

STATES OF JERSEY

Health and Social Security Scrutiny Panel Long-Term Care Review

MONDAY, 18th SEPTEMBER 2017

Panel:

Deputy R.J. Renouf of St. Ouen (Chairman)
Deputy G.P. Southern of St. Helier (Vice-Chairman)
Deputy J.A. Hilton of St. Helier
Deputy T.A. McDonald of St. Saviour
Senator S.C. Ferguson
Professor M. Johnson (Panel Adviser)

Witnesses:

The Minister for Social Security
Assistant Minister for Social Security
Chief Officer
Finance and Governance Director
Operations Director
Policy Director

[15:04]

Deputy R.J. Renouf of St. Ouen (Chairman):

Good afternoon everybody. First of all to members of the media and to the public, thank you for attending today and I am sorry this is a sort of fixed set up of this table so I am sorry that some of you are in different places but it is all we can do for the moment. This is a meeting of the Health and Social Security Scrutiny Panel. We are meeting with the Minister for Social Security in connection with our review into the long-term care scheme. Now in the usual scheme of things we will introduce

ourselves as members of the panel and then I will ask the Minister to introduce herself and her team. Then we will go into question areas. I am Deputy Richard Renouf and I am chairman of the panel.

Deputy G.P. Southern of St. Helier (Vice-Chairman):

Deputy Geoff Southern, vice-chair.

Deputy J.A. Hilton of St. Helier:

Deputy Jackie Hilton, panel member

Deputy T.A. McDonald of St. Saviour:

Deputy Terry McDonald, panel member.

Senator S.C. Ferguson:

Senator Sarah Ferguson, panel member.

The Minister for Social Security:

Deputy Susie Pinel, Minister for Social Security.

Assistant Minister for Social Security:

Deputy Graham Truscott, the Assistant Minister for Social Security,

Chief Officer:

Ian Burns, Chief Officer.

Finance and Governance Director:

Andrew Hacquoil, Finance and Governance Director.

Policy Director:

Sue Duhamel, Policy Director.

Operations Director:

Steve Jackson, Operations Director.

The Deputy of St. Ouen:

Thank you. And we are also joined by Professor Malcolm Johnson, who is the adviser to our panel, and Kellie Boydens, who is our Scrutiny Officer. I should say during the questioning, Minister, I may well ask Professor Johnson to ask questions of a technical nature perhaps that you might wish to get to the bottom of or invite him to interject and ask his own questions, if he feels that is appropriate.

I hope that is in order. Minister, to begin, can I ask you to give your observations on the long-term care scheme and how it has progressed since its inception and how you hope it would continue?

The Minister for Social Security:

How long do you have, Chairman?

The Deputy of St. Ouen:

Can I also make that point? We have 2 hours. This is a comprehensive review. We have lots of areas to quiz you on. So we will try and keep our questions brief but if we could ask those of you here answering the questions to answer precisely but also concisely. So just very generally, Minister, an overview of your observations on the scheme.

The Minister for Social Security:

I think it is a fantastic scheme. It is, I also believe, very generous. It has taken quite a time, in retrospect, to get it up and running but then any new scheme as complex as this was bound to have inevitably the trial periods through which we found ourselves improving it constantly and we are still doing that; certainly with the communication side of things. I think we are beginning to communicate far more with the public, which we needed to do, to explain how complicated it is. Of course there is no one fix for all. Everybody's situation is very different. I think the inherent teething troubles that we had, we have now more or less ... well, we are hoping with this review and your possible recommendations to have it completely sorted.

The Deputy of St. Ouen:

Many of the respondents who have spoken to the panel or written to the panel have spoken about the delays they have suffered. Do you recognise that as one of the ... are they teething problems?

The Minister for Social Security:

Delays in?

The Deputy of St. Ouen:

In getting assessments and then getting the money to which they are entitled.

The Minister for Social Security:

The assessments, to be fair, did take a long time initially. Again it is a complex law and it is very difficult to move the transition period. I think everybody was calling it from the sort of health scheme then into this Income Support Law. So yes, the assessments did initially take a long time but they are far better now. Again all these things have improved and I think there was a small problem at a

time with payment to the care providers when people were not aware as to who was supposed to be paying who. That is now all sorted out. So, yes, I think we have made huge progress.

The Deputy of St. Ouen:

Are these periods between assessment and payment, and the like, are they being monitored by your department and statistics kept?

The Minister for Social Security:

The department does not have control over the list of payments that are made necessarily; just the amount that is paid. So we work very well. I think we have meetings with Health at least once a week to work out what is going on with them and with us because it is a big movement of the responsibility for certain claimants from Health to Social Security. That is all ongoing. I do not know if anybody wants just ...

Operations Director:

Yes, as the Minister has identified, we have a weekly meeting with our colleagues in Health and really that meeting is just to understand what work have we got in the pipeline, how many assessments have been done, what needs to be done, and what information is missing. In the early days, I suppose when we first started, it was a learning curve of what we were doing but the interaction between the 2 departments has much improved since then. So that weekly meeting is identifying ... if there is information missing it is the first thing on the agenda, which claimants have we got to process, what do we need to get from the claimant to complete the process. That weekly meeting is definitely now improving productivity, it is improving the turnover.

The Deputy of St. Ouen:

Are you monitoring in the sense of keeping records of the turnaround time?

Operations Director:

Yes, so we have S.L.A.s (service level agreements) within Health, as far as the assessment ...

The Deputy of St. Ouen:

S.L.A.s, just for the benefit of the public, are?

Operations Director:

Sorry, service level agreement, as far as how long things should take to process. Equally from our side once we are handed the relevant information we require in Social Security we have an S.L.A. as well in relation to what time it should take for us to process. I think it is fair to say in the early

days it was a learning curve and we are now in a different place and that weekly meeting is allowing us to identify problems within the process and identify the measurements required.

The Deputy of St. Ouen:

Yes, I understand. Minister, can I ask about reassessments because I imagine most of the work done so far has been about assessing people to come on to the scheme and that is now streamlined, as you are saying. But will people on the scheme be reassessed, how often, and is there room in the system to allow for those reassessments to happen?

The Minister for Social Security:

These reassessments during the payment of the scheme?

The Deputy of St. Ouen:

Yes. So if somebody might start off with a level 2 but their care needs might be changing who is monitoring that, how often is it being done and is there capacity within the system at the moment to provide for those reassessments?

The Minister for Social Security:

Again, Health and Social Services do the assessments with the care workers, but Steve will probably have more information of them.

Operations Director:

An assessment of the client, it could be the person themselves, it could be a family member, it could be the care home, it could be Health doing a review of the process, a review of that claim, so it can come in many different forms. But once an indication is that the care level has changed an assessment will be done straightaway through the Health team, which will then turn things back to Social Security, the change of circumstance we would then process.

The Deputy of St. Ouen:

Does it have to wait for somebody to consider there has been a change of circumstances or can the situation be looked at, say, on an annual basis?

Operations Director:

The Health team would do an annual review of claims and organise a review to see that the situation is still the same 12 months down the line, so the Health team will be able to talk to you about that tomorrow, but they do have an annual review that just checks in to make sure that care level is what is required.

The Deputy of St. Ouen:

Okay, so we will check that with them.

The Minister for Social Security:

We have also introduced the S.P.O.R. (single point of reference), which I think makes it a lot easier for a lot of people because they know exactly to that one point to get the answer they require, which I think has enabled the system greatly.

Deputy G.P. Southern:

The single point of reference, is that within the Health Department or within your department?

The Minister for Social Security:

That would be with Health. It is for reassessment.

Policy Director:

It is a single phone line and contact for people asking Adult Social Services for the first time.

Deputy G.P. Southern:

For the first time?

Policy Director:

Or any time, yes. In other words, Social Services have created a single point of contact called S.P.O.R. to make sure that everybody comes in and hits an adviser who knows how to deal with them, how to reference them to the right ... there are lots of specialities within Social Services and in the past it is quite hard to know who to phone. Even G.P.s (general practitioners) that I have talked to, who to actually get in touch with, now you go to the single point of reference and that will then take you through to the place you need to get to. Obviously if you do them more than once, yes, it is much easier contact in Social Services.

Deputy G.P. Southern:

How long from start to end? I suppose I phone a single point of reference and suggest that my auntie or my granny is getting worse, how long would the process take from that first contact to a change and in different fees being paid to the appropriate carers?

The Minister for Social Security:

That, again, has improved, but Steve will have more ...

Operations Director:

So single point referral communication will come through and then that will go through to the Health and Social Services team, within 4 hours they are allocated to a care manager. The care manager will then in the next 24 hours make sure that an assessment of needs is completed and then the first authorisation for them to be completed within 3 working days, and then that starts again the information coming through to Social Security as far as the change in circumstance, which I explained earlier.

[15:15]

Deputy G.P. Southern:

Right. The application for funding form, we were informed by people at St. Helier Community Services, is a 12-page form, which requires completion by the client, relative, friend or advocate and can only be sent out by long-term care people when all the information has been received by the social worker. It then goes on to say: "There is a 3-week limitation set on the return of this form, in which time clients are required to collect supporting evidence which might include 3 months' bank statements, award letters about their pensions, or official documents showing the current value of their investments or assets." Is that 3-week plus some time at the beginning, another fourth week, is that routine?

Operations Director:

So what you are describing there is in the application process, it is only the first time. Fifteen working days is what we are aiming to achieve and, as you quite rightly said, there can be times where information is going back and forth between the clients and the departments getting identification, proofs of the bank statements, and things like that. We are reliant on the customer to do that, before we can process. But the target for Social Security is 15 working days to get all the information in the process.

Deputy G.P. Southern:

The process happening before that in Social Services, is that a lengthy one?

Operations Director:

That is on top of.

Deputy G.P. Southern:

That is on top of?

Operations Director:

That is on top of what I have described, yes.

Deputy G.P. Southern:

So it might take 4, 5, 6 weeks to process if it is straightforward and all the information comes in?

Operations Director:

That is on the application but if somebody is already on income support, for example, we would already have a full understanding of that individual so there would be no need to fill in a long application. So if it is an income support claim we can expedite that because we have got full details around the individual. So we would do a short form for that individual because we have got, say, an understanding of their circumstances of that individual, we have got bank statements and things like that.

Deputy G.P. Southern:

But a new application might take a period of 5 or 6 weeks?

Operations Director:

It can, depending upon the information coming back from the customer.

Deputy G.P. Southern:

It may be further extended?

Operations Director:

Depending on that information coming back.

Deputy G.P. Southern:

Okay.

Chief Officer:

One of the differences for us in terms of the means testing in Income Support and the means testing of long-term care is the complexity of people's financial assets. So whereas in income support, because of the very nature of income support, we have low income perhaps, low capital, people on long-term care potentially have multiple properties perhaps or assets or trust and so on. So that can make the expiration of the date of it and the information we need, the evidence we need, much greater than perhaps we were used to and that is one of the things ...

The Deputy of St. Ouen:

But can I ask why? Because if they have got multiple assets they will not generally be claiming long-term support, will they? They will just be paying their own way until they reach the care cost gap.

Chief Officer:

Those individuals who are perhaps closer to the asset limit or means-tested limit or perhaps ... and of course that is very important that we do explore with those individuals their full financial makeup, and I think the complexity of some of that is something that has taken us, perhaps in hindsight, a bit by surprise and has added to perhaps the toing and froing more than we would have liked basically.

