to be found by Adult Social Care Directorates over the foreseeable future. These additional costs will need to be compensated for by the revenue grant mechanism.

39. There are currently approximately 21,000 care assessments and reviews, and around 12,000 financial reviews conducted each year in Suffolk. The changes from 2016 have the potential to impact significantly on professional, managerial and clerical time needed to introduce and administer the following:
 - Significant increase in care assessments;
 - Deferred payment arrangements; and
 - Arranging services on behalf of full cost payers.
40. The introduction of the £72,000 cap on customers care costs for people over 65 will have no immediate financial impact on the local authority as expenditure prior to April 2016 will not be counted. However, there will be increased spend in later years on certain customers whose care costs go through the £72,000 threshold.
41. Changes in the Bill apply to new customers from 2016, however, there is no detail on what the expectation is for people who currently receive or pay for care, but it would appear that they will need to be reassessed under the new rules and capital thresholds. If these customers that already have a relationship with the local authority require financial re-assessment it will generate a significant volume of work during 2015 and the burden of associated costs, as well as the loss of income levels compared to 2015/16.
42. There is a new obligation within the Bill on local authorities to record all eligible residents' progress towards reaching the £72,000 care costs cap. This could be split between recording the accumulation of costs paid by customers for which the Council already has a link to (i.e. we already do their assessments) and the full payers whom the Council currently does not see. This in itself has a significant impact in terms of workload and increasing volume in the years ahead.
43. By being obliged to record the financial details of full payers i.e. those customers who the local authority never assesses during the course of their life, this could result in the creation of bureaucracy and workload, to little useful or practical end if many of the full payers do not achieve the threshold in their lifetime.
44. The legislation intends that people's assessments are portable and standardised so that someone's assessment from one part of the country should be valid if they chose to move to another part of the country for their care. There is also a requirement for regular reassessments, recording and financial tracking – all of which has an impact on the workload of the local authority, especially if a 'national standard' is to be expected which could prove relatively costly for many local authorities if they have little discretion in how this system should operate.
45. Ensuring standard IT protocols across local authorities has an impact on our current systems and capacity and complexity for the future. An adequate IT system would, therefore, be essential to handle the volume and complexity of:
 - The changing financial assessment rules

- Tracking full cost payers including their individual changing needs, changing authority as well as their changing financial circumstances.
 - Production of annual statement for each full cost payer of their spend accrued against the £72,000 cap.
 - Ensuring the system is 'future-proof' so it could accommodate online self-assessment or simpler systems for people taking control and ownership of their own care and financial records securely online.
46. Any IT system must be properly funded and provision made for the ongoing residual costs associated with licensing and upgrading software, training and ongoing administration.
47. Government are strongly urged to proceed with caution and to design an approach and system that places the onus of responsibility to track the accrual of care cost toward the cap firmly with the individual where they have the ability to do so, and as light touch as possible administratively for local authorities.
48. The introduction of the National Deferred Payments Scheme in 2015 will have a potential impact on cash flow. Safeguards must be built into the scheme to ensure accrued care cost debt does not become larger than the value of the property; otherwise the local authority may be faced with writing off large amounts of accrued debt. This will result in increased administrative costs for monitoring this.
49. Suffolk County Council require further detail on the implementation of the National Deferred Payments Scheme, such as whether full-cost payers could defer their care charges as this would also potentially have significant effect on the local authority's workload.
50. The introduction of lifetime free care for people with eligible needs under the age of 18 will have some immediate financial impact through loss of income.
51. There is a proposal for a reduced cap for older working age adults requiring care, with details to be confirmed. This has no immediate financial impact on Suffolk County Council but there will be increased spend in later years.
52. The introduction of the new financial assessment thresholds for people will have some immediate financial impact on the local authority through loss of income. This will also have further impact if it is applied to existing customers. The detailed regulations on these points will be important as the severity of the income loss will be connected to the way these are enacted.
53. The value of customers' contributions for their own residential care in Suffolk currently amounts to £24.4m (taking housing assets into account where appropriate). Of this figure, £3.1m is from working age adults.
54. The value of customers' contributions for their non-residential care (not taking housing assets into account) is currently £6.5m. Of this figure, £1.3m is from working age adults.
55. A key part of mitigating the costs and impact on workload is to ensure that there remains the flexibility within local authorities to manage how they

implement the changes in the Bill. Suffolk County Council would propose as simple a system as possible for Suffolk.

42. This system would require that accessible and comprehensive information was widely available, with IT systems to support the self assessment process. The local authority would need to be compensated for the costs associated with implementing and administering this.

The five themes of the consultation

56. The consultation 'Caring for Our Future' is broken down into 56 specific questions. These are attached at Appendix A with the specific responses outlined for consideration.

57. The general response of Suffolk County Council may be more easily viewed according to the five themes as outlined in the consultation document. The covering page of Appendix B giving the detailed responses, summarises which questions relate to each topic. The five themes are listed below together with the high-level view of the local authority, as reflected by the detailed answers at Appendix B:

1. Staying independent – plan and prevention

The local authority welcomes the general duties of the Bill for local government in promoting wellbeing and independence, and believes this fits strongly with the health and wellbeing duties laid out in the Health and Social Care Act and existing approaches taken by local authorities working within the Think Local, Act Personal concordat.

Local authority contact with its whole population will be focused on the staying independent, planning and preventing model. It is clear that local government will continue to promote to its population the benefits of early planning for later life. However, the local authority has no levers to drive this change or to incentivise this approach. It would recommend that the Department for Work and Pensions consider how they might be able to develop a national campaign with the business sector, promoting early life planning and encouraging individuals to take personal responsibility for this rather than the state.

Should these reforms ultimately result in a strong emergent insurance and financial products market then the industry would also respond to the opportunity to promote lifestyle choices that mitigate some risk, for example choice of home.

2. Assessment of the care you need

The local authority welcomes the acknowledgement of local government expertise in providing support and guidance to people with emergent care needs. It wishes to highlight the risks to local government of bringing in a requirement to assess all older people seeking advice and guidance, which would require significant new monies to resource the additional social care capacity required.

Currently in Suffolk, social care deals with about 6% of the over 65 population. It already provides access to financial advice to people in Suffolk and support for people on care choices. Alongside this, it would expect the financial sector to respond to emergent opportunities for insurance or bonds and for the provision of advice to older people. It would be good to have a solid system of accreditation and probity for this emergent sector to insure that there are safeguards in place that ensure good quality services.

There needs to be further work to tease out the general duty for advice and guidance and wellbeing and independence which the local authority welcomes from the apparent emerging bureaucracy of statutory assessments of anyone who may consider themselves in need and ready to start the care cap clock ticking. The outcomes of national work on a national light touch system of possible self assessment that will reduce the burden on local government is welcomed. Given the mandate for national criteria and a portable assessment, this would need to be a national light touch system.

