

---

# RCN Policy Unit

---

## Policy Briefing 12/2009

---

### **Shaping the future of care together**

Green Paper Consultation by HM  
Government setting out a vision for a  
new care and support system

October 2009

Royal College of Nursing  
Policy Unit – Room 202  
20 Cavendish Square  
London  
W1G 0RN

**Telephone** 020 7647 3723  
**Fax** 020 7647 3498  
**Email** [policycontacts@rcn.org.uk](mailto:policycontacts@rcn.org.uk)

## Introduction

On 14 July 2009 the Prime Minister Gordon Brown and Secretary of State for Health Andy Burnham launched the Green Paper, *Shaping the future of care together*. The aim of this consultation process is to engage with the public and key stakeholders about how the existing social care and support system can meet the challenges of the future.

The engagement process has now started with the public and all those involved in care and support for adults. The Green Paper was published on the same date as the announcement to mark the beginning of this engagement process. This sets out clearly the case for reform, and seeks to consult on a number of questions. The responses to these questions will inform the development of draft legislation planned for 2010. The Green Paper proposes creating a 'National Care Service' which will include standardised assessment processes which are portable across England, and could involve a more standardised approach to setting eligibility thresholds and charging for care<sup>1</sup>.

The RCN intends to consult widely with members and the nursing profession as a whole on this issue. On the day of the launch Dr Peter Carter, RCN Chief Executive & General Secretary welcomed the publication of the Government's Green Paper, and noted that the current social care system was "confusing, bewildering and unacceptable" with the commitment to reform providing "a historic opportunity to establish fair care under the welfare system in England."

## What is social care?

There is no clear and simple definition of social care. However, it is generally agreed it covers a wide range of care services provided by local authorities and the independent sector to individuals either in their own homes or in a care home environment. It also covers day centres which help people with daily living. Services that are mentioned as examples of social care include help with washing, dressing, feeding or assistance in going to the toilet, as well as meals-on-wheels and home-help for people with disabilities.

---

<sup>1</sup> At the September 2009 Labour Party Conference the Prime Minister announced that from 2010 new Government measures will provide free care at home for upwards of 350,000 people with the greatest care needs who currently pay for services. It was also announced that the Secretary of State for Health will bring forward plans for a National Care Service. The RCN is looking in detail at the implications of these new developments and will comment in detail in its response to the Government's Green Paper consultation.

Surveys have consistently shown that there remains widespread public confusion about what social care is and who pays for it. The Government believes that the forging of a new funding system and more awareness of the ‘contract’ between individuals, families and the state will be a key element of an effective care and support system.

## Why does the Government want to have a debate about the future of care and support?

The Government has highlighted that we are living much longer. In 20 years there will be twice as many people in England aged over 85, and four times as many people aged over 100. This means that more people need care and support, and for longer. In 20 years time, we would need an extra £6 billion a year just to provide the same level of services as today.

The Green Paper notes that two in three women and one in two men will develop high care needs during their retirement. The cost of care and support is high. A 65-year-old person can expect to need care costing on average £30,000 during their retirement. But there are great differences in people’s needs and the amount that they pay: for example, 20 per cent of people will need care costing less than £1,000 during their retirement and 20 per cent will need care costing more than £50,000. Some of those who spend years in a care home could face a bill of more than £100,000.

In addition, expectations have changed. People today want more choice and services that are flexible and personalised. There is now an increasing trend towards supporting people in their own homes rather than viewing care homes as an inevitable destination for the very old. Over the past 15 years, local authorities have scaled back in-house provision in favour of independent providers. There is an emerging emphasis on prevention and rehabilitation which aims to reduce demand for high intensity services.

The Secretary of State for Health said the following during the launch of the consultation document:

“We are proposing a radical reform of care - this is the vision for a National Care Service. More of us are living longer - life expectancy is going up and advances in medical science mean that people with a disability are living longer. This is worth celebrating but does mean we need to radically change the way care is provided and paid for... We need a system that’s fair, simple and affordable for everyone. A system that gives excellent care wherever we live and whatever our needs... Everyone will come into contact with the care system at some point – whether it is ourselves or our families and friends. The National Care Service must be shaped by the people who will use it so we want everyone to tell us what they think”.