The Deputy of St. Ouen:

I understand.

Policy Director:

You are absolutely right, people who do not need to claim any means-tested support do not have to provide any details at all other than their actual name and care level, so that is a very simple application. So if you are well-off and you understand the scheme, you are just happy to apply to get the universal benefit (i.e. means tested) in a year's time that is absolutely fine. It is people who are seeking to get some help from the government earlier and it is means tested, and then it appears they have more means than perhaps they originally ...

The Deputy of St. Ouen:

Yes, I understand. You have to investigate.

Policy Director:

So that is the other side of it.

The Deputy of St. Ouen:

But, Minister, what has been described so far is a process whereby somebody has to contact the single point of reference and then within your department you go out to them. Is there any prospect of somebody being able to apply online and to begin to fill in these details online, let us say, and provide all the financial information straightaway so that you can receive something from them, and then begin to process it?

The Minister for Social Security:

Yes, we generally tend to go to people when there is possibly a bit of a problem with mobility or capacity, in which case somebody from Social Security will go to their home because it is not possible for them to have online leads or network or be able to get into the Social Security Department. But there are various methods of application.

Policy Director:

We have thought very hard about when you first start talking to somebody about using the long-term care benefit and there are some aspects of the psychology of the person who is perhaps ill and assumes that they are going to get better and therefore talking about long-term care a little bit too soon might be hard to handle. .. So it is quite difficult. Because absolutely: “Why did we not do it straightaway, very, very early on?” but there is a counterargument to that that says it may not be the best thing to do for the person’s recovery. So we do need to take this quite carefully and talk to health professionals to make sure we are doing it at the right time. Undoubtedly there are other ways we can give people some more of that. General information upfront, let people apply when they are not ill maybe, in advance. There are other things that we can think of doing but it is ... I think Steve’s team and Health have made great progress in the last year in improving the speed of which those are processed. The claims that we are processing today we know that these are long-term care people. They know they have got long-term care needs. They know they need some help in the home or move into a care home. So that bit is separate and therefore we are just following up all the details. Prejudging that, the claim may not always be the right thing to do for that individual person.

The Deputy of St. Ouen:

Not necessarily before they need the scheme but when they recognise that they need to make a claim can you move to a position? Is it feasible that people can go online and begin filling in a form that you received with their sort of self-assessment tool? Is that going to be possible?

Policy Director:

Just again you would have to sign an online form and people who need care perhaps that does not necessarily go quite hand in hand. These people are perhaps very elderly and may not have all ...

The Deputy of St. Ouen:

They may have family to assist them.

Policy Director:

Family to assist them, yes. But we do have an online form that is available for people, but at the minute we are using a human being talking to you at an early stage, a member of your family or yourself, and taking you through the different aspects to see which bit is going to be the most appropriate to use, that you understand how the scheme is going to work for you. As the Minister said, it is a scheme that is very flexible in different ways. Giving people all the information, I mean we have been accused of providing very complicated information and too much information. That is because our current leaflet tells you all the things that are available. It does not tell you what you need. So we need to move to a system which can be more personalised in the information we give people at an early stage, it would be great. There is quite a sophisticated task to do. So we are

thinking about that and we are working very hard on our communications, on having some online tool that you can answer some very simple questions and that you can go in and get some information about what you might be entitled to.

The Deputy of St. Ouen:

Okay, that is good to know.

Policy Director:

But it is quite hard thinking that you can just bring the application process forward and put it online and that will solve all the problems. It will solve some problems but it will cause other problems as well. So we do need to keep that balance right.

Operations Director:

Just to add, we did find in the very early stages that the information was out there for the customer to read and digest, as Sue described. But we found that we needed to have kind of a triage service where a customer can come in and speak to somebody face to face or have a private meeting where people can come in and explain the benefit because it is quite complex. I think it is understanding their situation because everyone is different.

The Deputy of St. Ouen:

Yes, I am sure.

Operations Director:

We have realised through time that having those face-to-face meetings has been the better way to get the customer to understand the mechanics of how it works.

Chief Officer:

Broadly the department wants to put all its services online to allow customers to transact with us. Long-term care is part of that. The big step forward for us will be when we have digital identification available, which means we can then rely upon that; information coming from the customer as it is there's rather than have to perhaps subsequently verify it. So that will be a big step when the eGov programme that hopefully is coming soon. So that will help us in terms of moving our services online and allowing customers to transact.

The Deputy of St. Ouen:

We look forward to that. Can I ask, Minister, what happens if an applicant is not content with the assessment of need they received or the funding they have been allocated? Is there an appeals process?

The Minister for Social Security:

There is to the Social Security Tribunal but it is quite a big step to take and there has not been a single move for anybody to apply for an appeal.

Deputy G.P. Southern:

How long does it take to call an Appeal Tribunal in Social Security nowadays? It used to take a fair matter of weeks.

Policy Director:

The Long-Term Care Law along with other Social Security benefit laws usually it is the Social Security Tribunal and uses the exact same process on a first decision, first determination, the second decision, so called redetermination, and if the claimant is unhappy with the second decision then they can appeal to an independent tribunal. That creates that human rights compliant right of appeal to an independent tribunal.

The Deputy of St. Ouen:

Is that second determination built into the law and regulations?

Policy Director:

Yes. So it is exactly the same, so the Long-Term Care Law, the decision-making process is modelled on exactly the same model as is used in the Social Security Law and the Income Support Law. So we are able to ... lots of people have queries about their claim but just by talking to people we can sort most of those out. I think some have gone to redetermination, had a second formal decision made. But we have not yet had one that has gone so far it has needed to go to an external appeal. So people have been happy with the result of the things and reviewed, if you like; they have satisfied any issues they may have had.

Deputy G.P. Southern:

In the assessment process, the flexibility and discretion or the judgment is with Health and Social Services, is it not? You are administrating the funding to deliver that but the flexible end is with another department. Is it appropriate that the Social Security Tribunal is the appeal mechanism because it seems to me that it should be something ... I do not know what Health have had in the past but it should be something where the flexibility is, where the judgment is being exercised, where you are asked to re-judge rather than going through Social Security, which can only cover the second stage of the judgment, I would have thought.

Policy Director:

You are right. So we have added an extra layer of administration within the Long-Term Care Law to allow for the fact that the determination of the care needs will be made by a health professional; a social worker or a doctor or something. That process can be checked in the same kind of way with a second social worker checking it if needed and, again, we have not needed to go through that formal process yet. But it comes back through the tribunals. I am afraid I have not got the law with me but the Social Security Tribunal ... there is more than one tribunal. So there is the Medical Tribunal, so I am guessing ...

Deputy G.P. Southern:

The Medical Tribunal tends to ...

Policy Director:

I can check and tell you exactly which tribunal it goes to but it will go to a tribunal that is experienced in dealing with medical issues and issues of disability, so it will go to a tribunal that includes medical people on it.

The Deputy of St. Ouen:

Okay, so there have been no individual appeals but are there any internal reviews that are carried out and how regularly to ensure consistency of assessments and payment processes and the like?

The Minister for Social Security:

By nature of the whole introduction of the law there is a constant review on it, as you will be aware, Chairman, with the somewhat staggered introduction of it, inasmuch as it came into effect before contributions were taken by 6 months. So the whole thing has been a build-up and, as I think Steve said earlier, a big learning curve. So it is constantly under review and how we can improve this. Again, I hope this will help with that as well.

Policy Director:

The assessment by the social workers is checked through an external audit. That is done once a quarter so obviously the health professionals tomorrow will have a few more details about that. Then our processes are subject to our normal internal processes of quality assurance so Andy's team run the quality assurance for the whole department. So it has been incorporated into the general flow of all benefits, and are all subject to internal and external audits.

The Deputy of St. Ouen:

So could Mr. Hacquoil perhaps explain how you quality assure Social Security input into the long-term care scheme?

Finance and Governance Director:

Into the long-term care scheme?

The Deputy of St. Ouen:

Yes.

Finance and Governance Director:

So I guess there is a mixture and there are lots of different levels of assurance that we get. So the first line of defence, if you will, is the internal quality assurance procedures. So you would normally design ... we go from the bottom up with any process. We would have what we would call our activity matrix which sets out what the processes are, what the risks involved with those processes are, controls you will have in place. So Steven's team will maintain those. We will also have a process of sampling where we will go and check that those controls are working.

[15:30]

I will not give specific examples from long-term care. Steve may choose to. But that is the first line of defence. We also have our governance team who will go and review at normally various levels. So, one, that the procedures are in place and correct. Secondly, the procedures are being followed. So it is almost you have 2 levels, even within the department that Steve is doing or be expected to. You have then got the further levels of defence of internal audit, which is run by the Treasury Department who will, on a risk-based approach across the whole States of Jersey, choose which processes to test. So they regularly come in from the Social Security Department, and the 2 areas they tend to focus on are income support and the Social Security Fund. So they come in on an annual basis, we always work closely with them and there are some recommendations which come out of those, which we can then look to improve our controls. We have also got external audit, so when it comes through to the actual numbers flowing into the accounts the external auditors will come in and review those to make sure they are materially correct as well.

The Deputy of St. Ouen:

So Treasury have not reviewed the Long- Term Care Fund yet, is that what you are saying?

Finance and Governance Director:

They did do some work on it so it was originally scoped in that the Society Security Fund internal audit was expanded to include long-term care. We have had discussions with them about whether or not the scope of those 2 audits should be split. So there has been some work on it. I am very sorry, but I cannot recall whether or not that report has been finalised and issued.

The Deputy of St. Ouen:

We can ask Treasury as well.

Deputy G.P. Southern:

No doubt we will. Can I take you on to something very specific, which was again coming from the St. Helier Community Services people? It says that: "Section K of the long-term care application form asks where the clients want their benefit to be paid and ask for bank account details." She says: "It is not clear that clients can request payment to be made directly to their care home facility so funds are automatically personalised. Access to these funds is often difficult and as a result of the time taken people can be already in the home" and what has happened over time is that the Parish of St. Helier has built up a £250,000 debt or is owed a £250,000 debt through claims not yet through the system. Can you react to that?

Operations Director:

We are not aware of that that you are referring to. We have a fortnightly cycle of invoices that come in; invoicing happens every fortnight. As far as our understanding we are paying ...

Deputy G.P. Southern:

Is it possible that the people are in a care home and the process of applying for long-term care is still taking place, so is it in that 6-plus weeks?

Operations Director:

People could be self-funding in a care home.

Policy Director:

Yes, of course people will be in a care home some time before all these fees start. That is no different to the way it has always been. It was always like that before when Income Support did it, when Parishes did it, it has always been like that because you are quite often putting the person in care homes ...

Deputy G.P. Southern:

Because of need?

Policy Director:

... because of safety, because of need, or to move them out of hospital, it is absolutely the right thing to do. Care homes, they need their cash flow but as long as the cash flow is maintained it is not ... it can cope with the care home and will often ... and it will be exactly the same with private clients as well. Is that it will take time for them to do all the paperwork with the private client. It is not any

different. Care homes are set up to run that kind of cash flow issue. That is not really an uncommon plan. But I think most payments when they go to care homes is, yes ... so the point about the bank account on the application form, I think it is slightly out of date. I think the majority of our payments are made direct to care providers and to care homes. So the money flows directly to the care home.

