



The future of Attendance Allowance and other disability benefits for older people

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On 14 July 2009 the Government published a Green Paper, *Shaping the Future of Care Together*. The Green Paper outlines the Government's 'vision' for a new care and support system for older people in England and sets out alternative ways in which a 'National Care Service' might be funded. As part of its plans, the Government argues that there is a case for bringing together some existing 'funding streams' to deliver the new system and that consideration should be given to integrating some elements of disability benefits – in particular Attendance Allowance – to create a 'new offer for individuals with care and support needs'.

This note gives details of the proposals in the Green Paper in relation to Attendance Allowance and other disability benefits for older people, and initial reactions. The Government is holding a public consultation on the Green Paper until 13 November 2009, and plans to publish a White Paper on care and support in 2010.

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1 What disability benefits are available for older people?

The main social security benefit for older people is Attendance Allowance. People over state pension age may also be receiving Disability Living Allowance (DLA), and disability premiums/additions with means-tested benefits such as Pension Credit and Housing Benefit. Further information on Attendance Allowance and DLA is given below.

1.1 Attendance Allowance

Attendance Allowance is a social security benefit for people aged 65 or over who need help with personal care because of physical or mental disability. It is non-contributory – i.e. it does not depend on the person having paid National Insurance contributions – and is not affected by any income or capital (savings) the person or their partner might have. It is also tax free.

There are two rates of Attendance Allowance (2009-10 weekly rates):

Lower rate £47.10

Higher rate £70.35

The lower rate is payable if the person needs help with personal care frequently or supervision continually throughout the day only, help with personal care or someone to watch over them during the night only, or someone to be with them when they are on dialysis.

The higher rate is payable if the person needs help with personal care, or someone to supervise or watch over them frequently throughout the day **and** also during the night.

The disability tests are the same as for the middle and higher rate components of Disability Living Allowance (DLA).¹ Further information on the rules governing Attendance Allowance and how to claim it can be found at the Directgov website.²

A person can get Attendance Allowance even if no one is actually providing them with care; it is entirely up to the recipient what they spend the money on.

A person who is caring 'regularly and substantially' for someone receiving Attendance Allowance can receive Carer's Allowance or a carer's premium/addition if they are receiving means-tested benefits such as Pension Credit.

At November 2008 1.58 million people were receiving Attendance Allowance in Great Britain, with 55 per cent receiving the higher rate. Two thirds were aged 80 or over. Of those getting Attendance Allowance at November 2008, 32 per cent were male and 68 per cent female. Both the male and female caseloads are rising: males by 21,000 and females by 23,000 in the year to November 2008.³

Total expenditure on Attendance Allowance in Great Britain in the financial year 2009-10 is forecast at £5,093 million. In real terms, this is almost double the expenditure on the benefit in 1991-92 (£2,637 million at 2009-10 prices).⁴

¹ For further details see Library Standard Note SN/SP/1057, *Disability Living Allowance for people aged 65 and over*

² <http://www.direct.gov.uk/en/DisabledPeople/FinancialSupport/AttendanceAllowance/index.htm>

³ Source: DWP Tabulation Tool; <http://statistics.dwp.gov.uk/asd/tabtool.asp>

⁴ Source: DWP Benefit Expenditure Tables; <http://research.dwp.gov.uk/asd/asd4/expenditure.asp>

1.2 Disability Living Allowance

Disability Living Allowance (DLA) provides a weekly fixed sum for the purpose of assisting a claimant with the extra costs associated with disability. It is – like Attendance Allowance – non-means-tested, non-contributory, and tax free. DLA has a mobility component and a care component. The mobility component – for help with walking difficulties – is paid at two different levels. The care component – for help with personal care needs – is paid at three levels. A person can receive a care component along with a mobility component. Although DLA can be paid indefinitely, there is an upper age limit for the first claim. Claims must be made before a person's 65th birthday. Otherwise, Attendance Allowance may be claimed instead. Attendance Allowance has no mobility component, but the disability tests are the same as for the middle and higher rate care components of DLA.

