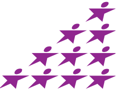

Local Government Association

GARDEN SERVICES

COUNCIL

fair care campaign

putting **people first**

facing facts and tomorrow's reality today: the cost of care

fit for the future: a new vision for adult social care and support

social care funding should enable people to live their everyday lives the way they choose

> "The funding debate naturally extends beyond sole considerations of money into principles regarding access and entitlement."

introduction

This publication is the second in a series of Local Government Association (LGA) papers on the future of social care. The first, *Our lives, our choices* set out our initial thoughts and explored how a simplified, locally-based system of care and support could address a number of the challenges which make the current system unsustainable.

This second paper looks in more detail at one of the central issues facing the future of adult social care and support: funding. We take a broad perspective on the topic to examine three issues:

- the current system of funding and the current costs of care and support;
- the future cost of care and support;
- making the most of the money available.

The funding debate naturally extends beyond sole considerations of money into principles regarding access and entitlement. This paper does not attempt to answer the intricate funding questions that regularly surface in conversations on adult social care. Rather it seeks to highlight some of the key issues, clarify key (and linked) problems, and offer thinking on possible options and solutions. The third, and final, paper in this series (due Spring 2009) will put forward a more detailed proposal for a future model of adult social care and support.

summary

- There is a lack of awareness about the fundamentals of social care funding. Care and support is not universally free although the majority of the public are not expecting to have to pay for their future needs.
- The eligibility system and means test are leading to a shortfall in care, despite councils providing a range of services for people without an eligibility or means test assessment.
- Councils are currently contributing nearly 40 per cent toward total social care expenditure through council tax. This is not sustainable as we enter a period of increased demand for services.
- We need a greater focus on prevention and early intervention, better use of technology and stronger partnership working between councils and the NHS to make the most of our resources.

funding and costs

dispelling a common myth

In this section we set out the facts and context to adult social care and support funding. The starting point to this discussion must be an understanding that social care is not universally free. For those in the sector, this may perhaps seem too obvious a point to make but for those outside it, this could well come as a surprise. Some of the common (mis)perceptions of social care are considered below:

- in his presentation to the first national care and support stakeholder event in May 2008, David Behan, Director General for Social Care at the Department of Health, discussed polling that showed "the majority of people believe that social care is provided free by the NHS";
- in the same presentation Behan noted that "one in five people are unable to describe what they understand social care to mean";
- in ICM Research polling carried out for the Right Care, Right Deal coalition in 2007, 62 per cent of people polled did not know how much they might need to pay for their social care needs;
- in GfK NOP polling carried out for the LGA in 2008, over half those polled would not approach the council for means tested services and 60 per cent would not pay for it privately. This suggests that the majority of people are not expecting to have to pay for social care.

Such evidence paints a picture not only of a service that is misunderstood but also of a term – 'social care' – that is nebulous and vague. Irrespective of the various funding issues that may or may not need to be resolved, the LGA is therefore calling on local and central government to be clearer with the public about what 'social care' is, what it is there to do, and how it works. Even 'care and support' – the topic of the national debate – is a vague concept, and the fact that support which might be seen as part of it is potentially available from eleven public agencies, shows the difficulties in defining it.

A useful starting point in explaining the system is to be clear that national taxation does not fund a free system of social care for us all. Instead there are two main determinants that dictate whether an individual will have to fund their own care and support. The first is whether an individual's council will arrange and provide the services they require to meet their needs; if the council does not, the individual will have to arrange and pay for care themselves. Councils make such decisions through Fair Access to Care Services (FACS) policy, under which councils are free to set their eligibility criteria threshold (the level of need at which a council will support a person) depending on their resources. This defines the level of need (low, moderate, substantial or critical) at which a council will provide relevant services. Figure 1 illustrates the types of service available at each threshold.

> "The starting point to this discussion must be an understanding that social care is not universally free."