Deputy G.P. Southern:

Is that an action that has changed since the beginning?

Policy Director:

I think so, yes.

Operations Director:

Yes, I was about to say we have probably made more ...

Deputy G.P. Southern:

So the fact is that long-term care has to be paid to recognise provider of care and that in most cases you are saying ...

Policy Director:

Generally.

Deputy G.P. Southern:

... that generally that is paid direct to the companies, to the recognised provider.

Chief Officer:

Is that the case when they are care at home as well?

Policy Director:

Well, yes, care at home in particular, yes, we make sure we pay providers because it is slightly more complicated. The exception would be somebody who is picking up the benefit after the care cap, so that person has been self-funding for the last year or 2. They have probably got a standing order or direct debit with the care home directly and, therefore, we are now helping with that cost. We are not paying the full amount of it, we are paying some of it, so in those cases sometimes we can pay directly to the claimant, yes. So there will be a mixture of different ways in which we pay. We are very aware of making sure that money goes to the right place and care homes do get their money promptly, as soon as they can, within reason, yes.

Operations Director:

We have a member of the team whose sole responsibility is to make sure invoices are paid, so that one person's job is administration of invoicing in terms of what would come in. It is fair to say sometimes they come in and they can be incorrect. We have to go back and cross reference with the care home that ...

Policy Director:

But that is for care at home. That is for agencies.

Deputy G.P. Southern:

For agencies?

Policy Director:

For agencies.

The Deputy of St. Ouen:

For care at home, do the agencies invoice you directly?

Policy Director:

Yes.

The Deputy of St. Ouen:

But how do you ensure that care has been delivered? Do you leave it up to the recipient of the care to get in touch with you if that person has any concerns about the care being delivered, perhaps the person has not turned up on time or does not spend the number of hours they are meant to with them?

Policy Director:

Again, you would need to talk to the Health Department and the social workers. If it is care in your own home, the social worker will take a more active role in reviewing that case, yes, so they will be checking up on the claimant on a more regular basis. The care provider has a duty of care to provide the right care, so you have a range of different ways in which any kind of lack of care would be picked up quite quickly. With the Regulation of Care Law changing next year so that the care agencies will be fully covered by Regulation of Care, that will be even stronger power whereby care providers will be under a legal obligation to provide appropriate care. It will be outside of their terms of registration if they do not provide the right kind of care at the right time and are able to ... if the physical environment is inappropriate, they also need to refer that back to the Regulation of Care people.

Deputy G.P. Southern:

But that is not in place yet?

The Minister for Social Security:

It is the first quarter next year.

Policy Director:

It is not in place yet but that should be in place early next year and that will be a tremendous advance in Jersey to have the regulation of care across the board, across both care homes and care agencies, and also the Health Department eventually.

The Deputy of St. Ouen:

What difference will it make to what you are doing now?

Policy Director:

I think it just gives reassurance to the general public that all care in Jersey is regulated at a very high standard.

The Minister for Social Security:

It has taken a long time to get there with the Regulation of Care Law and it also ties in with the Care Commission as well so that there are exactly what you are asking; watch points on care that is being provided.

Policy Director:

That is not to say the care homes are not being regulated today. Agencies are being checked today in a way that is very similar to the legal process, but obviously there is no law that underpins the agencies today. So agencies today interact with Health through what is called the approved provider framework, and they have to apply to the approved provider framework and to stay on it they also are subject to regular inspections. There is a member of staff who acts like an inspector but she is not an inspector under the Regulation of Care Law, but she performs a similar function, just in a non-statutory way. So she is already performing that very similar duty of going around and making sure that the care providers are appropriately set up, their staff are appropriately trained, that care is provided in an appropriate way. That will carry on through to the new law.

Deputy G.P. Southern:

The complaints mechanism is routed through the Health Department basically because they have the closest contact? So if somebody wanted to make a complaint that the service that they are being delivered was not being delivered?

Policy Director:

Through Health but ... so the Regulation of Care Law will be administered by the Chief Minister's Department and, as the Minister says, there will also be a separate Care Commission, so again there will be more legal routes in the future and they will not be through the Health Department. So there is that separation of duties away from Health, who does act as provider and commissioner and it all gets quite muddled up. The Chief Minister's Department does not have anything to do with the provision and commission of care, so the process will be clearer in the future. All those steps exist today but ...

Deputy G.P. Southern:

Okay, in future.

The Deputy of St. Ouen:

But as we are talking about the introduction of the Regulation of Care Law, I know Professor Johnson had some questions around that and I wondered if you wanted to ask them.

Professor M. Johnson:

Yes. We have had some detailed discussions about the assessment tools, the suite of assessment tools called F.A.C.E. (Functional Analysis of Care Environments), and that is provided by an independent U.K. (United Kingdom) based company. I have talked to some of the assessors about the strengths and weaknesses and we will talk tomorrow with Health and Social Services more about that. But if the long-term care scheme is going to be providing funding for more and more particularly older people but others who are in establishments where their care is 24 hours a day, 7 days a week, is there any prospect of the mandating of the use of the same assessment tools in the care homes and being used by the regulatory body so that the same tool is being used in all 3 places so that you get a synergy of assessment and you do not have to have multiple assessments because the assessments and the reviews which are being carried on can be directly accessed? Now, this does happen in some other countries and it has been going on in the United States for 30 years now where social security administration in the U.S. (United States) mandates care homes in particular to use a system called M.D.S./R.A.I. (minimum data set/resident assessment instrument). It does not matter what those initials mean, but it is a long-established, well-validated assessment tool which means that the inspectors can monitor what goes on in the care provider's records so that when they go to inspect they do not go cold. Now, that is rather a long introduction because you would not have been expecting this question. The Minister may know whether it has been considered or you may want to offer some observation as to whether such a notion ought to be on the collective agenda of the 2 departments.

The Minister for Social Security:

It certainly makes sense, does it not?

Policy Director:

Can I just ask a point of clarification? Are you suggesting that the care home should use F.A.C.E. itself? Is that basically what you are saying?

Professor M. Johnson:

Yes.

Policy Director:

Okay.

Professor M. Johnson:

Also that the inspection agency, which has not been set up yet, would also use the same architecture to make its inspections so that you had a common database, common assessment systems, so that the data was not being collected and re-collected all the time and where the systems might be incompatible. At the moment, every care home will use its own system, many of which are knitted and sewn and stuck together over long periods of years and they are not very good and they are not valid, and making assessments on the basis of the assessment tools which are used in homes is not likely to be very reliable. So now you have a much more integrated system but not across the board.

Policy Director:

So, I think this is very much the Minister for Health and Social Services' area. Just in very general terms, the Health Department has taken great strides forward in the last couple of years in using the F.A.C.E. assessment tool across the board. So you have gone from a system whereby 3 years ago you had lots of different assessments within the Health Department to everybody in Health and all the Social Services people using F.A.C.E. as a single tool, single point of reference. It has made it much easier to record things and to make sure we have consistency across older adults, younger adults, mental health. You have that consistency. The question you are asking is can that be extended out to private care homes and also to the inspection regime. I have no idea as to the answer to that because it is very ...

Professor M. Johnson:

Okay. Can I leave that question lodged with you because it is worthy of consideration?

Policy Director:

It is worthy of consideration but could I ask you to raise it with the Minister for Health and Social Services?

Professor M. Johnson:

Oh, I shall.

The Deputy of St. Ouen:

We will.

Policy Director:

Because it is ...

Professor M. Johnson:

Yes, only because the panel wish me to, not because I insist.

The Deputy of St. Ouen:

Can I say this has raised a question in my mind as to who owns the scheme. Because if you are saying that it is for the Minister for Health and Social Services to choose however and which way he wants the Island to assess people in need, is all Social Security, is all your department, Minister, going to do is to pick up the tab? Is that how you see your role? Or is your role more proactive, which is to own the system of long-term care which was introduced by the Minister for Social Security and to ensure that it functions efficiently?

[15:45]

The Minister for Social Security:

Well, certainly the scheme itself, the long-term care scheme, is "opened", if you like, by the Social Security Department and we control the financial aspect of it. It is, as the panel will be aware, a ring-fenced fund which is totally controlled by Social Security, which gives us a certain amount of I think ... well, satisfaction in the fact that we know how to manage it financially. I was going to ask the professor, if I may: you were saying that care homes or care providers in homes are a law unto themselves in a way. Would the single point of reference or the F.A.C.E. or whatever incorporate the financial side of the homes as well as the assessments?

Professor M. Johnson:

Well, that would be up to you to determine, but in other jurisdictions it is.

The Minister for Social Security:

It is.

Professor M. Johnson:

But obviously you can make things in different ways. The question that was being asked in the panel when we were thinking about this meeting was how far have you been involved in the adoption and adaptation of the F.A.C.E. suite of assessment tools and how far do you influence the algorithm, which none of us can see, which determines the budgets which come out of the process? So, the social worker or other professional goes to see the person who is being assessed. Data is then written down and ultimately put into a computer separately, and then, lo and behold, at the end comes a level, level 2 and a sum of money. Now, algorithms are useful things but they are also capable of being misused. So, for the sake of public understanding, how far do you determine and review the elements in that algorithm that produce those budget statements?

Policy Director:

Okay. So, there are 2 different software tools. F.A.C.E. is an assessment tool, so F.A.C.E. is absolutely owned by the Health Department. We are aware of changes to F.A.C.E. There is a new version we are very, very supportive of because it has much simpler questions in it; it is much easier to understand. We hope that can be rolled out in the next few months. That is 8.1. F.A.C.E. is a qualitative tool that goes through and looks at the person's care needs, so it says exactly what you would expect it to say: does the person need help getting out of bed, dressing, eating, washing, all these kinds of things. So that gives you a consistent, detailed picture of the person's care needs, including their social needs, mental and physical needs, the whole picture. Then there is a separate piece of software which we call R.A.S. R.A.S. stands for Resource Allocation System. That is the bit that converts the care into cash. That is what we are talking about. So, yes, R.A.S. has been developed jointly by Health and by Social Security, and you are absolutely right, there is an algorithm that sits behind it and we have agreed between us how the various elements of care are scored. There are values. There is cash in there for the cost of things in Jersey. So, F.A.C.E. and R.A.S. is used in local councils in a similar kind of way in the U.K. We are using it in a fairly comprehensive way in Jersey because Jersey care runs across a variety of things which it does not in the U.K. So, we use it to do both social care and nursing care and some continuing care as well. But we are looking at R.A.S. We had a meeting with care providers last month some time taking them through what the current algorithm ... how it works and how things might change in the future. Yes, so that is how the money gets allocated. Some parts of the money remain kind of fairly historical in terms of the care levels for care homes. It was set initially in line with the previous bed rates that were available. Other things have been done more to a market rate and in the next year or so we want to make sure we have a more systematic way of making sure all the numbers add up with each other. So the system works reasonably well at the minute. The rates are ... we are achieving what we had hoped, which is an increase in the number of people that are accessing domiciliary care.

Domiciliary care is where the algorithm kinds of works more actively certainly with people's care budgets. So, it works reasonably well at the minute but there is definitely more to do. We are certainly very interested in the new version of F.A.C.E., which will also create a much simpler set of questions which can be shared more easily with the clients, and R.A.S. sits behind it.

The Deputy of St. Ouen:

Okay, that is helpful. Thank you, Mrs. Duhamel. Yes, please, Sarah.

