

**Paying for Care in Wales: Green Paper
consultation on options for reform**

**Stakeholder consultation events:
Cardiff – Thursday 14 January 2010**

Workshops

Group 1

Workshop Session 1

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

Yes! But there should be reasonable and sustainable levels of funding for this. Also, this should be coupled with real opportunities for disabled people.

Need to bear in mind that it is difficult to predict the nature and development of disability.

Will this be means-tested, as at present?

What about younger disabled people when they get older? How would a new 65+ model as suggested in the Green Paper apply to them?

Need to equalise service provision – there has been an uneven development of services across different groups of disabled people (so, for example, there has been a real effort to improve learning disability services, but service development for other groups has been weaker). This is why the modernisation debate is so important.

There is a duty on local authorities to consult with children and young people, but no **duty** to consult other groups. The duty to consult should cover all groups.

Making people use the equity in their property is a kind of confiscation. People should be free to choose how they use their equity – there can be other calls upon this asset, as when parents use it to help fund their children's college fees. NHS care doesn't demand this, so it is inequitable that social care does.

For many, the whole point of having striven for home ownership is to leave it to children and grandchildren. This is partly a generational thing – today's older people expect to hand it down, often because they are the first generation to have owned their own houses. They also feel that they have already paid in funds for their care.

A property and assets-based system is also not consistent. It is the unfortunate few who are ill-informed who will have their houses taken. Others will be cleverer over the choices they make – tying their houses up in trust, for example.

People who save get really caught out.

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

Yes, although only if they need it and choose to.

This is the wrong starting point. The starting point should be that if a person needs help, he or she should receive it.

We need a whole review of rights and duties. The system is still rooted in the Poor Laws. The Law Commission review might help with this.

We should also take account of disabling conditions causing undue cost. There is a need for flexibility.

There is also a question over who makes the assessment of need and how this is judged, as the criteria is often set according to available resources.

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

A lot of people don't have social services, but do receive Attendance Allowance. This proposal might raise expectations that they will receive social services under a new system.

Some group members thought it should be made clear that Attendance Allowance is for specific help, such as gardening or cleaning high windows; and that it should be part of a person's care plan.

Others (the majority) took a different view. Attendance Allowance is a recognition that disabled or elderly people have additional costs such as extra heating or laundry. It is now being seen as a means of paying for care – it is unfair that if you need care, you have to forfeit some of this allowance. The benefit of Attendance Allowance is that it is money in hand to help you live independently and you can use it as you want to. It would be contradictory to put it towards social services.

Wales has a higher proportion of people who receive Attendance Allowance than England. Merging it might double the number of people approaching social services. There is also a higher proportion of people with long-term disabling conditions, who get Attendance Allowance but might not be severely disabled enough to receive social services.

Attendance Allowance is part of the preventative agenda. If it gets wrapped up in the social services pot, it would only be used for people with higher levels of need – thus undermining the whole preventative agenda.

Attendance Allowance also helps to top up people's income – helping them pay bills etc. To remove this flexibility might push people further into poverty, again undermining government objectives.

There is a good case for more Attendance Allowance, rather than less!

There are not enough gardeners, 'handymen' or window cleaners – increasing these would help enlarge the independence agenda.

One group member thought that there was too much dependence on formulas entered into computers. All formulas are open to abuse.

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?

People need to be made to make arrangements – one only needs to look at how many chose to take out occupational pensions to see the need for compulsion.

Also, look what happened to private insurance schemes.

It takes time to educate the public – about 30 years or so.

It is right that people should have control over the resources that are available (for example, through direct payments), though this is difficult to having to make your own arrangements.

Workshop Session 2

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

Yes.

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

No, we do not agree!

It was suggested that we divert some of the petrol tax into care, or maybe even the new alcohol tax.

This question talks about all care, but the other questions are all about 'assessed care' – why the difference? Is it because it makes the tax burden seem bigger? If we take in the existing self-funders, and those who receive no services, then there are many more people in this equation.

For tax purposes, interest on savings is taken as 10%. This needs to be considered in relation to means-testing.

We are not having a public debate about Trident, or about identity cards, and about how our taxes are used in so many other ways, so what is it about social care? Why, when older and disabled people are involved, is the spectre of increased taxation raised.

We already have lower levels of tax than other European countries.

Taxation is the fairest and more economic way of funding care and support, provided it is ring-fenced for care. The system already exists, so we wouldn't have to set one up.

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

This would leave in place the problems of the current system, as the balance would have to be means-tested. It just adds a further complication to an already complicated system.

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

The flaw here is that those people who take the risk of having no insurance will be picked up by the state. To work fairly, this would have to be a universal scheme.

Individuals would have to start young.

There are people whom insurance companies would not touch with a barge pole – for example, those with underlying conditions. Also, insurance companies will not pay out if they consider they have not been told enough, or if the individual fails to fill in all the correct boxes.

There is no trust in insurance schemes anymore.

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

There is a question here about the level of care we are talking about. There is also the unknown element of what care will look like in the future (a problem with the pay now, receive later approach).

Most people know nothing about the debate we are having today. Only the small percentage who are engaged are making comments on choices that cover us all.

There could be real resentment to paying from a deceased person's estate if that person did not need care. This could be really divisive.

There would still be a two-tier system – those who had the £20k (or whatever) and those who didn't.

Conclusions from the group

YES to tax, and NO to Insurance, Partnership and Comprehensive options.

However, we don't really know what the cost of these options is – a feeling that we haven't heard it all.

Should be funded in the same way, and be equal to, healthcare.

