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By email

18th July 2013

Dear colleagues,

CARING FOR OUR FUTURE: IMPLEMENTING SOCIAL CARE FUNDING REFORM

In February, the Government announced historic reforms to give everyone more certainty and peace of mind over the cost of old age, or of living with a disability. For the last few months we have undertaken work on the detail, including drafting the relevant Care Bill clauses and a large amount of stakeholder engagement. Today we reach an important milestone with the launch of the consultation on the implementation of care and support funding reform.

Plans to help people better prepare for the cost of their future care needs have been published alongside details of how the new fairer funding system will protect homes and savings.

From 2016 the reforms will deliver a new cap of £72,000 on eligible care costs, additional financial help for people of modest wealth with less than £118,000 in assets including their home and, from 2015, a scheme to prevent anyone having to sell their home in their lifetime.

The consultation confirms details of the plans including:

- for people entering a care home, their property will not be included in the assessment of assets if a partner or dependent still lives in the home; and
- many people getting financial support towards the costs of meeting their eligible needs will reach the cap without paying out the whole £72,000 themselves.

Because the cap is based on the total cost of meeting someone's eligible needs, not just their own contribution, an individual's payments are added to those made by the local authority when measuring progress towards the cap.

As we enter this next phase of the process, we know there are many details and issues to be worked out around how the changes are implemented. There are many questions or issues to be clarified, chief among them:-

- how will we calculate how a person's costs will count towards the cap?
- how will their needs be fairly assessed by local councils?
- how will people receive information about their progress towards the cap?
- how the system should work for working age adults?
- how the deferred payments scheme should work?
- what are the best ways to provide information and advice on the right care and support and how to fund it?

In some areas we need more evidence before we can make decisions on the right way forward. Where that is the case, the consultation paper is clear and specific in its call for evidence.

We are keen to hear people's views to help us deliver a care and support system that is fairer for everyone. Running until 25 October, the consultation launched today will now set about gathering views on how these changes to the funding system should happen and be organised locally. We want this to be an open and collaborative process to ensure that the new care and support payment system is effective, fair and sustainable. The consultation can be accessed via the following weblink:-

<https://www.gov.uk/government/consultations/caring-for-our-future-implementing-funding-reform>>

We will be providing opportunities to engage for a wide range of stakeholders attending events and meetings over the Summer. Details will be made available at the above website.

It has been through collaboration and contribution with the health, care and support sector that we have managed to come this far and we want to continue the spirit of collaboration throughout this consultation and beyond as we design and implement these changes. We are keen to hear from you and your networks to help us identify and work through these issues, to realise the full benefits of these reforms for individuals, their families and their carers.

Yours sincerely,



Jon Rouse

Director of Social Care, Local Government and Care Partnerships