Senator S.C. Ferguson:

I think if I am correct the professor's question was: are you going to ensure that the care providers have the software that is actually a part of F.A.C.E. so that ...

Policy Director:

That is a different ... that is a question we cannot answer. Social Security cannot answer that question. The Health Department owns F.A.C.E. and you do need to talk to the health professionals because they will have a specific view about what their role is in terms of assessment compared to what the role of the care provider is in terms of assessment. I am not sure they see it quite the same at the minute, but let us just say that in future I have no idea because I have not heard this idea put to them, but we do need really to let the health professionals steer that part of the work, yes.

Deputy G.P. Southern:

But politically, if you like, and pragmatically, it seems to me that it would be more efficient to have a wider spread of use of the same assessment methods or techniques than to have separate things and people feeling in their bones that this person deserved more or this person deserved less, does it not?

Policy Director:

But, sorry, the ... so every single person that is receiving a long-term care award has gone through the same assessment process. What the professor is talking about is the way the person gets looked after in a care home afterwards and the fact that the care home, I think, will create its own ...

The Deputy of St. Ouen:

Care plan?

Policy Director:

... care plan, yes, and whether those things ... and this is the point. The care assessment produces different outputs. One of those outputs is a care plan. Whether care homes could all use the same plan, it is an interesting idea. I do not know the answer to it. I do not know whether care homes

would want to do that or whether they will say: "We have our own way of doing it." I really do not know the answer. What we are interested in ... so there are 2 things that the States gets involved with. One is that we have made sure that everybody has had the same assessment to start with. So they have all been assessed against the same standards and principles and they get a benefit according to that. The second one is the regulation of care to make sure that everybody who is working in the care industry is performing to the same standards and providing care to the same standards. Within that, how an individual care home does that, in a sense that could still be up to them to do that.

Senator S.C. Ferguson:

Well, if they have a care plan to the same standard or the same basic ... a comparable standard between care homes, then it would be much easier for the regulation, would it not?

Policy Director:

Again, you need to ask the regulator about that because I do not know how much she finds that a problem or not. These are problems ... so, Social Security very specifically does not get involved with judging people's health needs or determining whether they need to be assessed. That is outside our expertise. We need to stick with the financial side of things. We need to leave the regulation to the regulator and we need to leave the healthcare plans to the social workers. So that is how we divide out the responsibilities but we hold the strings of the money. From a legal point of view, there is nothing in our law that says we have to use the Health Department to assess care needs. It just says we must use social workers. We could employ all our own social workers. So, all these things ...

Deputy G.P. Southern:

Do not even go there. **[Interruption] [Laughter]**

Professor M. Johnson:

Chair, could I just put a final footnote on that because we have given it a bit of a run and it is something which is a bit speculative? I think the point is that the long-term care scheme with Health and with your collaboration has introduced an assessment system, but it is an initial assessment system. What we know about the 2 big categories of individuals, the younger people with long-term care needs and life-threatening illnesses on the one hand and the older people on the other, is that their circumstances will change. So, review is a critical part of a good system. Therefore, if all the agencies involved are using common systems, then review becomes more systematic, more observable and a more shared responsibility. So, I think we should stop because there are lots of other issues and we do not want to keep you until it has gone dark, but I just wanted to explain that it is not just a kind of preoccupation with neatness, it is about ... long-term care is about process and

change. So, I just leave that hanging in the air for purpose of discussion, but we will certainly raise it again tomorrow.

The Deputy of St. Ouen:

Okay, fair to leave it hanging as an issue and thank you for your comments on it, but if the panel agrees I want to move on to issues of sustainability of the scheme now. Minister, can I ask you: what work is done within your department to ensure that the long-term care scheme is sustainable into the future?

The Minister for Social Security:

Right. Again, it is constantly being looked at because we have a big view, as we do with the Social Security Fund or pension fund or whatever you would like to call it. It has to be sustainable into the future. We do not just look 5 years down the road.

The Deputy of St. Ouen:

No, but can you describe the formal processes that you adopt?

The Minister for Social Security:

Again, it has changed since it was first introduced and, as you will be aware, the contribution rate has gone up from 0.5 per cent to 1 per cent, which has been agreed it would be held at 1 per cent until the end of 2018/2019, which we ...

The Deputy of St. Ouen:

Sorry, which is it, 2018 or 2019?

The Minister for Social Security:

Well, it will be in the next Medium Term Financial Plan for somebody to put in a bid to increase it, but it is held until the end of 2018 because on the new Medium Term Financial Plan it starts again. We take a great interest and concern with the sustainability of this, of course. There is a graph, actually. I do not know if it is ... that Andy can talk you through, which I think details it quite ...

Finance and Governance Director:

So this is part of the output ... the panel may be aware that the Comptroller and Auditor General a number of years ago suggested that the Social Security Funds ... by that I mean the Social Security Fund, the Health Insurance Fund and the Long-Term Care Fund, were all brought into the States accounts, so into the accounting framework, whereas previously they had been dealt with completely separately. Almost as a corollary of that, we have also now started providing estimates in the Medium Term Financial Plan. So we will say what we expect the finances of the funds to look like

for the next 4 years for each of those funds. So, what we would do is internally as a department and we always did before that as well was look at what do we think the income and expenditure of each fund will be over the next period based on the information that we have and what we know. So, it is quite a strong process that we go through. It is agreed by us obviously and obviously discussed with the Minister. So this graph that I have here today is an extract from some of that work that we have done for the Long-Term Care Fund. What we would normally do when it comes to financial forecasting, 3, 4, 5 years is about the envelope of certainty that you could have because financial forecasting is not actuarial reviews. It is not long-term modelling. But we have for the Long-Term Care Fund, because of some of the sensitivities around the amount of money in there, stretched our model, if you will, to be slightly more here. It goes out to 2024. Now, what the expectation always was with the fund is that benefits will grow quicker than the income. That is the line that you have. Ageing population, older people are more likely to require care. So as you get more old people, the benefits will go up. So we have modelled the numbers of people in long-term care based along the central ... the Chief Minister's Department population model based on the 85-plus cohort of population. So I think in the next 5 to 10 years the expectation is that will increase by about 4 per cent per year. When it comes to income, the majority of the funding comes in part from the long-term care charge which follows income tax rules, so we use the income tax and personal tax forecasting projections to work out what we think will happen with our income. So, what this graph shows, if we look at the bars initially, that is the position in terms of what happened this year..

[16:00]

So the green bars indicate that we are getting more income into the fund from the expenditure that we are paying out. If you look at an orange bar, that is implying that there is actually more expenditure leaving the fund than the income coming in. So in 2017 we are expecting to have a small amount of surplus, so the income will more than cover it, but when we move into 2018 that situation has worsened and we will be paying out more. The other part of this graph is the blue line, which the axis is actually on the right-hand side, which shows what we expect the fund balance to be. So, as you can see, while we are in years of surpluses the fund balance slightly grows, but as you move into deficit it begins to go down again. So, the expectation we have been working on for planning was, as the Minister said, that we would not increase the long-term care charge until we need to, although the original proposition knew that it would need to go up over time because of the ageing population. So based on our modelling, we do not expect ... we think that the fund can remain solvent until the end of 2019, so the long-term care charge would not need to increase until 2020. As the Minister said, that would be a decision for the next Minister for Social Security to decide whether or not to do that. But that is the basic modelling assumption that we have brought in because if you did not do that, then effectively you would run out of money and would probably be insolvent, so that is not ... **[Interruption] [Laughter]**

The Deputy of St. Ouen:

So what increase is proposed to take the level from falling here to rising again?

Finance and Governance Director:

So the assumption that is made in 2020 is a half a per cent increase.

The Deputy of St. Ouen:

Half a per cent?

Finance and Governance Director:

So the long-term care charge at the moment, 1 per cent raises ... last year it was £18 million, so if you put another half a per cent in it raises between £9 million and £10 million when you add in sort of ...

The Deputy of St. Ouen:

I see, but then we look ... forecast forward to 2024 and it is beginning to fall again.

Finance and Governance Director:

Yes, absolutely.

The Deputy of St. Ouen:

So then that is the time when it might need to be increased further, is it?

Finance and Governance Director:

It could do. This is stretching the model as far as I would be willing to do. So, this in fact was a graph that we discussed with the Council of Ministers earlier in the year, so there have been measures that have been taken since then. There have been some carry-forwards moved in, so we are constantly looking at this to make sure that it is right.

Deputy G.P. Southern:

So this does not include carry-forwards that have been put into the fund?

Finance and Governance Director:

No, there was an additional £3 million carry-forward that was put in this year, so that will help bolster the fund up, if you will, any other decisions as well. So there are broad assumptions in there. If the income tax forecast is slightly better or inflation is lower, so increases can be reduced in years ... things can get quite ... can change. So what we do is keep it under constant review. What I would

not want to say today is in 2024 you need to put it up again because by the time we get to 2024 the situation could be different. Equally, it works both ways. It may be that we see other factors coming in and you might need to do it slightly earlier than 2024. So that is what I mean by you cannot have that certainty if there are too many variables that go in. What we know is that with a degree of certainty we will not need to do anything until 2020 or the year after that.

Deputy G.P. Southern:

But we are getting an extra half a per cent into this fund by 2020 or in 2020?

Finance and Governance Director:

That decision has not been made. It will be a political decision.

The Deputy of St. Ouen:

Sorry, the Minister was saying something then and I ...

The Minister for Social Security:

I just said it will be a political decision.

The Deputy of St. Ouen:

It will be a political decision, yes.

Deputy G.P. Southern:

So how do you square that with what the intention is?

The Minister for Social Security:

Well, it is all part of ... would be part, as I said, of the next Medium Term Financial Plan.

Deputy G.P. Southern:

Right, okay, yes, which the States would need to agree to.

The Minister for Social Security:

Yes.

Deputy G.P. Southern:

Okay, understood.

Finance and Governance Director:

If we were not to put half a per cent in, if the political decision was not to do that, we would be in a situation where the fund is paying out more money than it is getting in. So, the Minister at that time would almost be duty bound to try and take action to resolve that. If you cannot increase your income, the only thing you can do is reduce expenditure, but that is hopefully not a situation that we would find ourselves in.

The Deputy of St. Ouen:

Okay. This takes account of the continuing States funding from general revenues, does it, as well as the monies taxpayers pay in?

Finance and Governance Director:

Yes, absolutely. So the components of income that comes from the long-term care charge are the ... sorry, the Long-Term Care Fund are the long-term care charge, which is the 1 per cent we have been discussing, but then there is also what we refer to as the States grant to the Long-Term Care Fund, which was broadly built up with amounts that were built into the department's budget before the fund doing the same things that the fund does. So the Social Security Department used to run a residential care scheme, so the budget for that was transferred and is now paid into the fund. Similarly, there are amounts in Health either where they paid for care directly, so that budget moved across because the Long-Term Care Fund is now paying for it, and also where they now receive income for care that they provide. So we effectively give them the income and they give it back again, so the books in terms of the public finances are all squared. So that is roughly £28 million a year, and there is a formula built into the law which says how that increases over time. So that is built into this as well.

The Deputy of St. Ouen:

Fine, thank you. There was something you said when you began to introduce this, that it was based on the population projections for the 85 and over cohort of population.

Finance and Governance Director:

Yes.

