

Prime Minister

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The formal statement of the
Community Care phasing
(You saw he
attended draft
oral statement
last night).

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From the Secretary of
State for Health

17 July 1990

Norman

At the meeting of E(LG) on 4 July it was decided that the implementation of community care policy should be phased, and we were asked to agree the form of the phasing. I am now writing to record for colleagues' benefit what that phasing will be.

Phase I - From April 1991

- The mental illness specific grant will be introduced.
- The specific grant in support of voluntary sector services for those who abuse alcohol and drugs will be introduced.
- Local authorities will be asked to have in place new inspection units and complaints procedures.
- Development will continue on improving the new planning arrangements and on assessment and case management procedures and the realignment of commissioning and providing responsibilities within social services departments.

Phase 2 - From April 1992

- Formal shared community care plans will be required by 1 April 1992 by local and health authorities. Development and pre-implementation work on other changes needed prior to implementing the new benefit arrangements will continue.



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Phase 3

- From April 1993 the new benefit arrangements will be in place and the policy will be fully implemented.

I hope that this phasing will enable us to keep up the momentum of a policy which enjoys widespread support and on which a good deal of constructive energy has already been spent in the field.

I have carefully considered the proposal made at E(LG) to implement the "Caring for People" benefit changes but only for people below (say) sixty years of age, and have discussed it with Tony Newton. The proposal has considerable attractions in terms of making an early start with implementation of the main proposals, but I have concluded that it runs too many risks - because of its emphasis on the younger age groups, and the unreliability of the numbers of such people in residential care and nursing homes as an indicator of the needs local authorities would be likely to face. To go ahead with this group, I believe, would be inconsistent with the wider judgement we have reached in relation to the proposals as a whole.

I attach a statement incorporating these proposals and also details of the small specific grants that I will announce tomorrow.

I am sending copies of this letter and the enclosure to the Prime Minister, other members of E(LG) and Sir Robin Butler.

A handwritten signature in black ink, appearing to be 'K. Clarke', written over a horizontal line.

KENNETH CLARKE

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STATEMENT ON COMMUNITY CARE

With permission, Mr Speaker, I wish to make a statement about the Government's policies for improving care in the community for elderly, disabled, mentally ill and mentally handicapped people. A similar approach is being taken by my Rt Hon Friends the Secretaries of State for Scotland and Wales [and Northern Ireland]. Their plans will be announced separately in written answers today.

Our policies are aimed at improving social care services by ensuring that they are properly tailored to the needs of individual people. This requires a clear, locally determined, set of priorities, and effective collaboration between public, private and voluntary agencies. Our proposals are linked to changes in the financial arrangements for people needing public support in residential care and nursing homes. Local authorities will take over a new responsibility to assess the individual needs of people and meet the costs of residential or domiciliary care for the particular person in need.

As we have already said, the Government recognises that the local authorities would need adequate resources to enable them to discharge their new responsibilities. The Government will transfer to the local authorities the resources which it would otherwise have provided to finance care through social security payments to people in residential and nursing homes.

I reaffirm the Government's commitment to the totality of those policies, which have received a very wide measure of support.

It has always been clear that the new policies represent a substantial new responsibility for local authorities. Before we implement the new proposals in full the Government must be satisfied that local authorities can sensibly take on the new duties in a way that is both fair to the people who require services and fair to their local taxpayers.

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Since I announced the Government's proposals last July it has become overwhelmingly clear that many local authorities are not managing their services and their spending so that they deliver good quality services effectively within reasonable spending limits. In many cases, local authorities have imposed excessive levels of community charge on their residents.

In these circumstances, it is only sensible for any additional new burdens on local Government in 1991-92 to be kept to an absolute minimum. Local authorities have made it clear that the changes we propose in community care would lead to many authorities increasing their expenditure and their levels of community charge. This would place a further unacceptable burden on chargepayers.

The Government has therefore decided that it would not be right to implement all the new proposals for care in the community simultaneously on 1 April next year. Implementation will instead go ahead on a phased timetable so that local authorities have longer to come to terms with the need to discharge their duties efficiently and at a cost which their community charge payers can afford.

I intend that as far as possible, the momentum of preparation for the new policy which has already been achieved should be maintained.

In phase 1, from 1 April next year, I propose to introduce the new inspection units within local authorities and new complaints procedures. Next year development work will continue on the new planning arrangements, assessment and case management procedures, and the realignment of commissioning and providing responsibilities within social services departments.

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In phase 2, from 1 April 1992, I intend to implement the new planning arrangements for local authorities and health authorities; and to continue with the remaining development work.

The new system, including the new benefit arrangements, will be fully implemented from 1 April 1993.

The cost of phase 1 of these proposals in 1991-92 has been taken into account in the figures for the local authority settlement which my Rt Hon Friend the Secretary of State for the Environment expects to announce shortly.

Help through special income support payments will continue to be available to people in private or voluntary residential and nursing homes until phase 3 of the revised programme is implemented. The White Paper proposals on preservation of benefit rights for people already in homes will also be implemented from April 1993.

There are also three other important developments which will be implemented straightaway from 1 April 1991.

First, the new specific grant in support of services for mentally ill people will start from next April. I am confident that this grant will encourage closer co-operation between health and local authorities. It will ensure that local authorities will in future give higher priority to services for this group. The grant next year will be paid at the rate of 70 per cent and will support total expenditure of £30 million.

Second, the new specific grant for local authority funding of voluntary bodies providing services for drug and alcohol misusers which the House voted to include in the NHS and Community

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Care Act three weeks ago will commence in 1991. It will be paid at the same rate as the mental illness specific grant and support expenditure of £2 million. Like the grant for mental illness services, this will promote the development of more services for a group which has often been afforded low priority.

Third, the specific grant for training of social services staff will be increased to support expenditure of £35.5m in 1991-92. That is £7.5m more than in the current financial year. This will enable us to extend the support at present available to those working with the elderly and children to new groups of staff working with mentally ill, mentally handicapped and physically disabled people. It will also enable us to increase our support for post qualification training.

Together, the expenditure supported by these three grants amount to about £70m. This has been taken into account in the 1991 settlement for local authority spending details which my Rt Hon Friend expects to announce shortly.

The new policies for care in the community have been also universally welcomed and they will undoubtedly be put into effect.

We are proceeding on a phased basis because of the problems posed by excessive levels of community charge. I hope that everyone will take advantage of the extra time to ensure that they will be even better prepared for successful implementation over the next three years.

