**Briefing for Deaf and Disabled People’s Organisations**

**Government’s health and social care reforms**

On the 7th September 2021, the government made the following announcements concerning social care reform[[1]](#footnote-2):

* Introduction of a Health and Social Care levy. The tax will begin as a 1.25 percentage point rise in National Insurance from April 2022, paid by both employers and workers
* Introduction of a cap on personal care costs. From October 2023, there will be an £86,000 cap on the amount anyone in England will need to spend on their personal care over their lifetime. This means after a person paid £96k for their personal care, they will receive care for free. Both remaining assets and income will be disregarded.
* Raising the capital threshold in social care means-test: Currently, people who have assets more than £23.350 have to pay for their care in full, and those with assets from £14k to £23250 have to pay a tariff income. The government proposes to raise those. From October 2023, savings of up to £20k will be disregarded in the means test, and tariff income will apply to savings from £20k to £100k. People with assets over £100k will have to pay for their care in full, until their assets are lower or reached the cap. It is important to remember that people with assets below £20k will have to pay for care out of their income. This mainly affects people on benefits as earnings from employment are disregarded.
* Unfreeze the Minimum Income Guarantee, which means the minimum amounts of income people should be left with will rise along with inflation from April 2022.
* Deliver more comprehensive support for the social care system, particularly for social care staff. This includes training opportunities, mental health and wellbeing support, reforms to improve recruitment.
* Improve the integration of health and social care systems.

The government promised more information on the following aspects in the Social Care White Paper later this year:

* Take steps to ensure that the 5.4 million unpaid carers have the support, advice and respite they need, fulfilling the goals of the Care Act;
* Invest in the Disabled Facilities Grant and supported housing, as well as exploring other innovative housing solutions to support more people to live independently at home;
* improve information for service users to help them navigate the care system and understand the options available to them; and
* introduce a new assurance framework and support improvement in the system, to ensure Local Authorities are delivering on their obligations for users.

**Funding**

From April 2022, there will be a UK-wide 1.25 per cent Health and Social Care Levy based on National Insurance contributions. The government estimates this will raise £36 billion over the next three years. All money raised in 2022 will go to the NHS. For the remaining two years, 5.4 billion will be invested in social care.

The paper also clarifies that this extra funding for social care is not to solve existing pressure on the system. Instead, the expectation is that demographic and cost pressures will be met through Council Tax, the social care precept and long term efficiencies.

**Our criticism:**

The announcements were mainly about funding, not broader social care reform, some detail of which is promised later in the year. However, from what we see already, we can say those proposals will not make a considerable difference to Disabled people who are already struggling to get sufficient support to live a normal life. Furthermore, these proposals will not move the UK closer to implementing he UN Convention on the Rights of Persons with Disabilities.

The reform must ensure Disabled people can enjoy their right to independent living as stated in the UNCRPD, which means being able to choose where and with whom to live, having support to live an equal life and having choice and control over this support. However, the measures announced so far do not improve choice and control for people. The reforms do not ensure there will be sufficient support to live everyday life with dignity. They will not enhance wages for care staff, and they will not prevent many working-age Disabled people from being pushed into greater poverty and hardship because they still will have to pay for care out of their benefits.

**Funding is too little to impact the real change**

In its report, the Parliamentary Health and Social Care Committee estimated that an £8 billion yearly increase is needed to restore care provision to 2010 levels[[2]](#footnote-3). With 4/5 of Directors of Social services saying they are not fully confident they have enough budget to meet statutory obligations. 5.4 billion allocated for social care will primarily go towards implementing the cap. In addition, there will be some money for training of social care workforce. However, this will not solve existing problems as the proposals make it clear that the government expects current demographic pressures and rising costs to be met through local taxes and efficiency savings. As a result, cuts to care packages will likely continue.

**The cap is a con**

The cap itself will not mean that people who spent £86k on care will not have to pay more. There are important caveats:

* The cap is only on personal care costs. All other support, such as support to engage in the community, help around the home, shopping etc., will not be included.
* There will be confusion, disputes misunderstanding of what is covered and what is not.
* If someone is in residential care, the cap will only apply to care costs. The person will be expected to pay all other expenses, such as accommodation, food etc. The choice and opportunities to economise and reduce those costs will be limited.
* The cap will only include the cost that the local authority would pay for meeting eligible needs. The current situation shows local authorities drive the reduction of support hours and the reduction of the cost. This leads to people struggling to recruit or find the support they need and ultimately are forced to top up. This may disincentivise the take up of Direct Payments, as individuals employing their PAs will have little money and small purchasing power to negotiate.