The Deputy of St. Ouen:

So does it not take account of the needs of younger adults who have long-term care needs?

Finance and Governance Director:

Yes. This probably comes to why possibly my graph I would not say places greater reliance on the 2024 forecasting because we use relatively simple assumptions when we use these because that is normally okay for the time horizons that you are looking for. If you were looking for a much more

robust and long-term forecast, you would want to build in those kinds of things. The reason that we use the 85-plus population is because while, yes, there are young adults who may be accessing long-term care, the majority of our customers do tend to be older people. So changes in that demographic are most representative of the long-term care.

Policy Director:

So it is not only modelling people aged over 85. It is using the increase in the number of people over 85 as the basis of the increase in the long-term care cost. It is actually over-representing the needs of younger people because the proportion of over-85s will be growing much faster than any other age group. So we are using that, the worst group, if you like, the group that is growing the highest, to model as a proxy the growth in the demand. The growth in demand for working-age people, there will be some growth because you have better medical technology these days and people are basically living longer with lifelong conditions, but the numbers are very small and the growth will also be very small compared to the growth in the 85-plus. So it is a prudent assumption to make.

The Deputy of St. Ouen:

I understand what you mean. Minister, monitoring this sustainability of the fund, is that something that is done entirely within your department or do you use outside advisers to assist you with that?

The Minister for Social Security:

We have a Government Actuary review every 3 years doing the funds, so a lot of their projections have been quite promising for the last 6 years, I think, have they not?

Chief Officer:

Those actuaries also look at the Social Security Fund and the Health Insurance Fund. We have yet to have an actuarial review of the Long-Term Care Fund. I think before any Minister takes a proposition to increase any contribution levels, we would need to have been sure that an outside view is taken on those forecasts and projections. That may be an actuary, it may not be, but somebody independent would be looking at those projections, yes.

The Deputy of St. Ouen:

I think it is the case that before the scheme was ever introduced there was some modelling done by Oxera, is that the case?

Chief Officer:

Yes.

The Deputy of St. Ouen:

Has the outcome thus far been in line with predictions of Oxera or have there been any great variations?

Policy Director:

The Oxera model was, as you say, developed before the long-term care scheme was set up. It did not model exactly the same scheme because it modelled the idea of the scheme at the time and that idea changed with political influence and various practical considerations at the time and so on. So if you look today at the Oxera model, it looks quite ... there are lots of things that are somewhat different to what we have today. So that is what Ian is talking about. We need to decide ... so, if we think about a Minister for Social Security making a decision towards the end of 2018 as to whether the contribution rate should increase in 2020 giving people ... so they would need the approval of the States to make that contribution rate increase and that would give people a full year's worth of notice that it would be going up. So between now and that time or this time next year we need to have worked out how we want to do that kind of long-term planning. So, one option is to carry on with Oxera or somebody like Oxera and create this kind of statistical model now in order to gauge what is actually in the scheme ...

The Deputy of St. Ouen:

Yes, of course.

Policy Director:

... as opposed to what we thought the scheme might have been in 2012, and the second one is to go down the more traditional route which the Minister was talking about of using the Government Actuary or similar actuary to do that kind of work. The long-term care scheme is slightly different to our pension scheme. It has quite a lot more parameters in it. The people's assets and their wealth, their property wealth and their savings, comes into the equation. That is a more sophisticated modelling process than we are used to doing. So we will think about this quite carefully and work out the best way of doing it and the best kind of expert to use.

Deputy G.P. Southern:

So my question would be, given that you are going to take advice in the nearish future: to what extent are you about to consider the limitations in the modelling that was prepared for you back in 2013 by Oxera? They have a number of caveats where they say: "When an individual enters the long-term care system, they are assumed to need the same level of care until they exit." So that is ... we had talked about changing, reassessments. "The model focuses on the costs of care and does not include administration costs", so what administration costs are being built in? Is it different to delivering the thing? "The model focuses on the policy options for the scheme providing long-

term care for individuals aged over 65”, but there are significant numbers under 65 who are going to be lifelong beneficiaries of this. Has that or will that be taken into a remodelling? Within the model it says: “Each agent is treated as an individual.” Oxera does not here talk about 2 receivers in a family, so it is single people and not doubles when there will be an instance of that. So, if we are taking this to looking at long term, 2036 or 2044 even, are you happy to build in those factors and are we likely to see a more ... I want to use the word “accurate” but a more responsive model or not?

Policy Director:

That is the whole point. That model was built before we knew all the parameters of the scheme. It helped us to set the parameters because it showed us the relative cost of things one to another, but it was always going to be relative, it was never going to tell you the actual cost because we did not have the actual scheme in place. You are absolutely right, the things that you have written ... that you have read out are things which do not relate to how the scheme actually runs today. Yes, we do not take account of cap rules. Our modelling around domiciliary care was not right. Our modelling around bonds was not right because these were things we did not know at the time. Life has moved on but ...

Deputy G.P. Southern:

I think it would be fair to assume that people aged 65-plus are going to get worse before they leave the system rather than ...

Policy Director:

But that is the point of a model. A model has to ... so the whole point of a model is that you have to be able to put some numbers in and get some numbers out. So you create a simple model of what you can do. So this model did not include the complexity of married people in any sense, neither in terms of income nor in terms of both needing care. It only looked at everybody as individuals because everybody is an individual who came in with a specific care level. Those are not real assumptions. It is not the real world, it is just a model.

Deputy G.P. Southern:

Yes.

Policy Director:

When we do the ... whatever the new model that we do, it will likewise be an assumption and an assumptive model based on things that we know. What we know now compared to what we knew then is that we will have by the end of this year a much better feel for people with assets, incomes, length of stay, transition from one care level to another. This is data that we are building up at the minute. I appreciate we have not been able to deal with all the questions you have asked for and

we are slightly betwixt and between one system and another one, but this is information that is being built up as we go through the months at the minute. So early next year we will be in a much better position to have this information and to work with whether it is a modeller or an actuary or an economic modeller, some expert in modelling who will give us another set of simple assumptions that we can use but they will be a bit more specific than the ones we have there.

The Minister for Social Security:

As Sue said, the difficulty in assessing the assets is complicated in the original model. We have been very surprised, really, at the amount of assets that people have above the £23,000 limit for care and related to the houses as well, which only a few people have taken up the option to take out a bond on the house. So, you build in these things but they do, as Sue said, change considerably over time so it is a constant learning process.

The Deputy of St. Ouen:

Presumably, as part of the modelling you have to project forward the cost of providing care by the care providers, but how can we be sure of that? How can we exercise a degree of control over what is charged to clients by care providers? Because do we not run the risk of the scheme not being sufficient to meet the costs that might be charged?

[16:15]

The Minister for Social Security:

Well, that is the whole issue of the sustainability of it. Again, we have set out a rate of standard care. As you will be aware, I think it is about £350 a week and then if the claimant chooses to have a different package, a bigger room or something like that, then that, of course, is their choice but that is not paid for by the scheme. The scheme will also insist that if somebody is having domiciliary care that the standard level of care will be paid for but they will also, if they go into a home after that, have to make a co-payment, which they would not have had to pay in their own home, to cover the cost of bills which, of course, they will not have in their home. So you cannot standardise it all. We do not have access to the care homes' financial records.

The Deputy of St. Ouen:

But, Minister, how will the scheme ensure that the care homes are receiving an acceptable payment from the long-term care scheme for the care they provide or is there a risk that the care homes will increase their charges and those charges will not be covered by the long-term care payments? What will happen to people who cannot afford the difference between the 2 levels?

The Minister for Social Security:

Well, if they cannot afford it then the income support side of it kicks in.

Policy Director:

So we have ... the scheme sets a benefit rate, which is what we call the standard care rate, and then as the Minister says, the standard co-payment which covers your living costs in a care home. So 2 different amounts of money and that is your basic care fee. Absolutely, so before long-term care started we were supporting about 500 people a year through income support. So those were people who could not afford the costs of residential care homes and we were providing them with this benefit. So you would always have a significant number of people who are in that position, who do not have resources to meet the £600 or £700 a week to meet their care needs. So, the care homes will support somebody at the standard care cost, so if somebody ...

The Deputy of St. Ouen:

But what if they do not wish to?

Policy Director:

Who?

The Deputy of St. Ouen:

What if they want to charge more than the standard care costs?

Policy Director:

I will explain what happens now and then I will explain how the political process would need to follow on. So, what happens now is that we do not have any difficulty in placing people at standard rates. In other words, the homes understand the situation. They understand the way the system works, which is that there will be some people that they will get the basic fee rate for. There will be other people that they will charge variable amounts of money and the care homes will charge different amounts of money to different people, but you will see standard placements being made across all the different private care homes. If you got to the situation in which the market was failing to meet that, there would be a problem, yes. Now, we are not in that situation today. The situation today is very fine, it is very healthy. The care homes are very active. The care homes are expanding. We have people coming to talk to us about opening new care homes and also new care agencies. A lot of the growth we hope will be in the home care market where the costs are that much lower anyway, but there will be undoubtedly difficult political decisions to be made in future if you got to the stage where the cost of care was more than the cost of the tax that people are prepared to pay into the care fund to pay for it. Those are things that ... but we do not have that problem today. It is a problem for the future. It is not a problem for today. You cannot ... the only way that you could

guard against it would be to completely control the cost of every care bed in the Island and that would be, I would imagine, quite counterproductive if you move all the private sector depreciation ...

The Deputy of St. Ouen:

But can I ask: are there any measurements of the reasonableness of a care home's charge? Because you talked about taxpayer funds that are going to pay these charges and that the political decisions will have to be taken if the charges rise too high. But if they are rising because these companies have to pay their shareholders a large dividend, is there any assessment of the reasonableness of the care home charges?

Policy Director:

You could move to a position where you had adequate accounting, where basically care homes showed you their accounts. Yes, that is one way of doing things. I could say you could set maximum fees, you could have something like rent control for care homes, these are things that we have not had to deal with and we have not looked at specifically because they are not problems we yet have to solve.

The Deputy of St. Ouen:

Okay, but is there anything in statute to allow the Minister to do that?

Policy Director:

No. The current Long-Term Care Law does not go around. The current care laws provide that basic level of thought. It very explicitly allows people to have loans - and you can have a loan - it talks about having a loan that covers any or all of these things; your living costs, your care costs and your top-up costs. The thing the law does have in it is an acknowledgement that it thinks that lots of care homes will charge more than the standard rates and it refers to those extra costs. It allows you, if you need a hypothec (loan) against your house, to include that extra top-up cost within the loan. It is assuming that there will be this variation in fees across the board and that some people who own a house will use the ability to take a bond through the Government to pay those costs, which means they can choose the home of their choice and enjoy, be comfortable and it will last through their life. The cost of that is met through the Long-Term Care Fund in the sense of a loan, so the Government never gets involved in paying the top-up fees but it facilitates the payment of fees up to a certain level; it does not go up, it ...

The Deputy of St. Ouen:

But everyone is involved in making the co-payments for the living costs, which is £300 and more each week, is it not?

Policy Director:

Yes.

The Deputy of St. Ouen:

How was that sum calculated and agreed with the care home?