The diagrams on the introductory slides were helpful, but it would be helpful to also have similar diagrams for the various possible permutations.

Population projections suggest a levelling off after 2030, so the demographic issue is most acute over the next twenty years. However, the overall trend worldwide is for an ageing population.

There was a worry among group members that the issue has been dramatised to make it look as if there is a problem that cannot be solved. This is politically driven, and suggests that we don't value people who need care enough.

Most of the older population increase is going to be people in their 60s and 70s, who are still contributing to society (and to the economy) in various ways. We need to consider (a) the proportion of tax paid by the over-65s, and (b) the impact of the retirement age disappearing.

The key issue is not really the number of older people in society, but the proportion who are frail and/or need care. This is an issue about **morbidity**, rather than mortality.

Another key issue is what the state will fund – is it only the critical end, or the whole preventative agenda?

National Insurance is a regressive tax – i.e. it is flat; so it falls heaviest on those who are poorer.

Workshop Session 3

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

Other than the existing tax system, the group could not see any other way.

The Barnett formula should be adjusted so that Wales gets an improved block grant.

Pay and training of care sector staff needs to be increased. Trying to get low paid people to deliver quality services doesn't work.

Private domiciliary care needs to be looked at. It's big business, and has big profits.

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

No. There possibly is a case for this, but it is not a strong one, so is not a priority. However, for those with no family or children, such arrangements might help.

Do you think there should be an all Wales system for deciding who gets what levels of help? How do you think this would fit with the responsibilities of local government (working with other agencies) in planning and commissioning services In Wales?

National, though with local variation.

Given problems with disparities in charging, a national direction would be best.

What we want is access according to need. Make it universal. Let's have a standard.

Different areas might need a different spread of services, so there needs to be local flexibility. For example, how day care is organised in rural areas will be different to how it is organised in urban areas.

There is a feeling in North Wales that people in the South get more than they do in the north. Should be equal.

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

England and Wales.

There is no sense Wales going it alone on paying for care when it has no means of generating its own income. We have little option but to go along with England – can only play around the edges.

This all raises the bigger question about devolution.

An issue of different values. Wales practically invented the Welfare State, and we retain a more collective idea here – so, for example, we are not going down the individual budgets route. There is a significantly different political view of social services and where they belong. England also has a wealthier population.

Group 2

Workshop Session 1

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?

- What is included in care and support, and what age is early?
- Shouldn't be dependent on age
- Yes, this should continue. To do otherwise would be discriminatory.
- Is the issue about age or means?
- Compensation claims should be taken into account
- A more elastic retirement age & medical/reablement should change the context, but transition.
- Health and social care shouldn't be separate and therefore differently treated – especially in relation to means-testing.
- People reaching 65+ - many pay income tax.
- Is it right to expect people aged 65+ to pay a lump sum "age tax"?
- Combining arrangements is not only logical, it would bring in more public support for funding.

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

- Depends what it means
- Need more debate about taxation
- Needs to be a fairer system than there is now
- Everyone should have the same opportunity to access care
- Insurance – is introduced for social care, what will stop the Government asking for this method for health care?
- Do something about low levels of carers allowance to enable families to care.

Everyone should get help, but the better off should pay back by:

- Altering National Insurance levels and/or
- Raising tax levels
- Raising Attendance Allowance including personal budgets (giving people control and choice)
- Wales approach with "citizen centred" agenda is different to the England individualised budgets approach.

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

- Like flexibility that Attendance Allowance brings.
- What happens to Carers Allowance etc, as Attendance Allowance triggers these?
- Gives independence to individuals.
- Attendance Allowance should be used/ taken into account if individuals access care services.
- Once the AA went into “the system”, individual’s control would diminish.
- Preventative services funding need to be revived.
- Tension with NHS focus on responding to acute illness.
- Need to make a reality of joint working between health & social care – improved outcomes, saving money (put it in a SAF target).
- If AA goes into block grants, it could disappear.
- The mechanism is all important.
- What about people who get AA now, but don’t get services via local authorities? How won’t they lose out?
- Need to maximise claims AA claims in Wales among the eligible in Wales, now!
- Heavy bureaucracy is too much for the oldest people, and for carers.

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?

- The way health and social care is funded should be looked at again.
- National Insurance to pay for care - fairer?
- Taxation – broader level of income.
- A voluntary scheme would cause chaos.
- How many people can really afford £20k at 65?
- Will this be a lasting solution – will they come back for more money from us in ten years?

Workshop Session 2

We have agreed to rule out the pay for yourself option. Do you agree?

Yes.

- There should be an ‘opt out’ for some from the system (some insurance option).
- But, care will have to be provided where it is needed, whether someone has paid or not – so system should be universal.

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

- Need clearer costings/ needs further investigation.
- Need to look at some costs.
- Taxation for some bits but not for others.
- Further consideration of taxation option is needed/ alongside National Insurance - local authority cap level is an issue.

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

- No. Deferred payments - issues for extended family.
- Domiciliary Care Charging - £50 a week maximum charge could lead to an increase in demand and therefore protected.
- Still penalises savers who have built capital.
- Incentive to stop saving?
- No proposal to credit carers.
- Do not penalise help where there is a carer in place (unpaid).
- Carers and demographics – trends suggest there will be fewer carers, and more single person/older person households.
- Very small proportion of people /carers are in touch with social service departments.
- Penalises people who own their own homes.

