



Department
of Health

Response to the consultation on funding formulae for implementation of the Care Act in 2015/16

Allocations for early assessments against the cap on care costs, universal deferred payment agreements, social care in prisons and additional funding for Care Act implementation, including carers rights

Title:

Response to the consultation on funding formulae for implementation of the Care Act in 2015/16

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Prepared by Jonathan White and Armin Kirthi-Singha

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1. Background to the consultation

The consultation

- 1.1. On 31st July 2014, the Department published a consultation paper entitled 'Consultation on funding formulae for implementation of the Care Act in 2015/16'. The consultation ran for ten weeks and closed on 9th October 2014.
- 1.2. The consultation set out allocation options for three different grants relating to the implementation of the Care Act in 2015/16: early assessments against the cap, deferred payment agreements and social care in prisons.
- 1.3. The allocations for early assessments and for deferred payment agreements used formulae that have been developed as part of the independent Review of Adult Social Care Relative Needs Formulae¹ by LG Futures (a consultancy) and the Personal Social Services Research Unit at the University of Kent and the LSE. The allocations for social care in prisons were developed by the Department of Health working together with the National Offender Management Service.
- 1.4. Respondents were asked whether they agreed with the proposed options, and in the case of early assessments, which of two proposed allocation options they preferred. The consultation also asked respondents to provide comments or suggest alternative options, and to provide data on existing deferred payments activity.

The responses

- 1.5. We received 87 responses in total². These break down into 74 local authority responses, nine responses by other organisations, and four individual responses.
- 1.6. The 74 local authority responses (out of 152 local authorities) represent a 49% response rate. The responses cover the full range of regions and local authority types. Breaking the local authority responses down by region, the lowest response rate was for the East of England (at 27%) and the highest was for the West Midlands (at 64%). Breaking down the responses by local authority type, the lowest response rate was for London Boroughs (at 42%) and the highest was for Shire Counties (at 70%).

Changes made to the allocations

- 1.7. The following changes have been made to the allocations published in the consultation document:
 - Close working with councils during the consultation, and modelling undertaken with 120 local authorities, with support from ADASS and the LGA, resulted in agreement to amend the distribution of funding between different duties under the Care Act. The funding to support local authorities to plan and prepare and begin undertaking early assessments for people wishing to progress towards the cap was £175 million in the

¹ For further information, please see the Review website at <http://adultsocialcarernf.co.uk>

² We treat the tri-borough response by Westminster, Hammersmith and Fulham and Kensington and Chelsea as three separate responses.

summer consultation (£145 million plus an additional £30 million of implementation funding). It was agreed to reduce the funding for early assessments and reviews from £145 million to £116 million. The £30 million implementation funding remains unchanged.

- The funding for deferred payments has reduced from £108.5 million³ to £83.5 million, due to revised assumptions regarding uptake and income allowances. Details are included in the final Impact Assessment for the Care Act Guidance and Regulations for 2015/16⁴.
- The resulting £55.5 million reduction from early assessments and deferred payments has been used to create a £55.5 million Carers and Care Act Implementation grant. The grant is distributed using the Adult Social Care Relative Needs Formula⁵.
- The £11.2 million of funding for social care in prisons is unaffected by these changes.
- The latest available data has been applied to the formulae to calculate the revised allocations. The early assessments and deferred payments allocations now use mid-2013 population data and a newer quarter of Department for Work and pensions data (now May 2011 to February 2014). The social care in prisons allocations use updated prison population data.

1.8. As set out in Section 6, full details of adult social care allocations for 2015-16 will be presented in the Local Authority Social Services Letter LASSL(DH)(2014)(2).

This document

1.9. The remainder of this document is structured as follows:

- Section 2. Formula for early assessments
- Section 3. Formula for deferred payment agreements
- Section 4. Formula for the Carers and Care Act Implementation grant
- Section 5. Formula for social care in prisons
- Section 6. Next steps for 2015-16 social care allocations

1.10. The Annexes are structured as follows:

- Annex A. Full list of respondents

³ The deferred payment agreements funding was originally £110 million in an earlier Impact Assessment. The reduction of £1.5 million (from £110 million to the £108.5 million used in the summer consultation) is included in the £55.5 million used to fund the Carers and Care Act Implementation grant.

⁴ See the revised Impact Assessment at <http://www.legislation.gov.uk/ukpga/2014/23/resources>

⁵ Similarly to other RNF allocations for 2015-16, the formula has been applied using data frozen at the values used for 2013-14. The formula and data definitions are available at <http://webarchive.nationalarchives.gov.uk/20140505104649/http://www.local.communities.gov.uk/finance/1314/settle.htm>

- Annex B. Data definitions for the early assessments formula
- Annex C. Data definitions for the deferred payment agreements formula
- Annex D. Full table of allocations for early assessments, deferred payment agreements, the Carers and Care Act Implementation Grant, and social care in prisons for 2015-16.

2. Formula for early assessments

- 2.1. The consultation presented two different allocation options for early assessments against the cap. Both options were based on the independent Review of Adult Social Care Relative Needs Formulae. They were named CAA Option 1 (the extrapolation approach) and CAA Option 2 (the epidemiology approach). The consultation asked respondents the reason for their choice alongside any comments or alternative suggestions for the early assessment allocations.

Question CAA1: Do you prefer: CAA Option 1: the extrapolation approach or CAA Option 2: the epidemiology approach?

- 2.2. The responses to this question were almost evenly split, with 37 respondents (47.4%) preferring the extrapolation approach and 41 respondents (52.6%) preferring the epidemiology approach.