Policy Director:

The co-payments, when we set the scheme up we looked at ... first of all, we need to say we did work with one of the Parish homes to try and work out some kind of board and lodging costs, so like an open book exercise. We first tried but that was not fully successful but we attempted to do that. But the 2 things that we did do was we looked at the cost of Abbeyfield. Abbeyfield is a charity that provides basically a care home without the care in it, so it has got nice accommodation, food is provided but you are not allowed to have care needs. We looked at the cost of the local Abbeyfield, which was about £300 a week, so that seemed to us a good proxy for how much it would cost to live in a care home without taking the care into account. The second thing we did was we looked at the cost that we provide to a person on income support living in a one-bedroom flat on their own, a pensioner and that was also similar, £300 a week. That is in income support but on the other hand that was maintaining a whole one-bedroom flat to yourself, whereas if you are in care and you have someone ...

The Deputy of St. Ouen:

You looked at these models and then did you arrive at a formula with the care homes that would be used to assess and then reassess annually perhaps the co-payment?

Policy Director:

Like I said, we were running a scheme that had about 500 people in it that were getting the necessary support. We had with the care homes ... so we inherited this from the Parishes a few years beforehand and we had regularised it and tried to make it for the rest of the systems across all of the care homes. We achieved that in the period of income support running levels of care. We had a rate for a basic residential care bed but it was on different shift and we did not have the concept of a co-payment in the care bit because it was not necessary in income support, it was fully means tested. We chose the model that said that it did not matter what your care needs were, your living costs would be much the same and you were going to have a room, electricity and hot water, for things like that. We chose the model that said you would have a single living cost for everybody, then you differentiate your care levels and we chose 4 care levels ...

The Deputy of St. Ouen:

Yes, I do understand all of that.

Policy Director:

Yes, so that separates it. We then took the basic rate and then had to work out how to separate out the living costs from the rest of it and absolutely the Abbeyfield calculation has said that it is going to be about £300 a week for living costs, I think. Did we start at £300? I am not ...

Chief Officer:

£300, yes.

The Deputy of St. Ouen:

I suppose our concern may be that if a care home suddenly announces to you that it wants to increase the co-payment by 10 per cent above the rate of inflation, there is no formula, is there, that we hold the care homes to?

Policy Director:

The Minister sets the benefit rates, there is a co-benefit rate and then there are the four care level benefit rates.

The Deputy of St. Ouen:

Yes, that is right.

Policy Director:

Those rates are wholly controlled by the Minister, so we talked to the advisers about this the other week. The Long-Term Care Plan, as Andy's diagram showed you nicely, we have got money coming in and we have got money going out. The States controls the money coming in because you have the States grant and you have got a contribution rate. Those 2 decisions are held in regulations which have been approved by the States. But then the money going out is controlled by the Minister. The Minister controls the benefit rate, the disregards the various ones mentioned that the benefits were. The care homes cannot hold the Minister to ransom. The Minister sets those rates. If, in the future, not today at all because we do not have a problem today and we work very well with the care homes that do provide a range of prices which should satisfy the current market. If, in the future, that balance became out of kilter, the Minister at the time would have to decide how she or he would be able to do that or the contribution rate would need to be increased if people felt that it was important to maybe put more into the fund. These are all decisions that will be taken as time goes on. Our current position is just around straightforward demographics. We knew this was going to happen. We are happy that the scheme is working, as we anticipated it would, in the broad sense. It does not look exactly like Oxera, it was never going to; it has its own characteristics and we worked hard to get that modelling right looking forwards. Like I say, the short-term issue is we need to

respond to demographics. If, in the long term, we have to deal with the market, that is what we have to do with that.

Deputy G.P. Southern:

We are in the hands of the market, you were saying.

Policy Director:

But I would also just say we also have the technology and we have different ways of working, which will also maybe transform the way that care is provided in the future. There are many things we think about going forwards; in 10 years or so it may be very different the way that care is provided ...

The Deputy of St. Ouen:

Yes, so it relates to health. Deputy, do you want to ...

Deputy J.A. Hilton:

I just wanted to ask a question about how closely you work with the Health Department with regard to the lack of nursing beds earlier this year. We know that the over-85s, I think it is, giving trouble in numbers by 2030 and there is going to be a huge push for nursing beds. I think it comes back to that question about the care homes being picky, about who they are going to take if there is lack of supply. My question is: how closely do you work with the Health Department to try and identify what the need is in the short term really because there was a critical shortage of nursing beds earlier this year?

Operations Director:

We have regular meetings with the Health Department, so that meeting will have identified issues that are coming down the line but it is a constant ...

Deputy J.A. Hilton:

Have they ever raised the issue of the shortage of nursing beds earlier this year?

Policy Director:

There may have been a shortage earlier this year but we understand there are currently several vacancies. The thing that we have seen is growth in the number of people who have got nursing needs but doing it at home. This is a great positive success for domiciliary care and people being confident that these sort of nursing care needs can be looked after in their own homes and that is fantastic. That will reduce the pressure, so we have seen a reduction in pressure on care home places here with a growth in the number of people taking up domiciliary beds and so there will be a

shift in the market. But we have also seen people coming into the market wanting to provide specialist nursing beds. No doubt you will get a situation in which you will have people with dementia who are physically quite fit, a specific problem and St Ewalds from St. Helier had a really nice scheme at one point to create a ground-floor enclosed space with a garden. You will see, I think, specialist facilities being built that are aimed to support people with a good standard of living, which will be quality of care within a safe environment. I think you will see the residential care homes being kind of rebranded to other things.

[16:30]

I think the market will change. With the market it seems to be very active and ...

Deputy J.A. Hilton:

I know you say you are really pleased with the level of take-up to do with nursing care at home but how sustainable is that because that requires a lot of care staff? We know that there is difficulty in the market, population policy coming forward, we do not know how much that is going to impact on the availability of staff. It is just something I flag up because I know that is where the market is going to be at the nursing level, so it is just something I really wanted to raise with you.

The Minister for Social Security:

Deputy Hilton is absolutely right because it is a big part of the population policy inasmuch as the care in the home has ... property probably is a bad word but increase and we will have to consider the care workers, the social workers very considerably in the population plan.

Deputy G.P. Southern:

Going back to the Oxera modelling, one of the assumptions went in there that the cost of providing care in the home, rather than in a home, is 90 per cent that of a home. Have we got any evidence here that that is the case, it is cheaper to keep you in the home than it is to have them in a home?

Policy Director:

Yes, that is right, and the 90 per cent was an over-estimate assessment and ...

Deputy G.P. Southern:

Okay.

The Deputy of St. Ouen:

That is being monitored.

Policy Director:

Yes, absolutely.

The Deputy of St. Ouen:

Yes, good.

Deputy G.P. Southern:

Secondly, the other indications they have put in there, this Oxera work, is they base their calculations on net inward migration of 700-plus, which was, I think, the top end of the picture then. We have since had 1,000-plus or 1,000 over the past decade on average and we saw some frightening figures yesterday about disease rates, illness rates based on that. What happens if we do not control population down below this 700-plus or certainly 1,000-plus?

The Minister for Social Security:

All the latest estimations of 700, as you say, was at the high level in 2013. It is now the middle level. All the estimates have been done on 300 to 500 to 700 and 1,000, so we are getting a better picture, if you like. It is too big a question for the meeting time ...

The Deputy of St. Ouen:

What has this model been based upon?

The Minister for Social Security:

The whole population model is incredibly difficult, is effective ...

Finance and Governance Director:

The assumptions in the terms of levels that goes into that is based on the 700, plus-700 model, although one thing I would say is that this is the nature of the long-term care scheme. But in fact when we look at older individuals, net migration impacted slightly less than other aspects. For example, if you have got movement in, often without wishing to go into too many generalisations, working-age people will journey to the Island. There is a time lag before they would begin accessing long-time care.

The Deputy of St. Ouen:

It will be relevant for much longer-term care ...

Finance and Governance Director:

You could say, well, they are paying more taxes, it is actually a hopeful thing because you are getting more income coming in without increasing the ...

Deputy G.P. Southern:

Sooner or later it will catch up.

Senator S.C. Ferguson:

Yes, but it is somewhat of a Ponzi scheme ...

Deputy G.P. Southern:

No, that is Ponzi, yes.

Senator S.C. Ferguson:

Because in 20 years' time those people are going to be retired, growing old and needing help, so if we are not careful we shall get into a position where we are just pedalling faster and faster.

Finance and Governance Director:

Yes, but point of clarity, before my statement was a simplistic view of the situation.

Assistant Minister for Social Security:

As you probably saw in the *J.E.P. (Jersey Evening Post)* limited work permits have been flagged up by the Government, which is something under consideration. That will, I am sure, help with the population control ...

The Deputy of St. Ouen:

Okay. Yes, but that is not relevant to the population today.

Professor M. Johnson:

Chairman, can I just offer a footnote to this conversation because we will move on. I think that expectations that somehow we can take people out of the care of those with long-term care needs in the next decade or so is a probably unwise assumption. Among older people the predominant condition in care homes is now dementia of one kind or another. Yes, you can bring some technology into their lives but, essentially, what they require is human interaction. Currently care homes, the 70 per cent or almost 70 per cent of their costs, are stark. Unless we are going to find ways that are currently unimaginable and are still effective, we should not begin to net off some of those costs into what I think of as sci-fi, even though there is lots of discussion in the rather excitable world of technology. I will just offer those thoughts for the future because those savings are possibly chimera.

Deputy G.P. Southern:

We do not often hear that word, do we? It is only in the States debate, champion, champion, chimera, love it.

The Deputy of St. Ouen:

We have got 30 minutes left. Minister, I want to look at 2 groups of people who are at opposite ends of the long-term care scheme and the first is the high-needs group who, I understand, are a group of people who have severe or very serious care needs that are not solely met by the highest payment that can be obtained through the long-term care scheme. I understand that the Health Department top up what is required to meet these care needs. How many people are in that group, can we ask?

The Minister for Social Security:

How extensive is young people ...

Policy Director:

Social Security does not have anything to do with ... from our point of view that person will be assessed at the highest level and obviously the highest level of long-term care benefit. We do not have any records, the Minister would not know this answer. The social worker will be the person who knows that the actual cost cannot be maintained within the long-term care scheme and the social worker would help, will make an application and send it to the high cost panel.

The Deputy of St. Ouen:

But as far as you are concerned you regard that person as somebody receiving a level-4 payment, the highest payment, and they will still have all the constraints of needing to reach the care cost cap. If they have got assets they will need to meet the co-payment and the like, is that the case?

The Minister for Social Security:

Within the scheme.

The Deputy of St. Ouen:

Within the scheme, yes. Yes, okay. Minister, how do you view that; that we appear to have a scheme for long-term care that does not meet the needs of the most serious in our society?

The Minister for Social Security:

Again, as Sue said, it is assessed by Health and Social Services and we will pay the difference from the long-term care scheme. But I think it is very difficult to have an overarching scheme, which appears is personalised in a lot of ways but on the other hand you cannot for a few, thank goodness, people you might describe, the scheme cannot incorporate everything and still remain sustainable. A lot of people's needs will be greater than the scheme can cater for perhaps.