At February 2009, 3.04 million people were receiving DLA in Great Britain, of whom just over 2.5 million received a care component and 2.6 million a mobility component. Of the 2.5 million in receipt of the DLA care component, 577,190 were aged 65 or over.⁵

2 What is the Green Paper proposing?

The Green Paper⁶ sets out proposals for a new 'National Care Service' to provide long term care for older people in England. Three different options for funding are suggested:

Partnership – People will be supported by the Government for around a quarter to a third of the cost of their care and support, or more if they have a low income.

Insurance – As well as providing a quarter to a third of the cost of people's care and support, the Government would also make it easier for people to take out insurance to cover their remaining costs.

Comprehensive – Everyone gets care free when they need it in return for paying a contribution into a state insurance scheme, if they can afford it, whether or not they need care and support.⁷

The Green Paper states that, whatever the option, there is a need to consider whether existing funding sources for older people with care needs are being used to best effect. It goes on:

In developing the new system, we think there is a case for drawing some funding streams together to enable us to deliver the new and better care and support system we want to create. We think we should consider integrating some elements of disability benefits, for example Attendance Allowance, to create a new offer for individuals with care and support needs.⁸

The Green Paper acknowledges however that any future care and support system would have to 'build on the main advantages of the current disability benefits system, providing people with flexibility and an entitlement to have at least some of their care funded wherever they live in England'.⁹ It also says (emphasis added):

⁵ Source: DWP Tabulation Tool; <http://statistics.dwp.gov.uk/asd/tabtool.asp>

⁶ Cm 7673, 14 July 2009:

http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_102338

⁷ *Ibid.*, Executive Summary, p22

⁸ *Ibid.*, p15

⁹ *Ibid.*

Whatever the outcome of the consultation, we want to ensure that people receiving any of the relevant benefits at the time of reform would continue to receive an equivalent level of support and protection under a new and better care and support system.¹⁰

Chapter 6 of the Green Paper notes that at present, the two largest sources of government funding for care and support are the social care system (administered by local authorities) and disability benefits (administered by the Department for Work and Pensions). It states that social care funding in England amounted to £14.7 billion in 2007-08, while 'expenditure on the disability benefits specifically targeted at older people' amounted to £6.1 billion.¹¹ The Green Paper does not state which benefits this includes, but since the figure is greater than total expenditure on Attendance Allowance (see above), it must also include other benefits. As noted above, people over state pension age may also be receiving Disability Living Allowance, and disability premiums/additions with means-tested benefits such as Pension Credit and Housing Benefit.

The following extract from the Green Paper gives more detailed background and information of the proposal to integrate funding on disability benefits and other sources of funding for care and support for older people:

Disability benefits

Attendance Allowance is the main disability benefit for older people. It is available to anyone who has a care need that develops at or after the age of 65. Attendance Allowance operates in parallel with the social care system for those aged 65 and over. Attendance Allowance is not a benefit paid to replace lost income: it is intended for broadly the same purposes as social care – to contribute to the extra disability-related costs of those individuals who need assistance to live independently. Like social care, Attendance Allowance is subject to increasing funding pressures. But Attendance Allowance is not means-tested, so people get it regardless of how well-off they are. Many disabled older people will receive support from other parts of the benefits system, including through Disability Living Allowance, instead of Attendance Allowance.

We know that disability benefits such as Attendance Allowance are highly valued by the people who receive them, and that they give people control over how they spend their money to meet their care and support needs. However, we also recognise that there are inconsistencies of approach between disability benefits and social care within the current system. This is because the social care and disability benefits systems have developed in isolation from each other and these two largest portions of government care and support expenditure are being allocated on different bases. This can lead to inconsistent and unfair outcomes.

Having two different funding streams also means that older people have to apply separately for the two sources of support and undergo different needs assessment processes which may put people off applying for support. This can result in some people not receiving all of the support they are entitled to.