Question CAA2: Why do you prefer the option selected above? Do you have any comments about the options or alternative suggestions for allocating the funding?

- 2.3. Several common arguments were made in favour of the extrapolation approach. The most common of these (raised by 15 respondents) was that the extrapolation approach contains steps to remove the influence of local policy and practice. Ten respondents favoured the extrapolation approach because they argued that Census 2011 data in the epidemiology approach under-counts people in residential care, although the Office for National Statistics have adjusted for this⁶. Five respondents preferred the extrapolation approach because it uses newer data.
- 2.4. A number of arguments were also made in favour of the epidemiology approach. The most common (11 respondents) was that it does not use data relating to the current eligibility criteria, which respondents argued may differ from the new national eligibility criteria. In an opposing argument to that made in support of the extrapolation approach, seven respondents preferred the epidemiology approach because it *does not* attempt to remove the influence of local policy and practice. Seven respondents also preferred the epidemiology approach because it uses data from all local authorities rather than from only 53. Other arguments included that it does not rely on past expenditure data as a guide to the future.
- 2.5. Several comments referred directly to the structure of the two formulae, either questioning their contents or suggesting changes. As noted above, respondents were critical of the Census 2011 data used in the epidemiology approach, although it has been adjusted for under-reporting by the Office for National Statistics. Respondents suggested that CQC bed data should be used in its place, but this would require an assumption of uniform occupancy. Questions were raised over the Pension Credit variables in both formulae; they were included to supplement the home ownership

⁶ See http://www.ons.gov.uk/ons/dcp171776_373040.pdf and <http://www.ons.gov.uk/ons/guide-method/census/2011/the-2011-census/processing-the-information/statistical-methodology/estimation-and-adjustment-for-communal-establishments-in-the-2011-census.pdf>

variables because the Pension Credit means test is strongly driven by non-housing wealth. Five respondents had concerns over the use of the English Longitudinal Study of Ageing (ELSA) data including the sample size, but this was the best data available, and several waves of ELSA data were merged together to maximise the sample size. Lastly, some respondents questioned the use of data on outright, rather than shared, home ownership, and on the use of data only for over 65s. The formulae used data on outright home ownership (rather than shared ownership) where it had more predictive power, and focused on over-65s because the vast majority of those requiring early assessments are expected to be aged over 65.

- 2.6. The adjustments to the formulae were also discussed in the consultation responses. 12 respondents questioned why the formulae do not contain a sparsity adjustment, although the research found only limited evidence for its inclusion. An Area Cost Adjustment is included in the formulae; two respondents argued that it was insufficient but two respondents argued against its use at all. We argue that it should be included to reflect differences in wages and costs that are outside of local authority control. Two respondents argued that the population projections underestimate the likely population growth in their area, although we are using the latest 2012-based estimates which are informed by the 2011 Census.
- 2.7. A small number of respondents suggested an alternative means of allocating the early assessments and deferred payments budgets, via a single grant using the Adult Social Care Relative Needs Formula. (Allocations of this form were published as part of Spending Power calculations in December 2013.) This formula reflects the distribution of need for means tested social care. It is unsuitable for early assessments and deferred payments allocations because these have a very different pattern of need (reflecting the distribution of individuals who arrange and pay for their own care, sometimes called self-funders).
- 2.8. 11 respondents argued that their allocation was less than their internal cost estimate, and a further 11 respondents were uncertain over whether it would be sufficient. Care Act guidance and regulations relating to the cap are still to be consulted on. Details on implementation funding, of which early assessments are a part, will be included in the linked Impact Assessment, therefore there will be an opportunity to amend assumptions regarding funding should there be sufficient evidence for us to do so. Additional guidance and support will be developed to ensure councils are able to implement any changes in the most efficient way possible.

Next steps

- 2.9. Although consultation respondents were quite evenly split between the extrapolation and epidemiology approach formulae (with a small majority in favour of the epidemiology approach), we have chosen to adopt the epidemiology approach for the following reasons.
 - It is a more direct measure of the number of self-funders on each local authority, which will be the primary driver of the cost of early assessments.
 - It is therefore more closely related to the costs that local authorities will face.
 - The removal of local policy and practice remains an important principle for the main Relative Needs Formula.
- 2.10. We have applied updated data (mid-2013 populations and an additional quarter of Department for Work and Pensions data) to the epidemiology approach formula in order

to calculate the revised allocations. As outlined above in para 1.7, the quantum of funding has reduced from £175 million to £146 million⁷, with the reduction used to fund part of the Carers and Care Act Implementation grant.

- 2.11. The revised data definitions are presented in Annex B and the revised allocations are presented in Annex D.

⁷ The revised Impact Assessment is available at <http://www.legislation.gov.uk/ukpga/2014/23/resources>

3. Formula for deferred payment agreements

- 3.1. The consultation presented a single option for deferred payment agreement allocations, again based on the independent Review of Adult Social Care Relative Needs Formulae. Respondents were asked whether they agreed with this option and whether they had any comments or alternative suggestions for the deferred payment agreement allocations. Respondents were also asked if they preferred national or local netting off of existing deferred payments activity, their reasons for this, and for data on the scale of their existing deferred payments scheme.

Question DPA1: Do you agree with the Department's proposal to allocate funding for the universal deferred payment scheme using this DPA RNF formula?

- 3.2. Of 72 responses to this question, 59 respondents (81.9%) agreed with the formula, six respondents (8.3%) disagreed with the formula, and seven respondents (9.7%) provided prose answers that agreed with the formula subject to caveats.

