

Care Act

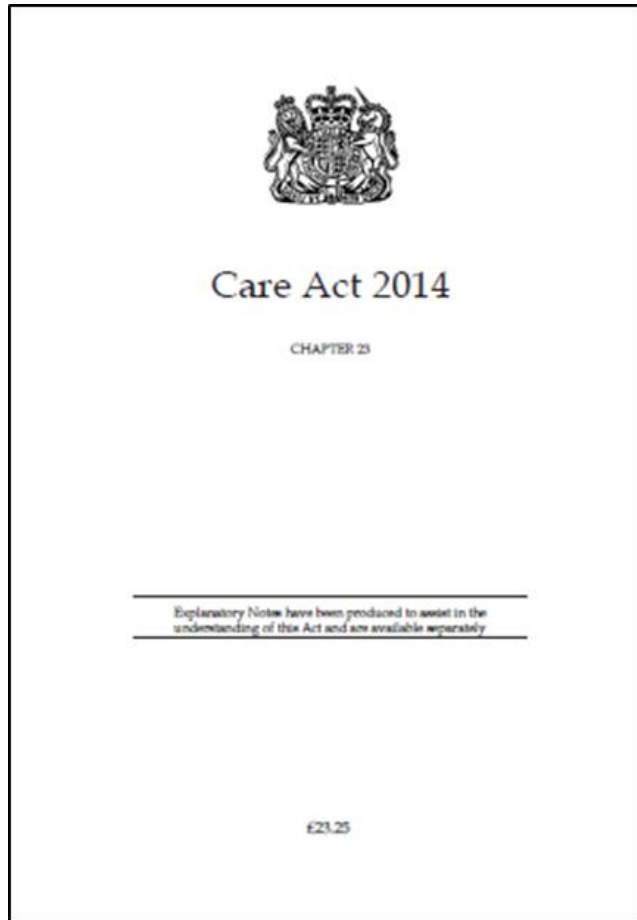
Care Act Phase 2: Delay of Introduction of Funding Reform Until April 2020

Presentation to the Adult Social Care and Health Cabinet Committee

11 September 2015

Care Act – Phased Implementation

April 2015: the majority of key changes came into force



- New in law and practice
- New in law but not new in practice
- Consolidating or modernising existing law

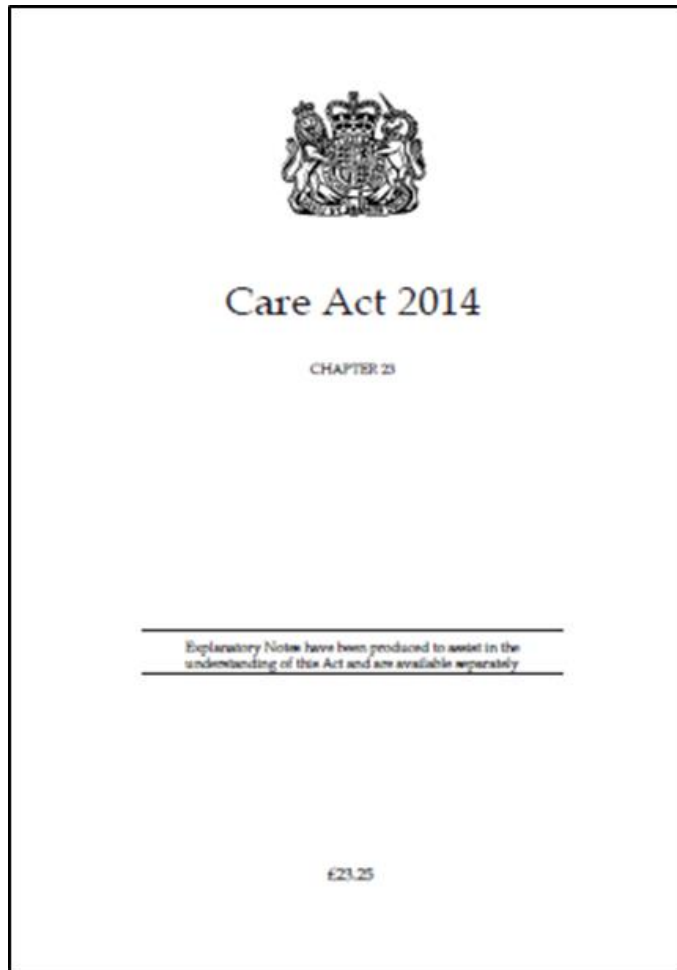
Updated information for the public & staff

The main changes introduced by Phase 1

Duties and other responsibilities	In place	And/or In progress	Embedding in practice
Prevention	✓	✓	✓
National eligibility criteria	✓		✓
Assessment of adult	✓		✓
Meeting care and support needs	✓		✓
Charging	✓		
IT systems	✓		✓
Carers support	✓		✓
Deferred payments	✓		
Information and advice	✓	✓	✓
Independent advocacy	✓		✓
Market oversight	✓	✓	✓
Safeguarding	✓		
Continuity of care	✓		✓
Transition	✓		✓
Provider failure	✓	✓	✓
Prisoners care and support	✓		✓