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

- Challenges under Humans Rights Act around enforcing you to take out insurance.
- Lack of trust for insurance companies.
- Higher premiums with family history.
- Cannot be voluntary as not all would pay into this.
- Same situation unless everyone take it out – must be compulsory.
- Need financial analysis to establish costs – i.e. is £20k the right amount?

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

- An age tax? Discriminatory.
- Would be better done over as lifetime, otherwise it would be unaffordable - could set generations against each other.
- Social responsibility is key.
- Where's our National Insurance gone? Will there be enough money in the new scheme in 20-30years?

- How long will it take for new arrangements to cover the real costs?
- Health and social services as separate funding streams is a problem. National Insurance should include both.
- What is the 'care' being offered for this money? Need a definition.
- Want proper costings before we can express our preferences.
- Have social changes like obesity/ alcoholism been assessed for impact on social care needs levels?
- Could you change higher contributions rates? How?
- Insurance premiums are differentiating.
- Should there be a deal with people that they do/not do certain things in order to get care?
- Introduce changes incrementally.

Workshop Session 3

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

- More likely to seek supplied care if individuals contributed, so demand would increase.
- Could you reward people with 'No claims bonus, (for example, for not visiting the doctor)? But people suffer economic health inequalities.
- In some way we should incentivise healthy practices/choices.
- There isn't much saving where a partner is still at home (wanting meal, visiting costs).

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

- Suggest that if an individual was in residential care, and deferred their payment for their care, they could lease their house to the local authority for it to let out.
- Should we look at accommodation costs in hospital?
- Should be changed because people in hospital save money like this?
- Charge the blathered!! (for A & E).
- People who pay themselves are 'surcharged' for accommodation, when local authority paid residents get a block discount.
- People need to be given a clearer understanding of division between residential 'care' costs and 'accommodation' costs.
- This should be the default option, people should have to opt out of it.
- Won't be enough for a lot of dementia patients.
- Will people spend it all before they die? (Put a legal charge on it)

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

Yes, but eligibility criteria would have to be on an all-Wales basis.

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

Not necessarily the same system.

Concern was expressed that restricting local authorities' maximum weekly charge for domiciliary care to £50 a week might result in a loss of income for local authorities that had recently increased its charges.

Group 3

Workshop Session 1

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?

- Yes, but it seems that age is a factor – seems like we're being pushed into thinking this. All of the options seem to be discriminatory on age. The natural consequence will be some sort of means testing.
- One delegate felt that if people can afford it, whatever the issue is, they should contribute something. However, there was a lot of dissent over this in the group.
- Taxation model brought up again – people agree with it and it is only fearful politicians who rule it out. But there is the argument that there are a lot less people of working age now compared to retired people than there used to be historically. However, there could be a flaw in this argument, in that the majority of older people **do** pay income tax (on pensions, or on part time work).
- If you say that people have to contribute to social care, what is there to stop different parts of health care then being charged for also? This is a dangerous to go in.
- Paying £20,000 option is an 'Age Tax'.
- Health element of caring for people a more accepted part of provision. We need more joint budgets for health and social care. Social care still not understood and recognised, people don't recognise the difference – is there one?
- This policy will create more division between health and social care – will be more arguments about what comes under which umbrella. Going backwards: will be less person-centred.

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

- Yes. It is an important part of the welfare state that everyone needs to feel included, everyone to gain something: fairness. But how do you afford this? Scrap top rate of National Insurance? The better off would pay back into the budget in other ways.
- Personalised budgets – no unity at the moment. WAG doesn't seem to keen on it. Need outcome-focussed care planning. Personalised budgets could then be seen as part of this person-centred approach
- Older people don't want means testing, don't want other people telling them how to spend money.

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

- AA and direct payments are all about giving choice of how people spend on the social care that they need. By taking this away people lose independence and ability to manage life.
- Seems to be a different set of rules for the over 65s – not so much focus on individual preferences, wanting to take away AA which is specifically for older people.
- AA – once merged into system, where does it go? People would be told what to do, would be no personal choice anymore.
- So much focus on those with the most needs, but then those with less needs get worse because lots of small things stress them out and they have no help with them. This then adds up to a major issue and they may suffer a decline – end up having bigger needs then.
- Preventative services are important, but are hard to afford because of trying to get a balance between helping existing people and those who might need help in the future. Grants being cut – hard to build up prevention resources.
- WAG should ensure that there is joint funding for social and health preventative provision. Targeting care more appropriately stops the greater cost when people's problems get worse.
- Strong concern that AA money would be lost in system – end up being diverted to education, transport, whatever. Would be lost to people with needs currently catered for with AA. **Main point:** this is a real risk that whole group were agreed on.
- Not everyone on AA receives local authority services, .but if AA was subsumed into social care budget these people would lose all their help. AA one of the few non-means tested benefits.
- Means-tested systems are very attractive for the government, not because of the money you save from the wealthy not being eligible, but from poorer people who don't want to go through complicated form filling processes. The poorest are let down.
- May increase burden on unpaid carers – where will be the extra support for them if AA no longer there? Carers Allowance is a pittance: some people who want to care cannot because it is unaffordable.
- Block grant issue – different for Wales. In England, Department of Health/DWP can keep tabs on former AA money. With block grant it is less easy for us to do so

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?

- People need to be given a choice in terms of what sort of arrangements they want in order to cater for their needs. However, we still need a large state role, otherwise the worry is that we would end up with an American style system.