Policy Director:

Going back to modelling and to get the scheme up, we were moving into new territory of long-term care. We were not copying another country. We have done something quite different to what Guernsey did. We thought we were trying to copy the U.K. but the U.K. has not set a scheme up. We were in very new territory, so we had to make sure that we were doing things that were safe. We chose areas that we could identify and deal with. We left some things out. I have not got the records, I am afraid, but we draw a diagram in one of reports at the time where we identified things what is inside the Long-Term Care Fund, what is outside and they are dealt with separately. But we left outside Long-Term Care Fund off-Island costs. You will get people with very, very specialist care packages and how we best align them in helping with those costs. We left out very high care costs on-Island and in some cases the on-Island/off-Island ones might be sometimes something quite similar. Perhaps this facility does something or between one or 2, the third one cannot so they have to go off-Island. They are quite similar, not the same but quite similar. Then we left out also ... we had our ceiling, we created a ceiling and we also created a floor. We said long-term care is going to sit within these 2 levels and we understand this. We are going to write 4 levels in between here and we are going to pay standard rates of benefit.. We can cope with that to start with. If, in the future, we become more confident, it can be dealt with this way, we go down that way, maybe. At the minute we have created a floor and a ceiling to understand what we are doing. I think this is good to see, but that basically sets out that ...

The Deputy of St. Ouen:

Thank you. Yes, you will need this back after the meeting? Okay. Thank you. Then beneath the floor there are a group of people who still have care needs but instead those care needs are met through income support payments but the assessment is made through the long-term care scheme. Is that not a recipe for confusion, Minister?

The Minister for Social Security:

The physical assessment is made by Health and Social Services but I am not sure if the assessments would be done through Social Security, the means testing.

The Deputy of St. Ouen:

Under the income support scheme, yes. Is that benefit only available to people who are eligible for income support, so the flexible care component?

The Minister for Social Security:

This is the one that has just been introduced to cover the gap of the Family Nursing Homes.

The Deputy of St. Ouen:

Yes.

Deputy G.P. Southern:

You were looking a bit confused there for a second.

The Minister for Social Security:

Only for seconds, yes.

The Deputy of St. Ouen:

Anyone with care needs can apply for the long-term care scheme, subject to its parameters, they will be able to get that benefit.

The Minister for Social Security:

The health services assessment.

The Deputy of St. Ouen:

That is right. But if your care needs are not as great as that, can you only obtain the flexible care component by being eligible for income support?

The Minister for Social Security:

I think that is right, I think ...

The Deputy of St. Ouen:

Yes, it is. There may be a group of people that are excluded, who are having care costs but are excluded from accessing that support, is that the case?

The Minister for Social Security:

That has always been the case. The long-term care scheme has picked up a new draft of people who would not otherwise have been able to get the support. But there will always be people who are not eligible, if you like, for means testing or do not wish to be means tested who will then have to fund it.

Policy Director:

But the income support scheme works by tapering off, so you will get somebody who is not eligible for income support without care needs but if they do need a care package it costs perhaps £100 a week, then the presence of that care package of £100 a week tips that person into being able to get income support, so then they would be able to get something. The income support would be not

more than £100 a week, it would be up by £100 a week because it will just cover the cost of the care package, if the rest of their household budget was very close to the income support amounts anyway. It is extending the people who would be eligible by allowing them to put another cost into their budget.

The Deputy of St. Ouen:

I understand.

Deputy G.P. Southern:

But now you have got a 2-tier system still operating from now, one which goes down to £150 a week or thereabouts with the flexible care scheme assessed by social workers, you have got another scheme still in existence, the personal care elements 1, 2 and 3 up to £150. The difference is that that is assessed by a different form using different officers and while you have a need for support, you do not have to spend it on support; you can spend it on whatever else you choose. You have got 2 different schemes abutting each other; do you know whether the people below £150 should not be involved? Has anybody done a check to see if personal care 3 does abut flexible care, which takes you a bit higher or not? Secondly, you have got 2 benefits, one of which must be spent on an approved care package and the other one need not be. It seems very like it is the Irish joke, is it not, if you wanted to get there you would not have set off from here? But you seem to have maintained this 2-tier system, I am wondering why.

Policy Director:

Shall I make it even more complicated? **[Laughter]**

Deputy G.P. Southern:

I would keep it simple, not 15 minutes.

Policy Director:

Okay, very quickly. Not only do we have those 2 benefits, we also have incapacity benefits within our social security scheme. We have long-term incapacity, short-term incapacity and various other things.

[16:45]

You are absolutely right, you would not start from here, would you? We are going to have a blank piece of paper, right, we are starting or if you are looking at incapacity from scratch, this is part of our big Social Security review and we are going to have a look at incapacity and say: what is the role of government in supporting working-age people with incapacity, just work-age group to start

with and how should we support them with financial benefits, with non financial support? That will encompass. That work is starting in the background at the minute quite slowly. It will be a dominant part of our work for next year, so there is not really very much to talk to you about today but next year there will be a lot more to do, so it will be part of our Social Security review. That review will look at: is there is a future role for personal care components? How do they link up with long-term incapacity, short-term incapacity? What is possibly the best way of doing it? It is likely to be all different anyway in the future.

The Deputy of St. Ouen:

Okay, so it is under review.

Policy Director:

So we have a short-term situation where we have all these things kind juggling with each other, it looks a bit disorganised and it is a bit disorganised. Afterwards we want to kind of step back and take a big picture view of the whole thing, and that will be part of our Social Security review.

The Deputy of St. Ouen:

Okay, anyone?

Deputy G.P. Southern:

I will leave it there. The idea of a review of all of this area and what the role of Government is, quite frankly frightens me with the track record of this Government; never mind we will carry on from there. Can I bring up 2 minor points?

The Deputy of St. Ouen:

Yes.

Deputy G.P. Southern:

One, we used to have issues with respite or care respite, where is the possibility of respite care now in the new system, in the long-term care system, in particular? Secondly, we used to have funds for adaptations in-home and given the policy is to try and keep people in their own homes, adaptations must surely have received a higher budget than it had in the past, I think we are going to succeed in doing that. Where are adaptations and how do people go ahead ...

The Deputy of St. Ouen:

Okay, I agree. Can we do respite first? Minister, what role does respite have in the long-term care scheme?

The Minister for Social Security:

Again, because we are trying, as the Deputy said, to encourage the people to remain in a domiciliary situation and there is currently, I think, 6 weeks respite care provided under the scheme, which we consider is a reasonable amount. If you look at Guernsey it is 4 weeks, for instance; we do not want to keep comparing things with Guernsey, as it is they have a long-term care scheme. But they do not have the same domiciliary care situation that we have introduced. Am I right in saying it is 6 weeks?

Policy Director:

Yes, it is 6 weeks ...

The Deputy of St. Ouen:

How is this delivered? Where is that respite taken?

The Minister for Social Security:

It can be pertinent to the person being cared for and the carer as to whether it is a day a week or whether it is saved up and can be a holiday, so it is that situation ...

Deputy J.A. Hilton:

This comes in under the Long-Term Care Fund. This is somebody who is accessing the Long-Term Care Fund.

Policy Director:

If you have got a domiciliary care package, what the social worker will do, they will assess your total needs, they will look at the amount of informal care that you receive. So there is the cost of addressing your gross needs, all of your needs if you have nobody who can help you at all. Then there is the amount of care that is being provided by your spouse or your daughter or whatever. That reduces the budget but then you have then got to put some support in for that carer. Then increase the budget back again to say, okay, so now I am going to put in the weekly budget a certain amount of money that will get allocated towards respite. The respite is not taken each week, the respite is taken for a proper holiday a few times a year, so up to 6 weeks a year for a holiday. What Social Security does is Social Security provides the budget for it, so that is part of your benefit. How you get the respite, we do not control that part of it. That is worked out with the social worker and there are other ways around. You can have the person you cared for going into a care home for a couple of weeks, you can have a different carer coming into the home to let the carer go away, you can do it several times a year, so there is not one way of doing it, there is a variety ...

The Deputy of St. Ouen:

Is it a fixed daily rate for respite?

Policy Director:

Like the Minister says, you can go up to 6 weeks a year until you kind of pro rata that for a week with your care level, so there is a way of doing it ...

The Deputy of St. Ouen:

But there is a fixed rate, is there?

Policy Director:

There is a way of calculating it, I do not have it in my head but there is a way of doing it, yes

Deputy J.A. Hilton:

What happens if where you have, say, a retired couple and one is receiving care from their partner in their home but they are not accessing the Long-Term Care Fund? I presume that the Social Security have not got a budget to offer the carer respite in those circumstances.

Policy Director:

No, not getting ...

Deputy J.A. Hilton:

They are not getting Long-Term Care Fund or income support.

Policy Director:

If it is long-term care because their care is not great enough or ...

The Deputy of St. Ouen:

No, because the spouse is doing their caring.

Deputy J.A. Hilton:

Providing the care because they choose to do ...

Policy Director:

But that is believing the spouse is providing all the care; the spouse is allowed to have time off as well, so I mean they can still ask for long-term care and just use the money to get respite from it; it is perfectly okay.

Deputy J.A. Hilton:

Is that commonly known?

Policy Director:

We presume it would work like that, so then we can talk to social workers and make sure that they are aware of that ...

Deputy J.A. Hilton:

Because I have not heard of that before and I ...

Policy Director:

But, on the other hand, I would be surprised if the person has got long-term care needs, if their needs are being fully met by the ... most people need a little bit of extra help or they would not be ... because otherwise you are looking after somebody who ...

Deputy J.A. Hilton:

But there are couples, there are elderly couples who do that in the Island. I have known a couple who have done that until the bitter end, until it becomes so severe their partner has to go into care but they soldier on and it is that group of people that I am really concerned about. Who is out there helping them? Until you have just said that even if they are not claiming, they are not claiming a benefit from the Long-Term Care Fund, for whatever reason I did not realise that they could make a claim just to get respite, so their partner could go into care for one or 2 weeks.

Policy Director:

I assume it is designed to work like that.

The Deputy of St. Ouen:

Okay, we will question it tomorrow.

Deputy J.A. Hilton:

Okay, I do not think that is common knowledge.

The Deputy of St. Ouen:

No. Is there another scenario, to use that example of a couple, who, if they apply for long-term care and they had assets, property or cash, they would still be required to meet care costs up to the cap? Therefore, if they wish to seek any respite they would have to pay for it because they have got to make their own payments until they reach the care-cost cap, is that not the case?

Policy Director:

That is true but if you are being looked after at home, then we count your standard care cost at the standard rate for that level, regardless of how much it is costing you. As most care home packages cost less than the standard rate, your individual contribution towards your standard care, of course, is a lot less than it would be if you were in a care home. Although you still have to meet that cost for that amount of time, it would have cost you less money. If you are a low income couple then you would usually get the help straightaway.

The Deputy of St. Ouen:

Yes. Right, okay, and adaptations, yes.

Policy Director:

Yes. You were making the point about some expense here but we are supporting the private sector housing and Andium are the main ones here for social housing.

Deputy G.P. Southern:

Do you know if the Andium budget has been expanded to cater for ... I know it is not your question, I will probably ask it again tomorrow but the fact is my experience with the Andium Homes, and in fact the health scheme for adaptations, was that it always ran out of money by about June. If you had to apply for an adaptation in the second half of the year the money was already spent. It had gone, it was very tiny; it did not meet to any marked extent, the demand. If demand is to go up, then there is another chunk of budget that needs a serious look at, I think.

The Minister for Social Security:

I understood that Andium were putting already ...

Deputy G.P. Southern:

Okay, well in which case I will ...

The Minister for Social Security:

So with the wider doors and their wet rooms ...

