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PRIME MINISTER

Community Care  
Meeting of Ministers, 19 April 1989  
Steering Brief

PAPERS

1. The papers for this meeting fall into three groups:

- i. Care of the elderly, the main paper of 17 April by Mr Clarke on which both Mr Moore and Mr Major have commented (minutes of 17 and 18 April);
- ii. Mental illness, a paper of 14 April by Mr Clarke;
- iii. Community care in Wales, a paper of 7 April by Mr Walker.

(In addition, Sir Roy Griffiths has sent in a further minute, registering 'basic disagreement' with both Mr Clarke's papers and giving some support to the approach adopted in Wales; but he has not circulated this to the Group).

DECISIONS

2. You may wish to use this meeting to complete the Second Reading debate begun last time. You may in particular wish the Group to concentrate on care of the elderly (papers at (i) above) and decide in principle whether to accept Mr Clarke's proposal to give new responsibilities to the Health Authorities. This would mean rejecting the bigger role for local authorities proposed by Griffiths or the creation of a new agency. If there is time, you may also wish to identify any further work which the Group wants done on mental illness (paer at (ii) above). Mr Walker's paper is a factual description of the policy in Wales and does not need separate discussion.

CARE OF THE ELDERLY

3. Mr Clarke's approach has received some support from both Mr

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Major and Mr Moore but there are nonetheless important policy differences between them. The best way of cutting through the complexity may be to concentrate on key issues which are unclear or disputed:

i. Timetable. Mr Clarke proposes gradual implementation because of the Health Authorities' involvement in NHS reform. But the detail is not clear. For example, he wants to "test out our proposals on a voluntary basis over the next two years". You might ask for a precise timetable, showing the new responsibilities assumed at each stage.

ii. Care test. This seems essential so as to contain expenditure on income support for residential care. But it needs to be presented positively, and it needs to be effective (the official paper attached to Mr Clarke's minute states that a care test alone is extremely unlikely to have a significant impact on the growth of social services expenditure (page 3, paragraph 2). You may wish to establish who would carry out the test, what sort of test it would be and what effect it would have.

iii. Budgetary responsibilities. This is where the central disagreement lies. Mr Moore wants DHAs, as the assessing authority, to have a single budget covering both domiciliary care and the care element in income support for residential care, from the beginning. Mr Clarke says that he does not rule this out eventually but wants to begin with a more modest budget for arranging domiciliary care. Mr Major does not want DHAs to have budgets at all (other than for running costs), although he would be prepared to increase grants to local authorities and voluntary bodies. You may want to go through the issues, exploring in particular the ability of DHAs to take on new budgetary responsibilities and the possibility of a long-term approach which began with Mr Major's position but aimed at Mr Moore's approach in the long term (Mr Major concedes that a joint budget "is a proposition that I am sure we should keep in mind":

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paragraph 5 of his minute).

iv. Resource implications. Mr Clarke says (paragraph 14) that he does not see his proposals as leading to a net overall addition in public expenditure, "save possibly on start-up costs"; but this is "as compared to the increase expected on present trends". You may wish to ask the Chief Secretary for his view, and if necessary for a further detailed note on costs prepared by him and Mr Clarke.

v. Griffiths report. You wanted to accept as many of the Griffiths recommendations as possible. Mr Clarke has not yet considered this. You might ask for a paper setting out the Griffiths recommendations one by one, and advising how many are acceptable or could be adapted to a DHA solution. You could give a steer towards accepting as many as possible.

#### MENTALLY ILL

4. On the mentally ill, you will want to consider whether you accept Mr Clarke's views that:

i. the policy of moving people into the community is "sound" but that implementation has been poor in some areas;

ii implementation can be improved by the package proposed in his paper;

iii. the package should be announced "soon", without waiting for the outcome of the current review of the effects of present policy.

Decisions are unlikely at this meeting, especially because there is so little about the cost of the package. As a next step, you might ask for the Department of Health to discuss the cost of each item with the Treasury and put in a further note setting out the result.

ADW.  
R T J WILSON  
Cabinet Office  
18 April 1989

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