



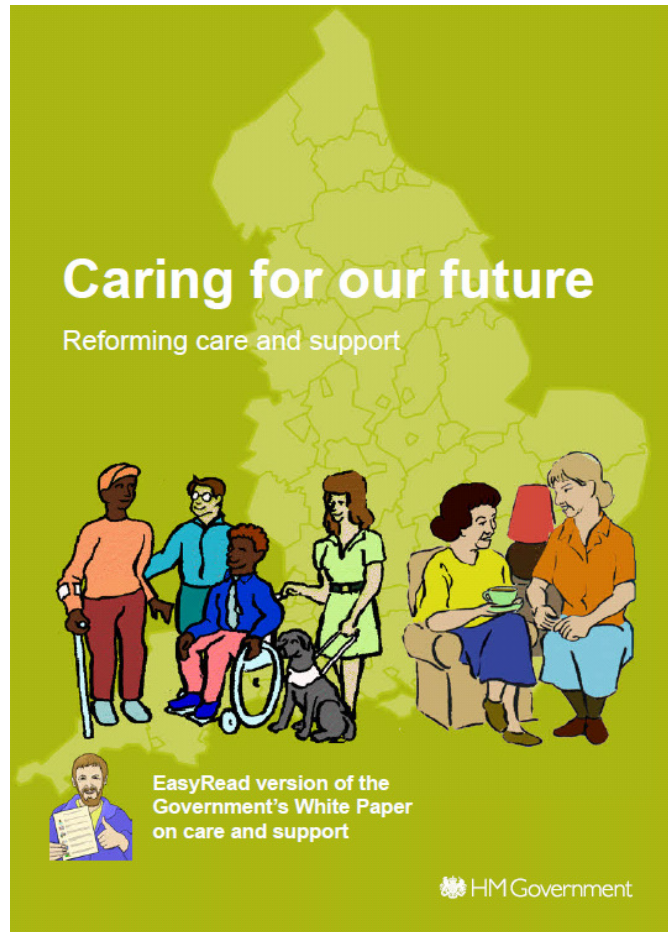
Department  
of Health

# *Reforming care and support: funding adult social care*

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If adult care and support in England is going to respond to challenges it must help people to stay well and independent



- Promote people's **wellbeing**
- Enable people to **prevent and postpone** the need for care and support
- Put **people in control** of their lives so they can pursue opportunities to realise their potential