Simplifying and integrating sources of support

“The Review recognises the importance of the financial help that Attendance Allowance provides, including support in meeting care costs and also

¹⁰ *Ibid.*

¹¹ *Ibid.*

compensating people for other needs-related expenditures. However, it appears that Attendance Allowance might not be the best vehicle to provide both forms of this financial help.”

Wanless, D (2006) Securing Good Care for Older People: Taking a long-term view, King’s Fund

The 2006 report by the King’s Fund, Securing Good Care for Older People, highlighted these and other problems in the system and made the case for integrating the support provided through some disability benefits and the social care system to improve the effectiveness of state funding.

The review recommended that, if the social care system were able to mostly meet the care needs of people who may currently only be supported through the disability benefits system, there would be less need for some of these benefits, and there might be a case for integrating some disability benefits such as Attendance Allowance into the care and support system.

Building on the strengths of the current system

However, we also know that for many people the flexibility currently provided by disability benefits such as Attendance Allowance is not delivered through the current care system. Developing more personal budgets would be one way to better build on the advantages of the Attendance Allowance regime.

We want to consider what is the right approach to respond to the challenges of demographic change set out in this Green Paper, building on the work of the King’s Fund and other academics and stakeholders. That is why we think we should create a new and better care and support system, looking at how we can make the best use of public money to provide a joined-up, consistent and fair care and support system. This would enable the greatest public support to go to those who will benefit from it most, both people who have developed low levels of need and people with high levels of need, and would ensure a fair and consistent allocation of resources.

In developing the new system, we think that there is a case for drawing some funding streams together to enable us to deliver the new and better care and support system we want to create. We think we should consider integrating some elements of disability benefits, for example Attendance Allowance, to create a new offer for individuals with care needs.

If we decide that integrating some disability benefits, such as Attendance Allowance, into a simplified system is the right approach, we would want to ensure that the future social care system retains and builds on the main advantages of the current disability benefits system. We know that disability benefits are popular because they provide a universal entitlement which does not depend on where a person lives, they provide a cash budget which can be spent on the services someone wants, and people often use them to support lower-level needs in ways that help them to stay independent and well for longer rather than developing high levels of need. These three aspects – a universal system that is consistent across the country, flexible methods of payment through personal budgets and investment in prevention – will all be important components of the new system. Chapter 3 laid out what we will do to support these.

As we reform and strengthen the care and support system, we will want to consider support for carers and ensure that the valuable role they play is fully recognised and supported.¹²

The Green Paper mentions the need to support carers but does not address the specific issue of how the withdrawal of Attendance Allowance and the DLA care component in England might affect those receiving Carer's Allowance.

A further issue not touched upon in the Green Paper is that it is now possible, in certain circumstances, for people receiving Attendance Allowance or a DLA care component to continue to receive it if they move abroad to live in another European Economic Area (EEA) state or Switzerland.¹³ It is not clear how reforms would affect people who are receiving the benefit abroad, or considering moving abroad on the basis of an expectation of continuing entitlement.

3 What about Scotland, Wales and Northern Ireland?

The Green Paper sets out proposals for England alone. It states:

Any changes to the care and support system in England that integrate some disability benefits funding would affect the devolved administrations in Scotland and Wales, and Northern Ireland may also choose to adopt the new care and support system. We will work closely with all three devolved administrations to reach a shared view on how to ensure the best possible outcomes for all people in the UK.¹⁴

Social security is a reserved matter in Great Britain and a single body of legislation applies across England, Wales and Scotland. There is an entirely separate body of legislation covering social security in Northern Ireland, but there is a long-standing policy of parity with the rest of the United Kingdom. Any move to change the benefits rules in England alone would therefore be a significant departure from current practice.

The proposal in the Green Paper regarding disability benefits for older people also raises issues concerning the interaction of national benefits rules and the policies of the devolved administrations, and in particular the provision of free personal care on Scotland.

3.1 Free personal care in Scotland

Receipt of NHS or local authority funded personal care by a person living at home does not affect entitlement to Attendance Allowance or Disability Living Allowance. Free personal care can however affect entitlement to these benefits for people in care homes who are meeting the cost of their place entirely from their own resources. This was an issue in Scotland when free personal care was introduced in 2002.