The promotion of person centred approaches in undertaking assessment is welcomed and would suggest the Bill does not over prescribe the assessment approach as this will result in the Bill driving behaviours rather than promoting the principles of the Think Local Act Personal concordat which are a better guideline.

The duty to promote integration of care and support with health provision and for delivery of joint health and social care personal budgets is welcomed and will need a lot of work to achieve this.

Whilst the move to the national eligibility threshold is welcomed, Suffolk acknowledges that there will be differential impacts on local government. It will be important that there is clear understanding that the £3.8 billion pooled health and social care budget will help to ensure that service levels in the care and support system can be protected and deliver the new eligibility threshold. There is a lack of clarity and confidence that this will be the case at a time of deep reductions to local government funding. The local authority would welcome a strong and clear message confirming this from government.

The local authority accepts the ability to defer payments but would certainly seek the right to accrue interest.

3. Paying for care

The council is supportive of the changes proposed to the financial threshold, the ability to defer charges and the introduction of a cap on care costs. The implementation of these radical changes will be a significant challenge to local authorities and will be an additional burden in the extra staffing and IT costs as well as a reduction in existing income levels. The changes need to be implemented in a creative way to minimise these extra costs to avoid creating a system that is very labour intensive in terms of reviews and record keeping.

4. Meeting your eligible needs

As stated, the local authority needs a national and light touch approach to care accounts. The local authority does not agree with the provision of an

annual care account statement by default. It would expect to work with individuals to agree how often they access their account statement on line or are provided with a paper statement. The intention would be to focus on those who are vulnerable only, with an expectation that those with capacity check their statement on line - digital by default.

There is an opportunity to develop a system of online accounts across health and social care akin to care insurance systems which offers comprehensive integrated health and social care packages.

Local government must retain flexibility in resource allocation systems though there may be value in benchmarking levels as part of the national work that continues with the Association of Directors of Adult Social Services (ADASS) on the state of the care market. Should a national level be considered, it is expected this would result in greater care costs to local government.

Reviews and movement of people through their care journey is strongly part of local government social care and there are examples of excellence in the system already. The focus on wellbeing and independence must be the driver for all agreements with people eligible for help and this will require a strong philosophy of person centred planning and goal setting, already at the heart of many council's systems. Reviews should be timely and proportionate and this should be left to local government to determine.

Dealing with dispute will stretch existing complaints systems and there will need to be additional resourcing for a fixed period through implementation to resource this change.

The local authority welcomes the potential for direct payments in residential care whilst also recognising the complexity and would commend flexibility locally that can be responsive to local market positions.

5. When the cap is reached

The whole area of the best funding options in old age is currently in need of developing so that timely, cost effective and easily accessible advice is developed.

These changes present an opportunity for this to be promoted and publicised in a national way. The benefit would be for lower cost options to be available to older people that would protect their capital assets for longer.

58. In addition, the consultation asks five general implementation questions listed below:

Transition to the introduction of the cap

Question 1: *Do you agree local authorities should conduct assessments of people who are funding their own care and support up to 6 months before the introduction of the cap on care costs?*

This will be a huge task as although the local authority will have had involvement with some people the majority of the self-funders are not known to local authorities. So the resource implications are large if this was to be required. Also, it will not only be the initial contact and assessment as to whether self-funders would qualify under the local authority criteria and for what financial limit to accrue against the cap, but also how regular the self-funders needs might have to be reassessed that will determine the costs.

Question 2: *How could local authorities use reviews they have planned with individuals throughout 2015 to prepare for introduction of the cap on care costs in 2016?*

Clearly this will help but local authorities do not review all of their customers this regularly, so additional staffing resources will be required if all existing customers have to be reassessed. This will pose severe resourcing challenges to local authorities in this year and this does not take into account self-funders.

Workforce development

Question 3: *We welcome views on the implications for commissioners and workforce leads from the potential use of partners' resources to help manage the demands on local authorities from the introduction of the cap on care costs and how this should be addressed within the workforce development strand of the implementation programme.*

The SLCC programme in Suffolk aims to align activity across local authority social care, care and voluntary sectors. However, there are no mechanisms that would deliver the scaled resourcing by workforce development. As such, it is unlikely that other bodies or organisations will be able to make a material contribution in this area.

Market shaping and oversight

Question four: *We welcome views on how local authority commissioning and care and support provider provision should adapt to take advantage of the opportunities provided by the introduction of funding reform and respond to the challenges it may present.*

This question is not very clear. However, the local authority would expect the insurance industry and financial advice generally to be expanded and improved upon when the details of these changes become clear.

If good financial advice was provided in a timely way to self-funders it potentially could help them protect their capital assets for longer which, in turn, could benefit local authorities as the self-funders assets would not depreciate as quickly, leading to potential support from local authority budgets.

The local authority would also expect the care and support provider market and voluntary and community services to develop a role in the advice and information sector.

Question five: *We welcome views on how funding reform and increased transparency will affect the shape of local markets for types of care and support, and evidence to understand how the demands on local authorities to arrange care on behalf of people who arrange their own care and support may change.*

The key issue is the provision of timely financial advice and allowing people to have more options (including more housing options) as they age. Local authorities have a role in encouraging providers to develop these wider options.

Should a financial products market develop, the Council would expect to see greater growth of care provision across the lifetime pathways – care in the home, suitable housing and housing with care.

Summary

59. The principles and values contained in the Care and Support Bill and proposed funding reforms to Adult Care are right and an important achievement in a daunting economic climate. The proposals to make it easier for people to plan ahead and protect themselves against substantial care costs are welcomed.
60. The emphasis in the Bill on preventing and reducing needs, and putting people in control of their care fit well with Supporting Lives and Connecting Communities and the local authority's own strategy and new way of working.
61. Implementation of the reforms will, however, be challenging with new roles and the potential for significant extra work for the local authority. The paper highlights these concerns and urges government to take note and caution in the implementation of these reforms. Any system needs to be simple to administer, offer local flexibility and designed to place responsibility, where possible, firmly with the individual and not the local authority.
62. The local authority is facing the most severe financial challenge in its history. The loss of income associated with the reforms and extra costs to administer them must be compensated accordingly through the revenue support or some other funding stream, not only considering transition costs for implementation but also recognising the burden of the recurring costs the local authority will be left with. The size of this burden can only be properly assessed when the details of the eventual regulations are drafted after this consultation is over.
63. In order to get this right, it is key that government listens to interested parties during the ongoing implementation of these key policy changes and Suffolk County Council welcomes the opportunity to be able to feedback our views through this consultation process.

