

Paying for Care in Wales:

**Green Paper consultation on
options for reform**

Stakeholder Toolkit

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Information for organisers

Background

The Welsh Assembly Government published a Green Paper, 'Paying for Care in Wales', on 16 November 2009. A Green Paper sets out government proposals to change a major policy or system. It is usually followed by a White Paper setting out more detailed legislative proposals. Consultation on the Green Paper proposals will run until 28 February 2010.

This Green Paper is for Wales only. Similar proposals for England were published by the UK Government in July 2009. The English Green Paper, 'Shaping the Future of Care Together', set out plans to reform the way social care is delivered in England, as well as options for reforming the way in which social care is paid for. Some of the proposals in the English Green Paper will have implications for the rest of the UK, especially in relation to non-devolved areas such as welfare benefits. Consultation on the English Green Paper closed on 13 November 2009.

The Welsh Green Paper focuses primarily on reforming how we pay for care, rather than how care is delivered. This is because the Welsh Assembly Government had already set out its vision for transforming social services in its strategy, 'Fulfilled Lives, Supportive Communities', which was published in 2007. Also, in November 2009 we set up a Commission to examine how our strategy for social services should be taken forward over the next decade. The Commission will report by November 2010.

The Assembly Government's approach to transforming social services differs in important respects to the approach that is being proposed for England, and the debate about how we pay for care in Wales needs to be seen within this distinctive Welsh context. Chapter 2 of the Welsh Green Paper that context in more detail, and poses some general questions about the direction of travel, by way of background to the funding options, which follow in Chapter 3.

The funding options set out in Chapter 3 of the Green Paper are those which were put forward by the UK Government in the Green Paper for England. This reflects the reality that many of the levers for change remain with the UK Government, and that reform of the system will require new legislation at Westminster. Wales does not have the power to make decisions about taxation, insurance or welfare benefits – these have to be done on an England and Wales, or even on a UK-wide, basis. It is therefore very important that we consult Welsh stakeholders on what these funding options might mean for Wales, and how they might work within a Welsh context – what you tell us will form the basis for discussions between the Welsh Assembly and UK Governments (and, where necessary, with Scotland and Northern Ireland, too).

About this guide

We need your help to promote discussion of the funding options set out in the Green Paper. This guide and the materials that accompany it are designed to help you organise discussions with your colleagues and other people in your networks so that their opinions can inform the debate. Please provide your feedback by 28 February 2010.

We want as many people as possible to contribute to this consultation. There are various ways in which people may have their say:

- Individuals can comment through the care and support website www.payingforcareinwales.net or by sending their comments to:

Paying for Care Team
Older People and Long Term Care Policy Directorate
Welsh Assembly Government
Cathays Park
Cardiff CF10 3NQ

- Stakeholders are being invited to attend a series of regional consultation events which are being held in North, South and West Wales during the consultation period.

Further information

Further information about the Green Paper can be found on the website www.payingforcare.net. There you will find the results of the initial consultation we ran last year ('Paying for Care in Wales: A consultation by the Welsh Assembly Government prior to a Green Paper'), which focused on the general principles and approach that should underpin any reform. Also on the website are the report and recommendations of a Wales Stakeholder Advisory Group set up by Ministers to consider the way forward.

Accessible formats

Copies of the Green Paper in Easy Read and large print formats can be downloaded from the website, or ordered from the Paying for Care Team (029 2082 5681). Other accessible formats can be arranged on request.

Holding a discussion

This part of the toolkit gives advice on how to organise and run a discussion, using the materials provided.

Who to involve

The materials in this toolkit are primarily designed for people who are involved in the care and support system in either a professional, organisational or personal capacity.

The Assembly Government wants to engage the widest range of stakeholders in the consultation. This will include:

- people who currently use care and support services, including people with physical and sensory impairments, learning disabilities, mental health problems and older people;
- family carers;
- people who are currently involved in providing care and support; and
- other groups with an interest in care and support, including forums of older people, young adults and community groups, who will all be affected by the future care system.

To be able to explore these contrasting perspectives effectively, and to see what potential there is for trading one proposal off against another, we recommend that you might want to try to involve mixed groups of people (from different backgrounds, professions, ages, levels of experience of the care and support system, seniority) to enable participants to hear and consider the views of others affected by various proposals.