Both Attendance Allowance and the Disability Living Allowance care components cannot be paid after four weeks if the local authority has taken responsibility for providing residential care accommodation for the person concerned, or are funding the accommodation of that person.¹⁵

¹² *Ibid.*, pp 102-104

¹³ See Directgov, [Taking disability benefits to other European countries](#)

¹⁴ p104

¹⁵ Regulation 7(1) *Social Security (Attendance Allowance) Regulations* SI 1991/2740; regulation 9(1) *Social Security (Disability Living Allowance) Regulations* SI 1991/2890

Payment of benefit can only continue if the person is paying the full cost themselves. The full cost excludes the cost of the nursing element of care where this is paid for by the NHS in England and Wales and the local authority in Scotland. The Scottish Executive had hoped that payments for personal care would also be excluded, but following lengthy discussions between the Executive and the Westminster Government it emerged that this would not be the case. As a result, people funding themselves in care homes in Scotland would lose entitlement to AA or DLA as a result of the introduction of free personal care.

On 15 January 2002 Malcolm Chisholm, the then Health Minister in the Scottish Executive, announced that discussions with the Westminster Government regarding the funding of free personal care had been concluded. His statement first announced that the introduction of free personal and nursing care in Scotland would be delayed by three months - to July 2002 - and then went on to discuss the funding of the proposals:

Second, affordability. The Care Development Group recommended that free personal care should be delivered via two funding routes – the continuation of a Department of Work and Pensions benefit known as Attendance Allowance, or an equivalent resource transfer, and new funding delivered by the Scottish Executive. The Executive committed new funding of £125 million to cover the overall delivery of the policy in each of the next two financial years (2002-4). We also opened high level discussions with DWP and, subsequently, other key Whitehall interests including the Treasury. This dialogue was continued by the new First Minister when he met face-to-face with the Secretary of State for Work and Pensions last month.

DWP do not accept the recommendation of the CDG on the issue of Attendance Allowance and there is little prospect of that position changing in time to meet the key implementation dates ahead of us. I understand that there will be disappointment among many in Scotland at this decision. However, we see no practical benefit from taking the issue further. As I have already stated, details of implementation are now being finalised, frontline staff and the public need to know where they stand. It is right that we concentrate now on the practicalities of delivering the policy.¹⁶

His statement was echoed a few days later in the Westminster Parliament when George Foulkes, then a Minister at the Scotland Office, answered a series of parliamentary questions from Annabelle Ewing:

The Scottish Executive, the Department for Work and Pensions, the Treasury and the Scotland Office had a number of discussions on this matter. These discussions were amicable. Throughout, it was recognised that decisions on care services are devolved and those on benefits are reserved. The Government have made it clear that they are not prepared to transfer resources in this area to the Scottish Executive. Mr. Malcolm Chisholm said on 15 January that the discussions were concluded and the matter would not be taken any further.¹⁷

Newspaper coverage of the discussions, mainly in the Scottish press, had been more colourful. The Scotsman, for example, had referred to a 'blazing row'.¹⁸ Reports of the final statement in the English press referred to 'eight months of wrangling'¹⁹ and to 'the anger of

¹⁶ Scottish Executive press notice, *Free Personal Care timetable Extended*, 15 January 2002

¹⁷ HC Deb 21 January 2002 c 596w

¹⁸ 'Godfather of Labour tries to distance himself from ever-increasing sleaze,' *The Scotsman*, 9 November 2001

¹⁹ 'Scots admit defeat on care funds,' *The Times*, 14 January 2002

English Cabinet ministers at the Scottish Executive's decision to provide free personal care'.²⁰

The Scottish Executive's Care Development Group had originally recommended payment of £90 a week for personal care and £65 a week for nursing care, on the assumption that people would still be eligible for Attendance Allowance or DLA. However, following the discussions with the Westminster Government it was decided to increase the payment of £90 for personal care to £145 in order to ensure people who would otherwise have received AA or DLA would not lose out. The additional funding amounted to £23 million a year.²¹ Payments for personal care in Scotland are now £153 a week for those assessed as eligible.²²

Any move to implement the proposal in the Green Paper regarding disability benefits in England might therefore lead to pressure to renegotiate a settlement between the Scottish Executive and the Westminster Government regarding the funding of free personal care in Scotland.

