Dear Mr Henry

Thank you for your letter of 25 September in response to my letter of 6 August about Free Personal and Nursing Care which the Committee considered at its meeting on 24 September.

In relation to an update on the Reshaping Care for Older People programme I would offer you the following comments.

The Ministerial Strategic Group on Health and Community Care met on 8 December and endorsed a paper which set out the emerging proposals developed through the 8 workstreams established to take forward the Reshaping programme. It also noted the next stages for the programme, which will have a particular focus on the public engagement stage projected for early 2010.

The 8 workstreams have each developed a significant number of emerging proposals, the vast majority of which are drawn from existing good practice and innovation. Local and national partners can and should continue to seek ways of designing, developing and delivering against against the proposals made by the workstreams. A summary of the outputs from the Funding and Demographics workstream follows:

**Current base position established for levels of:**

- Volume of care provided by type of care;
- Workforce by type of labour and type of care;
- Unit costs of care by type of care and type of cost;
- Range of sources and level of public funds expended; and
- Scale of private expenditure.

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Baseline projection to 2030 based on current policy and demographic trends for:

- Volume of demand for care by care type;
- Workforce requirements of meeting that level of care;
- Public cost of meeting that level of care;
- Broad prospects for availability of public funds; and
- Scale of potential funding challenge.

I should also point out that we are in the process of commissioning economic modelling that will present and discuss various scenarios regarding future costs and expenditure requirements based on what we currently know about the ageing population. I will provide you and the Committee with a further update on this work and progress on the Funding and Demographics workstream following the next meeting of the Ministerial Strategic Group which is scheduled for 1 February 2010.

Yours sincerely

KEVIN WOODS