> A substantial number of people who need more than "a little bit of help" are not getting the support they need.

indicators for service provision		
level of assessed need	**types of service to meet need**	**expected outcome**
Critical People who are in a crisis situation, or at serious risk.	• Joint assessment with health to agree appropriate response to health care needs in their own home. • Admission to care home or similar on a long or short-term basis. • Rehabilitative services. • Intensive care package at home. • Equipment or adaptations. • Support to ensure use of services provided (eg transport, escort). • Individualised support during the day.	• Risks to life and threat of harm removed/substantially reduced. • Aim to achieve long-term stability. • Aim to maximise independence.
Substantial People, or carers, who are having significant difficulties coping or who are at significant risk of harm.	• Admission to care home or similar on a long or short-term basis. • Rehabilitative services. • Intensive care package. • Equipment or adaptations. • Appropriate support during the day.	• Risks to life and threat of harm substantially reduced. • Aim to achieve long-term stability. • Aim to maximise independence.
Moderate People, or carers, who are finding it hard to cope but there is some risk to their health, safety or independence.	• Support in their own home. • Day support outside the home. • Short breaks or respite care. • Support to ensure use of services.	• Situation remains stable. • Long-term risks reduced. • Stress on carer reduced.
Low People whose quality of life could be improved but their current situation is stable and there is no risk to them or their carer.	• Advice about preventative services. • Frozen meals. • Shopping service. • Leisure services.	• Situation remains stable.

Figure 1: examples of services available in eligibility thresholds

The FACS system works, but only to an extent. In the simplest sense it does provide a framework that assists councils in identifying those of their residents who have the greatest need. But because grant funding is not keeping pace with the numbers of people needing services, nearly 75 per cent of councils today can only afford to provide care to people assessed as having 'substantial' or 'critical' needs, although many also provide services to improve quality of life and support everyday needs such shopping, transport or leisure services which their residents can use without any assessment. But this means that a substantial number of people who need more than 'a little bit of help' are not getting the support they need and, in relation to the 'expected outcomes' above, seeing risks to their longer-term wellbeing not reduced at all. This contributes to the perception by many that FACS is a negative policy, keeping people out of the system rather than helping them into it to support their needs.

The problems with the eligibility criteria system have also been highlighted in a recent review of FACS policy conducted by the Commission for Social Care Inspection (CSCI), the national body responsible for regulating, inspecting and reviewing all adult social care services in England. CSCI's report, *Cutting the cake fairly*, concludes that the system for assessing an individual's eligibility for publicly-funded social care is flawed. It also suggests that every individual, irrespective of their needs and resources, should be entitled to a minimum entitlement of advice and information to discuss their care needs.

It is not the case that councils do not want to help all their residents – we know from our research that they do. But with limited, and ever tighter budgets, funding for social care becomes a political decision based on what local people want. And for whatever reason social care does not (yet) have the same profile amongst the general population as, say, local NHS services – despite the fact that one in four of us are likely to need some form of social care and support in the future.

The second determinant of whether an individual will have to fund their own care is a financial means test. If an individual's needs match the level at which their council provides care and support, they will still have to pay all their care home fees if their savings or assets exceed £22,500. Charging for help at home is more variable and does not take into account the value of a person's home, but a person with savings of over £22,500 may still pay up to the full cost of help at home.

The eligibility system and financial means test are, without question, leading to a shortfall in care, despite councils spending, on average, £1.63m (£244.5m in total) on adult social care that people can access when they need it and without a formal assessment. The Commission for Social Care Inspection estimates, for example, that approximately 6,000 older people with high support needs, and 275,000 older people with lower support needs, receive no services and have no informal care. These numbers will only increase in the future.

“The eligibility system and financial means test are, without question, leading to a shortfall in care, despite councils spending, on average, £1.63m (£244.5m in total), on adult social care that people can access when they need it and without a formal assessment.”

how social care is funded

Whilst it may be less of a revelation than finding out social care is not universally free, it may also surprise some people that social care and support is not funded solely by central government. Rather, as the local government finance system is based in part on the relative resources a council can draw on, services such as adult social care are funded through a combination of central and local government funding. Unpaid carers, generally family and friends, together with support provided by local voluntary and community groups are a further crucial part of the funding equation.