Sources of Further Information

- a) 'Caring for Our Future' Consultation on reforming what and how people pay for their care and support, Department of Health July 2013: <https://www.gov.uk/government/consultations/caring-for-our-future-implementing-funding-reform>
- b) Government response to the Joint Parliamentary Committee Report,

- May 2013 <http://www.parliament.uk/documents/joint-committees/Draft%20Care%20and%20Support%20Bill/Gov%20Response%20CM%208627.pdf>
- c) Joint Parliamentary Committee Report on the Draft Care and Support Bill March 2013:
<http://www.parliament.uk/business/committees/committees-a-z/joint-select/draft-care-and-support-bill/>
 - d) 'Caring for Our Future: reforming care and support' White Paper, Department of Health, July 2012
<https://www.gov.uk/government/publications/caring-for-our-future-reforming-care-and-support>
 - e) 'Draft Care and Support Bill' Department of Health, July 2012
<https://www.gov.uk/government/publications/draft-care-and-support-bill-published>
 - f) Dilnot Commission on Funding of Care and Support, final report 'Fairer Funding for All' 4 July 2011:
<http://webarchive.nationalarchives.gov.uk/20130221130239/http://dilnotcommission.dh.gov.uk/>
 - g) Consultation on reforming what and how people pay for their care and support:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/239393/CONSULTATION_CaringForOurFuture_acc.pdf
 - h) List of all questions by type: Consultation, Call for Evidence and Implementation. Caring for our future Consultation on reforming what and how people pay for their care and support:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/239393/CONSULTATION_CaringForOurFuture_acc.pdf
 - i) Think Local, Act Personal. [Online] Available at:
<http://www.thinklocalactpersonal.org.uk/>

This page is intentionally blank.

Adult Care and Health Policy Development Panel Response to the Caring for Our Future Consultation

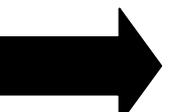
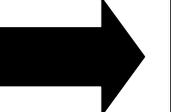
- 1 The Panel acknowledged and regretted the complexity that surrounds both the care funding system and the changes in the Care and Support Bill.
- 2 The Panel noted that public access to high quality information is essential:
 - For people to understand the Bill and its implications and to make appropriate choices;
 - To the successful implementation of the changes outlined in the Bill;
 - To bring in a culture shift with current and future generations in how they plan to pay for their care.
- 3 The Panel recommended a major and sustained national public awareness campaign to achieve this. The Panel felt this overarching campaign should sit with the Local Government Association (LGA) and Money Advice Service (MAS) with a mix of local and specialist information underpinning it. Members felt that the Government could not rely on the development of a market in financial products to ensure adequate information is conveyed to the public about the Care and Support Bill.
- 4 The Panel recommended that advice on planning for paying for future care needs should be regulated and that Later Life Advisors accreditation should be used as the industry standard and that the importance of these points should be made explicit in the Bill.
- 5 The Panel recognised that the majority of people are unlikely to reach the £72,000 cap on care costs in their lifetime. As such the system needs to be as light touch as possible so that it does not become bureaucratic and a disproportionate burden on local authorities. The Panel recommends that the responsibility for recording personal accumulation of costs toward the cap should rest with individuals. The panel also recognised that there were roles for national agencies such as DWP and HMRC in this.
- 6 Panel felt that initial financial assessment could be done by self-assessment. This could be primarily online with other options for people who cannot access a computer or the internet.
- 7 The Panel recognised the emerging market of independent professionals who undertake care needs assessments. It also recognised that not everyone wishes to rely wholly or partly on the local authority for care. Individuals should have the option to pay independent professional assessors to provide tailored advice and identify good options for the support of self-funders. Local Authorities would be obliged to put in place adequate safeguards around quality assurance of their services.
- 8 The panel noted that a national I.T. platform and set of tools is essential and key for the delivery of consistent and portable financial and eligibility assessments.

- 9 The Panel expressed concern about the lack of lead-in time afforded to the development and implementation of a properly functioning national I.T. platform, and that a project of this scale and complexity was undeliverable within the current timescales for implementation of the reforms.
- 10 The panel recognised the importance of the role of General Practitioners as a key partner:
 - In communicating and cascading a consistent message about the changes introduced by the bill;
 - As a contact point for people at key points when they may enter the care system and the alternative options available to them;
 - That there are options through their current IT systems to offer people pathway choices around their care as well as signpost them to advice and guidance on planning and paying for their care.
- 11 The Panel recommended that CCGs, Acute Trusts and Public Health are fully engaged at all stages of implementation.
- 12 The Panel proposed that the Government should consider a phased approach to the introduction of the cap.
- 13 The Panel recommended there should be no requirement for retrospective assessment of existing customers already in the care system as this was too burdensome an undertaking for local authorities.

Appendix B

Main Themes of the Consultation Document

The following are the main themes and listed below are the relevant questions that relate to each theme.

	Staying Independent Plan and prevent 	Assessment of the care you need 	Paying for care 	Meeting your eligible needs 	When the cap is reached 
Relevant Questions					
Call for evidence	No's 1-3	No's 4-7	No's 8-25	No's 26-37	No's 38-40
Consultation Questions			No's 1-11		

In addition 5 general implementation questions are asked which are detailed in the covering report.

Caring for Our Future Consultation Questions

Fairer and more consistent charging – the charging framework

Consultation Question 01

Do you agree that the future charging framework should be based on the following principles?

The principles are to be:

- *Comprehensive*
- *To reduce variation in the way people are financially assessed; be transparent, so people know what they will be charged*
- *Promote wellbeing and support the vision of personalisation, independence, choice and control and enables delivery of funding reform*
- *Be user-focused reflecting the variety of care journeys and the richness of options available to meet their needs*

- *Encourage and enable those who wish to take up employment, or plan for the future costs of meeting their needs to do so; support carers and not place additional burdens on them, in recognition of the invaluable contribution they make to society*
- *Minimise anomalies and perverse incentives in choices between care settings*
- *And be sustainable in the long term.*

Response:

The principles that are being consulted on relate to a national single charging scheme and, as such, are welcome.

The principles should also reflect the principle set out in Consultation Question 2 that any framework should be simple for people to understand and feasible to implement, it should not be an unreasonable burden on the people using or implementing it.

Fairer cap for working age adults – varying the levels of cap

Consultation Question 02

Do you agree that the decision on the level of the cap on care costs set for working age adults between the ages of 18 and state pension age should be based on the following principles?

The principles are:

- *People in similar circumstances should make a similar contribution*
- *Reflect people’s ability to plan, prepare and build up savings*
- *Be simple for people to understand and feasible to implement*
- *Support integrated care and effective transitions between services*
- *Help people to live independent lives.*

Response:

The principles that are being consulted on relate to the care costs for working age adults and are welcome.