Question DPA2: Do you have any comments about our proposal or alternative suggestions for allocating the funding?

- 3.3. The most common comment (26 respondents) was that the formula appeared to be reasonable, e.g. the variables were aligned with the deferred payments eligibility criteria. This reflects the high percentage of respondents agreeing with the proposal to allocate funding using the formula.
- 3.4. A number of responses made technical comments or suggestions relating to the formula. Six respondents questioned the positive coefficient on Pension Credit, which is included in the formula because it is subject to a means test that is heavily based on non-housing wealth; it is not included as a deprivation indicator. Pension Credit claims are therefore a proxy for the number of people in an area with wealth below the threshold set out in the deferred payments eligibility criteria. Five respondents were concerned that by removing the effect of the means test, the analysis might underestimate need; to avoid this, the researchers measured the effect of particular financial variables on a simulated version of the means test. Another five respondents were concerned by the complexity of the estimation process. This complexity is imposed by the fact that suitable data is not available to the Department from existing deferred payment schemes. Three respondents raised concerns over the uniform take-up assumption; attempting to incorporate variation in take-up would require further complexity and would be highly speculative as relevant behavioural evidence is not available to the Department. The sample size of 53 local authorities (around one third of the total) was raised by two respondents. Although a larger sample would be more desirable still, 53 local authorities represents an improvement on alternative methodologies, being a far larger small area sample than used in previous Relative Needs Formulae.
- 3.5. Some of the same technical comments made in response to the early assessment formulae were repeated in response to the deferred payments formula, including ELSA sample size, the focus on people aged over 65, and the use of data on outright home ownership. Similar responses arise here. Aside from it having worse predictive power, a

broader definition of home ownership is also inappropriate in the deferred payments formula because local authorities are only required to offer deferred payments if the property is owned outright⁸.

- 3.6. As in the early assessments section, a small number of respondents disputed the Area Cost Adjustment, with three respondents arguing that it does not adequately compensate for high costs in their area, and two disagreeing with its use entirely. We argue that it should be included to reflect differences in wages and costs that are outside of local authority control.
- 3.7. Again as pointed out in the early assessments section, a small number of respondents suggested that the early assessments and deferred payments funding should be paid as a single grant using the Adult Social Care Relative Needs Formula. This formula is inappropriate for the purpose because it reflects the need for means-tested social care, which is very different from the need for deferred payment agreements.
- 3.8. Six respondents commented that they were uncertain about the extent of demand, and argued that the funding could be inadequate in cases of high demand. However, funding has been based on conservative uptake estimates, local authorities have the powers to borrow to fund deferred payments if needed, and the interest rate should cover borrowing costs. Some respondents argued that funding should be reviewed in coming years and that future quanta should be based on actual spend. Future funding is subject to the 2015 Spending Review. Other finance comments included a question on the expected accounting approach. We are working with the Chartered Institute of Public Finance and Accountancy (CIPFA) to develop suitable accounting principles, which will be published early in the spring.
- 3.9. Three respondents were critical of the fact that the formulae do not adjust for differences in house prices (and therefore in the equity available to pay care fees). However, the formulae do adjust for differences in regional costs through the Area Cost Adjustment.
- 3.10. Several questions about the policy were raised during the consultation. These are answered in the final guidance⁹.

Question DPA3: What was the cost of deferred payments in your local authority (i) in 2012/13 for deferred payments newly issued in that year, and (ii) in 2013/14 for deferred payments newly issued in that year?

- 3.11. 54 respondents provided data for at least one of the two years requested, totalling £20.1 million for 2012/13 and £25.5 million for 2013/14. The data only covers 35% of local authorities or just over half of known deferred payments agreements issued in 2012/13 and 2013/14.

⁸ i.e. where the local authority can secure a first legal mortgage charge

⁹ Department of Health (2014), Care and Support Statutory Guidance, October 2014. Available at <https://www.gov.uk/government/publications/care-act-2014-statutory-guidance-for-implementation>

Question DPA4: Which option do you prefer, NDPA Option 1 (national netting off adjustment) or NDPA Option 2 (the local netting off adjustment)?

- 3.12. Of 70 responses to this question, 50 respondents (71.4%) preferred national netting off and 20 respondents (28.6%) preferred local netting off.

Question DPA5: Do you have any comments about the options, or alternative suggestions for netting off this funding?

- 3.13. Two main arguments were made in favour of national netting off, with 27 responses in each case. Firstly, it was argued that national netting off was simpler, more predictable or more transparent. Secondly, it was argued that local netting off risks using incomplete or inconsistent data, as there was a possible incentive for some local authorities not to provide data. A smaller number of respondents raised other data quality issues, such as that two years of data is insufficient to capture the volatility in deferred payment activity, and that the wording of the consultation question was open to interpretation. A third common argument against local netting off (13 respondents) was that it penalises early adoption of best practice by local authorities.
- 3.14. A smaller number of respondents raised arguments in favour of local netting off. Six respondents argued that local netting off would be fairer to local authorities without existing schemes. Others argued that local netting off was better because it made use of local information, and that it was fairer as local authorities with existing deferred payment schemes received a grant in the past. However, the previous Government actually in fact provided this funding to all councils with social services responsibilities.
- 3.15. Other more general responses included that it was difficult to choose between the options without seeing both of them worked up (unavoidably because the necessary data was not available), that it should be possible to update any local netting off calculations in future years, and that netting off does not apply if local authorities are using a debt model to fund deferred payments.
- 3.16. No alternative suggestions were made for netting off the funding.