4 What have reactions been to the proposals regarding disability benefits?

Organisations representing older people and disabled people have largely welcomed the proposals in the Green Paper on reform of the care and support system in England, but concerns have been voiced about the proposal to integrate disability benefits with other funding streams. In a press release issued on 14 July Disability Alliance commented:

While we agree that in developing the new system, there is a case for drawing some funding streams together to enable the delivery of new and better care and support systems. Before integrating disability benefits such as attendance allowance, into a simplified system, we must ensure that the future social care system retains and builds on the main advantages of the current disability benefits system in that disability benefits provide a non-means tested universal entitlement, which does not depend on where a person lives, together with a cash budget which can be spent on the services someone wants. Also as the care and support system is strengthened we must ensure that the valuable role carers play is fully recognised and supported.²³

Disability Alliance subsequently issued a statement:

Disability Alliance has been contacted in the last few days by people who believe that we favour attendance allowance (AA) being integrated into Local Authority care service budgets. This is incorrect.

We support disability living allowance (DLA) and AA as national, non-means tested benefits paid to disabled people to meet their higher living costs. We have provided research and evidence on the higher costs of living that disabled people experience.

DLA and AA were intended to help with the higher costs of living disabled people and their families experience, and to help tackle the link between disability and poverty. We

²⁰ 'Free care for Scots elderly set for delay,' *Financial Times*, 15 January 2002

²¹ SPICe briefing 03/35, *Community Care – Subject Profile*, 2 June 2003

²² Scottish Executive, [FREQUENTLY ASKED QUESTIONS ABOUT FREE PERSONAL AND NURSING CARE IN SCOTLAND FOR PEOPLE WHO LIVE IN A CARE HOME](#)

²³ Disability Alliance press release, 14 July 2009: <http://www.disabilityalliance.org/press8.htm>

believe placing either or both of these funds in the pool for Local Authority distribution could cut support and restrict choice and control for many disabled people.²⁴

Another organisation, the Disability Benefits Consortium – which comprises more than 25 organisations – strongly opposes proposals for using existing benefits to fund social care.²⁵

Age Concern and Help the Aged support proposals to ‘pool’ the risk of paying for care, but they argue that costs must be shared fairly across generations and are concerned about proposals to abolish Attendance Allowance – which helps older people meet the cost of dealing with disability – ‘simply to prop up the system as it is today’.²⁶ Both organisations have sought reassurances about how Disability Living Allowance and Attendance Allowance are to be protected.²⁷ They state:

Age Concern and Help the Aged know older people use these benefits to help them remain independent and cope with the extra costs of ill health and disability. We want the Government to make it a legal right that all disabled older people will be able to get money to help them pay for the extra care they need because of their disability.²⁸

In light of the proposals regarding disability benefits in the Green Paper, Age Concern and Help the Aged have major concerns:

If the idea to stop Attendance Allowance is taken forward, it will mean that many older people will be worse off than they are now.

Those who need a small amount of help will no longer get this benefit. It’s uncertain whether any other help will be available instead.²⁹

A petition at the 10 Downing Street website submitted by Peter Hand of Mencap calling on the Prime Minister to recognise the ‘vital support’ that Attendance Allowance and Disability Living Allowance provide to disabled people, and to ‘ensure that these benefits are secured and are not removed as part of any future reform of the social care system in England’ has now been signed by more than 19,000 people.³⁰ A further campaign against changes affecting Attendance Allowance and DLA, spearheaded by Benefits and Work Publishing, has received more than 26,000 messages of support.³¹

