



Sheet 6. The Care Act



Significant change is expected

What to look out for?

The imminent enactment of the Care Act, England 2015, together in 2016 with the introduction of the more directly influential funding cap and competitive tendering for social care services, is likely to mean that care in England could undergo significant change over the short to medium-term.

In the 2011 the Dilnot report sowed the seeds for key aspects of the Government's plans for long-term care funding to transform England's residential care market.

In particular:

- More individuals will be entitled to local authority financial support for a portion of their residential care fees, because of a more generous threshold for means tested support, and the application of the 'cap' on care costs.
- Individuals in receipt of a financial contribution to their residential care costs from their local authority will be able to continue their 'top-up' fees themselves, rather than having to rely on third party 'top-ups' from a family member.
- Together these changes will create a new category of 'self-funder top-ups'. Importantly, the rules and treatment of 'self-funder top-ups' are expected to have major structural consequences for the residential care market in England.

A key consequence of these 2015/16 care funding reforms will be that local authorities will have to spend more than existing projections allow if they are to fulfill their duties – which could well serve to drive care home fees downward. For businesses already existing on low margins this is likely to create difficulties.

The Care Act - a potential game-changer?

Various authorities in this field, e.g. Belinda Schwehr, Strategic Science Centre etc. have advanced several unsettling scenarios. For example, as many of the public do not currently understand care pricing all that well, the anticipated massive publicity surrounding the introduction of the funding cap in 2016 will bring people up to speed (relatively quickly) and stimulate negotiations with care home managements, perhaps leading to wide-scale fee re-negotiation.

Westthorpe Hall prepared

At Westthorpe Hall we are already prepared for this outcome and have a comprehensive re-negotiation procedure in place that also explains our pricing policy. If you have issues please discuss this with our care manager.