- Unless we have a state scheme which everyone joins, it won't work. Voluntary insurance would cause chaos - people just wouldn't join.
- If the proposed £20,000 isn't paid as an initial lump sum, could there then be a problem with debts being passed on to children?
- **Main point:** the group agreed that the one model discounted – funding through taxation – should not have been taken off the table. Government is saying it is not an option, but they aren't listening to people in their own consultations. People are not agreeing with this decision, but are making it clear they don't accept it is unviable. You can't just cancel this out. WAG needs to report this back to the UK government: don't discount when people not convinced. Has anyone gone through the figures justifying taking this option out of the debate?
- Government says too expensive, but how much is spent on other things like bailing out banks? The money is there, it's just priorities that need to change.
- Governments have said before that you would be looked after if you paid tax/NI, but have gone back on this now. What if you pay £20,000 now, but in 20 years time when you need the help, the Government has gone back on it again (saying, for example, now we need more money, things are more expensive than we envisaged)?

Workshop Session 2

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

- Is 'pay for yourself' just one option in a range of options? Some people might want to opt out and pay for themselves, but if everyone was left on their own it would be a definite 'no'.
- Fundamental problem with having an 'opt out' option: people could choose this, but wouldn't then in reality have the resources to pay for their care. There would be no option then except for society to step in and help them with it. System wouldn't work with opt out.
- Would you want a system where there was no state help whatsoever? Definite '**no**'.

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

- We would like to see the taxation option back on the agenda.
- What is the primary difference between taxation and the 'comprehensive' option? Isn't it just a tax by a different name - an 'age tax'?
- If National Insurance is a tax, why don't people pay over a certain amount – why cap this?
- Taxation, alongside NI, needs to be on the agenda - still needs to be considered.

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

- People who've built up savings would still in effect be penalised for doing so. Incentive for some people to stop saving.
- State pays so much if you have saved a certain amount. What about people who can't afford to save – would they still get basic care?
- Under this system more wealthy people who don't receive any help now would begin to do so – not just means, but needs.
- Credit carers, i.e. based on economic factor of having a carer. All the care that has already been provided this way has saved the state a huge amount of money. However, it could also be argued that whether or not you have help from a family carer this shouldn't impact on what the state will then pay to help out – should be based on needs.
- Likelihood of people living on their own as they grow older is increasing. Implications of increased costs of supplying care because of this.
- Number of unpaid carers may decrease due to demographic factors.
- Carers save millions of £££s across Wales. Lots of people have care needs, but don't draw on government resources.
- Penalises people who own their own houses. They aren't necessarily wealthy people – take poorer homeowners in the Valleys, for example: they own their own house, but it's not really worth much.

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

- Unless people take it out in the first place, we will be in the same boat as we are now. There will be nothing to stop people not buying into an insurance scheme, but they then might have unforeseen intense needs – we would have to pick up tab then.
- We like the option, but think it has to be compulsory. Will politicians dare do this?

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

- Pay over a life time of working: people prefer this option rather than the £20,000 lump sum.
- Felt that people would generally be more positive about paying over a lifetime.
- Problem of a lot of people not being aware that these discussions are taking place. Need to get the debate going amongst the wider populace.
- Older person in the group expressed the viewpoint that they thought that they had paid insurance (NI) already and that this would mean that they would be covered for this care already; now it turns out that this is not true. But NI is only for health, not social care – this again takes us back to the

issue that most people don't see the distinction. To most people all of it seems like health care.

- Is the National Insurance system no longer fit for purpose? It was designed in a time when people didn't live as long. There were less older people then, so costs could be met.
- Where did all the National Insurance money go? Would the £20,000 pound contributions now be ring-fenced? What if this money seems to disappear too?
- If we introduce an equivalent to NI to cover social care, there would be a huge transition period when individuals would need to put an immediate lump sum into the system before the money builds up.
- Cannot get head around the division between health and social care budget - it's just money going from the government to care for people. What are we talking about when we talk about the criteria for social care kicking in? – it trips into health care all the time. Also, different local authorities have different thresholds.
- Whatever name you call it, people will think it is a tax. Doesn't matter what you call it - insurance, comprehensive etc – it's just tax by a different name. And when it goes to the Government it will get eaten up by other expenses, put into other pots. Will it get to where we need it?
- There is already tax and National Insurance, and now we are just introducing a third tier for social care. They probably originally brought in NI because they didn't want to say that they were increasing income tax!
- Would there be extra premiums if your lifestyle is unhealthy? We don't do this to smokers with regard to healthcare. But this would be a slippery slope – some people have a higher susceptibility to certain conditions – for example, a genetic predisposition to heart disease – are we going to start charging them more too? Where would you draw the line? Once you start charging more for obvious things like smoking, are you then going to move on to targeting less bad things? It would be unworkable.
- Change has to be incremental, otherwise people on both sides (younger and older) could get a raw deal
- Need more info on the tax/NI issue. You are asking us to make decisions without having all the info. Need more information on the costings etc on all five options

Workshop Session 3

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?

- Accommodation costs – really disappointing that this is not included in the consultation. WAG needs to be very careful that people understand that only care is covered in this. Most people would assume that if you're talking about the costs of care for a care home, you are talking about everything, the whole cost – everything is part of the care, isn't it?

- A grievance with current system – people who have to pay privately end up having to pay a higher fee for the same home because the local authority can negotiate a cheaper rate for people they have to subsidise. Self funders could then be said to be subsidising the local authority. This is very unjust.

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

- Yes, good that people can leave it to come out of their estate. But what if there isn't enough there in the end? Would the state pay for it then?
- Could taking it out of the estate be the default method of payment? People would then opt out if they wanted to use another method instead.
- Would there be a potential for people to defraud this system - i.e. once in a care home could an individual then sell all his or her assets? We guess that people would sign some sort of contract so that the debt would have to be paid.
- What are the costs of administering all these systems? Would it end up being that much cheaper than funding through taxation?