The principle of helping people to live independent lives underpins Suffolk County Council’s way of working in terms of Supporting Lives, Connecting Communities.

Consultation Question 03

Do you agree in order to support transitions from children to adult care and support we should extend free care for eligible needs to young people up to age 25? Or are their alternatives we should consider such as through integration between child and adult care and support and the guidance provided on how to set the level of the cap?

Response:

This question makes a general assumption that all working-age people with eligible needs will not be in employment, receive an income or have their own assets to count towards a cap on care costs. However some young people may have substantial capital as a consequence of personal injury payments, we feel that this is an opportunity for Government to clearly address the link between these and charges for care services.

The intention of this proposal is that free care would be for life, as the premise is that if people have not had an opportunity to prepare themselves for their long term care needs then they should not pay. This, however, does not take into account the financial circumstances of each working age person.

For people who acquire significant care needs under the age of 18, then it is reasonable not to charge based on the overall principles though the extension of this to age 25 should only be in those cases where the person continued to receive a service from children's services, and not to people who, for instance, acquire disability between the age of 18 and 25.

Aligning contributions in different care settings – daily living costs**Consultation Question 04**

Do you agree the contribution a person makes to daily living costs should be calculated on the same basis as financial assistance with care costs, taking into account both income and assets?

Response:

Daily living costs should be calculated on the same basis as financial assistance with care costs. Any system should be flexible but with a baseline expectation that access to a common assessment method is available to all.

This calculation around living costs should be done alongside a conversation with the potential customer, in a variety of formats (including electronic), and needs to include referral systems to the next stage. These referral systems could range from signposting to external information and advice through to a more detailed assessment within the local authority.

However, it should be borne in mind that signposting alone is insufficient for some people, especially the most vulnerable and those who do not have someone to help them.

Who will qualify for a deferred payment?**Consultation Question 05**

Do you agree our criteria for determining who qualifies for a deferred payment should be? The criteria include people who would benefit from residential care and people with less than £23,250 in assets excluding their home.

Are there any examples of where greater flexibility might be necessary to ensure people do not have to sell their homes in their lifetime to pay for care?

Response:

Suffolk currently operates a deferred payment scheme.

The Council agrees the criteria for determining who qualifies for deferred payment arrangements but thinks in general that it should only be used in a residential setting, i.e. when a person moves into a setting like a care home and needs to defer the payment of this care, but not used where a person is receiving care while still living in their own home. The scheme could include instances where a person has moved into very sheltered housing and their home is unoccupied but that they are unable to or unwilling to sell.

If this is implemented then there needs to be effective thinking on the risk associated with it and the liability for local authorities. This includes issues around the value of the property and the potential for the equity in the house being less than the cost of the care accrued and the resulting shortfall for the local authority.

What fees can someone defer?

Consultation Question 06

Do you agree with the principle that local authorities should have the discretion to introduce reasonable safeguards to ensure deferred payment agreements can be repaid? If so how can this be done in a way to support people's choice of care home?

Response:

It is essential that local councils have reasonable safeguards to ensure that if people choose to defer payment for their care, that those costs can be repaid.

However, it is difficult to see how reasonable safeguards can be built into the system while still supporting choice for the customer. An example of this might be a customer deferring payment on their care, using their personal choice to have care of a higher cost than the local authority standard rate. This would reduce the person's savings at a quicker rate and ultimately result in a shortfall for the Council to pick up. This risk is a cause of concern for the Council and there needs to be clarity on this matter as part of the safeguards.

Alongside this there must also be a more 'business minded' dialogue between customers and the Council from the outset.

How long can the deferred payment last?

Consultation Question 07

Do you agree local authorities should normally wait at least 3 months after someone has died before actively seeking repayment? Are there circumstances in which the Local Authority should wait longer?

Response:

The Council is conscious of differing personal circumstances around people's assets and finances, and these may impact on when to start seeking repayment for care costs after someone's death.

The consultation suggests that 3 months is the minimum period after someone's death to start proceedings. This would tie in with other issues which can delay the recovery of costs such as probate, probate disputes or court proceedings, but some families may wish to try to resolve the matter sooner than this.

Wider flexibility to offer deferred payments**Consultation Question 08**

Do you agree that local authorities should have additional flexibility to go beyond what they would normally cover and allow people to defer care charges to help them get the care they want in wider circumstances such as domiciliary care?

Response:

As a general principle with all the proposed changes set out in the Care and Support Bill local authorities should have the flexibility to make local decisions based on specific circumstances and local priorities. This also allows councils to shape a framework for charging that is lean, agile, flexible and appropriate to local need.

We agree that in certain circumstances it may be appropriate to offer deferred care charges to people receiving non residential care charges (see response to Q5)

There are different 'trigger points' in the Bill that shift liability from individuals onto local authorities without safeguards in place for councils. While supporting choice and flexibility, central Government must recognise the liability for councils in introducing what is in-effect an equity release scheme without commercial safeguards.

While there is potential liability for local authorities with this scheme there is an opportunity for the wider financial market in terms of personal insurance against care costs.

Local authorities would benefit from clear guidance and answers from Government on how the Care and Support Bill will enable people to manage their own risk rather than transferring it onto local authorities. This should cover how the market can support people to manage this and to manage the financial element of their future care needs.

Calculating what counts towards the cap**Consultation Question 09:**

Do you agree with the proposed principles for calculating the independent personal budget and personal budget?

The principles are:

- To support the overall outcome of promoting a person's wellbeing
- Be equitable to everyone who accesses local authority support, no matter whether they pay for their own care, or where they live
- Ensure consistency in the outcome of the calculation of the costs of meeting a person's needs according to their individual circumstances as if the local authority was under a duty to meet them
- Be transparent over the calculation and the basis for it
- Where needs are being met by a carer, reflect the carer's ability and willingness to care
- And the impact of continuing to provide this support, and reflect what it may reasonably cost a local authority to meet a person's needs according to their particular circumstances.

Response:

The Council agrees with the principles above with particular focus on consistency and transparency this is because it is important that the independent personal budget is treated the same as a local authority case. For example, it is important to make sure that where a person wants additional care, or the same care but at a higher price, that only the local authority assessed element counts against the cap and that the customer is aware of this from the outset.

The principles should also reflect the principle set out in Consultation Question 2 in that any system should be simple for people to understand and feasible to implement

The principles should include the expectation that people manage, and be responsible for, the financial planning of their own future care needs.

Recording progress towards the cap – the care account

Consultation Question 10

Do you agree that local authorities should have flexibility on providing annual updates where a person has not had care needs for many years, or they have already reached the cap?

In what other circumstances should discretion be given?