Members are strongly advised to look at the Green Paper and can access the document on the Big Care Debate website: [www.careandsupport.direct.gov.uk/greenpaper](http://www.careandsupport.direct.gov.uk/greenpaper).

## What does the consultation document propose?

In the consultation Green Paper the Government acknowledges that the current care and support system in England feels unfair and is bewildering to those not eligible for support. It is too complex, overly focused on high-level needs rather than prevention and creates wide regional variations in services. The Green Paper suggests that any future funding system must be 'fair, simple and affordable'.

To address the challenges set out in the previous section, the Green Paper describes six areas that the Government thinks every adult should be able to expect from the National Care Service:

- **Prevention services.** The right support to help you stay independent and well for as long as possible and to stop your care needs getting worse.
- **National assessment.** Wherever you are in the country, your care and support needs will be assessed in the same way and you will have the same proportion of your care paid for.
- **Joined-up services.** All the services that you need will work together smoothly, particularly when your needs are assessed.
- **Information and advice.** You can understand and find your way through the care and support system easily.
- **Personalised care and support.** The services you use will be based on your circumstances need, preferences and desired outcomes.
- **Fair funding.** Your money will be spent wisely and everyone who qualifies for support will get some help meeting the cost of care and support needs.

The Green Paper suggests that there are **three key changes** that are required to make the vision for the future of care and support a reality. These are:

### 1) More joined-up working

There should be better joined-up working between health, housing and social care services and between the care and support and benefits systems. The Government feels this will not necessarily need to involve structural change – the mindset and behaviour of individual staff and managers can make a big difference, as can shared goals and joint ways of working.

## 2) A wider range of care and support services

As people begin to have greater choice over the care and support they receive, the Government believes they will need to have a range of services to choose from. Local authorities will need help to make sure that the services and ways of working in their area support innovative and high-quality care and support. Local authorities should also understand how services will need to adapt as more people begin to have more control over their support.

## 3) Better quality and innovation

People accessing social care should expect high-quality services and be treated with respect and dignity. To help with this care and support staff must have the right training and skills to provide the care and support that people want. Services that are available must be based on the best and most recent information about what works in providing care and support. This information needs to inform the decisions made by commissioners and people using care and support services.

# How does the Government propose to fund a new care and support system?

The following three funding options for a new care system are proposed:

**Option one: Partnership** The responsibility for paying for care would be shared between the Government and the person who has care needs. The Government would provide between a quarter and a third of the cost of care, more for people on a low income.

**Option two: Insurance** The same as partnership but the Government could help people to prepare to meet the costs that they would have to pay for themselves, through an insurance-based approach. As well as receiving between a third and a quarter of the cost of care, the Government would make it easier for people to take out insurance to cover care costs. The Green Paper notes that the state could play different roles to enable this. It could work more closely with the private insurance market, so that people could receive a certain level of income should they need care and support.

**Option three: Comprehensive** Everyone who can afford it would pay into a state insurance scheme meaning everyone who needs care will receive it free. Everyone who was able to pay would pay their contribution, and then everyone whose needs meant that they qualified for care and support from the state would get all of their basic care and support for free when they needed it.

For the options described above the Green Paper mentions the following ways for individuals to fund their care:

- through a lump sum on retirement
- by deferring their state pension
- paying instalments throughout their retirement
- paying out of the individuals estate (i.e. defer until death)
- a mixture of these options
- in time – regular contributions throughout working life.

## Does this consultation mean the current means testing arrangements will be changed?

As the UK moves towards addressing the future needs of those requiring social care services within our communities, new and challenging questions are arising in the way Government organises, finances and manages new services. A key part of this equation is to consider the amount that individuals should be expected to pay; the amount of help they should be entitled to from others via state spending, and the amount that perhaps their families might be expected to pay.

The Government also proposes the establishment of an independent body to provide advice on the effectiveness and cost-effectiveness of different types of care and support. This would be the equivalent of the National Institute for Health and Clinical Excellence (NICE) for social care.

The Green Paper points out that the numbers of people needing care will increase in the future and the cost of care and support is currently high:

- by 2026 there will be 1.7 million more adults who need care and support
- a 65 year old can expect to need care costing an average of £30,000 during their retirement. While some people will pay less, others will pay more: 20 per cent of people will need care costing less than £1,000 during their retirement - but 20 per cent will need care costing more than £50,000.