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?

- Why should it differ? There are already problems with cross-boundary postcode lotteries. Want to avoid this.
- Whilst not wanting differences, could there be some element of flexibility built in too? For example, different problems in North and South of the country - in rural areas, or the legacy of heavy industries in the South. Could we have formula to build these things in? Local solutions but from the same economic base. Don't want postcode lottery, but we also don't want a system that is too rigid: is this possible?
- Local authorities should still play a major role in organising social care, but there would have to be a central point to co-ordinate initially.

A nationally or locally determined funding system: do you think the same system should apply in both England and Wales, or should there be a stand-alone system in Wales?

- Can't see point of a stand-alone strategy for Wales. We don't have power to raise taxation etc.
- Don't know what exactly what the statutory structure will be in 20 years time, so it's difficult to answer this question.

Group 4

Workshop Session 1

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 be equitable across the board.

There is a difficulty if you have a cut-off point based on age. There is but the difference of a day between a 65 year old and a 66 year old. Agree that it should be equitable.

Not long ago, it was perceived that people under retirement age had 'entertainment needs' that were provided for, but after retirement they no longer had those needs. The question isn't relevant and shouldn't be asked.

You can't predict if you will need care needs when you are younger. You can have needs at any age.

Older people are more likely to have care needs, but the system should be flexible to meet people's needs. Should be needs based, not age based.

Younger disabled people can access independent living benefits.

We all have a responsibility to try and save to look after ourselves if possible.

Younger disabled people don't have the means to save for care.

Age shouldn't be a measure – should be looking at the overall picture. As a principle, it should be across the board.

Regardless of age, the system should be based on the ability to pay.

A person disabled in their 20s has had no opportunity to pay into a system, whereas someone in their 80s has.

What about the 65 year old who has never paid into the system? This sort of thing causes complaints, but it is fair. If someone can't pay for care, they should get it free.

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

Difficult to answer without the actual figures.

£22,000 is now allowed before you have to start paying for care. Is the proposed cut-off higher or lower than this?

Is the state prepared to make more money available?

Assets – if we are encouraging people to stay in their own homes and live independently, it is not fair to take the value of their home into account when means testing.

If the UK Government is proposing a national care service [for England], everyone should be entitled to benefit.

Going into a care home is a last resort – only a minority choose to go into care.

In the future, extra care facilities will mean that more people may choose to go into care. Will be able to keep more independence.

Local authorities will not fund someone who chooses to go into a care home without medical needs.

Care should be free at the point of delivery. If there is a hybrid and only part is free, how is the rest being funded? Will there be means testing?

If the government is not using taxation, where is the money coming from? Don't mind paying more tax for a good system, but most people don't agree. Who is going to be able or willing to deposit £20,000 at 65 based on the fact that they may need it? Most will go for the payment after death option. Because you can never know what your care needs might be, it is basically a lottery.

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

Benefits are provided to pay for care, but some people don't use it for that – they don't spend their benefits on care. There is nothing wrong with using those benefits to pay for the new system.

No matter how wealthy you are, you get Attendance Allowance. Is there a way to re-target those funds?

People receiving AA often make their own arrangements. Without it, they would have to approach the local authority for help. There may not be the money or capacity to cope.

The system should be simplified – one stream of funding from local authorities.

AA is a passport benefit to other things. Proportionately, there are more people in Wales receiving AA. Would be complex to remove.

There is a danger of tinkering with part of the system and ignoring the ripple effects.

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?

What happened to National Insurance? NI wasn't saved, it was used in order to make things work. Some people are now disillusioned with the NHS.

Private insurance has been discredited recently. A lot of people will face private insurance companies with suspicion. Would have to be compulsory insurance.

Some people will spend their lives on benefits and make no effort to find work. Some people save all their lives and still have to pay for care. Others find it difficult to get off benefits because they will lose out financially.

National Insurance is different from private insurance companies making money and ripping people off.

There is an inequity when it comes to care. Some older people don't ask for help because they are too proud and they may be in more need than others.

Most people would prefer to pay insurance for their own care, rather than a tax to pay for other people's.

There is resentment against people who did not save and are getting everything paid by the state.

It is more reasonable to ask people to pay into the pot through their working lives. It also makes people think about planning for their future care needs.

We should also be sympathetic to those who have worked hard all their lives at a low or minimum wage and can't afford to pay for insurance.

Should only people over 50 be asked to contribute? Or should everyone contribute through their working lives?

Whole working life. Who knows what will happen and when? Care is not age-related – can be disabled at any time.

It is difficult enough to get people to contribute to a pension.

We should plan for our future needs, but if we can't or it doesn't work out, there should be a back-up.

Even if it is a government-run insurance scheme, it is still a tax.

Might be easier to sell to the public as insurance – that implies that it is for your own needs. But if it is compulsory, it is a tax.

Has anyone thought that the 'spongers' should have their contribution taken from their benefits?

Need to ensure that the people in the safety net are the people who need it, not the ones who choose to stay on benefits.

The after death levy option encourages people to spend all their money before they die.

People don't like the idea of inheritance tax.

Pensioners can be poor, but asset rich.

After death payment may be fairer and ensure that it doesn't impact on the quality of life, but it is not politically popular.

Workshop Session 2

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

Yes. However, we should encourage people to plan and be responsible.

The state has taken some responsibility since the 1600s. Can't change it now.