Response:

Providing annual updates to people who do not need them is a bureaucratic burden for councils. It is both unnecessary and takes up resources that could be used in a more productive way.

As a general principle councils should have the flexibility to shape the process and system to ensure it is lean, agile, flexible and appropriate to local needs and priorities. Local

authorities should have the flexibility to ensure that any system allows people to take charge of and responsibility for their own planning and updates themselves.

Providing redress and resolving complaints

Consultation Question 11

Do you agree that the following principles should underpin dispute resolution mechanisms?

The principles are:

- *To be clear and easy to understand, be locally accountable*
- *Be fair and effective and should therefore have public confidence*
- *Resolve issues in a timely, effective and cost-effective way*
- *Have an independent element; and promote local resolution, minimising the need for more formal challenge mechanisms which could be costly and time-consuming*

Response:

The Council agrees with the principles for Question 11 but local authorities need to be consulted with on this specific matter once more consideration has been given by Government to how this system could work.

Call for Evidence

Theme One: Staying Independent Plan and prevent

Raising awareness - information and advice

Evidence Question 1

How can we raise awareness of how care and support works to help people financially plan for their care needs? What should this cover and who should be involved? What are the key points in a person's life where we should seek to provide this information?

Response:

It is essential that there is a national campaign to raise awareness of the changes in the Bill, to inform people of their rights and responsibilities and to change behaviours and culture in terms of early financial planning for future care needs. The responsibility of this national campaign rests with central government (Department for Work and Pensions) as it will have consistency across the country and wider reach and breadth in terms of messaging than any local campaign could have.

Any campaign should overarch the locally advice available information from different agencies as well as co-ordinate with a variety of advice, information and products from the relevant insurance and financial markets.

An effective national marketing and awareness-raising could be targeted at:

1. Different age-related audiences – for example school age, working years, retirement planning.
2. Different areas of help and support – for example, future costs insurance and from a variety of sources: local authorities, external services, health.
3. Different trigger points in a person's life when information and advice about long term care planning may be desirable and/or necessary – for example statements and hospital stays.
4. Audience segmentation according to need – for example people who acquire significant disability prior to adulthood; those who have a progressive illness/disability which may generate an increase in care needs as time passes; those who suddenly acquire significant disability as a result of accidents/sudden serious illness; older people who care needs may increase over time as a consequence of age related conditions.

A mixed economy of local advice from local authorities and other external services will be necessary. The involvement of health care services in providing information will be crucial, as they are the most likely to be aware of people hitting trigger points and the evidence around this could be timeline case study for each group.

Advice on financial planning and decisions

Evidence Question 2

In what circumstances is support required to help people with their financial decisions on how to pay for care? What information and support is needed to help them? How should local authorities work with other organisations to facilitate access to this information?

Response:

The Council works on the expectation that when these reforms are introduced there will be an independent market of information, advice and products which can help people take personal responsibility for their financial decisions and help to plan for future needs and manage their own risk around this.

Any support and information system for people who are making personal financial decisions should be easy to use and understand as well as being jargon-free, accurate and accessible. As such a variety of tools should be available to suit people's needs and expertise which could be electronic, phone support and advice.

Local Authorities should be just one of a mix of providers of advice and their advice should focus on their local contacts and arrangements. In Suffolk this fits with the Council's work in Supporting Lives, Connecting Communities which aims to keep people living independently as long as possible at home. Part of this is helping people to help themselves which includes putting people in touch with agencies and partners that can help people to achieve this, for example CareAware.

Details of a range of external advice and or financial product providers should be available to maximise consumers choice and minimise the risk of councils being placed in a situation where there is only a single recommended provider who does not offer the best deal.

Encouraging people to plan to pay for their care and support

Evidence Question 3

We welcome views on how, through implementation of funding reform, we can encourage people to take responsibility for planning and preparing for future care and support. What could prevent people from taking responsibility for paying their contribution towards care costs? What can Government, local authorities or others do to address these?

Response:

As before, the Council works on the expectation that when these reforms are introduced there will be an independent market of information, advice and products which can help people take personal responsibility for their financial decisions and help to plan for future needs and manage their own risk around this.

The responsibility for this lies with the market and it is essential that people have access to independent trustworthy and accurate advice on which to make their choices. Local authorities can address this through professional services and advice from councils.

There are a number of barriers that prevent people from taking responsibility for paying their contribution for their own care, some of which relate to them and some to those around them. These include:

- Interventions of family members who believe that person with care's money is their "inheritance"
- Lack of legal powers to access personal financial information, and to seek recovery of unpaid care bills, particularly after death
- Perceptions of (poor) quality of care provided.

To address this there needs to be a culture change combined with increased legal powers of investigation and collection. Government, local authorities or others could help through a number of options including joined up working (for example a Department for Work and Pensions/HMRC investigation team) is required or through sanctions such as making unreasonable non-payment an offence.

There are other barriers and disincentives for paying for their own care at a number of different levels. This includes the use of effective financial planning including gifting of assets.

In terms of paying for care, there are also potential issues for the financial care insurance market once the cap has been reached for those individuals paying for their care. In terms of the care insurance market these potential issues may be similar to those in the health insurance market.

Theme Two: Assessment of the Care You Need

Accessing the cap on care costs – managing demand for assessments

Evidence Question 4

What flexibility should be given to local authorities in how they provide assessments of a person's needs to accommodate the introduction of the cap and meet demands on local authority resources? How can we ensure assessments still support wider aims to signpost people to types of care and support, reflect each person's preferences, and ensure safeguarding concerns are dealt with appropriately?

Response:

Suffolk County Council already has a way of working called Supporting Lives, Connecting Communities which focuses on prevention and keeping people living independently at home as long as possible. This means helping people to help themselves, short term help to get back to a level of independence and providing ongoing support for those who need it and is approach reflected in conversations between customers and the council.

This is also about moving away from the current limitations of assessment towards excellent advice and guidance. Key to this is partnership with bodies like CareAware and other trustworthy sources of information to help people take responsibility for the financial management of their care.

As part of this there should be a light-touch mechanism to capture those people who are entering into the area of needing care but are not within the scope of the local authority.

In terms of flexibility for local authorities this could be achieved through the provision of external and wider financial assessments or could be through a variety of systems which operate within a framework of guidance.

Removing barriers to integration of services – joint assessments

Evidence Question 5:

How through the implementation of the cap, deferred payments and the new charging regime can we support integrated health and care planning for both the person receiving care and carers? What potential barriers to integration could implementation of the cap or the charging framework create, and how might we reduce or overcome them?

Response:

On a personal level, good quality accessible information is key for someone who is receiving care or planning for the future, as well as for their family and carers. Most barriers around integration of health and care planning should be overcome if the circle of people (professional and personal) around the individual are well informed about long term care planning options. Across Health and Care fields it is vital that this forms part of professional development and that sources of advice and information are available in a variety of formats and are clear and accessible to all.