“ We estimate that government is contributing 61 per cent of the cost of social care, compared to councils’ estimated 39 per cent. This would mean that council tax is funding £5,332m of social care expenditure, equal to just over 20 per cent of total council tax requirement. ”

• total social care spend

Figure 2 below shows total adult social care spend over the last five years, up to and including budgeted spend for 2008/09.

Year	Total adult social care spend (£m)
2004/05	11,782
2005/06	12,560
2006/07	12,857
2007/08	13,116
2008/09	13,787

Figure 2: total social care spend 2004/5-2008/9
Source: Department for Communities and Local Government – Revenue Outturn forms up to 2006/07 and Revenue Account forms for 2007/08 and 2008/09

• social care funding – the central/local split

Social care is funded by a mixture of specific grants and the general grant. Analysis of 2008/09 funding indicates that non-general grant funding (including 65 per cent of Supporting People grant, Area Based grant and specific grants) is equal to £2,157m. We therefore estimate:

- total general grant funding to be £6,298m, based on social care relative needs as a proportion of total relative needs;
- total government funding for social care to be £8,454m, against a total projected spend of £13,787m.

Based on these figures, we estimate that government is contributing 61 per cent of the cost of social care, compared to councils’ estimated 39 per cent. This would mean that council tax is funding £5,332m of social care expenditure, equal to just over 20 per cent of total council tax requirement. Based on average Band D council tax of £1,373[1], £296 is on average attributable to social care.

• social care funding – the local contribution

However, for individual councils, the picture varies considerably, with some councils funding considerably more or less than the total 39 per cent of funding provided across the whole of local government. Our analysis of three different types of council in different parts of the country demonstrates this wide variation in the amount of projected social care expenditure funded by government and the amount required to be funded by council tax[2].

Our analysis shows that the proportion of projected expenditure on social care for 2008/09 that will be funded by government ranges from 18.5 per cent to 30 per cent

to 71.4 per cent. Conversely, council tax will be required to fund 81.5 per cent, 70 per cent and 28.6 per cent of planned social care expenditure. Council tax contributions to social care would therefore account for 40.8 per cent, 37.4 per cent and 21.3 per cent of council tax requirement respectively, with the amount of Band D council tax required to fund social care expenditure being £476, £374 and £245 respectively.

This clearly demonstrates that social care is not a service funded simply through national taxation and funding. Council tax helps to meet a significant proportion of the total cost of social care funding – and the amount that council tax funds varies considerably depending on the area, council and the extent to which it is supported by government grants.

With council tax varying so considerably across the country (Band D ranges from £687 to £1,613), and with it funding a number of other council services, different areas will inevitably have more or less money available to them to spend on care and support. This is one of the factors that leads to a national variation in services and claims of an inherently unjust 'postcode lottery' that denies some people access to services that others elsewhere in the country are able to benefit from.

• carers

Informal carers are critical to our health and social care system. *Valuing carers – calculating the value of unpaid care* (Leeds University, 2007) suggests that carers save the state £87bn a year – a £30bn increase on the previous figure published in 2002.

Their role will remain critical to the system in the years ahead as a third of all men and a half of all women who reach the age of 65 will need some long-term care as they age. Three out of five adults will have caring responsibilities at some time in their lives and 6,000 people take on new caring responsibilities every day.