Most agree there should be some personal contribution.

Some would end up paying more than others – not fair.

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

Cannot agree. It is hard to have the discussion when we don't know the figures.

Should consider a part-taxation system.

Taxation seemed the most logical and acceptable option, so why has it been dismissed out of hand?

Can't have a proper debate without the actual figures showing the impact on the individual. Could use taxation to raise some of the needed funds.

If the insurance option is going to be compulsory, it is still a tax. The end result is the same.

Perhaps not everyone who wants or should be contributing is doing so. Disabled are not encouraged to find work, older people are forced to retire at 65, carers can't work full-time and some just don't want to work.

People who earn more money and pay more tax are less likely to need care.

I pay for the fire service, but I don't want a fire.

Taxation is the ultimate insurance.

Those who can afford to pay themselves would be using the state system.

People need to be better informed at an earlier point – need to be educated about what social services do.

Should be a combination of direct and indirect taxation.

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

Sounds the same as how it is now. Can't see how the additional income would be raised.

Dilutes an already restricted pot. Attendance Allowance isn't capped now, but would have to be to make up the difference.

Don't want it to be a quick fix – has to last.

It would disadvantage those unlucky enough to develop a care need. Not pooling the risk. If you have no care needs, you will have more money.

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

How do you police it? Lots of people drive without car insurance. What if you don't pay and then you need care?

Insurance companies don't have a great track record.

Government-backed insurance is better than private, profit-seeking companies.

What the difference between compulsory insurance and a tax?

There should be some way to have a personal account and if you can't afford to pay in, there is a back-up.

Should keep eligibility for care and eligibility for financial help separate.

Might end up with insurance companies deciding what is 'best' for you based on the cheapest option – people going into care homes because of monetary needs, not medical. Also, they might disallow insurance or charge more because of family history, lifestyle choices, etc.

Should be credits for voluntary and family carers. Give carers more incentive to get into the workforce so that they can also contribute. System discourages caring, but voluntary carers save the government a huge amount of money.

Need voluntary carers to keep the system going – they should be supported.

There is a lot in place to support parents and carers of children, but there isn't the same view when it comes to older people's carers.

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

It's a tax again.

Why would anyone choose to start paying on retirement just when you stop earning?

Seems a bit of a punishment for reaching retirement.

The country only needs a couple of bad years financially and there won't be enough money in the pot

Most people won't like having to pay such a sum when they probably won't have to use the care system.

Voluntary carers will disappear or take extended respite. Government won't be able to afford to pay for everyone who needs care.

It's all a tax by any other name.

If you don't have children, you still pay for the education system, but it's less obvious. A lump sum, etc. is more obvious. It doesn't seem fair to people.

What about lifestyle choices? People won't want to pay into a system to support care for smokers/drinkers/obese people.

More money should be put into deferring care. Critical care is the most expensive stage.

When you start receiving your state pension, you stop paying National Insurance. If you carry on earning after the pension age, you should have to continue paying NI on earnings.

One of the fundamental flaws is that age has been taken as the measure. It should be based on need – you can need care at any time in your life.

There is a disapproval of taxation from a political point of view. Most people are prepared to pay and have the peace of mind that the care will be there if they need it.

People don't think about the care system until they need it. Peace of mind doesn't come up as an issue until people are made to consider it.

The document assumes that pensions will continue as they are, but this may not be the case.

Comprehensive option removes the issue around joint working with the NHS.

Workshop Session 3

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

Would be good to know inheritance tax was going to something specific.

People who don't use the care system won't want to pay in.

Deferring payment until after death is fine if you are married. A daughter looking after her mother would have to sell the house to pay after her mother's death.

Would the payment be a set amount, or tailored to wealth?

Would a tax be UK-wide? For example, 3p in the £ is wrong in terms of the proportion of the UK population living in Wales.

A tax by any other name is still a tax.

Is paying throughout your working life less painful than a lump sum?

Need the calculations. How much over how many years?

If everyone defers payment until after death, where is the money going to come from?

There needs to be a level of control. Can't control when people die, but you can control taxation. Need to look at bringing in money now for people in care and at income for people who will need care in the future.

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

Need to avoid accusations of a postcode lottery.

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

How different are English people to Welsh people?

Don't want to be led from England.

There are different statutory functions in England and Wales.

Needs to be a balance of the most suitable service. Living in Chepstow, the best service might be in Bristol. Feels like a sort of Berlin Wall is creeping up between Wales and England.

Group 5

Workshop Session 1

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?

We need information on funding and support workers.

Question: What happens if a 22 year old man is killed in a motor cycle accident, does he still have to pay the £20,000??

Or alternatively, if the same gentleman has an accident, but lives until he is 70 and needs medical services full-time as he is disabled? Who pays for this, as this will be over £20,000?

It is about maintaining independence regardless of age.

Disabled Living Allowance is paid up to the age of 65, but not if you are disabled over the age of 65 therefore this is age discrimination.

The debate on age differences is discriminatory.

There are several areas of disability that come into social services – dementia & learning difficulties to name a few – and these are not all age related. Who is going to fund these areas?

This is suggesting that everyone is dependent on the state over the age of 65, this is not the case. The issue is frailty. Support should be there for the need not the age!

There is no consistency with the concept of person-centred care.

What will the impact be on carers? Younger people get support, but what about carers of older people who then need care themselves. People over 65 do not get Disability Living Allowance now - will this change in the future?

There is no rational argument for using age as a proxy for need.

