



DEPARTMENT OF HEALTH AND SOCIAL SECURITY

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From the Secretary of State for Social Services

Paul Gray Esq
Private Secretary
10 Downing Street
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10 March 1988

NB PM at
this stage.

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Dear Paul,

SIR ROY GRIFFITHS REPORT ON COMMUNITY CARE

My Secretary of State recently met with Sir Roy Griffiths to explain the arrangements which had been agreed for the publication and subsequent handling of his Report on Community Care. At the meeting Sir Roy asked if the attached summary of his views could be conveyed to the Prime Minister and Cabinet colleagues most closely involved in the handling of the Report.

I am copying this letter to Alex Alan, Miss Rutter and Roger Bright.

Yours sincerely,
G J F Podger

G J F PODGER
Private Secretary

SPEAKING NOTES FOR MEETING WITH SECRETARY OF STATE,
TUESDAY, MARCH 8th

1. I feel my enforced absence has raised some problems with the handling of the Report. I can understand that with all the current problems of the Health Service the last thing you really want at this time is a major report on Community Care. I nearly said "contentious report", but any report designed to answer the heavy criticisms of the Audit Commission and others is bound to raise the level of decibels. The problems have to be faced however; they are serious and urgent and that is why the review was set up.
2. You may find it astonishing, but I tried to make the review as non-contentious as possible. The Report emphasises that I am seeking the clarification and reorientation of largely current responsibilities and providing the framework to make them work.
3. You may be unhappy about the local authority role. They actually have the main role already in looking after people in the community, but it is badly defined, badly funded and concentrates on the wrong thing, i.e. provision of services instead of defining need and arranging for services to be provided through the private sector.
4. The Audit Commission pointed out the problem of perverse incentives. If the ready availability of social security for residential homes is not checked we shall, as the Commission pointed out, in a few years have an institutionalised society. The whole thrust should be to keep people in their own homes. You only do this if you remove the incentives which allow local authorities to put people into residential accommodation because they cannot provide the alternative care. The solution talks about putting local authorities into a position of financial neutrality.

If we are not prepared to tackle the entitlement issue, then we ought not to have set up the review. Simply to narrow the gateways to social security by providing a panel system of approval of the applicant will not resolve it. The people deciding

on various forms of care must carry the financial responsibility. Local authorities will never shoulder their responsibilities to look after people in their own homes if we leave them with the easy alternative of putting people on to social security. It further means that at present a large amount of money is spent on some individuals with little available for what may be the better alternative of keeping them in the community. I believe the proposals are a neat way of controlling the position.

5. I have discussed with you before the political concerns about the local authority role. The review leaves present community care responsibilities with the local authorities. The grant system enables them to do the job but gives control to Government, particularly in the major policy areas such as closure of large mental hospitals. I believed the recommendations to be consistent with what is emerging as current Government thinking on local authorities, i.e. closer financial control through the type of planning framework as recommended. Secondly, it is consistent with the Government thinking that local authorities should not be providers of services, but should be ensuring that services are there by buying them in.
6. There may be reservations as to whether local authorities will be even handed with the private sector. There will be protections for the private sector:-
 - a) There is no incentive and indeed financial disadvantage for local authorities to increase provision of local authority part three accommodation.

Secondly, I am suggesting that even in those areas where local authorities may have some justification for wanting to increase their own accommodation, they have to get central approval. Local authorities will, of course, be more free to provide forms of care other than residential accommodation.

We may get some opposition from the private sector because of their dislike of local authorities, but it is generally recognised that the owners of residential accommodation have been in a bonanza position for some years and there has to be some effective control.

- b) As to non-residential services, home helps etc., local authorities will be required to show that in all areas they are giving customer choice and are involving the private sector. They do not have to do this at the moment.
 - c) Central government will require as part of the plans submitted for approval an indication of the extent of involvement of the private sector. In extreme cases where for ideological reasons a local authority does not wish to involve the private sector then the specific grant can be withheld.
7. I occasionally meet the statement that local authorities are profligate. I have no evidence of this over the past 15 months in community care. They could of course be more efficient. In the long run unless it is checked, nothing in the public sector will be regarded as more profligate than the open ended availability of social security for residential accommodation.

8. What are the alternatives?

- (i) Giving an even more extended role to GPs?

A much more active role for GPs is recommended in the Report, but I do not believe we can or should extend the GP's role to the arranging of care or co-ordinating the many bodies involved in looking after an individual in the community. Nor would an extension of the role of Family Practitioner Committees be advisable - they barely do their present job and it is ludicrous to conceive of the present Committees and their limited staff getting involved.

- (ii) Giving extended responsibility to Health Authorities?

I believe this would be the genuine political nightmare for a number of reasons:-

a) One of the major problems of the Health Service is the ever increasing proportion of beds taken up by older patients in long term accommodation when they are not substantially requiring medical care. The accommodation provided is additionally very expensive and they cannot charge for it.

We badly need to differentiate between the Health Service role of medical care involving in almost all cases comparative short stay and the role of non-medical care, which I believe is the local authority role, and which they should provide largely through the private sector. The distinction can never be quite precise, but unless we attempt it the Health Service will be swamped by long stay elderly and handicapped people. Additionally the distinction between hospital non-medical long-stay accommodation, nursing homes and residential accommodation is increasingly meaningless. The average age of people entering residential accommodation is rising and they increasingly require caring attention but not necessarily medical attention and assistance.

b) The culture and organisation of the Health Service is such that if we are adding further responsibilities in community care Government Ministers will be answering endless questions about shortcomings in community care. It is already a local authority responsibility and should be left there at local level subject to the modifications and framework proposed.

c) The Health Service has enough on its plate at the moment. It needs a period of consolidation to concentrate on present management and on any recommendations coming out of the NHS Review. The

latter Review makes much more sense in the public/private sector mix if we accept that the Health Service is essentially about medical care. Local authorities on the other hand have the staff to do the job required; they simply need reorienting and to be controlled and held accountable. If they are deemed incapable then we should at least wrap up the social services departments because their present role is unsatisfactory.

9. The recommendations should be given serious consideration. I reiterate that they are designed to cause minimum turbulence in the sense that I have not recommended major new authorities and major new alignment of responsibilities. I have largely concentrated on trying to clarify and make possible the existing roles of existing authorities. The proposals give a whole variety of levers for Government to use to control the position and re-direct at any time the emphasis of community care activity without taking detailed responsibility for the activity.

I would like to underwrite the request in my letter to you last Thursday that I should be given an opportunity to explain to Senior Government Ministers before any decision is taken to mute the proposals immediately and to seek alternatives which, whilst being less satisfactory, may possibly (?) be more politically acceptable. I have recommended an important next stage in any case to work out the detail and this gives an opportunity to modify or re-direct the emphasis but not, I hope, to change the basic proposals.