> “Informal carers are critical to our health and social care system. *Valuing carers - calculating the value of unpaid care* suggests that carers save the state £87bn a year - a £30bn increase on the previous figure published in 2002.”

future cost of care and support

If those are the current costs of care and support, what of the future? In May 2008, Alan Johnson spoke of a £6bn funding 'gap' for older people's social care alone within the next 20 years due to an expected rapid rise in the numbers of older people in our population. There is certainly agreement on all sides of the debate that our population is changing and that, over the next 25-50 years, the make-up of our population will be significantly different to what it is today. Expected changes include:

- a 17 per cent increase in our population to 71.1m by 2031 with 22 per cent (15.6m) of that population being over 65 (compared to 8.3m today);

“Changes to our population will mean adult social care and support services will become ever more important in the future.”

- a 38 per cent increase over the next 15 years, and a 154 per cent increase over the next 45 years, of the number of people suffering from dementia;
- a 2 per cent annual increase in the number of people with learning disabilities.

Such changes to our population will mean adult social care and support services will become ever more important in the future.

expenditure projections

In terms of looking forward we have modelled our estimated future spend based on analysis shared with us by the Personal Social Services Research Unit (PSSRU)[3], and social care spending figures provided by councils to the Department of Communities and Local Government (CLG) (Revenue Outturn and Revenue Account forms). Against this forward look we have also estimated the implications for future funding requirements from council tax, based on the current model of funding and the assumption that the proportion of social care expenditure to be funded by council tax (currently 39 per cent) remains the same.

Year	LGA estimated social care expenditure (£m)	LGA estimated funding required from council tax (£m)
2010	14,462	5,666
2012	15,590	6,033
2017	18,329	7,093
2022	21,805	8,438
2026	25,386	9,824
2031	30,758	11,903
2041	43,083	16,673

Figure 3: LGA estimated social care expenditure and council tax contribution

Over the period 2010/41, we estimate that the social care funding burden on council tax will almost treble, from £5,666m to £16,673m, unless the government increases funding for social care. We do not believe that the council tax system in its existing form would be able to absorb this additional burden. This conclusion is reinforced by analysing the impact on individual councils.

expenditure projections: council case studies

Just how far can local resources stretch? Based on the funding gap above, we have projected forward the individual council analysis (above) to develop an understanding of the implications of rising social care costs for council-funded expenditure and council tax[4].

• council 1

In the case of council 1, social care expenditure is expected to rise from just under £60m in 2008/09 to £192m by 2041. The amount funded by council tax would rise from just under £17m to £55m. The amount of Band D council tax required for social care expenditure would increase from £245 to £572.

• council 2

In the case of council 2, social care expenditure is expected to rise from £265m in 2008/09 to just over £860m by 2041. The amount funded by council tax would rise from just under £185m to just over £600m. The amount of Band D council tax required for social care expenditure would increase from £374 to £873.

• council 3

In the case of council 3, social care expenditure is expected to rise from £38m in 2008/09 to £122m by 2041. The amount funded by council tax would rise from £30m to £99m. The amount of Band D council tax required for social care expenditure would increase from £476 to £1,112.

This analysis shows that rising social care costs have significant implications for council tax. Despite the fact that such increases would be over a long period of time, council tax – and therefore the current local government finance system – will not be able to support the levels of expenditure that it would be required to support based on the current model of funding for social care.

funding the shortfall

Given the shortfall outlined above – and despite possible changes to the system and further efficiency savings – a significant amount of additional money will be needed in the future to ensure that councils can deliver the care and support services that their residents will need.

Sourcing this extra funding will not be easy. But a comparative analysis of local government social care and local NHS spend suggests that closer alignment of spend locally on the same population would go a long way in helping to prevent the development of a funding gap that could threaten the wellbeing of future generations.

Social care expenditure is a fraction of total NHS spending. CSR07 revealed that NHS total baseline spending for 2007/08 was £90,352m. Over the three years of CSR07, additional funding for the NHS will increase funding to £96,430m, £102,897m and £109,806m.

“Analysis of local government social care and local NHS spend suggests that closer alignment of spend locally on the same population would go a long way in helping to prevent the development of a funding gap that could threaten the wellbeing of future generations.”

“The resources issue must not just be about councils being efficient; it must also be about ensuring health and social care services do not develop in isolation from one another, because the interdependencies between the two areas are critical.”