Next steps

- 3.17. The consultation responses were largely supportive of the deferred payments formula. We have applied updated data (mid-2013 populations and an additional quarter of Department for Work and Pensions data) to the consultation formula in order to calculate the revised allocations. As outlined in para 1.7 above, the quantum of funding has reduced from £108.5 million to £83.5 million¹⁰.
- 3.18. Following the responses above, we have chosen to adopt national netting off of deferred payment activity. Whilst local netting off does have some advantages, national netting off was preferred by a clear majority of respondents and avoids the problems associated with using an incomplete and potentially biased dataset that could not be updated in future years.

¹⁰ See the revised Impact Assessment at <http://www.legislation.gov.uk/ukpga/2014/23/resources>

3.19. The revised data definitions are presented in Annex C and the revised allocations are presented in Annex D.

4. Formula for the Carers and Care Act Implementation grant

- 4.1. As outlined in para 1.7, close working with councils during the consultation, and modelling undertaken with 120 local authorities, with support from ADASS and the LGA, resulted in agreement to amend the distribution of funding between different duties under the Care Act. The £55.5 million reduction from early assessments and deferred payments has been used to create a £55.5 million Carers and Care Act Implementation grant. This was announced in the consultation response¹¹ in October 2014.
- 4.2. £35.2m of this grant is intended to meet cost pressures identified in a nationwide cost modelling exercise coordinated by the Department in partnership with LGA, ADASS and council networks. This provided support and tools to allow councils to undertake their own costings for key policies being implemented in 2015/16. Over 120 local authorities provided information for this work.
- 4.3. As a result of this exercise, and supported by other feedback during the consultation, we have made significant changes to the cost estimates in our impact assessment. Responding to particular concerns about the potential demand from carers to access new rights in 2015/16, we have revised our assumptions to reflect a larger number of potential recipients, and show additional costs in the first year and beyond – rising to an additional £100m per year.
- 4.4. The remaining £20.3m of the grant is provided to meet general pressures across Care Act implementation, reflecting the fact that we no longer expect councils to be able to realise these savings as a result of legal reform in 2015/16.
- 4.5. The grant is allocated using the Adult Social Care Relative Needs Formula¹².

Next steps

- 4.6. The allocations are presented in Annex D.

¹¹ <https://www.gov.uk/government/consultations/updating-our-care-and-support-system-draft-regulations-and-guidance>

¹² Similarly to other RNF allocations for 2015-16, the formula has been applied using data frozen at the values used for 2013-14. The formula and data definitions are available at <http://webarchive.nationalarchives.gov.uk/20140505104649/http://www.local.communities.gov.uk/finance/1314/settle.htm>

5. Formula for social care in prisons

- 5.1. The consultation presented a single option for social care in prisons allocations, developed by the Department of Health working together with the National Offender Management Service (NOMS). Respondents were asked whether they agreed with the option and whether they had any comments or alternative suggestions for allocating the funding.

Question PRIS1: Do you agree with the Department's proposal to allocate funding for social care in prisons using this formula?

- 5.2. Of 45 responses to this question, 30 respondents (67%) agreed with the proposal to use this formula and 15 respondents (33%) disagreed with the proposal.

Question PRIS2: Do you have any comments about our proposal or alternative suggestions for allocating the funding?

- 5.3. We received 54 responses to the consultation. The following issues were raised, listed in order of the number of comments received:
- issues relating to the adequacy of funding and the ability to meet unforeseen demand including the cost of adaptations;
 - the exclusion of funding for some categories of custodial settings and for the additional costs around providing advice and advocacy;
 - the adequacy of the data used for estimating needs and demand;
 - NOMS prisoner transfer policy; and
 - local variation in costs and needs.
- 5.4. Greatest concern was expressed about the adequacy of funding and a large number of respondents suggested an end-of-year top-up grant to support unforeseen demand. We will take further steps with LGA and ADASS to agree a process for monitoring activity in-year during 2015/16, to check on our assumptions and to provide evidence for the next Spending Review. The Health and Social Care Information Centre will collect data on the number of people requesting support and accessing long term care support in prisons, starting in April 2015. The statutory Care Act guidance was amended in light of comments received and now clarifies how councils should deal with the costs of adaptations¹³.
- 5.5. DH, NOMS and ADASS are working nationally to support local arrangements towards integrated solutions for the provision of health and care support in prisons. Local authorities are being supported to work with partners in NHS England and with prisons to identify efficient models for the delivery of services which reflect local needs.
- 5.6. The exclusion of funding for some categories of custodial settings and for providing advice and advocacy were the next biggest areas of concern. Custodial settings such as

¹³ Department of Health (2014), Care and Support Statutory Guidance, October 2014. Available at <https://www.gov.uk/government/publications/care-act-2014-statutory-guidance-for-implementation>

approved premises and bail hostels were excluded from the funding allocation as they fall within the existing responsibilities of local authorities, in the same way as the provision of advocacy, financial advice and transitional support when leaving prison.

- 5.7. Another area of concern was the evidence used on the prevalence of need and costs of service provision. The evidence used to calculate the funding quantum estimates was based on data collected from a pilot survey of prisons. A full survey of all prisons has now been completed and the prevalence of care needs and costs were found to be somewhat lower than those reported in the pilot survey. Local variations were taken into account by applying the Area Cost Adjustment¹⁴ in the allocation formula.