Care Act – planned phase 2 changes

There had been three planned key changes from April 2016



- Cap on care costs
- Changes to the capital limits
- Appeals system

17 July announcement to delay the above

Changes expected from April 2016 and now delayed until April 2020

Cap on Care Costs

- £72,000 if eligible needs confirmed at or after age 25
- Free lifetime care if confirmed before age 25

Changes to capital limits

- Non-residential: £27,000
- Residential: £118,000 unless former home disregarded, in which case £27,000
- The capital limit will now remain at £23,250 for the time being

Duty to “meet the needs” of self-funders in residential care if requested (section 18(3) of the Care Act)

- Extensive lobbying to delay this section which already applies to non-residential care and support

Other changes expected from April 2016 and also delayed

Direct Payments

- Direct Payments in residential care (announcement expected only after summer 2016)

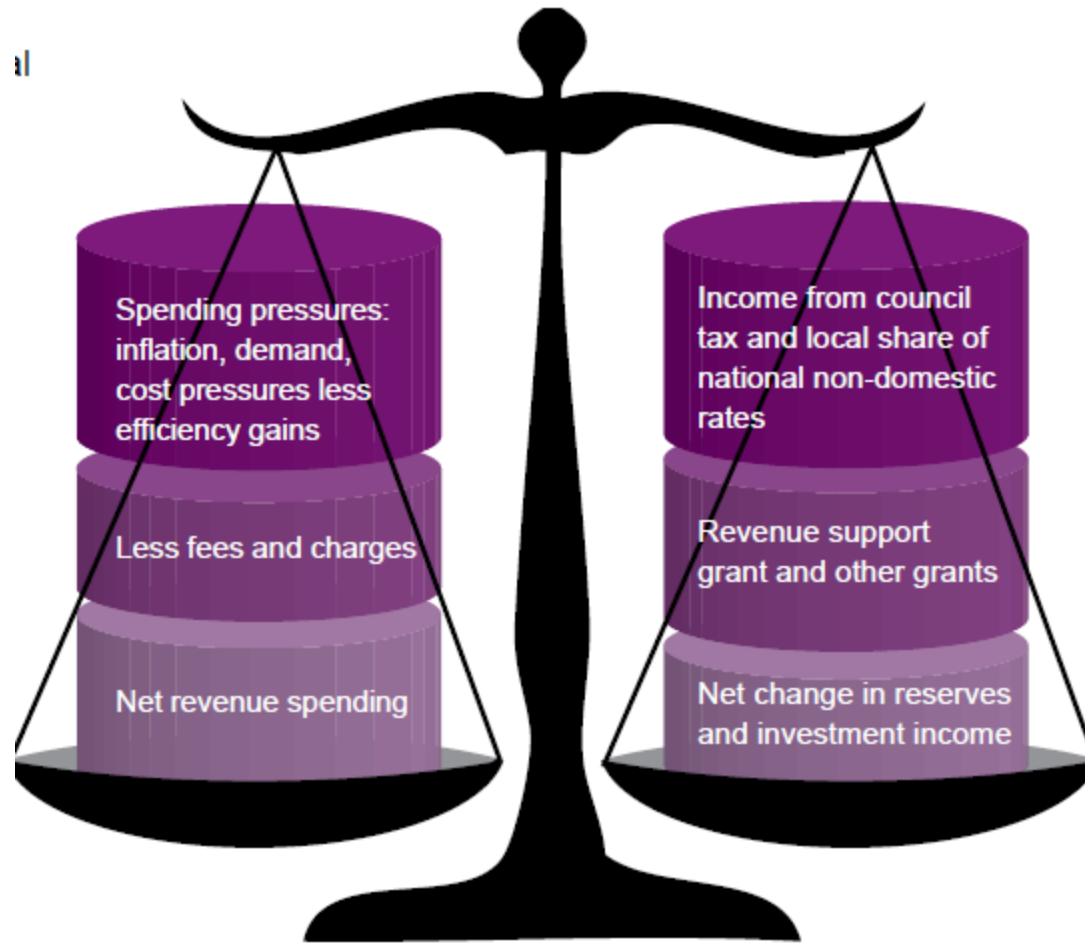
First party top-ups

- Extension of first party top-ups in residential care (delayed until further notice)

Appeals

- New Appeals System (a further announcement will be made about this towards the end of the year)

Balancing spending pressures and income



Key implications

Funding gap

- Estimated to be £700m a year and set to rise to £4.3bn by 2020
- Latent demand feeding through over time
- The extent to which new pension flexibilities may help

Budget announcement (national living wage)

- The LGA estimates that this will add an additional £340m funding pressure in 2016
- Wider workforce implications may add to other existing challenges

Local market conditions

- Provider response may vary leading to:
- Sustainability and quality of provision issues

Thank you