If a fraction of this funding was spent on care and support in the community, aligned with social care spending, this would represent a significant increase in care and support locally. Allocating 10 per cent of the additional NHS funding over CSR07 would provide £608m, £1,255m and £1,945m to local care and support services over each of the next three years, and evidence is emerging that this investment would save spending elsewhere in the NHS.

making the most of available resources

Spending by the two sectors to finance more support for local people can also deliver valuable savings elsewhere in the system and demonstrate the efficacy of new initiatives designed to focus more on improved quality of life.

better spending and saving

Councils have a strong track record in managing their budgets and can be trusted to make the most of any additional funding within their local partnerships to continue this agenda. Efficiency statements for 2005/06, 2006/07 and 2007/08 for example, demonstrate that councils have made efficiency savings of nearly £800m.

But the resources issue must not just be about councils being efficient; it must also be about ensuring health and social care services do not develop in isolation from one another, because the interdependencies between the two areas are critical. For example, in 2002 the Department of Health announced the transfer of £100m per year from the NHS to councils to help tackle the problem of delayed discharges from hospital. After the grant was distributed in 2003 and subsequent years, councils used the money effectively, developing whole systems approaches to increase the range and volume of services necessary to reduce delayed discharge. This reduced the number of people who at any one time occupied an acute hospital bed that they no longer needed by almost 3,000.

Such an initiative, which sees councils and the NHS working better together, is important for all sides: it is important for the individuals because hospitalisation can damage mobility and renders those concerned liable to infection; it is important for the hospitals because it frees up valuable bed spaces for those who need them more; and it is important for councils because it gets (mainly older) people back into the community, and out of the acute hospital, which is generally accepted to have a negative impact on a person’s independence and wellbeing. It is also important for the taxpayer, with the estimated cost of delayed discharge in 2003 exceeding £180m, just for the cost of caring for the delayed patients.

As partners in the provision of care for around two million people, local authorities are also a vital partner in achieving the vision of a personalised NHS for individual local people. It will often be local government services, such as support from social services, and via Supporting People, which ensure that the services provided are responsive and reflect individual requirements.

prevention and reablement

In *Predicting who will need costly care* (2007) Geraint Lewis cites a number of studies demonstrating that preventive interventions can delay, or indeed avoid, admission to a nursing home. For example, one study showed that "programmes involving a domiciliary multidimensional assessment plus at least nine follow-up visits can reduce admissions to nursing homes by 34 per cent, and reduce deteriorations in functional status by 24 per cent". Similarly for people with dementia, interventions, such as the training of carers, can delay nursing home admissions by an average of 20 months.

Such evidence suggests the importance of using health and social care data to predict the risk of individuals requiring costly care in the future. The LGA and IDeA are working with the Department of Health on a project to do just this, which will allow social care and health colleagues to provide support earlier in an individual's circumstances to mitigate their risks and secure better outcomes.

The *Interim report of progress for the national evaluation of Partnerships for Older People Projects (POPPs)* also contains some helpful evidence on the impact of extra resources going into preventative services. Initial findings suggest POPP pilot sites do have an effect on hospital emergency bed-day use and that £1 spent on POPP will save £1 on hospital bed-days.

'Reablement' is a further area in which increased investment can yield significant long-term benefits for individuals. Reablement is about the offer of services to adults to enable greater independence – and crucially, greater independence living at home. In Essex, for example, reablement is a key work area, with domicilliary support staff helping individuals to safely practice the skills they need to remain in their own home. This might involve, for example, helping individuals gain confidence in tasks such as washing, dressing, cooking, and moving from room to room. Support on this final point is incredibly helpful in preventing falls, which are the most common accident amongst over-65s. They are also costly: a study by Scuffman and Legood in 2003 suggests the cost of unintentional falls is in the region of £300,000 per 10,000 population (60-64 age group), and £1.5m per 100,000 population (over 74 age group). These falls cost the government £981m with the NHS incurring 59 per cent of the costs and long-term care 41 per cent.