Next steps

- 5.8. The prison estate in England has been subject to significant recent changes affecting the numbers of prisoners and population demographics at some establishments, and there are further changes planned to capacity and function of some establishments.
- 5.9. The Ministry of Justice and the National Offender Management Service have provided revised population estimates based on more recent data and better information on the impact of planned changes which will affect the estate in 2014-15 than was available previously. As allocations were revisited, care was taken to take account of the planned movement through NOMS estate reconfiguration of some prisoner cohorts which include significant numbers of older prisoners.
- 5.10. These revised estimates have been used to generate revised final funding allocations which in some cases differ significantly from those presented in the consultation, including an additional LA being eligible for funding. The allocations methodology and the overall sum of money available (£11.2 million) is unchanged.
- 5.11. The revised allocations are presented in Annex D.

¹⁴ The Area Cost Adjustment is defined at

<http://webarchive.nationalarchives.gov.uk/20140505104649/http://www.local.communities.gov.uk/finance/1314/settle.htm>

6. Next steps for 2015-16 social care allocations

- 6.1. Following the consultation, we have adopted the epidemiology approach formula for early assessments against the cap and will implement the deferred payments and social care in prisons formulae. We will use national netting off for the deferred payments allocations. Updated data (mid-2013 populations, an additional quarter of Department for Work and Pensions data, and revised prisons data) have been applied to all formulae. Full data definitions are presented in Annexes B and C.
- 6.2. As noted earlier in the document, we have created a £55.5 million Carers and Care Act Implementation grant. The grant is distributed using the Adult Social Care Relative Needs Formula¹⁵.
- 6.3. These new costs are balanced by reductions in other areas, where the evidence has shown that the impact is not likely to be as great as previously assessed. The funding for early assessments against the cap has reduced from £175 million to £146 million; the £30 million of implementation funding within this is unchanged. The detail of funding for the cap, including implementation funding, will be addressed in the updated impact assessment alongside the consultation on draft regulations and guidance that will be issued shortly. The deferred payments funding has reduced from £108.5 million to £83.5 million, as outlined in the final Impact Assessment for the Care Act published in October 2014^{16 17}. The £11.2 million of funding for social care in prisons is unaffected by these changes.
- 6.4. The revised allocations are presented in Annex D. The allocations have also been formally announced in LASSL(DH)(2014)(2) alongside other adult social care allocations for 2015-16 (the Local Reform and Community Voices revenue grant and the Community Capacity capital grant).
- 6.5. The allocations have been incorporated into the Spending Power estimates published as part of the provisional Local Government Finance Settlement.

¹⁵ Similarly to other RNF allocations for 2015-16, the formula has been applied using data frozen at the values used for 2013-14. The formula and data definitions are available at

<http://webarchive.nationalarchives.gov.uk/20140505104649/http://www.local.communities.gov.uk/finance/1314/settle.htm>

¹⁶ See the revised Impact Assessment at <http://www.legislation.gov.uk/ukpga/2014/23/resources>

¹⁷ The deferred payment agreements funding was originally £110 million in an earlier Impact Assessment. The reduction of £1.5 million (from £110 million to the £108.5 million used in the summer consultation) is included in the £55.5 million used to fund the Carers and Care Act Implementation grant.

Annex A: List of consultation respondents

Local authorities (74 respondents)

Barking and Dagenham
Barnet
Barnsley
Bexley
Birmingham
Bury
Cheshire East
Cheshire West and Chester
Cornwall
Croydon
Cumbria
Devon
Doncaster
Dorset
Durham
Ealing
East Riding of Yorkshire
East Sussex
Enfield
Essex
Gateshead
Greenwich
Halton
Hammersmith and Fulham
Hampshire
Hartlepool
Havering
Herefordshire
Hounslow
Hull
Kensington and Chelsea
Kent

Knowsley
Lancashire
Leeds
Leicester
Leicestershire
Liverpool
Manchester
Milton Keynes
Newham
North East Lincolnshire
North Somerset
North Yorkshire
Northamptonshire
Nottingham
Nottinghamshire
Oldham
Oxfordshire
Plymouth
Poole
Portsmouth
Richmond upon Thames
Sefton
Shropshire
South Tyneside
Southend on Sea
St Helens
Staffordshire
Stockport
Stockton on Tees
Stoke on Trent
Suffolk
Sunderland
Surrey
Telford and Wrekin
Warwickshire
West Berkshire

West Sussex

Westminster

Wigan

Wiltshire

Wolverhampton

Worcestershire

Other organisations (9 respondents)

ADASS East Midlands Branch

Association of North East Councils

County Councils Network

Health Foundation

Lawology

LGA & ADASS (joint submission)

London Councils

Society of County Treasurers

South East Strategic Leaders

Individual responses (4 respondents)

Note: Westminster, Hammersmith and Fulham, and Kensington and Chelsea provided a joint response, but provided individual council data in response to certain questions. We have listed them separately above.

Annex B: Data definitions and formula for early assessment allocations

Data definitions for early assessment allocations

Numerator data	Denominator data
Number of attendance allowance cases in payment aged 65 and over ¹⁸	Number of people aged 65 and over ¹⁹
Number of people aged 85 and over ¹⁰	Number of people aged 65 and over ¹⁰
Number of home owner households (including mortgaged and shared ownership) aged 65 and over ²⁰	Number of households aged 65 and over ²¹
Number of people aged 80 and over claiming pension credit ²²	Number of people aged 80 and over ¹⁰

All final indicators (the result of the numerator divided by the denominator) are rounded to four decimal places. Household age is determined using the age of the Household Reference Person. The formula results are scaled by the 2015 populations given in the 2012-based

¹⁸ Aggregate data from the 326 local authority level to the 152 local authority level for each of the 12 quarters beginning May 2011-February 2014, calculate an average, and round to four decimal places. The data are taken from the Department for Work and Pensions, see http://tabulation-tool.dwp.gov.uk/100pc/aa/ccla/cnage/a_carate_r_ccla_c_cnage_feb14.html. People recorded with an unknown age are included in the calculations as they must be aged 65 or over to qualify for Attendance Allowance.