In an article at the website communitycare.co.uk, the welfare rights specialist Neil Bateman argues that it would be ‘catastrophic for millions of the poorest and most vulnerable’ if Attendance Allowance or DLA were diverted to fund social care.³² He raises issues including the future of ‘passport extras’ such as Carer’s Allowance, and the danger of a ‘postcode lottery’ replacing the existing ‘standard, national, transparent and legally enforceable criteria’ governing social security benefits. He adds:

²⁴ <http://www.disabilityalliance.org/care6a.htm>

²⁵ <http://www.disabilityalliance.org/dbc5.htm>

²⁶ Age Concern and Help the Aged press release, *Green Paper sets out care reform challenge*, 14 July 2009: <http://www.ageconcern.org.uk/AgeConcern/release-care-green-paper-140709.asp>

²⁷ Age Concern and Help the Aged, *Big Questions for the future of care Our ten tests for the Government’s Green Paper on the future of care and support*

²⁸ *Ibid.* p8

²⁹ *Ibid.*

³⁰ <http://petitions.number10.gov.uk/AttendanceA/>

³¹ [http://www.benefitsandwork.co.uk/disability-living-allowance-\(dla\)/dla-aa-cuts](http://www.benefitsandwork.co.uk/disability-living-allowance-(dla)/dla-aa-cuts)

³² ‘Adult green paper could be catastrophe for disability allowance recipients’, 16 July 2009:

<http://www.communitycare.co.uk/blogs/social-care-experts-blog/2009/07/adult-green-paper-could-be-cat.html>

The AA/DLA recipient also decides what to spend the money on, which is what most of us take for granted about our own money and is also the core principle behind Individual Budgets, whereas transferring AA/DLA to social care, (either as services or Individual Budgets), would involve extending bureaucratic control over peoples' lives, undermining the new philosophy of individualisation and choice.

Finally, research shows that a lot of AA/DLA is spent on informal care services - paying someone to do shopping, gardening or give lifts. Transfer would erode these valuable preventative services and the social capital that they create. The end result would be that people might expect local authorities to arrange such things.³³

Professor Richard Berthoud of the Institute for Social and Economic Research (ISER) has argued that the proposal to divert existing spending on disability benefits to provide for care needs fails to acknowledge that Attendance Allowance and DLA are intended to cover the extra costs associated with disability, not just direct care needs. An ISER press notice issued on 21 July stated:

Attendance Allowance, and the care component of the Disability Living Allowance (for claimants over or under the age of 65, respectively) pay up to £70 a week to nearly four million disabled people, at a cost of £9bn per year. Since the need for "care" (or attendance) is the main criterion governing eligibility for the benefits, it is sometimes assumed that the money is intended to pay for care. On the other hand, the past governments that introduced these benefits made it clear they were intended to contribute to the general extra cost of living faced over the long haul by disabled people and their families – extra heating, special diets, the incidental costs of hospital visits and so on – not necessarily on caring services. Standard of living indicators suggest that the current benefits do little more than compensate disabled people and their families for the extra costs associated with disability. A reduction in their cash incomes is likely to lead to an increase in deprivation.³⁴

There has been some confusion about which benefits might be affected, were the Government to decide to proceed with the proposed changes. Initial press reports suggested that Disability Living Allowance would not be affected; a press release issued by the Child Poverty Action Group (CPAG) in August stated that it had also received an assurance from 'senior figures' within DWP that rumours circulating that DLA could be under threat were incorrect. However, CPAG was subsequently contacted by DWP who said that no final decision had been taken about which benefits might be affected.³⁵ In an interview with the magazine *Disability Now* the Health Minister Phil Hope refused to rule out the possibility of DLA being subsumed into the overall care budget³⁶, but a subsequent report in *Disability Now* stated:

... when asked by *Disability Now* at a reception at the Labour Party conference in Brighton if he would abolish DLA if he is still in office after the general election, Phil Hope replied "no".

He said: "All the models that we have done have not included DLA. But if people were to make the case to integrate DLA into a comprehensive system, then I'm very happy to hear that case and have those arguments.