There needs to be equity when disabled young people transfer between children and adult services. Children receive payments up to the age 16-18, but what happens after the age of 18? They still have the same problems they had prior to 18, so why should the funding stop and/or change?

Most people do not know they are going to give birth to a child with complex medical needs, but people are aware they will get older. Should we prepare for old age?

Should people take responsibility for making provision for themselves?

The question is not about making cuts – it is ‘how deep’ should those cuts be? If we provide care free from the local authority, how do we pay for it? Do we cut other services for older people? If we have free care do we have to reduce services?

Do we treat people the same or different?

Bringing Attendance Allowance into the equation makes a discriminatory system worse.

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

Who qualifies? This qualification is not a fail or a pass! It is actually more dynamic than that. It is how you manage your life and those around you.

Incentives – incentive is to qualify for continuing health care (i.e. pass the test) I want my £20,000 worth.

Perverse incentives for local authorities. If the new domiciliary care regime is not funded properly you may push people into residential care sooner than necessary. The focus is on keeping them independent in their homes as long as possible

Uncertainty – people may come forward who may not have applied before.

What happens if you do not fit in the tick box system?

Situation arises where people who have saved all their lives don't get anything and the people who have not saved get free care.

Mum and Dad saved all their lives, but children cannot afford to pay.

Does the £20,000 proposal cover Wales as well as England? Salaries in Wales much lower do we still have to pay equal amount?

Insurance - Private Insurance

Will the private companies be able to produce the money? Banks have failed, as have insurance companies in the past, so who is to say they will be able to pay out? There are a lot of issues here.

Strong preference for taxation.

We have private insurance for pensions. People's pensions have reduced drastically - who is to say the same would not happen for care?

Contributions would have to be mandatory, otherwise people just would not pay (though they would still expect to receive care).

Should everyone qualify? For example, should millionaires still receive help? If people go into the system, then they should have help. What happens to people who enquire and are not successful, or people who do not get into the system - can they apply at a later stage?

If people are saving for pensions, why should they save for care?

Some help for all?

- Sliding scale
- People who put in should be able to take out
- Also brings people into the system and so starts a relationship
- Would stop people being excluded from system.

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

Currently Attendance Allowance is not means tested. In the future will it be:

- Means tested?
- Capped?
- Taxable?

What happens to people who currently receive AA?

There are three separate issues:

- Eligibility for care
- Choice of care
- Funding of care

People who have capital stay out of the social services system, but receive AA, which gives them the element of choice as to what services they use. The longer we give them that choice the better. If we take AA away it also means they lose control. If this is taken away, will more people have to rely on the system and thus be placed in care sooner rather than later?

Older people value AA. If it goes to local authorities they would need to know what would fill the gap.

There would be a whole cohort of people that would then come into social services. This would impact on carers.

Older people do contribute to society. We should be looking to look after people 85 and over.

Money spent stays in the community – things like trident/warfare does not.

Assuming this is transferred to local authorities, it begs the question of how the money will be transferred.

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.

Partnership works well in Wales because we are able to liaise well with WAG.

It could be seen as stopping things that people like. People may think things are being covered up.

Everyone believes in tax.

Concerned about partnership, especially if it is not equal.

What is the state? State includes local government.

It is only okay if everyone pays - if not, those who pay will have to pay more.

It is difficult to be equal in partnership.

Workshop Session 2

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

State has paid for care since 1601.

Plan to pay for care but not directly for oneself.

Most people agree we should make some sort of contribution. Some people will not pay. If it is voluntary some people will choose not to pay, so it has to be mandatory.

We need to encourage people to plan.

State has historic role in making some provision.

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

Do not agree.

It is hard to have a discussion when we do not know what we are paying for. What is the full cost?

I am working now, so I can pay. What happens when I get older?

Statistics given by the Minister (£1.4 billion around turn of century which would rise to £1.19 billion), were not necessarily relevant. Going on those figures there is not enough money going into paying National Insurance, so there certainly will not be enough to pay for care.

We have not been asked what other taxation we could use. We are not being asked who should pay.

What about broader prioritisation of budgets?

Is everyone working? What about people who are not working and want to work? (Carers). What about those who want to contribute but cannot?

To dismiss taxation completely is wrong – is there a way of part taxation? Why rule out taxation when most people want to use it. Looking at the options, somewhere the money is going to be found. We have not been given an actual percentage tax rate. A proportion for tax – raise more money and include care. If not, part care should be paid by taxation.

Which other methods of taxation could be used? What about VAT? We need to look at it all, and consider whether more could be met through general taxation. There are a range of taxes we could use – VAT, council tax, inheritance tax.

What is the difference between taxation and compulsory insurance? Insurance would be run by the markets.

With restricted budgets, we will be faced with problems. What about priorities and who gets what health and social care?

We need to be looking at why people are not working. Perhaps we should look at encouraging them into work, and therefore contributing because they receive good benefits. Carers cannot work - some disabled people cannot work but want to work.

Stop compulsory retirement age - 65 is an artificial barrier, as we are all getting older and healthier.

Cons of Taxation

Too heavy a burden on people who are working. People with more money can afford health care – would people pay and not use it? People who invest in it would want to use it.

We do not have the facts. They have stated £8.6 billion – need to understand the figures.

Those people paying for their own care at the moment would come into the system. The most articulate could edge out the ones in most need. Many people do not know how to access the system and are often frightened. Information is the key.

If we raised council tax by 1%, this would bring a rise of £330,000. If we were to increase tax by 3p in the £ this would be worth looking into. This assumes only working people pay tax.