Leicestershire County Council have also seen the benefits of reablement. A pilot for a homecare reablement service, the council has seen an improvement in outcomes for

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service users. Based on data for 2005/06 (1,836 users) for their intake service, benefits for users included:

- 50 per cent of users not requiring an ongoing care package;
- a 30 per cent reduction in ongoing care packages for the 29 per cent of users who required some form of ongoing support;
- a 16 per cent reduction in ongoing care packages for the 18 per cent of users who were referred to other services.

These reductions in ongoing care packages saved approximately £84,000 per week for all users.

the role of technology

We live in an age of great technological advancement, with development being rapid and progress swift. Adult social care departments across the country are maximising the potential of technology – particularly through telecare – to make their money go further and improve outcomes for residents.

In North Yorkshire County Council, for example, telecare has diverted 21 people (of 42 in a pilot project) away from residential care. This has resulted in significant savings: gross savings of £6,800 per person and net savings of £4,300 per person. More importantly, telecare is transforming individuals’ lives. In one case, a young adult with learning disabilities who suffers from epilepsy and issues with continence, has had sensors installed in his home which means staff only visit when required. This has led to the individual enjoying a better quality of sleep and greater privacy, whilst also reducing staff costs.

Similarly, technology is being used to great effect in Gloucestershire, saving the council £15,000 on just three pilot clients. The first is an 80 year old woman who lives alone, suffers from visual impairment and mobility issues and has fallen a number of times. Her £501 telecare falls programme could save over £2,300 by reducing or removing the requirement for carers to visit, fees for residential care and accident and emergency admissions. The second individual is an 87 year old woman who also has mobility problems resulting from a stroke, in addition to memory and hearing problems. Her £573 stroke monitoring programme saves on carer time and potential residential care fees for six months; a potential saving of over £11,300. And the third individual is an 80 year old man suffering from mobility problems, memory loss, and falls and who relies on family to remind him to take his medicine. His £1,047 falls programme and medication adherence programme has delayed residential care for at least six weeks and prevents unnecessary accident and emergency admissions – a total potential saving of over £1,800.

conclusion

Despite councils doing all they can to make the most of their budgets we are presented with a stark truth: the current system is struggling even without the added numbers likely to need support in the future as the result of demographic change. With these additional numbers the system, if it continues as it currently does, will simply not be able to cope.

needs and means

If we, as individuals, may need to contribute over and above what we pay in tax to support a care and support system that can cope with future demand, we must be clear on the fundamentals of why we need a care and support system in the first place. This issue is at the heart of the debate on the future of care and support and is about our most basic beliefs on the provision of care services.

In an ideal world there would be sufficient resource for the full range of care and support services to be available for everyone, for free, as with the NHS. We know this is not the case now and we know this will not be the case in the future. Given this fact, and the inevitable differences in individuals' needs and means, we seek a funding system that allocates resources in as fair a way as possible.

Fairness in this context could mean a number of things: fairness of access, fairness of the quality of services provided, fairness of the opportunities those services provide. But above even these basic principles must be the principle that those who need services most must have priority access to them. This is the latter half of the oft-quoted 'progressive universalism' ethos: 'something for everyone, and more for those who need it most'. This being a principle we subscribe to, we support a means test to ensure that we direct our limited resources to individuals who themselves have limited resources but who also have high levels of need.

However, with a variety of different means-tested services possibly contributing to an individual's wellbeing, and with individuals sometimes wanting to move to new parts of the country when their needs become more severe (to be closer to their family for example) we suggest a single, transferable needs assessment and financial assessment. This would identify an individual's care and support requirements, and be the basis for judging the amount they were required to contribute to funding their care package, which would take the form of a personal budget. This would mean that if someone was thinking of moving they would be able to quite readily find out what support they could expect and what contribution they would have to make.