From the strategic perspective for local authorities, this specific consultation question needs more policy development before it can be effectively addressed.

To stimulate an insurance market that works for people, it needs to be a market that covers both health and care insurance rather than a system that shunts costs between care and health. Currently the current system does not support integration but leads to cost shunting and disincentives. The council is not yet convinced the new mechanism proposed will significantly change current practices.

Free care from 18 does support integration, however, the other limitations around this area have been addressed in earlier questions and responses.

Ensuring individuals are able to access and benefit from these reforms

Evidence Question 6

Do you have any evidence on how we can best ensure everyone can access and benefit from these reforms? In particular, we would like to gather evidence on the protected characteristics of:

- *Disability*
- *Age*
- *Sex*
- *Race*
- *Religion or belief*

- *Gender reassignment*
- *Sexual orientation and marriage and civil partnership*
- *Pregnancy and maternity.*

Response:

Ensuring equal access to services and information for people with the protected characteristics listed should be an integral part of the wider awareness-raising campaign for reforms. As such, this should take into account cultural, faith and gender-sensitive language and imagery in any publicity material produced.

All information, systems and tools should be designed with access in mind so that there are a variety of ways that people can find out information, get advice and be fully informed about the law, how it applies to them, and the impact of the changes. This means not just relying on web-based solutions but delivering accessible information in the way that people want to have it, be that face to face, telephone, written, electronic etc.

In terms of implementation as long as the law is applied equally then this should ensure that no individuals, groups or sections of society are adversely affected.

Accessing support towards your care cost – the financial assessment

Evidence Question 7

What flexibility should be given to Local Authorities in how they provide financial assessments to accommodate the introduction of the cap, extended access to financial support and meet demands on Local Authority resources? How can we ensure financial assessments are proportionate yet still provide an accurate valuation of a person's assets?

Response:

As a general principle with all the proposed changes set out in the Care and Support Bill local authorities should have the flexibility to make local decisions based on specific circumstances and local priorities.

For financial assessments on a person's assets there is a need for the Council to have the legal right to access data about an individual's financial situation where reasonable questions arise about the accuracy of information given. Currently data sharing is with the Department for Work and Pensions (DWP) but should be much wider and should include the legal right to access to information about bank accounts, earnings etc. to mirror the same powers as the DWP investigators.

Currently for valuations on assets the Council ensures that assessments are proportionate, for example using Zoopla for property valuations. This is adequate as a guideline but not very accurate as, unless there's been a very recent sale, there's no individual valuation. The ability to get accurate valuations would be helpful in cases where the service user or their representatives decline to provide this, or attempt to sell under value.

Theme Three: Paying for Care

Fairer and more consistent charging – the charging framework

Evidence Question 8

We welcome views on the potential advantages and disadvantages from a common approach to charging. In what areas could a common approach be taken in the charging rules across all care settings? In what areas would different approaches be needed to reflect the different circumstances of people who are receiving care and support in the range of care settings? Please explain your answer illustrating with evidence on the number of people who could be affected where possible.

Response:

In a fully personalised world, the charging system should not act as a barrier to choice. Consistency and transparency would be key and a single system of charging could achieve this. Evidence of this, rather than volume of people as suggested in the consultation question, would need to centre on case studies to illustrate the issue of how to reflect the different circumstances of people who are receiving care.

For example, a case study of a local resident who does not want to go into residential care only because her earnings are not disregarded as they are for non-residential. As a result her own savings are running out extremely quickly, as she pays £1400 per week to remain in her own home, and her Personal Budget Summary (PBS) is moderated up, at a cost to the Council.

Requesting the local authority to arrange your care – the arrangement fee

Evidence Question 9

What are the administration costs associated with arrangement of care by a local authority, and which of these costs is it appropriate to pass on to the person requesting the arrangement of their care? We intend these charges should not apply where a person lacks capacity and has no one to act for them. Are there any other circumstances where local authorities should not charge an arrangement fee?

Response:

If a large proportion of self-funders requested this service then full administrative costs including overheads should be charged to recoup the additional staff costs for local authorities having to provide this service.

Evidence Question 10

What incentives could charging of an arrangement fee have on people receiving care and carers, Local Authorities or providers?

Response:

There are different factors, both barriers and incentives, to charging an arrangement fee:

- It could encourage some people to arrange their own care independently through the market rather than opting to pay an arrangement fee.
- Those who don't have good support networks would be able to tap into the resources of the local authority and therefore maybe happy to pay an arrangement fee.
- The local authority potentially may have more buying power as a result, so reducing costs, which in turn could benefit both local authority and non-local authority customers.
- Providers may benefit by having more streamlined commissioning arrangements with the local authority rather than dealing on an individual basis.
- Potentially there may be a negative incentive of customers being unwilling to pay any arrangement fee.
- The introduction of an arrangement fee could potentially professionalise relationships which would be key for local authorities when dealing with potentially increased demand.

Fairer cap for working age adults – varying the level of cap for different ages**Evidence Question 11**

What additional evidence can you provide on the ability of people of different ages to plan prepare and build up assets both before and after they develop eligible care needs?

Response:

As with the responses to Evidence Questions 1,3 and 5, the Council works on the expectation that when these reforms are introduced there will be an independent market of information, advice and products which can help people take personal responsibility for their financial decisions and help them to plan for future needs and manage their own risk around this. Any national awareness raising campaign, based on the trigger points mentioned in the response to Evidence Question 1, e.g. as part of school subjects, should embed the concept of forward planning for later life as early as possible.

Evidence on the ability of people of different ages to plan and prepare would be available through case studies if needed.

Evidence Question 12

How could new charging rules work together with options for a lower cap to address problems face by working age adults?

Please explain how this would deliver the following principles:

- Ensure that people in similar circumstances (age, care needs, and financial assets) should make a similar contribution to their care costs. For example people who develop care needs at 44 and 46 years old should have a similar cap;

- Reflect the ability of people of different ages' to plan, prepare and build up savings to meet their care needs;
- Be simple for people to understand and feasible for local authorities to implement;
- Support integrated care and effective transitions between services helping people to have their needs met in the most appropriate care setting;
- Help people to live independent lives meeting their goals and aspirations;
- Ensure any reforms are sustainable in the long term
- And ensure that the overall costs of the reforms are unchanged.

Response:

This is a complex question with many levels of detail within it and is based on some assumptions made around similar circumstances for working aged adults which might be more adequately addressed through case studies or costed examples if needed.

Evidence Question 13

What factors should determine the age it is appropriate for people to begin to contribute towards the cost of meeting their eligible needs? What factors should determine how the cap on care costs should rise after this point?