**Cap and younger disabled people**

The cap will protect people with assets but will mean little to people who cannot work, do not have a chance to accumulate assets, and pay for care out of their limited benefits income.

Although the proposals are mainly implementing recommendations of the Dilnot Commission[[3]](#footnote-4), the recommendations related to younger people who use social care was ignored. Dilnot recommended a 0 cap, effectively free care for people aged below 40. This was accepted by the Coalition government and reflected in the Care Act 2014. Although the government says the reform will benefit people of all ages, it is clear the cap will mean nothing for the vast majority of younger disabled people who did not have the opportunity to earn an income and accumulate assets.

**Unfreezing MIG is way too little.**

The only minor thing disabled people who do not have assets got from the announcement is a commitment to unfreeze the minimum income guarantee. MIG is the amount set by the government which people must be left with after they are charged for care. Those amounts depend on age, family circumstances and the level of disability benefits a person gets.

MIG levels have remained frozen since 2015. They are now almost 10% lower than they should have been if they rose in line with inflation for the last seven years. For example, a person with the most complex needs is £15 per week, worse off now in real terms. Raising MIG in the future in line with inflation will not compensate for the loss people had over the last seven years. Unfreezing MIG will mean it will rise in line with inflation. This means people still will be left with less in real terms than they were in 2015.

The Care Act legal framework is clear. No one should be paying for care more than what they can afford. However, this is a myth. MIG is effectively an instrument used to set a level of money people are left with for living costs. Although local authorities can set higher levels of MIG, financial pressures have meant tht the vast majority only adhere to minimum standards set by the government.

**Disabled people will be hit by NI rise**

People who employ social care staff will have to pay an increased National Insurance. It also will mean that those Disabled people who employ their support workers will have to pay more and will need their direct payments to be increased to reflect this.

**Nothing for carers**

Reforms offer nothing for carers, who are primarily women.Carers save the government a staggering £132 billion a year[[4]](#footnote-5) figure from Carers UK). Some of those family carers also have to help financially those disabled people forced to pay for care out of their benefits.

**Reforms will mean more bureaucracy, expense and pressure on local authorities**

Since the cap only covers personal care, there will need to be a complex system to separate personal care in care packages and track payments. This will require additional staff time and expense which will have a real impact on access to support. Now already 300,000 people are waiting for social care assessment, support or a review[[5]](#footnote-6). With higher demands on staff time and more complicated processes, this situation will likely only worsen.

**What we want**

* We want the government to be brave and bold about reforming social care. The system needs to be fit for the twenty-first century. It needs to ensure Disabled, and older people can live an everyday life in their community with the support they need and the same choice and control as others. We call it a right to independent living.
* This support must be free. At a minimum, the government must stop taking away people’s modest benefits income to pay for social care.
* Disabled people developed a model of how this support could work. We call on the government to listen to us and implement National Independent Living Service NILS. More information here: <https://www.inclusionlondon.org.uk/wp-content/uploads/2019/06/NILSS_final.pdf>

Any reform must work for people who use care. We have criteria by which we will judge success. More information about this is on our [website](https://www.inclusionlondon.org.uk/campaigns-and-policy/act-now/act-now-make-sure-our-voices-are-heard-in-social-care-reform/).

1. The details of the reform could be found here: <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1015736/Build_Back_Better-_Our_Plan_for_Health_and_Social_Care.pdf> [↑](#footnote-ref-2)
2. Social Care Funding and Workforce inquiry report available at <https://publications.parliament.uk/pa/cm5801/cmselect/cmhealth/206/20604.htm#_idTextAnchor013m> [↑](#footnote-ref-3)
3. Dilnot Commission recommended a 0 cap for people under 40, see page 24 <https://webarchive.nationalarchives.gov.uk/ukgwa/20130221121529mp_/https://www.wp.dh.gov.uk/carecommission/files/2011/07/Fairer-Care-Funding-Report.pdf> The government accepted those recommendations and this was reflected in section 15 of the Care Act, which allows different levels of cap to be set. [↑](#footnote-ref-4)
4. Estimate by Carers UK <https://www.carersuk.org/news-and-campaigns/press-releases/facts-and-figures> [↑](#footnote-ref-5)
5. ADASS survey 2021 <https://www.adass.org.uk/adass-new-rapid-survey-findings> [↑](#footnote-ref-6)