¹⁹ ONS mid-2013 population estimates, see <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-322718>

²⁰ Census 2011, 'Owned or shared ownership: Total', see <http://www.nomisweb.co.uk/census/2011/lc4201ew>

²¹ Census 2011, 'All categories: Tenure', see <http://www.nomisweb.co.uk/census/2011/lc4201ew>

²² Aggregate data from the 326 local authority level to the 152 local authority level for each of the 12 quarters beginning May 2011-February 2014, calculate an average, and round to four decimal places. The data are taken from the Department for Work and Pensions via NOMIS, see <http://www.nomisweb.co.uk/query/114.1/advanced.aspx>

subnational population projections for local authorities in England²³ and are then multiplied by the Area Cost Adjustment²⁴.

Formula for early assessment allocations

The sum of	
-0.0026	plus
0.0409	multiplied by the number of attendance allowance cases in payment aged 65 and over <i>per person aged 65 and over</i> , plus
0.2093	multiplied by the number of people aged 85 and over <i>per person aged 65 and over</i> , plus
0.0164	multiplied by the number of home owner households (including mortgaged and shared ownership) aged 65 and over <i>per household aged 65 and over</i> , plus
-0.0151	multiplied by the number of people aged 80 and over claiming pension credit <i>per person aged 80 and over</i> ,
Multiplied by the projected population aged 65 and over in 2015,	
Multiplied by the Area Cost Adjustment.	

²³ ONS 2012-based subnational population projections for 2015, see <http://www.ons.gov.uk/ons/publications/reference-tables.html?edition=tcm%3A77-335242>

²⁴ The Area Cost Adjustment is defined at <http://webarchive.nationalarchives.gov.uk/20140505104649/http://www.local.communities.gov.uk/finance/1314/settle.htm>

Annex C: Data definitions for revised deferred payment agreement allocations

Data definitions for deferred payment agreement allocations

Numerator data	Denominator data
Number of attendance allowance claimants aged 65 and over ²⁵	Number of people aged 65 and over ²⁶
Number of people aged 85 and over with a limiting (significantly) condition ²⁷	Number of people aged 65 and over ²
Number of home owner households (outright ownership only) aged 65 and over ²⁸	Number of households aged 65 and over ²⁹
Number of people aged 80 and over claiming pension credit ³⁰	Number of people aged 65 and over ²
Number of people aged 65 and over in couple households ³¹	Number of households aged 65 and over ⁵

All final indicators (the result of the numerator divided by the denominator) are rounded to seven decimal places. Household age is determined using the age of the Household Reference Person. The formula results are scaled by the 2015 populations given in the 2012-based

²⁵ Aggregate data from the 32,482 Lower Super Output Area level to the 152 local authority level for each of the 12 quarters beginning May 2011-February 2014, calculate an average, and then round to four decimal places. The data are taken from the Department for Work and Pensions, see <http://tabulation-tool.dwp.gov.uk/NESS/BEN/aa.htm>. People recorded with an unknown age are included in the calculations as they must be aged 65 or over to qualify for Attendance Allowance.

²⁶ ONS mid-2013 population estimates, see <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcn%3A77-322718>

²⁷ Census 2011, 'Day-to-day activities limited a lot', see <https://www.nomisweb.co.uk/census/2011/lc3302ew>

²⁸ Census 2011, 'Tenure: Owned: Owned outright', see <http://www.nomisweb.co.uk/census/2011/lc4201ew>

²⁹ Census 2011, 'All categories: Tenure', see <http://www.nomisweb.co.uk/census/2011/lc4201ew>

³⁰ Aggregate data from the 32,482 Lower Super Output Area level to the 152 local authority level for each of the 12 quarters beginning May 2011-February 2014, calculate an average, and then round to four decimal places. The data are taken from the Department for Work and Pensions, see <http://tabulation-tool.dwp.gov.uk/NESS/BEN/pc.htm>

³¹ Census 2011, 'Living arrangements: Living in a couple', see <http://www.nomisweb.co.uk/census/2011/lc1102ew>

subnational population projections for local authorities in England³² and are then multiplied by the Area Cost Adjustment³³.

Formula for deferred payment agreement allocations

The sum of	
0.00169	plus
0.00436	multiplied by the number of attendance allowance claimants aged 65 and over <i>per person aged 65 and over</i> , plus
0.00098	multiplied by the number of people aged 85 and over with a limiting (significantly) condition <i>per person aged 65 and over</i> , plus
0.00317	multiplied by the number of home owner households (outright ownership only) aged 65 and over <i>per household aged 65 and over</i> , plus
0.00331	multiplied by the number of people aged 80 and over claiming pension credit <i>per person aged 65 and over</i> , plus
-0.00598	multiplied by the number of couple households aged 65 and over <i>per household aged 65 and over</i> ,
Multiplied by the projected population aged 65 and over in 2015,	
Multiplied by the Area Cost Adjustment.	