Deputy G.P. Southern:

There are some in their new houses but ... of old housing, no show in housing that are not new.

The Minister for Social Security:

It's their new houses, yes, it is the new houses already ...

The Deputy of St. Ouen:

If somebody comes into the scheme and they own their own home but they have little cash, what can be done to assist them with home adaptations?

Policy Director:

Yes, we run a small scheme now, yes.

The Deputy of St. Ouen:

A small scheme?

Policy Director:

Yes.

The Deputy of St. Ouen:

Is it sufficient? Does it meet everyone's needs?

Deputy G.P. Southern:

It is how widely you advertise it, as ever. You want to spend less just keep quiet about it.

Policy Director:

I think the O.T.s (occupational therapists) are aware of the budget at the minute, so we will probably get the right number of applications.

The Deputy of St. Ouen:

If somebody is funding adaptations themselves, stair lifts or adaptations to bathrooms and that, they, nevertheless, still have to meet the first tranche of their payments. The cost of those adaptations, which might be thousands, is not part of the care costs they have to meet before accessing the benefit.

Chief Officer:

I think the adaptation scheme you are referring to is outside of the long-term care scheme.

Policy Director:

Yes, it is. I thought you said the application ...

The Deputy of St. Ouen:

Yes, you have, but if they cannot access that adaptation scheme, because I think it is means tested, is it not? If they have got funds themselves and they invest thousands in adapting a house, they have still got to pay £54,000 of their own funds before they reach ...

Policy Director:

But if, on average, the benefit of the care package is running at half the rate of gaining a care package, they have not got to pay out £54,000, they have got to pay out £27,000. Most people, not everybody, with care packages at home are paying considerably less to get to the cap. This scheme was designed like that, to encourage people to remain in their own homes so that people have got access to spending more ... without them spending less money. But, again, you make a very good point about the expansion of home care and what else we need to do, what else the States needs to do as a whole in terms of designing new buildings, adapting existing buildings, providing extra support for equipment and stuff like that and changes. This is definitely an area which we should look at in more detail in the next few years.

Deputy G.P. Southern:

That is part of a disability strategy which is coming through at the moment with no money attached to it, no funding attached to it, so that is another issue that needs to be thoroughly ...

Policy Director:

It runs across lots of different paths, so you should think about that ...

The Deputy of St. Ouen:

We are drawing towards the end of our time. If we can I would like to have a question about property loans but, Professor Johnson, have you got any question that you would like to ask the Minister?

Professor M. Johnson:

No, I think we have raised most of those questions and some of the ones we have already raised need to be addressed in Health and Social Services tomorrow and that might generate some further written questions, if you can bear it. But, otherwise, I think we have had a very good discussion.

The Deputy of St. Ouen:

Can I ask panel members if you have got any?

Deputy J.A. Hilton:

I have just got one question, if I may.

The Deputy of St. Ouen:

Yes, please.

Deputy J.A. Hilton:

The long-term care scheme has been in operation since July 2014, has the department identified any issues of problems where you may consider making changes to the structure of the scheme?

Chief Officer:

I think most of our desire for improvements are around the communications scheme and the language around it, and that is the area that we are now putting most of our effort in, in terms of making improvements. I think the administration side, we are in a much better place, as I think Steve has already mentioned and we are working closely with ... the relationship is very good now with the Health Department and working closely. But I think that, for us, it is the communication of it and timing in that communication, we think perhaps better with key groups, not necessarily everybody on the Island but particularly people who work with local people and they need care, targeting that communication at those people so they can help those, explain and expand the benefit.

Deputy J.A. Hilton:

There are just 2 things I wanted to mention, one of the criticisms that came across to us very clearly was the leaflet, in particular, was very hard to understand. We were really hoping that that may be looked at and put in more user-friendly English. Going back to the single point and referral, is the telephone number in the leaflet that you hand out to people? Because if it is a single point it is quite important if it is and I did not know whether it was, so I just wanted to ask that. Secondly, is there any evidence to suggest, and the criteria for applying for the benefit is having been resident in the Island for 10 years at any point and resident for a year prior to the claim being made, is there any evidence at all whereby people have maybe lived here three decades ago for 10 years and have thought suddenly: "I was resident for 10 years 2 or 3 decades ago, I qualify for the Long-Term Care Fund if I lived for a year prior to making the claim", is there any evidence at all that you have got people coming back in and accessing the fund under that criteria? None at all.

[17:00]

The Minister for Social Security:

There is nothing to say that that is happening at all. Right, that is 10 years but it is 10 years continuous residency and it cannot be ...

Deputy J.A. Hilton:

Yes, I know. It was brought up in 2014 when we were first discussing that, it was mentioned then about the possibility of that happening, that people might choose ... they might have done 10 years, 20 to 30 years old and choose to retire to Jersey and then access the fund, having maybe paid nothing into it.

Chief Officer:

I think you have asked us a question prior to the hearing, which is, how many people aged over 65 are currently registered under the scheme that returned to the Island in the last 5 years? It was 9 out of 1,177 claims.

Deputy J.A. Hilton:

So 9 ...

The Minister for Social Security:

In 5 years.

Deputy J.A. Hilton:

So 9 in 5 years have come back who ...

Chief Officer:

Who have returned to the Island in the last 5 years who are claiming, yes.

Deputy J.A. Hilton:

In the last 5 years who are claiming.

The Deputy of St. Ouen:

Who were over 65, so they could have returned at age 60 for retirement perhaps.

Chief Officer:

Yes. It is a very small number.

Senator S.C. Ferguson:

These are people who were here, worked here for 10 years, came back and then went away again and then came back when they were 65.

Chief Officer:

Over 65, so they can be 80, 85, yes.

Deputy J.A. Hilton:

Are these individuals self-funders or were they being paid for by the fund?

Chief Officer:

We do not have that information.

Deputy J.A. Hilton:

Would it be possible to supply that information?

Chief Officer:

I am sure we can do that, yes.

Deputy J.A. Hilton:

Yes. I am just interested to know whether they are self-funders or whether they are being funded totally by the Long-Term Care Fund.

Policy Director:

We certainly do not have anybody. We do not have anybody who is ...

Finance and Governance Director:

That is true, so the income support for the residential care scheme, there is no one who is currently accessing that, so that would only have 5 years residency qualification, rather than 10 years for long-term care. We have not seen people come back in without paying their full 10 years and then accessing long-term care, that has not happened but as far as what ...

Deputy J.A. Hilton:

There is nobody being funded at the current time who have not lived here for 10 years continuously. Thank you.

The Deputy of St. Ouen:

Minister, can I ask a general question that is specific about the property loans, and I think that will be our last question? Have you encountered any issues with the operation of the property loan scheme such as delays in setting up bonds or the availability of funds or the difficulties in reclaiming the debt promptly after a claimant passes away?

The Minister for Social Security:

Again, that was initially expected to be quite difficult. There were not as many requests as we thought. We have had 57, off the top of my head, I think, of which 37 are still ongoing, loans against the properties. Of course, if there are a couple, for instance, and the partner goes into care and, subsequently, dies, then there is a bond against the house; it remains for the life enjoyment of the partner. The bond rate at the moment, it was stipulated as 0.5 per cent of our base rate, which at the moment makes it 0.75 per cent, so it is a very reasonable interest rate. This will not be realised until such time as the property changes hands, be that to the children or relations of, whatever and

then the money accrued during that time will either be paid back by the sale of the house, if that was the requirement or if the inheritors could pay it back out of their own funds and then the interest would be paid back at the same time.

The Deputy of St. Ouen:

Right. Where a person moves into care owning property, you will generally require that person to make a return on the property, to let it out and ...

The Minister for Social Security:

If they are not living in it.

The Deputy of St. Ouen:

If they are not living in it, yes, that is right. But is that person allowed to refurbish his property? What happens if it is not lettable in the first place because no attention has been paid to it for 50 years while that person has been living there? I know these situations arise. How is that worked out in the department?

The Minister for Social Security:

That is a good question.

Policy Director:

Yes, so if you were talking about an empty property possibly, so obviously one person moves into care and one has still their home and that is private, so the house is empty and the house is very dilapidated. There are 2 things to do, so the planning permission involves this. Sometimes they will want to do it up and rent it out, so we then give them time to do that and there is a period of time when they can do the house up and then rent it out and we do not expect them to collect rental in the meantime.

The Deputy of St. Ouen:

But are the family expected to pay for that, even though it is not their house?

Policy Director:

It is the family's house, there is that. If somebody wants to do the house up, we do not pay to do the house up, we let the person have time to do the house up. We do not expect them to pay any money while they are doing the house up. There is a period of time to do the house up and then the rent could go towards the care fees. If that is not possible, if there are no renters in Jersey, if it is just an old lady living on her own and it is a dilapidated cottage, so you had to deal with the rental property. The person does own the property and, therefore, what we say is: "You have got a

property, we are not asking you to sell it. You would never have to sell a property under the long-term care scheme but we do expect you to provide some income towards your own care fees.” We would then deem a rental income from the property. As it turns out, the cost of dealing with the rent of a rundown cottage, so there will not be very much money. We use income support rates anyway, so they are never going to be particularly high rates that we expect from people. Then what you do is you create a bond and you just put the value of that small rent up against the bond. When the property does eventually pass on, then the States will give back a small contribution towards the care fees from what the rent would have been if they had been able to rent it out themselves.

The Deputy of St. Ouen:

Okay, I think I see.

Policy Director:

In other words, the landowner cannot just abandon property and not use it. The States want you to do something with the property. If you choose not to use that property at all, we would expect you to pay something in the term for ...

The Deputy of St. Ouen:

Yes, okay. Say the landowner does let it out, the rental is paid to the department or comes to the department, does it?

Policy Director:

No, not normally because it would be income. If you have got income, so you have got a situation where you are renting a property out, there is somebody looking after your affairs and you have got an agent or you have got a son or daughter that is kind of running things for you and you have got a pension maybe. You have got a number of income streams yourself, so you are using that money to pay part of your care fees. The department in that situation is probably paying part of the care fees to the home directly and you are making up the rest of it yourself.

The Deputy of St. Ouen:

Yes. Is it understood that that property owner will suddenly become a taxpayer because he is recovering a rent for his property and he will have to pay rates and insurance as before, so, therefore, those costs must be allowed ...

Policy Director:

All those costs are allowed for. So with taxes itself, in the income that you received as a claimant you are allowed to ... you have got your gross income, you are allowed to deduct your income tax. There are allowances for property that ...

Deputy G.P. Southern:

Agency fees ...

Policy Director:

Agency fees if you had a letting agent. We do not expect you or to understand that there are costs involved in that. All those costs are deducted first and then whatever is left is the amount that you put towards your care fees.

The Deputy of St. Ouen:

Right. That is quite complex, do you ...

Deputy G.P. Southern:

Not more, we will go back to the core question.

The Deputy of St. Ouen:

Okay. Final question, do you provide an annual statement so that that person can see what is coming in to pay their care costs? You are recovering part of the rents or, I suppose ...

Policy Director:

What they will get is they will get an award letter which will say: "Here is your income, here is what you are allowed against it, here is what your rent is worth", so they will get that to start with and if it changed there is the new one of those will get ...

The Deputy of St. Ouen:

Okay. Thank you. I have no more questions. Thank you so much for listening.

[17:09]