A lot of older people collect pensions and pay tax.

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

Not fair on those who develop care needs in comparison to those who do not. Could be luck of the draw.

How will the additional income to pay for services be found by the Government?

There would have to be some sort of means testing. If you could not afford that level you would get help.

It dilutes an already depleted pot. Some people would be left out, especially if Attendance Allowance is taken into account.

It needs to be an equitable system.

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

How would you police this? What do you do if someone does not pay?

The insurance industry has a poor record, and we would need confidence in the partners. The Government may be the preferred partner, but if that is the case why not go for taxation?

Do the insurance companies get the choice about the care you have? Would it be the cheapest option? Would it push people into residential care? Would the insurance company be able to refuse payment?

What happens if people are treated who have not paid into the system?
What happens if people are on a minimal wage and cannot afford to pay?

Eligibility for care needs and eligibility for cost should be kept separate.

People will want their money's worth, and will not pay for something they are not sure of.

This system would need to work especially with family carers. Could family members who are carers receive some sort of funding as they cannot claim? They are not being rewarded for caring. Could we have credit for carers?

We need to have incentives to nurture healthy lifestyles, especially for older people. We need to be supportive. The more a carer does, the less social services people receive. As a nation we depend on voluntary carers.

Looking at older people in comparison to the investment put into caring for children. There is not the same value put on older people. A lot of time and money has been ploughed into looking after children - after school groups, school clubs, nursery groups/childminders. People choose to have a family – you do not choose for your family to get ill!

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

This is tax again. Why put the burden on those at retirement age?

Retirement age not fixed. Set fee not guaranteed. What happens if there is not enough money to pay out because of inflation? Big tab for extended respite and this could escalate for people having care.

Could we apply to the lottery for funding?

If we are not careful we could end up with a two tier system.

If the Government is going to pay the full cost, people may do less voluntary caring and we could see an escalation in paid care.

All of the options are tax by another name.

You may be paying for services that you never had, and this might not be popular.

Lifestyle issues – if poor lifestyle leads you to have care needs, will this be taken into account. We need to look at preventative health - keeping fit with a

healthy lifestyle. Should this preventative agenda be the responsibility of NHS?

Those who retire and then go back to work do not have to pay National Insurance. Why is that? More money could be raised through that system.

We need a more transparent system. We need more detail as to why taxation is politically unacceptable.

The public will see other schemes as tax by another name, so why not say so?

People are expecting to pay.

The documents have not explored levels of risks and needs, they have just used age.

Local debates have suggested that people would rather pay something now than later.

It is vital we look at the impact of the NHS. The 'Comprehensive' option would solve some of the issues of working with the NHS.

'Death Tax' might be the least worst option.

As care areas are different, and the cost of NHS and caring are different in different areas, could credits be given?

People are fearful of the fact that no plans are in place for care. There is security in knowing there is something there.

What about people who have not been assessed in the system?

This is of course assuming that the state pension stays at the same level as it is now.

Workshop Session 3

Ways to Contribute

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

Payment made from estate – put a charge on the estate.

People would like to know where the money is going.

People who do not use the services will not want to pay.

Would interest be charged on deferred payments? If everyone deferred how would Government get funds.

What would the impact be on siblings?

Percentage payment or set amount. Or what you can afford to pay.

Premium payment - what is acceptable and how do we determine premium?

Spread over working life then people would be used to it as they are now.

Align the charge, put a charge on the property. Inheritance tax not feasible. If everyone takes that fixed fee option, money may not come into the system for a while.

We need to tackle this from both ends, so that we bring money in now. Charge people of a certain age. In the longer term bring money into the system through taxation.

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

People currently defer from accessing services because of the means test or complexity of the system etc.

Look at preventative services to limit impact/need.

Are there people not getting services currently that should get them?

We need some analysis on numbers of people who will need services. Demographic change (over 85s) is missing.

A nationally locally determined funding system

National system would not take account of local circumstances – of carers etc.

We do not want a postcode lottery.

We do not want to be led by England.

Different statutory functions in England and Wales. Some things can be determined separately in Wales, but not everything.

Postcards

These were the key points fed to the Chair on postcards for the final session of the day.

1. Not enough data on costings to make accurate judgements.
2. Options under consideration are taxation by another name.
3. Eager to hear more information about transition arrangements; and we need much more information on specific proposals (costings).
4. Don't want to set up a system that will fail – needs to be a study of the cost implications that include preventative models before debating paying for care.
5. Quality of care can only be guaranteed if people are paid well. Therefore paying for care needs to ensure ...
6. There seems to be no sense in a country going it alone when it has no means of generating income of its own.
7. Taxation is the preferred option – it's already in place. Too many pitfalls with the other options.
8. Attendance Allowance: Group 1 took the view that Attendance Allowance should NOT be amalgamated into the social care funding system. This benefit is considered central to facilitating people's independence which is a core theme of WAG's policy for older and disabled people. Also, the merge of this benefit would mean that people who currently don't use social services would then be forced to take part of the system they don't need. Is it right that social services be over-burdened in this way?
9. Block grant is a different starting point for Wales – would we 'lose' transferred Attendance Allowance?
10. Don't discount taxation – we haven't been persuaded.
11. Age discrimination in the question as to whether there should be a different system after the age of 65. Should be based on need.
12. Attendance Allowance: removing choice will reduce independence.
13. Over 65 – must be allowed to decide ALL for themselves.

14. Taxation – needs more debate, concerns about figures – need more thorough investigation into future costs.
15. Simplification of care system – new system will have to be easily understood by general public.