It will be important to engage with a diverse range of people, recognising the different histories, experiences and circumstances of a diverse population. A checklist of perspectives that we would want to include within the debate are:

- gender
- disability
- race and culture
- Welsh-speakers
- religion or belief
- age
- sexual orientation and
- different settings, such as rural areas, institutional settings or involvement in the criminal justice system.

Tell us about your plans for discussions

The Paying for Care in Wales team would be delighted to hear about your plans for running discussions. We can help you to promote your events on our website.

Please email your plans to payingforcare@wales.gsi.gov.uk

- organiser's contact details
- date and location of discussion(s)
- target audience and geographical coverage
- whether you would like your event to be included on the care and support website.

The format of your discussion

Summary / Easy Read versions

The Green Paper is a detailed document, and contains 23 consultation questions. The discussion of the funding options in Chapter 3 is particularly detailed, and it might be too much to expect participants to have read through the document before the discussion.

To have an informed discussion, you might wish to make one of the following documents available to participants before your discussion takes place:

- Summary version – this summary is a Word version of the text on the website. It sets out the background to the debate, and introduces each of the 23 consultation questions in turn.
- Easy Read version – although primarily aimed at people with moderate learning disabilities / difficulties, this version can also serve as a useful and accessible guide to the Green Paper for the general reader.

Both of these documents may be downloaded from the website, or bulk copies can be ordered from the Paying for Care Team (029 2082 5681).

Presentation slides

To help you stimulate discussion about the funding options, we have split the consultation questions in Chapter 3 ('A New Model for Funding Care') into three topics:

- Setting the ground rules for a new funding system
- Exploring the various funding options

- Developing a system that's right for Wales

For each topic, we have provided a set of Powerpoint slides, a facilitator's script to accompany each slide, additional questions to prompt discussion, and a form to record the group's response.

At the beginning of the session, you might like to set the scene. Chapters 1 and 2 of the Green Paper should provide you with the information you need, covering the need for change, our vision for social services, and why a Green Paper has been published at this time. How much context-setting you need to do will depend on your audience and the time available.

Things to bear in mind

In working through these topics, you are asked to keep the discussion focused on **what would work best in Wales**. Are there specific Welsh factors that need to be considered in relation to each of the proposals being put forward? How might each of the proposals work, or why might they not work, in a Welsh context? Bear in mind that one of the main purposes of this consultation is to inform the Assembly Government's discussions with the UK Government, which operates many of the levers for this reform process.

We would also ask that you bear in mind the principles that the Wales Stakeholder Advisory Group drew up to underpin any reform of the current system of paying for care. These have been endorsed by the Assembly Government, and are set out on page 8 of the Green Paper. In addition, the Assembly Government set out 4 key aims for any new system, which are set out at the beginning of Chapter 3 (page 25). **As you work through the consultation questions, you are asked to consider how each funding proposal reflects these principles and meets these aims.** The principles and aims are listed in Annex A. You might want to photocopy this sheet, and hand it out to delegates at the start of your discussion, to use as an *aide memoire*.

Running the discussion

You are free to run the discussion in any way that most suits you and the people who will be involved in the discussion. However, you may find the advice below helpful.

- **Your own experience**

Your organisation's experiences and local examples are valuable material for bringing the discussion to life. Use your own experience to illustrate any of the issues where relevant.

- **Respecting participants**

Participants in the group discussions or their family members may be sensitive to the issues that are being discussed and to the comments of other group members. For example, they or their families may receive care services. They may also wish to tell personal stories. Please encourage members of the group to listen to others with respect and to respect the confidentiality of people in the group. You should reassure participants that their comments would not be attributable to them in the feedback that you provide to the Assembly Government.

- **Recording your discussion**

A form is provided to record the output from your discussions. We suggest that one person should be responsible for recording the discussion. We do not expect you to record every point discussed, but it is helpful to note the main areas where you had agreement within the group and those areas where you had different points of view. We also do not expect you to send the names of the individual participants to us, or for you to attribute any comments to named individuals, unless of course they wish you to do so. Please complete one form per discussion and return to the address shown on it. You can also complete the form electronically and submit it by email. Once completed, please return your form by 28 February 2010, via email, to payingforcare@wales.gsi.gov.uk.