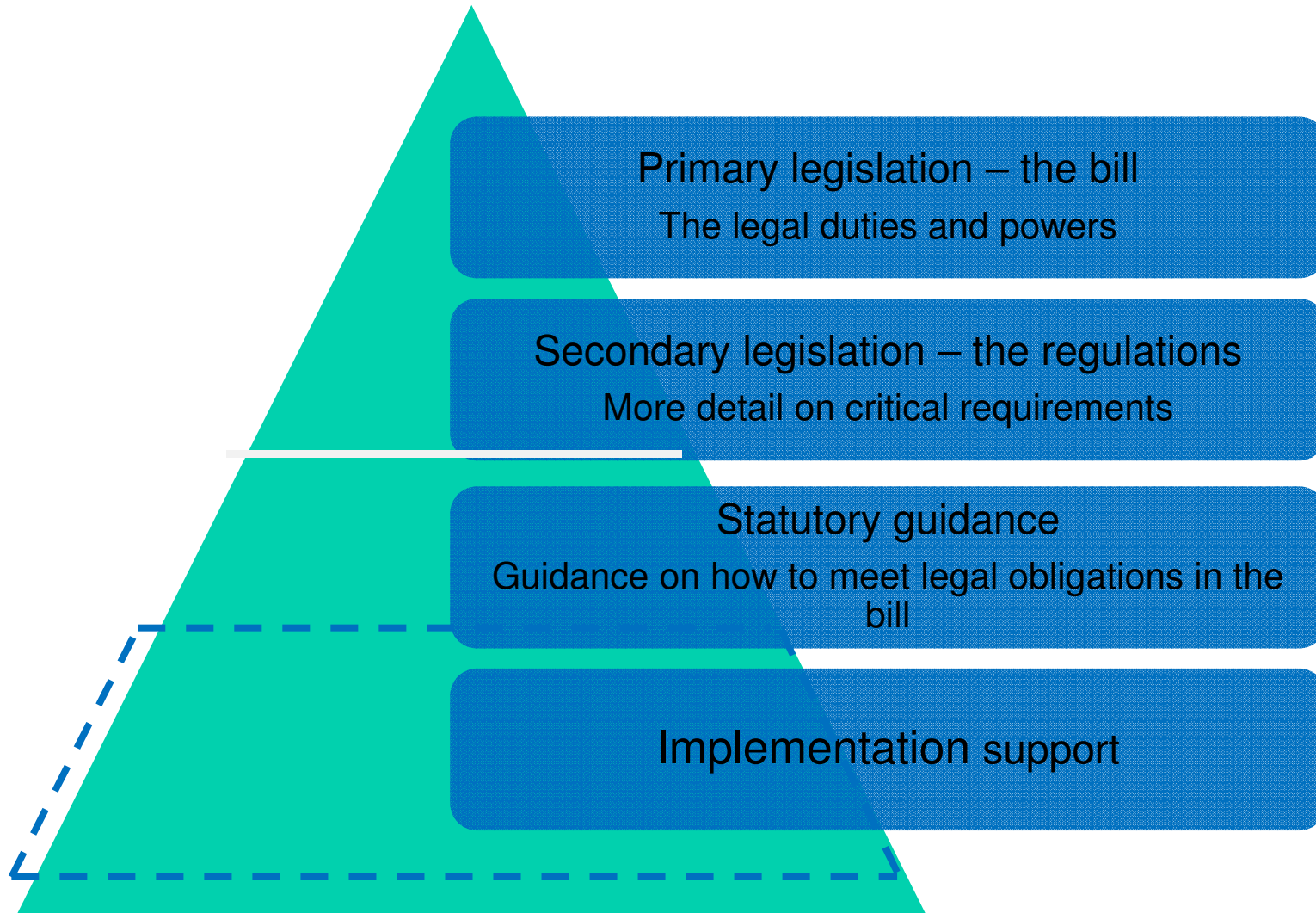
## The Care Bill is built around people

- People's **well-being** will be at the heart of every decision
- **Carers** rights on the same footing as the people they care for
- Freedom and flexibility to encourage innovation and **integration**
- **Preventing and delaying needs** for care and support
- **Personal budgets** giving people greater control over their care
- **Information and advice** about the care and support system
- **Promoting the diversity and quality of the local care market**, shaping care and support around what people want
- New guarantees to ensure **continuity of care**

# The vision for transforming care and support will have profound implications for LA systems, processes and people

Key requirements	Timing
Duties on prevention and wellbeing	From April 2015
Duties on information and advice (including advice on paying for care)	
Duty on market shaping	
National minimum threshold for eligibility	
Assessments (including carers' assessments)	
Personal budgets and care and support plans	
New charging framework	
Safeguarding	
Universal deferred payment agreements	
Extended means test	
Capped charging system	
Care accounts	

The new legal framework will have three layers, of which the Care Bill is just one part



Department of Health, LGA and ADASS have established a partnership to work together on a joint programme to inform and implement these reforms

- Facilitate engagement in national policy, regulations and statutory guidance
- Identify key operational milestones, risks and interdependencies
- Provide assurance and communicate implementation progress
- Co-produce tools and other resources to support implementation



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Care and support funding reform:  
*How we are helping people pay for their care  
and support*

Government accepted the Dilnot principles for future funding of care and support, and subject to the passage of legislation will reform how care is paid for

**A cap will be introduced on the costs that people have to pay to meet their eligible needs (from April 2016).**

The cap will be set at £72,000 in April 2016 for people of state pension age and over and lower for working age adults and free care for people who turn 18 with eligible needs.

**Financial support will be provided to more people to help them with their care costs (from April 2016).**

This will help people with their care home costs if they have up to £118,000 in assets (including their home). Where the value of someone's home is not counted, we intend to provide financial support with care costs to people who have up to £27,000.

**A standard contribution to living costs of around £12,000 a year will be set (from April 2016)**

People in care homes will remain responsible for their living costs when they reach the cap if they can afford to pay them. This will not count towards the cap.

**A new framework for charging**

Both domiciliary and residential care charging will be subject to regulations. We are consulting on the principles to underpin these regulations..



Our care reforms will mean people have more opportunity to financially plan and the costs they face will no longer be unlimited

**A universal deferred payment scheme (from April 2015)**

People should not have to sell their home in their lifetime to pay for their residential care costs. Local Authorities will be under a duty to offer deferred payment agreements to people who meet the eligibility criteria.

**Developing information and advice (from April 2015)**

An information and advice strategy, including new local authority duties, will support people to financially plan. Local authorities will be under a duty to provide care and support information, including how to access independent financial advice where it is needed.

**Working with financial services organisations**

People should have a range of options to help them pay for their care costs. We are working with financial services organisations to help create conditions to allow new financial products to develop.

# What does this mean for Mr A?

**Mr A, aged 70, develops dementia and moves into a care home.**

His assets are over £118,000, so he does not qualify for local authority support.

<i>He Has</i>	
Assets	Income
£300,000	£390pw (from his pension and AA)

In addition to his pension, he receives attendance allowance (AA)\* at the higher rate of around £90 per week.

The local authority calculates his needs can be met in a local care home which costs £650 per week. However he chooses to pay an additional £150 per week to move into a different care home of his choice.