³³ *Ibid.*

³⁴ 'Threat to disability benefits', *ISER News*, 21 July 2009:

<http://www.iser.essex.ac.uk/news/2009/07/21/threat-to-disability-benefits>

³⁵ See Rightsnet News, 'Government confirms DLA not under threat as a result of Green Paper proposals', 17 August 2009 (with 'stop press' footnote added 21 August).

³⁶ 'hope springs eternal on care green paper', *Disability Now*, September 2009

“DLA is not under threat and people can be very happy,” he added.³⁷

The Government was pressed further about its plans during Lords Starred Questions on 13 October:

Asked By Lord Ashley of Stoke

To ask Her Majesty's Government which elements of disability benefit they are considering integrating into the wider social care budget in England.

The Parliamentary Under-Secretary of State, Department for Communities and Local Government & Department for Work and Pensions (Lord McKenzie of Luton): My Lords, the Green Paper, *Shaping the Future of Care Together*, proposed that one way to deal with the challenge of an ageing society may be to bring some disability benefits and the new care and support system together into a single system as a better way of providing support. At this stage, we do not want to rule out any options and so are considering all disability benefits.

Lord Ashley of Stoke: I thank my noble friend for that reply. Is he aware that any attempt by the Government to withdraw these benefits, or any benefits at all, will be very strongly resisted by disabled people, by their organisations and by many Members of both Houses of Parliament?

Lord McKenzie of Luton: My Lords, I reiterate that no decision has been made on this matter—it is a consultation—and I acknowledge the benefit that many disabled people see in the current benefit structure, particularly DLA and attendance allowance. However, there is a case for bringing some disability benefits and the adult social care system together to provide better support through a new national care service. We should remember that the social care system and disability benefit system have in many ways developed in isolation from each other—they are separately assessed and have separate applications—and there may be benefits for individuals in bringing them together. However, we have made clear in the Green Paper that should we make a change in this direction, individuals receiving the relevant benefits at the time of the reform will continue to receive an equivalent level of support and protection.

Perhaps I may illustrate the nature of the challenge that we face. There are currently 1.26 million adults who get their care and support needs addressed. Over the next 20 years, 1.7 million more adults will need to be supported. Currently, 20 per cent of cases cost less than £1,000 a year and 20 per cent cost more than £50,000 a year.

Baroness Wilkins: My Lords, does my noble friend consider it acceptable that if attendance allowance were absorbed into the social care fund in future, many thousands of disabled people who get the benefit now, such as visually impaired people who fall outside the fair-access-to-care criteria, would no longer get any help with the extra costs of disability?

Lord McKenzie of Luton: My Lords, these are exactly the points that need to be fed into the consultation so that they can be taken fully into account. Currently, there is a considerable degree of overlap between the social care support system and attendance allowance, in particular, and many claimants of attendance allowance effectively have a significant loss of their benefit in the assessment for social care.

Baroness Thomas of Winchester: My Lords, I declare an interest in that I receive a disability benefit. Is the Minister aware of the very real fear that has been engendered

³⁷ 'Conference: Exclusive – Hope kills DLA threat', *Disability Now*, October 2009: <http://www.disabilitynow.org.uk/latest-news2/conference-exclusive-hope-kills-dla-threat-1>

among disabled people at the possibility of attendance allowance, and possibly the care element of disability living allowance, being swept into the kitty to plug the gap in the funding of adult social care? Many disabled people think that that is about to happen and say that they just do not trust local authority funding, which of course is where it would end up. Will the Government make an unequivocal statement to the effect that this is very much open for consultation and is not going to happen tomorrow, as a lot of people think it is?

Lord McKenzie of Luton: Indeed. I can absolutely reassure the noble Baroness and the whole House on that issue. This is a Green Paper. It is a consultation and we need fully to take account of people's views. There is no prospect of people simply having their disability benefits removed overnight. That is no way in contemplation.