- **Confidentiality**

Information provided in response to this engagement, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act (FOIA) 2000, the Data Protection Act (DPA) 1998 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, among other things, with obligations of confidence. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential.

If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Assembly Government.

The Assembly Government will process your personal data in accordance with the DPA and in most circumstances this will mean that your personal data will not be disclosed to third parties.

Topic 1: Setting the ground rules for a new funding system

Introduction

This set of questions deals with some of the basic questions of principle that need to be addressed before we can move on to specific funding models. These include:

- Whether there should be the same funding system for all people who need care and support, regardless of their age; or whether there should be different arrangements covering older people and those who are disabled early in their lives.
- Whether everyone who qualifies for care and support should get some help with paying for their care, regardless of their income or assets; or whether, as now, those with high incomes or assets should be expected to meet the full costs themselves.
- Whether the welfare benefits and social care funding systems should be brought together – in particular whether Attendance Allowance should be integrated with social care funding.
- Where the balance of responsibility should lie between the individual and the state - whether people would prefer models that put the responsibility for making financial arrangements firmly on to the individual, whether they prefer options that see a more central role for the state, or whether they favour partnership options where costs are shared between the two.

Topic 1: Consultation Questions

Do you think it is right that most people who are disabled early in their lives should continue to have their care and support funded by the state?

Should everyone who qualifies for care and support get some help with paying for their care?

What do you think about the possibility of merging disability benefits such as Attendance Allowance into the social care funding system?

What do you think is the right approach to partnership between the state and the individual in Wales? – i.e. a central role for the state, or would people in Wales want more freedom to make their own arrangements?

Prompt Questions

- If someone owns a property, is it more appropriate for them to use the value of it to meet the costs of their care, rather than expecting to leave it to their families as an inheritance? Or should we recognise other significant “calls” on equity in property e.g. funding children’s education.
- Do today’s younger individuals (under 50s) need to take more responsibility for planning for how their care needs will be met when they grow older? Could this be seen as the same approach as was taken on stakeholder Pensions?
- Should only those people aged over say 50 contribute to meeting the rising costs of the care system? (recognising that younger people are often paying for higher education, finding money to rent or buy a home and raising young families)
- What are the pros and cons of utilising Attendance Allowance to fund low level care needs via the Council? AA is often viewed as easy to access and flexible in its uses, but the benefit could alternatively be seen as poorly targeted. What are your views?

Topic 2: Exploring the various funding options

Introduction

In this session you are asked to look in detail at the 5 funding options set out by the UK Government. First, please consider the 2 funding options which have been ruled out ('Pay for Yourself' and 'Taxation'), and then look at the 3 funding options that have been put forward as possible ways forward.

The 3 preferred options ('Partnership', 'Insurance' and 'Comprehensive') are each based on a **partnership** model, where the state would meet a proportion of the cost of care, but the individual would be expected to make up the rest.

The 3 models differ in the way that individuals might meet their contributions – under the basic 'Partnership' option, individuals would be expected to make their own arrangements; under the 'Insurance' option, individuals could choose to take out insurance to cover their contribution to care costs; and under the 'Comprehensive' option, individuals would be required to contribute a set amount on or after retirement.

The 3 models also differ in the role that the state might play in helping people meet their contributions. Under the basic 'Partnership' option the state would have no role in this. Under the 'Insurance' option the state could either play no role (if it is decided to go for private insurance schemes) or could set up a state-backed insurance scheme which individuals could choose to pay into. Under the 'Comprehensive' option everyone over retirement age would be required to pay into a state insurance scheme.

The Welsh Assembly Government has definitely ruled out 'Pay for Yourself' on the grounds that it would leave many people without the care and support they need, and that it would be fundamentally unfair as people cannot predict what care and support they might need. The Assembly Government has also agreed with the UK Government that the 'Taxation' option is not viable for two reasons: (a) it would require a significant increase in taxation, and (b) it would place an unfair burden on those who are in employment – i.e. upon younger generations. **Ministers do not yet have a settled position on which of the UK Government's 3 preferred options they support, and are looking to the Green Paper consultation process to inform their view and help build a consensus on the way forward.**

The Green Paper sets out some of the main advantages and disadvantages of each of the 3 preferred options. See:

pages 34 - 35	'Partnership'
page 37	'Insurance' (private)
page 38	'Insurance' (state-backed)
page 41	'Comprehensive'

You might find these a useful prompt for your discussion of each option, and we would welcome feedback on how the groups would weight each of the advantages and disadvantages. Also, we would be interested to know if there are any other advantages or disadvantages we haven't thought of, especially if there are any relating to Wales in particular.