<i>He contributes</i>		
Care Costs (which count towards the cap)	Daily Living Costs	Top Up
£420 per week	£230	£150

**He reaches the cap after 3 years and 4 months, after which:**

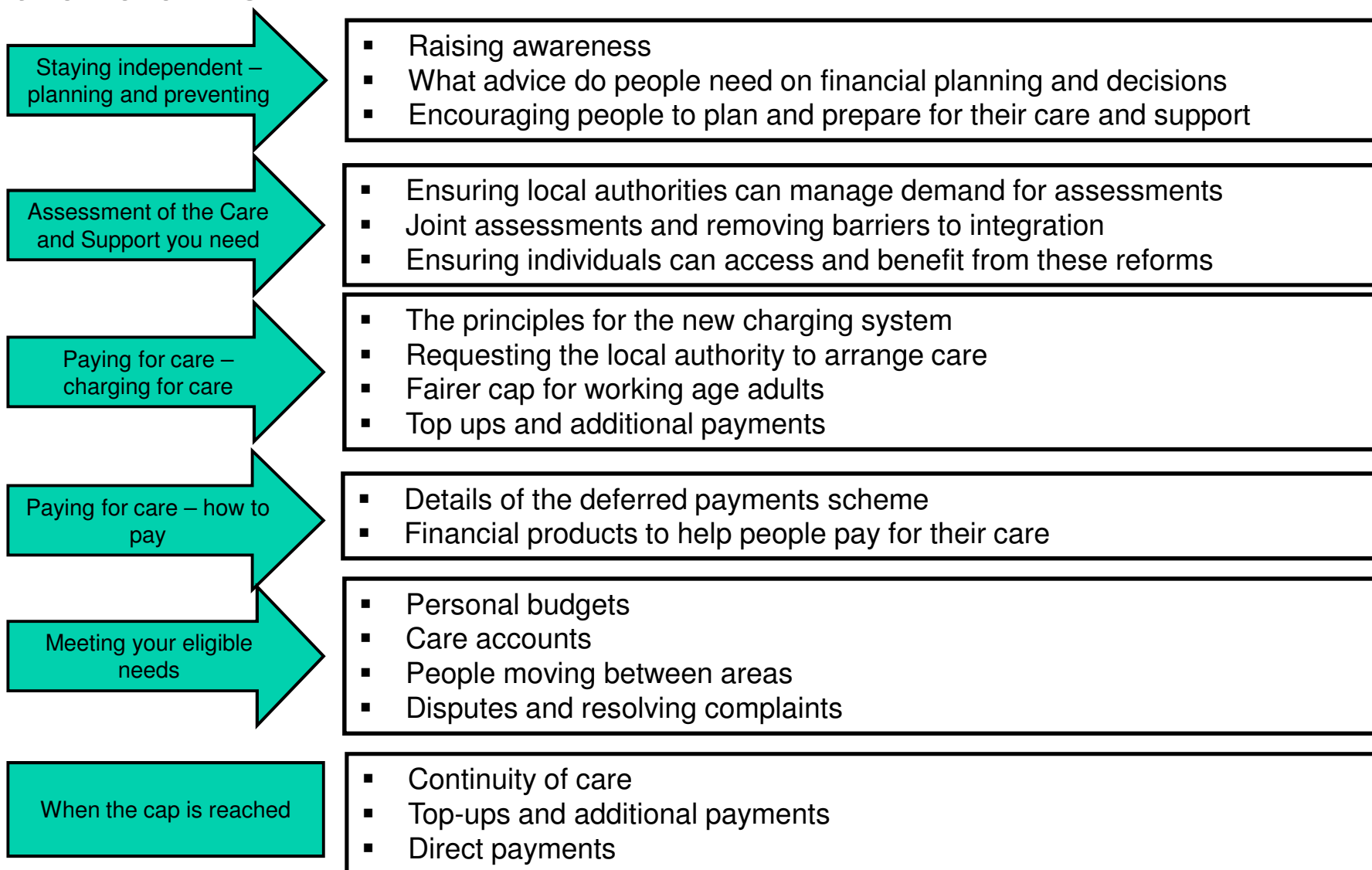
The local authority pays £420 per week to meet his needs. He remains responsible for his daily living costs and his £150 top-up.

<i>Local authority contributes</i>	<i>He contributes</i>	
Care Costs (which count towards the cap)	Daily Living Costs	Top Up
£420 per week	£230	£150

**Mr A remains in the care home for one more year, after which his remaining assets are around £210,000.**

\*Attendance Allowance (AA) is a non means tested benefit for severely disabled people aged 65 or over who need help with personal care

# The consultation on funding reform will inform the detail of the reforms.





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*Please respond to the consultation document...*

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

Email responses to: [funding-reform@dh.gsi.gov.uk](mailto:funding-reform@dh.gsi.gov.uk)

Written responses to: Caring for our Future – Implementing Funding Reform,  
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