



Health Committee

House of Commons London SW1A 0AA
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From Dr Sarah Wollaston MP, Chair

The Rt Hon Jeremy Hunt MP
Secretary of State for Health
Department of Health
Richmond House
79 Whitehall
London SW1A 2NS

23 July 2015

Dear Jeremy

Delay in the implementation of the cap on care costs

I write following the announcement last Friday of the delay in the implementation of the cap on care costs under the Care Act 2014.

I wish firstly to express my concern at the way this announcement was made. The delay of the implementation of the cap until 2020 represents a significant change in Government policy. The committee considers it regrettable that such an announcement should have been made not by a statement to the House of Commons, but by a written statement to the House of Lords, accompanied by the publication of some Ministerial correspondence, on a day when the House of Commons was not sitting, two sitting days before the rising of the House for the summer recess, and the day after a major speech in which no mention was made of this very important development.

I would be grateful if you would clarify some important details about this policy change. Along with the implementation of a cap on care costs, I understood that the upper threshold for assets which would be disregarded in assessing eligibility for assistance with care costs would be raised from the current £27,000 to £118,000. Has the raising of this threshold also been delayed?

The level of the cap previously discussed was £72,000. When the cap is introduced, will it remain at the level proposed for introduction in 2016, which would represent a cut to its real terms value? Similarly, if the raising of the threshold to £118,000 has been delayed, will it be introduced at that level or be increased in line with inflation?

You will be aware that the current arrangements result in self-funders effectively subsidising those whose care is paid for by local authorities. Do you have any proposals to address that situation before the introduction of new arrangements in April 2020?

Finally, what assessment have you made of the additional costs to local authorities' social care expenditure which will arise as a result of the introduction of the National Living

Wage and how far was the policy on NLW responsible for delaying implementation of the Care Act?

I would be grateful for a response to this letter by Thursday 30 July. I also look forward to discussing these matters with you further at your appearance before the Committee in September.

Best wishes

A handwritten signature in black ink, appearing to read 'Sarah Wollaston', with a stylized flourish at the end.

Dr Sarah Wollaston MP
Chair of the Committee