Lord Freud: My Lords, on this proposition of subsuming various allowances, including attendance allowance, is this moving away from the principles of right to control which are being included in the Welfare Reform Bill?

Lord McKenzie of Luton: It is very much to the contrary. It is a clear thrust of the Green Paper that when we establish the national care service, some of its key components will be prevention services and information and advice, and personalised choice and control will be at the centre of those proposals. In a sense, this is being reinforced by the Welfare Reform Bill at the moment.

Lord Low of Dalston: My Lords, notwithstanding what the Minister has said about all disability benefits being up for consideration, and given the reported statement by the Minister for Care Services that disability living allowance is not under threat, can the Minister confirm that neither component of the disability living allowance, whether paid to present or future recipients over as well as under 65, is being considered as a possible source of funding for social care?

Lord McKenzie of Luton: My Lords, as I said in answer to the first Question, currently no particular benefit is ruled out of consideration. We are conscious of the fact that DLA is overwhelmingly used by people who are under 65, and obviously care needs are overwhelmingly for people who are older.³⁸

In a speech to the National Children and Adult Services Conference on 22 October, the Secretary of State for Health, Andy Burnham, said however that the Government had "ruled out any suggestion that DLA for under-65s will be brought into the new National Care Service".³⁹ The following item was posted on the Green Paper consultation website:

Health Secretary clarifies Government position on disability benefits

Date: 22 October 2009

The Secretary of State for Health has made it clear that Disability Living Allowance for the Under 65s will not be affected by Government plans to create a National Care Service.

Speaking at the National Children and Adult Services Conference in Harrogate, Andy Burnham MP said: "I am encouraged by the response to our Big Care Debate and welcome the fact that other political parties are beginning to put their ideas on the table. There are big differences between what we are saying but we are beginning to

³⁸ HL Deb 13 October 2009 cc111-113

³⁹ *Speech by Andy Burnham, Secretary of State for Health, 22 October 2009: National Children and Adult Services (NCAS) Conference:*
http://www.dh.gov.uk/en/News/Speeches/DH_107455

create what I wanted to see - unstoppable momentum for legislation in the next Parliament.

"But, while the debate is moving quickly, I do want to stress that the door is wide open for discussion. We are still in a consultation period. No decisions have been made on funding options. We are still listening – about funding, about structures, and about how to build a forward-looking system of care.

"One avenue I do want to close down, however, is the debate and controversy over Disability Living Allowance.

"We recognise that this is an important benefit for disabled people, and I can state categorically that we have now ruled out any suggestion that DLA for under-65s will be brought into the new National Care Service.

"This is because, whilst there will be increases in the numbers of disabled people of working age who need care, the majority of the people needing care in the future will be older people.

"However, we do think there may be a case for bringing together elements of some disability benefits, such as Attendance Allowance, with social care funding, to create a new care and support system to provide for the needs of older and disabled people.

"But the important principle is that people receiving any of the relevant benefits at the time of reform would continue to receive an equivalent level of support and protection under a new and better care and support system.

"And let's not forget, everyone - regardless of wealth or asset base – will benefit from the protection and peace of mind that the National Care Service will provide."

The Government is currently carrying out a consultation – the Big Care Debate - on the new National Care Service, a vision for which was set out in July's Green Paper *Shaping the Future of Care Together*. The Big Care Debate continues until 13th November.⁴⁰

5 What happens next?

The Government has begun a public consultation on the proposals set out in the Green Paper. Further information on the consultation – which runs until 13 November 2009 – can be found at the following website:

<http://careandsupport.direct.gov.uk/>

As part of the consultation, 36 'stakeholder events' are also taking place in cities throughout England between July and October 2009, 'giving stakeholder audiences an opportunity to learn about the Green Paper in detail, to share their responses and to meet and ask questions of senior policy officials'. Full details are given at the website.

The Government is aiming to publish a White Paper in 2010 setting out its proposals in the light of consultation.

⁴⁰ <http://careandsupport.direct.gov.uk/news/2009/10/health-secretary-clarifies-government-position-on-disability-benefits/>