³² ONS 2012-based subnational population projections for 2015, see <http://www.ons.gov.uk/ons/publications/reference-tables.html?edition=tcm%3A77-335242>

³³ The Area Cost Adjustment is defined at <http://webarchive.nationalarchives.gov.uk/20140505104649/http://www.local.communities.gov.uk/finance/1314/settle.htm>

Annex D: Table of revised allocations

Local authority	Early assessments revenue grant 2015-16	Deferred payment agreement revenue grants 2015-16	Carers and Care Act Implementation revenue grant 2015-16	Social care in prisons revenue grant 2015-16
Barking and Dagenham	£331,122	£230,542	£211,145	£0
Barnet	£998,517	£529,565	£334,732	£0
Barnsley	£553,400	£349,951	£286,380	£0
Bath & North East Somerset	£603,647	£310,288	£168,755	£0
Bedford	£452,193	£245,370	£143,563	£78,900
Bexley	£690,051	£400,747	£214,687	£0
Birmingham	£2,166,440	£1,606,545	£1,295,068	£204,808
Blackburn with Darwen	£280,296	£209,297	£176,771	£0
Blackpool	£429,875	£318,558	£208,977	£0
Bolton	£616,826	£440,398	£321,461	£0
Bournemouth	£659,695	£353,846	£204,405	£0
Bracknell Forest	£249,710	£130,340	£83,675	£0
Bradford	£1,061,253	£695,265	£531,230	£0
Brent	£488,622	£341,080	£310,577	£0
Brighton & Hove	£636,887	£401,604	£284,128	£0
Bristol	£1,031,038	£674,158	£469,060	£109,357
Bromley	£1,024,696	£548,578	£275,293	£0
Buckinghamshire	£1,561,602	£714,353	£386,492	£80,484
Bury	£450,690	£301,801	£188,864	£0
Calderdale	£494,312	£303,980	£212,893	£0
Cambridgeshire	£1,802,006	£853,792	£537,438	£339,036
Camden	£400,714	£272,766	£297,332	£0
Central Bedfordshire	£638,876	£350,437	£200,256	£0
Cheshire East	£1,279,386	£657,319	£335,460	£69,933
Cheshire West and Chester	£1,034,925	£576,944	£339,294	£0
City of London	£21,579	£13,273	£11,283	£0
Cornwall	£1,948,709	£1,057,785	£645,970	£0
Coventry	£781,792	£541,575	£358,683	£0
Croydon	£786,111	£481,018	£324,060	£0
Cumbria	£1,717,982	£1,019,010	£579,795	£43,909
Darlington	£295,736	£170,821	£115,896	£0
Derby	£632,123	£387,174	£265,607	£0
Derbyshire	£2,293,023	£1,314,826	£838,814	£120,143
Devon	£3,145,643	£1,534,413	£826,842	£336,579
Doncaster	£740,352	£446,198	£349,160	£376,538
Dorset	£1,958,518	£874,669	£447,512	£80,474
Dudley	£876,747	£575,548	£361,125	£0
Durham	£1,263,953	£853,658	£652,674	£364,657

Response to the consultation on funding formulae for implementation of the Care Act in 2015/16

Local authority	Early assessments revenue grant 2015-16	Deferred payment agreement revenue grants 2015-16	Carers and Care Act Implementation revenue grant 2015-16	Social care in prisons revenue grant 2015-16
Ealing	£618,820	£433,570	£327,813	£0
East Riding of Yorkshire	£1,112,361	£552,086	£334,380	£170,164
East Sussex	£2,368,537	£1,171,711	£597,932	£111,649
Enfield	£688,042	£433,909	£300,309	£0
Essex	£4,487,377	£2,394,319	£1,368,883	£111,306
Gateshead	£475,377	£327,397	£262,072	£0
Gloucestershire	£2,039,333	£1,071,790	£585,059	£0
Greenwich	£461,370	£285,389	£307,626	£328,468
Hackney	£215,387	£199,426	£324,907	£0
Halton	£259,845	£194,337	£147,799	£0
Hammersmith and Fulham	£233,342	£180,832	£212,376	£213,262
Hampshire	£4,482,563	£2,052,663	£1,099,477	£103,585
Haringey	£280,932	£241,399	£265,522	£0
Harrow	£642,802	£356,224	£224,273	£0
Hartlepool	£216,938	£155,023	£115,885	£0
Havering	£815,745	£482,716	£232,564	£0
Herefordshire	£678,541	£341,388	£203,642	£0
Hertfordshire	£3,269,209	£1,646,484	£956,083	£89,642
Hillingdon	£647,601	£388,923	£240,756	£0
Hounslow	£415,432	£275,169	£231,098	£39,387
Isle of Wight Council	£609,288	£339,961	£177,234	£330,447
Isles of Scilly	£15,003	£4,607	£2,928	£0
Islington	£239,395	£204,377	£297,362	£306,886
Kensington and Chelsea	£322,378	£205,313	£200,449	£0
Kent	£4,559,810	£2,388,053	£1,425,525	£479,117
Kingston upon Hull	£453,429	£328,918	£335,993	£161,591
Kingston upon Thames	£424,845	£237,193	£132,548	£0
Kirklees	£945,259	£594,769	£430,098	£0
Knowsley	£311,677	£270,814	£225,944	£0
Lambeth	£337,706	£274,144	£348,937	£74,595
Lancashire	£3,453,544	£2,155,391	£1,276,073	£491,960
Leeds	£1,599,388	£1,001,185	£765,606	£217,230
Leicester	£577,541	£397,765	£363,927	£43,881
Leicestershire	£1,968,810	£1,056,002	£558,295	£149,990
Lewisham	£428,297	£311,735	£316,323	£0
Lincolnshire	£2,321,344	£1,184,299	£778,838	£148,368
Liverpool	£865,644	£754,368	£683,831	£324,853
Luton	£363,577	£237,102	£182,254	£0
Manchester	£650,583	£543,450	£616,524	£161,996
Medway	£561,204	£364,327	£230,758	£55,755
Merton	£427,983	£263,703	£172,954	£0