“ The current system is struggling even without the added numbers likely to need support in the future as the result of demographic change. With these additional numbers the system, if it continues as it currently does, will simply not be able to cope. ”

> Whatever the universal offer is, it must be communicated clearly to individuals so that they are clear about what they can expect.

clarifying the universal offer

We have considered above the 'priority' element of progressive universalism. But what of the 'something for everyone' element; the 'product' we can all expect to receive regardless of our means and needs? We believe this should cover a comprehensive information, advice and advocacy service, available for everyone and to the same standard in every part of the country.

This would be of significant benefit to the two key groups of people who do not qualify for care and support: those who can self-fund the services they need; and those who have limited resources but do not meet council thresholds of need for services. For the former group, an information and advice service would help to prevent poor choices being made on services accessed. For the latter group, the service would usefully highlight the options that are available and where else to go for support. Whatever the universal offer is it must be communicated clearly to individuals so that they are clear about what they can expect.

funding care and support

It is clear from the evidence provided that the current system of adult social care funding cannot possibly be sustained in the coming years as the numbers needing care and support services rises. It is also clear that the system of eligibility is denying people who need services access to them. We propose:

- sustained efforts from central and local government to raise awareness of what social care and support does, how it works and the likelihood of any one individual needing it at some point in the future: encouraging people to save for their future (whatever form that may take) will be made easier if people realise what social care is there to do and how likely it is that they will need to access its services;
- increased funding for care and support from central government: adult care and support cannot be sustained without a significant increase in the funding spent on a range of local services focused on improving people's health and quality of life. Such an increase will not only improve outcomes for people's lives but will also reduce the possibility that some groups receive no support in some areas of the country;
- a universal information and advice service: everyone needs to be confident in, and aware of, the options available to them to help meet their needs;
- a single, transferable assessment of need and means: to be recognised in every part of the country to ensure all need is addressed equally (though not necessarily in exactly the same way) regardless of geography;
- priority access to care and support for those with the greatest need and most limited means;
- a broad range of services accessed through one personal budget: care and support must work with individuals to design a care package that suits them and incorporates, where appropriate, all the services that the individual may want to access and benefit from.

Finding the right balance between state, local and individual care and support contributions will not be easy. And in the current economic climate the task may well be even harder given the uncertainty about public finance settlements and individuals' own incomes. But it must be done if we are to ensure that future generations of people in need are able to continue their lives with independence and opportunity.

"Finding the right balance between state, local and individual care and support contributions will not be easy. But it must be done if we are to ensure that future generations of people in need are able to continue their lives with independence and opportunity."

Footnotes

1 Calculated from total council tax requirement of £24,759m divided by tax setting taxbase of 18,031,033.

2 To undertake this analysis, we have:
- looked at individual councils social care relative needs as a proportion of the council's total relative needs, and used this to identify the proportion of the council's total general grant that can be identified as attributable to social care;
- identified the total specific grant funding each council received;
- compared total government social care funding for 2008/09 with projected expenditure on social care;
- Identified the amount of social care expenditure funded by council tax, and the proportion of this in terms of the total council tax requirement;
- estimated the amount of Band B and D council tax that funds social care expenditure.

3 The PSSRU is a joint academic research unit from three leading universities, carrying out independent research on health and social care.

4 To undertake this analysis, we have:
- projected forward current social care expenditure in each of the three councils at the same rate as PSSRU projections project increases in overall social care expenditure;
- identified how much of this expenditure would be funded by government expenditure and how much by council tax, based on current ratios of social care funding;
- identified what the implications are for council tax levels.

The Local Government Association is the national voice for more than 450 local authorities in England and Wales. The LGA group comprises the LGA and five partner organisations which work together to support, promote and improve local government.

For further information please contact
the Local Government Association at:
Local Government House
Smith Square
London SW1P 3HZ

or telephone LGconnect, for all your LGA queries,
on 020 7664 3131
fax: 020 7664 3030
email: info@lga.gov.uk
www.lga.gov.uk

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