Response:

This is a complex question and can only be answered after considering various case studies that reflect income levels of people i.e. ability to pay.

Evidence Question 14

How should the cap on care costs be set for people whose eligible needs are initially met by services other than adult care and support? Please explain your answer.

Response:

This is a complex question and can only be answered after considering case studies that explore how services other than those provided by adult care and support can meet an individual's needs and the impact on how they fund their own care.

However, a general principle is that the cap on care costs should relate to the time a customer first has an eligible service irrespective of who provides the service.

Universal deferred payment agreements – 12 week property disregard

Evidence Question 15

How could the 12 week disregard be used to better support people to make decisions and practical arrangements about their care and finances?

Response:

The Council currently uses the 12 week disregard effectively by writing to people during the period to signpost them to Care Aware for impartial advice from a non-profit making organisation.

The Council works on the expectation that when these reforms are introduced there will be an independent market of information, advice and products which can help people take personal responsibility for their financial decisions and help them to plan for future needs and manage their own risk around this.

Who will qualify for a deferred payment?**Evidence Question 16**

What situations may make it more challenging to offer a deferred payment? How can we address such situations to ensure people have consistent access to deferred payments without putting the local authority at unfair financial risk?

Response:

The issues around deferred payment and the challenges have already been outlined above in Consultation Questions 6, 7 and 8.

There are other issues to deferment, say for example:

- If a property is jointly or partly owned
- properties which have already got a charge on them such as a mortgage company or existing equity release scheme.
- If there is limited equity in the property, or
- If there are serious fluctuations in the property market which impact on the equity of the house compared to the amount of care accrued

Some of these challenges and risks may be addressed through agreed national criteria or shifting the liability on deferment schemes away from local councils.

Evidence Question 17

Should people be free to decide the proportion of their care costs met by their income and how much is deferred? Or should they be required to pay their care costs from income (leaving only an allowance to cover personal and household costs) and defer the remaining balance?

Response:

The Council suggests that individuals pay care costs from income (less personal allowance) but that Local Authorities have flexibility to vary in exceptional circumstances.

Evidence Question 18

If you think people with significant disposable income should contribute some of their income towards their care fees, then what types of personal and household expense should be taken into account before determining the income contribution?

Response:

This question requires a more detailed and operational response once the framework has been established.

Support for homeowners

Evidence Question 19

How could local areas develop support for homeowners to maintain, sell or rent their home? Are there examples of good practice that already exist? How could support innovation in this area in the future? What is the likely impact of deferred payments on housing more generally?

Response:

The Council's expectation is that there will be a market to enable homeowners to maintain, sell or rent their homes. However, it is essential that local residents have access to accurate independent advice to help them make informed choices around their finances and paying for their care.

Information and advice

Evidence Question 20

What information do people need when they take out a deferred payment?

Response:

The council expects that there will be a national campaign to raise awareness of the changes in the Bill, to inform people of their rights and responsibilities and to change behaviours and culture in terms of early financial planning for future care needs.

To make an informed choice about whether to take out a deferred payment people will need to know:

- The cost of care
- The cost of any administration or set up fee is
- What amount they are deferring each week as a debt
- What costs will accrue towards the care costs cap and what costs won't
- Any possible valuation fee for the property
- Any fee for placing a charge on the property
- The potential impact, or not, on any other people residing in the property

- Consider whether actually selling the property, if vacant, is overall a less complicated way of moving forward before a final decision to defer is made

People will also need to know before deferring costs that the Council will only pay at the standard local authority rate, and that accruing costs towards the cap will only be calculated at the local authority rate.

They, and their family or carers, should also be aware that by deferring costs the local authority will have a legal charge on the property after death.

Ensuring deferred payments are financially sustainable

Evidence Question 21

What are the administration costs associated with offering a deferred payment, and which of these costs is it appropriate to pass on to the resident?

Response:

This question requires a more detailed and operational response once the framework has been established. Costs incurred by local authorities administering a deferment should be charged in full.

Alternative approaches to recovering local authority costs

Evidence Question 22

What alternative approaches would still allow authorities to recover their costs, for example based upon approaches from Islamic finance?

Response:

This question requires a more detailed and operational response once the framework has been established.

Local Authority processes for setting up deferred payments

Evidence Question 23

How well do current Local Authority processes for deferred payments currently work and what could improve?

Response:

Suffolk currently operates a deferred payment scheme but the numbers are too small to draw trends or generalisations from. As part of continually improving systems Suffolk is working with its legal team on a Deferred Payment Arrangement (DPA) for jointly owned properties as previously the Council only agreed DPAs for Sole Ownership Cases.

Wider flexibility to defer payment

Evidence Question 24

If you agree that local authorities should have additional flexibility to defer care charges, what situations would these powers help with? Are there any factors local authorities would need to take into account to ensure fairness and to avoid excessive costs? Please provide detail of how the deferred payment would work in practice.

Response:

Suffolk currently operates a deferred payment scheme. If this is implemented nationally then there needs to be flexibility for local authorities to be able to manage effectively the risk associated with it and the liability for councils. This includes issues around the value of the property and the potential for the equity in the house being less than the cost of the care accrued and the resulting shortfall for the local authority.

This question requires a more detailed and operational response once the framework has been established.

Improved options for those who pay for their care

Evidence Question 25

What financial solutions will be important in helping different groups pay for their care? What are the priorities in terms of supporting the market to develop?

Response:

The Council works on the expectation that when these reforms are introduced there will be an independent market of information, advice and products which can help people take personal responsibility for their financial decisions and help to plan for future needs and manage their own risk around this.

Any support and information system for people who are making personal financial decisions should be easy to use and understand as well as being jargon-free, accurate and accessible. As such a variety of tools should be available to suit people's needs and expertise which could be electronic, phone support and advice.

Local Authorities should be just one of a mix of providers of advice and their advice should focus on their local contacts and arrangements. In Suffolk this fits with the Council's work in Supporting Lives, Connecting Communities which aims to keep people living independently as long as possible at home. Part of this is helping people to help themselves which includes putting people in touch with agencies and partners that can help people to achieve this, for example CareAware.

It is essential that people, whatever level they are contributing to their costs, understand the options available prior to being in crisis.

Theme Four: Meeting Your Eligible Needs

Measuring what counts towards the cap – the personal budget

Evidence Question 26

What additional information should be included in a personal budget or independent personal budget to accommodate these reforms, provide greater transparency and support planning?

Response:

This question requires a more detailed and operational response once the framework has been established.

Calculating what counts towards the cap

Evidence Question 27

What sort of information does a local authority need to calculate an independent personal budget that they might not get through an assessment?

Response:

This question requires a more detailed and operational response once the framework has been established.

