

## Consultation on the distribution of funding to support the reform of the adult social care charging system in 2023 to 2024

### Extension of the means test

1. **Do you agree or disagree with the proposal to use the ASCRU-PSSRU means test extension formula for people aged 65 and over (2022) for distributing means test funding for people aged 65 and over in 2023 to 2024?**

**neither agree nor disagree**

Whilst the Council's preference is for a formula more closely aligned to relative needs there is a lack of clarity as to whether the data used to inform the formula is representative of the potential needs.

There is also a question as to whether the overall quantum of funding is sufficient to meet the cost arising from the proposed reforms.

The proposed charging reforms come at a time of other significant reforms of social care and following the backdrop of a global pandemic which has severely impacted social care demand.

The funding for social care is already complex and the way in which funding is being considered for these reforms is going to further exacerbate this.

Currently social care is funded through a mix of social care precept which relies on the ability to raise taxes locally. Improved Better Care Fund which is directed via a s31 grant and part of the Council's spending power and Better Care Fund funding directed via Integrated Care Boards through the minimum social care funding. This is in addition to funding included in the Council's formula support grant.

It is now proposed to fund these reforms via a specific grant adding another layer to the funding. There is also the market sustainability funding for which proposed allocations are yet to be announced and it is unclear whether the quantum will be sufficient to meet the cost implications of paying a fair cost for care.

It would instead be preferable to consider all the proposed reforms and the current and projected future needs for social care as a whole and consider the most appropriate method for doing this taking account of relative needs including the ability to raise funds locally.

2. **Do you have a preferred approach for distributing means test funding for adults aged under 65 in 2023 to 2024?**
- **option 1 – ASCRU-PSSRU means test extension formula for people aged 18 to 64**
  - **option 2 – per capita (people aged 18 to 64) distribution formula**
  - **option 3 – ASCRU-PSSRU means test extension formula for people aged 65 and over (2022)**
  - **other**

The points above are just as applicable to this question but the preference is for a distribution that considers the relative needs and is most closely aligned to that need.

The preference in this case would therefore be option 1 but there is still the lack of clarity around sufficiency and the inclusive metrics as to the alignment to actual need.

### **Cap on Care Costs**

3. **Do you agree or disagree with the proposal to distribute cap funding in the same way as means test funding for adults aged under 65 in 2023 to 2024?**

Disagree on the grounds already raised in response to Q1 in that there should be an overall single approach to funding adult social care.

### **Additional Assessments**

4. **Which option do you prefer for distributing £247 million of funding for assessments in 2023 to 2024?**
- **option 1 – ASCRU-PSSRU assessments formula (utilisation approach) 2022**
  - **option 2 – ASCRU-PSSRU assessments formula (normative approach) 2022**
  - **option 3 – ONS estimates on the number of self-funders**
  - **none**

Again, the same comments apply regarding the overall funding but the preferable option from those outlined is option 2.

Option 3 does not take account of those people who are having care provided by informal means and have not come forward for an assessment due to their financial position.

Option 1 whilst applying a relative needs approach it could underestimate those coming forward for an assessment as it considers those who meet the criteria for support rather than the potential number who may request an assessment who do not go on to receiving support and the additional demand from complaints and reassessments.

Whilst option 2 is the preferred method it is not without its limitations and uses a relatively small national data set to inform the method of distribution. It is however a much broader methodology which would overcome the issues identified in response to option 1.

**5. Is there anything else about the options for distributing funding that you wish to comment on**

The funding allocations proposed are for 2023/24 only and this is a very short-term approach to funding something as fundamental as social care.

In Gateshead Adult Social Care represents the largest budget and the area with the highest demand pressures. The lack of clarity around funding for the reforms as a whole and beyond the very short term makes it difficult to budget and resource effectively without risk to the Council.

There is a variation in the way in which assessments are conducted and the extent to which Council's have been able to maximise the use of online assessments. Consideration has not been given to pump prime funding (available to bid for) to drive forward digitisation and therefore assist in supporting the impact of the reforms.

Whilst we agree the social care funding system requires systemic changes, we are concerned that the changes are focused on addressing the issues associated with maintaining personal wealth, as opposed to addressing the underlying structure of social care funding. Additionally, the raft of legislative and policy changes planned within the next 24 months are creating a significant change management burden.