Topic 2: Consultation Questions

We have agreed to rule out the 'Pay for Yourself' option. Do you agree?

Do you agree that meeting the full cost of all care and support from taxation is not a viable option for the future?

Do you think that the Partnership option on its own would be sufficient to reform the system in a fair and sustainable way?

Do you think that the Insurance option would work well for Wales when combined with the Partnership solution?

Do you think that the Comprehensive option would work well for Wales when combined with the Partnership solution?

Prompt Questions

- A tax-based system sounds attractive, but that is what we have now for social services isn't it? Also how would it work when the ratio of people in work to those in retirement will reduce by one third over the next 20 years?
- The pros and cons of the Partnership Model are set out on pages 34 and 35. What about client groups who have very high care costs – how can they be treated fairly under this model?
- If there was to be a new system based on a state backed insurance model, what role do you think the Government should have in it? (e.g. in running it, guaranteeing it, regulating it).
- The private Insurance model looks as if it would offer flexibility and choice but would it be available to those who have a life time care need?
- The Comprehensive option appears to be closest to our Advisory

Group recommendation and there are obvious attractions but can we explore the potential negatives e.g. the risk would be “pooled” across everyone.

Topic 3: Developing a system that's right for Wales

Introduction

This topic is in two parts. The first part follows on from where Workshop Session 2 left off. You are asked to consider the 'menu' of different ways in which people could pay their contributions under the 'Insurance' or 'Comprehensive' models. You are then asked to look at the ways in which people could meet their accommodation costs (which would not be paid for under the new system). In particular, you are asked to look at a specific proposal for a universal deferred payment mechanism for residential care and accommodation costs.

The second part of this topic focuses on whether the system for determining how much funding a person receives should be a national (all-Wales) system, or whether this should continue to be determined at the local level (at the moment, this means that local authorities make these decisions). Finally you are asked to consider whether the same system should apply in both England and Wales.

Topic 3: Consultation Questions

Ways to contribute

Are there any other ways in which people could pay into this system?
How would it be easiest for people to pay?

Would it be a priority for the people of Wales to have a right to defer care and accommodation cost payments in residential care?

A nationally or locally determined funding system

Do you think there should be an all-Wales system for deciding who gets what levels of help?

Do you think the same system should apply in both England and Wales, or should there be a stand-alone system in Wales?

Prompt Questions

- One way suggested to pay for care is to be able to spread the costs over your working life. How would this work? What about other options?
- There is already a direction to Councils to offer a deferred payment of care costs but how does that work in practice and could the requirements be strengthened?

- Who should make the rules about entitlement to funding: the Welsh Assembly Government or local councils? Where is the balance between national consistency and avoiding a “post code lottery” on one hand, and securing the flexibility to meet local needs on the other?
- Does the fact that the benefits regime covers both England and Wales mean that the same approach on funding is needed as in England? If not, how would this work?

Paying for Care in Wales

Principles

The Welsh Assembly Government endorses the following set of principles which were drawn up and recommended by the Wales Stakeholder Advisory Group on Paying for Care.

‘We believe that any new system of paying for care needs to:

- be explicit about human rights;
- support the individual at the time when she or he needs the support;
- ensure that decisions about provision of care are made on the needs of the individual and not on the individual’s financial resources or other assets or those of relatives;
- be simple, i.e. easily understood and operated by users and providers;
- promote social inclusion and independence;
- promote fair and equitable treatment;
- promote the participation and empowerment of the individual;
- ensure that providers are accountable and that those receiving the service can express views and complaints; and
- be affordable and financially sustainable, and demonstrate probity in the use of public funds.’

Aims

What we want from our revised system for paying for care is that:

- it is universal (i.e. it covers everyone);
- it is affordable, sustainable and fair (balancing the priorities of people of different levels of wealth, different ages and different levels of need);
- it is clear, so that people understand what they must do to be part of the system, what help they will get if they need care, and how to access that help;
- it helps people to live independently, in control of their own lives and making their own choices (in accordance with their capacity), so that they receive high quality care when they need it.