Evidence Question 28

*How should we build on the common principles for resource allocation systems (covering five areas: equity, people with high support needs, future-proofing, unpaid care and support, needs of carers), existing good practice and guidance to ensure consistency, equity and transparency in the setting of independent personal budgets?
How should this be reflected in the requirements for local authority information systems?*

Response:

This is a complex area and a single system may not have the flexibility or complexity to capture such sensitive data. Given that this relates to variable needs of the most vulnerable people in society, a face to face assessment made by professionals who have sufficient training and reflection may form part of the implementation of the resource allocation system. That system needs to incorporate these fields in order that practitioners consider them within their practice. However this level of interaction will bring with it increase staffing costs.

Reviewing needs and budgets as circumstances change

Evidence Question 29

How can we ensure a proportionate approach to reviews so personal budgets and independent personal budgets record the costs of meeting a person's needs as circumstances change?

Response:

A clear review strategy should be administratively light for local authorities as well as adaptable to someone's changing circumstances.

It is essential that local councils have flexibility on how they implement the changes brought in by the Bill to ensure that any systems are lean and not a bureaucratic burden to either the authority or the person. This would mean that they could choose the most appropriate dialogue (e.g. telephone, face to face or internet) that was also proportionate (e.g. timing, detail and frequency).

The Council expects that in the future people will take responsibility for managing and retaining their own records as well as take control of some aspects of their own care, for example the frequency of reviews. This will also help individuals who choose to transfer between local authorities. However, appropriate audit trails of information compiled by people building towards the cap would be necessary.

Recording progress towards the cap – the care account**Evidence Question 30**

We welcome views on whether the annual care account statement should also include projections of when a person may reach a cap, or qualify for financial support, and how this can be provided without putting Local Authorities at risk of unfair challenge.

- How would this support a person's planning?
- What impact would this have on the complexity of Local Authority systems needed to operate the care account?
- How can Local Authorities reduce the risk of challenge?

Response:

This is a complex area and the question highlights many risks to local councils around projecting costs, anticipating future care needs and assumptions around future charges and the impact of external factors such as inflation.

In addition if a person's needs are not reassessed their progress towards the cap based on the standard local authority contribution would make predictions difficult.

Who is responsible for your cap or deferred payment – ordinary residence?**Evidence Question 31**

We welcome views on what incentives the cap on care costs and deferred payment arrangements in combination with ordinary residence rules may create for individuals, or local authorities, and how the number of transfers between local authorities may change as a result.

Response:

This can only work well if a standard approach is adopted across all authorities and the costs of conforming to this universal approach are compensated for.

Evidence Question 32

We welcome views on how we can support Local Authorities understand who is responsible for the person's care account and deferred payment agreements.

Response:

In the future the Council expects people to be responsible for their own care account and retain responsibility for it. This ties in with the expectation that people will financially forward plan for their future care needs and that there will be a varied local market (e.g. personal care insurance) which will address this need. This will in turn make it easier for people when transferring between local authorities. However, appropriate audit trails will be necessary for local authorities to be satisfied that the progress towards an individual's cap is accurate.

Providing redress and resolving complaints**Evidence Question 33**

Given the reforms to the care and support funding system do you consider that existing processes to provide redress and resolve complaints are appropriate and accessible? Please explain your answer.

Response:

Yes but they would need adaptation to cover the new process e.g. ensuring the complaints functions are independent from making the service making the decision.

Evidence Question 34

Do you agree that a tribunal system would be likely to slow down the process of resolving complaints and add significant costs, introducing a further burden on the system? Please give evidence to support your answer.

Response:

A tribunal system would be likely to slow down resolution to complaints and would add significant costs and time which would in turn add delays.

A tribunal or panel would add process to the whole system without necessarily making a difference to the outcome. The complaints regulations, if properly and fairly applied, offer people an open and inclusive way to seek redress regarding decisions about their eligibility for care and support services.

Evidence Question 35

Are there any lessons that can usefully be drawn from complaints processes in other sectors or local areas? Please provide evidence of approaches in other sectors that you believe would be more effective.

Response:

The current systems used are effective but the new system would demand an even more prompt resolution of queries.

Evidence Question 36

Do you have a view on the strengths and weaknesses of applying a similar mechanism to the schools admissions code appeals process to adult care and support?

Response:

The Council does not think this is a good system to adopt in this situation.

Transition to local support

Evidence Question 37

How should the transition for people who have been arranging their own care and support be managed most effectively? How should the key requirements placed on local authorities - care and support plans, personal budgets, direct payments, right to a choice of accommodation - be used proportionately to support this process?

Response:

This question suggests it is the transition of people funding their own care privately into the area of where their costs and care start to become assessed by the local authority.

Local authorities have no remit to keep or manage the financial details of people who fund their own care as this would be a system of record keeping which in many cases would be to serve no purpose.

The Council's expectations of how people could manage and plan for their care has been outlined in earlier responses.

Theme Five: When the Cap on Care Costs is reached

Personal choice and control over care – additional payments (“top-ups”)

Evidence Question 38

The provision of financial advice on paying for care will help manage some of the risks to local authorities, care and support providers and the adult. What more could be done to

manage these risks in a way that is consistent with allowing people choice over their care and support?

Response:

The risks and managing them have been outlined in previous responses, and these are in terms of:

- the expectation of people to take responsibility for planning for their own care
- the trigger points in the Bill where risk is shifted from the individual onto local authorities
- the expectation of a market in the future both in relation to care insurance and related to deferred payment schemes, all of which lessen the risk and in cases remove the liability from local authorities
- the safeguards stated in earlier responses for local authorities in terms of deferred payments schemes
- the more 'business minded' conversations with individuals about what the accrued costs relate to, the local authority standard rate, and the risks around deferred payment in relation to equity and accrued costs

Transition to the introduction of the cap

Evidence Question 39

We welcome examples of needs assessment practice from elsewhere and what we can learn from them to help manage the demands on local authorities from the introduction of the cap on care costs.

Response:

Shared learning from other local authorities would be useful insight in the run up to the introduction of the care cap. Suffolk has a way of working called Supporting Lives, Connecting Communities (SLCC) which focuses on keeping people living independent lives at home as long as possible, helping people to help themselves, providing short-term plans to help people to return to a level of independence as swiftly as possible all of which are useful learning to share in the run up to the introduction of the Bill.

Evidence Question 40

We welcome views on how the Government, working in collaboration with local and national partners, can best encourage people who arrange their own care and support to come forward for an assessment prior to April 2016.

Response:

The key is to raise awareness nationally with key audience groups as early as possible. Any campaign should be well before the changes become law to give people, their carers and families sufficient time to inform themselves, understand how the changes may affect them and plan for the future.