The Government has said it will need to increase funding available for care services to pay for a better system in the future. One of the ways it proposes to bring more money into care and support is to merge the money currently spent on Attendance Allowance - a non-means tested benefit for disabled people aged 65 and over - with care funding.

The RCN has highlighted that an effective social care system is widely considered as an essential part of any civilised society and the health sector cannot meet its responsibilities fully without working in partnership with a strong and capable social

care sector. However in the press statement issued on the day of publication the RCN emphasised that the NHS was responsible for funding the nursing care of patients who have health needs, regardless of whether they are in hospital, a care home or their own home. The College noted that it would strongly oppose a system where responsibility for meeting the costs of nursing care was shifted onto the patient and subject to means-testing when it should be free on the NHS.

## Are there likely to be significant changes in social care over the next few years?

The current economic downturn and the huge levels of public debt mean that a public spending squeeze is forecast from 2011. This, combined with the prospect of an approaching general election, will produce a highly challenging environment in which to embark on radical reform

The main political parties have all agreed that the current system is complex, unfair and unsustainable. It is clear that radical solutions will now be carefully considered to provide improved care, promote independence and avoid penalising those who carefully saved for their retirement.

Both politicians and civil servants are talking about the need for a new deal/partnership regarding social care but this raises some fundamental cultural issues for example do families as opposed to the state have the primary responsibility for the elderly, vulnerable or disabled and should society provide universal or targeted services?

## How can nurses get involved with the debate?

This important consultation presents the opportunity for the nursing profession to actively engage and participate in a frank and open debate on the reform of the current social care system. This briefing primarily focuses on the funding of a future care and support system and members are encouraged to read the green paper for further details.

**The funding of the future care system is a key part of the debate and therefore the RCN is asking you to consider the three funding options for social care (described on page 4) and indicate a preferred option through the online response template that is available on the RCN website.**

A number of further questions have been formulated to gain feedback from members and inform the RCN response to the consultation. Members are also strongly encouraged to respond to these questions through the **online response template** but for information these questions are also provided below:

- In your view how should a new social care system be funded? (please indicate your preference):
  1. Regular contributions through a State Insurance scheme?
  2. Regular contributions through a Private Insurance scheme?
  3. Lump sum on retirement?
  4. Paying installments throughout retirement?
  5. A claw back through a levy on the estate of the deceased (through inheritance tax)?
  6. Through general taxation on income?
- Should health and social care work more closely together? If so, how?
- Are there any nursing specific issues or implications that you would like to comment on (relating to the reform of the care and support system)?
- In September/October the three main political parties in England have announced new/additional plans for the future of social care and support as follows:
  - a) The Labour Party has announced that people with the highest needs will be offered free personal care in their own homes. This is intended to support all adults with the highest needs in England. It is currently planned that this policy, following legislation, will be implemented in October 2010.
  - b) The Conservative Party has announced that they would introduce a new home protection scheme that would end people having to sell their homes to pay for their care. They plan to introduce a new, voluntary scheme with a one-off joining fee (estimated at around £8,000, paid at age 65) in return for a guarantee that all fees for permanent residential care would be waived for life.
  - c) The Liberal Democrats have announced that their preferred policy option is to introduce a universal 'Care Guarantee' whereby two thirds of the bill for care is paid for by the Government. The rest would be paid equally by the state and the individual. The partnership model would provide people with a free-of-charge minimum guaranteed amount of care.

Please let us know if you have any comments on these additional/new plans from the three main political parties in England?



# RCN policy development- your policy debate

The RCN Policy Unit will be conducting further analysis of the content of the consultation document in the context of the wider debate on social care. Your comments and the issues raised will be used to inform RCN position statements and influence wider RCN policy in the area of social care provision.

You can also take part in one of the Department of Health stakeholder events. For further details please see the Department of Health's care and support website: [www.careandsupport.direct.gov.uk/greenpaper](http://www.careandsupport.direct.gov.uk/greenpaper).

**The RCN is seeking views from members about the consultation paper. Members are encouraged to send their thoughts and views to the RCN by completing the online response template.**