Local authority	Early assessments revenue grant 2015-16	Deferred payment agreement revenue grants 2015-16	Carers and Care Act Implementation revenue grant 2015-16	Social care in prisons revenue grant 2015-16
Middlesbrough	£285,723	£216,234	£175,273	£0
Milton Keynes	£487,323	£256,124	£209,993	£106,364
Newcastle upon Tyne	£600,498	£414,768	£347,067	£0
Newham	£259,382	£235,073	£339,570	£0
Norfolk	£3,121,081	£1,541,884	£966,319	£371,253
North East Lincolnshire	£433,347	£274,727	£180,308	£0
North Lincolnshire	£466,488	£259,903	£175,963	£0
North Somerset	£830,684	£420,304	£213,662	£0
North Tyneside	£542,284	£351,495	£238,437	£0
North Yorkshire	£2,050,150	£1,016,883	£560,458	£0
Northamptonshire	£1,783,764	£936,646	£628,331	£217,592
Northumberland	£958,369	£503,575	£351,836	£153,415
Nottingham	£558,971	£383,282	£358,444	£162,493
Nottinghamshire	£2,308,404	£1,310,315	£815,635	£342,428
Oldham	£478,364	£349,958	£259,544	£0
Oxfordshire	£1,935,265	£902,931	£529,922	£206,773
Peterborough	£417,582	£246,930	£183,534	£142,234
Plymouth	£673,630	£405,491	£296,949	£0
Poole	£578,608	£287,306	£147,433	£0
Portsmouth	£478,973	£304,251	£205,909	£0
Reading	£325,912	£193,700	£131,697	£0
Redbridge	£636,658	£394,287	£258,069	£0
Redcar and Cleveland	£375,908	£239,647	£166,552	£0
Richmond upon Thames	£529,459	£293,178	£152,820	£0
Rochdale	£454,994	£323,725	£256,308	£36,517
Rotherham	£614,594	£371,757	£311,098	£0
Rutland	£139,825	£52,850	£31,385	£70,138
Salford	£478,459	£347,804	£304,711	£166,244
Sandwell	£675,466	£516,151	£427,333	£0
Sefton	£959,049	£625,075	£352,630	£33,110
Sheffield	£1,248,252	£770,616	£625,592	£0
Shropshire	£1,074,544	£570,681	£322,322	£40,297
Slough	£204,037	£130,583	£119,198	£0
Solihull	£717,970	£388,081	£201,270	£0
Somerset	£2,064,481	£1,015,602	£577,562	£0
South Gloucestershire	£755,673	£413,278	£216,229	£285,854
South Tyneside	£382,728	£263,167	£211,654	£0
Southampton	£525,257	£315,712	£256,545	£0
Southend-on-Sea	£592,879	£332,018	£190,550	£0
Southwark	£329,524	£249,064	£363,212	£0
St Helens	£454,502	£337,237	£222,660	£0

Response to the consultation on funding formulae for implementation of the Care Act in 2015/16

Local authority	Early assessments revenue grant 2015-16	Deferred payment agreement revenue grants 2015-16	Carers and Care Act Implementation revenue grant 2015-16	Social care in prisons revenue grant 2015-16
Staffordshire	£2,471,576	£1,417,727	£819,079	£604,730
Stockport	£876,122	£555,580	£296,744	£0
Stockton-on-Tees	£430,689	£271,967	£195,461	£152,860
Stoke-on-Trent	£527,651	£396,826	£308,001	£0
Suffolk	£2,569,928	£1,262,584	£754,199	£214,617
Sunderland	£585,954	£455,528	£362,549	£0
Surrey	£4,039,025	£1,861,384	£923,760	£420,830
Sutton	£531,260	£315,555	£170,497	£0
Swindon	£475,231	£263,539	£177,890	£0
Tameside	£486,788	£364,887	£266,871	£0
Telford and the Wrekin	£339,821	£219,606	£179,055	£0
Thurrock	£334,783	£204,122	£151,285	£0
Torbay	£587,125	£327,916	£191,609	£0
Tower Hamlets	£197,053	£166,332	£338,773	£0
Trafford	£634,435	£373,631	£218,694	£0
Wakefield	£767,448	£446,762	£381,302	£272,769
Walsall	£668,482	£470,546	£331,109	£0
Waltham Forest	£415,648	£286,924	£251,760	£0
Wandsworth	£459,014	£335,074	£300,037	£296,200
Warrington	£495,344	£317,910	£190,489	£141,355
Warwickshire	£1,697,709	£897,746	£516,748	£0
West Berkshire	£410,830	£191,750	£115,833	£0
West Sussex	£3,237,427	£1,600,654	£763,923	£66,141
Westminster	£397,749	£263,672	£305,981	£0
Wigan	£696,588	£510,641	£368,202	£48,524
Wiltshire	£1,548,734	£732,067	£421,583	£64,509
Windsor and Maidenhead	£467,619	£212,649	£110,181	£0
Wirral	£1,051,874	£689,098	£416,336	£0
Wokingham	£436,953	£192,219	£92,867	£0
Wolverhampton	£632,355	£436,664	£318,310	£0
Worcestershire	£1,903,804	£981,439	£551,445	£243,180
York	£590,614	£324,985	£169,229	£20,623
Total	£146,000,000	£83,500,000	£55,500,000	£11,200,000