

# CARE & SUPPORT ALLIANCE

The Care & Support Alliance comprises 52 major organisations representing older and disabled people, those with long-term conditions and their families. We believe that the social care system is in crisis with existing funding levels failing to meet growing demand. This is leaving older and disabled people and their families without essential care and support.

The Alliance has welcomed the Report of the Commission on Funding of Care and Support (Dilnot Commission) as the foundation of a fairer funding system for social care. We urge the Government to work with other political parties to ensure that the White Paper on Social Care due in April 2012 delivers a sustainable and lasting settlement on social care funding.

## Key reforms

- A zero cap on an individual's contribution to lifetime care costs for disabled adults aged 18-40, incrementally rising to £35,000 by aged 65
- An annual limit of £7000 on an individual's contributions to living costs in residential care
- Raising the means tested threshold to £100,000
- A national system of eligibility and assessment
- Expanding preventative support for people with lower needs

By transforming the social care system, we can improve the lives of millions, and ensure that we meet the country's needs of the future.

## Three reasons for reform

1. Demand for social care is exceeding our ability to meet people's needs
2. Enable more people to fully participate in work and our society
3. The costs will become greater if we don't act now

### 1. Meeting the challenge of increasing demand

Demand is increasing

- 11 million people alive today will live to 100, with the population of over 65s projected to grow by 50% over the next twenty years.
- The expected number of working-age adults with a learning disability will rise by around 30% over the next 20 years<sup>i</sup>.

But supply is decreasing

- 12% fewer people received support in 2010/11 than who did in 2008/09
- Spending on social care fell by 2% in 2010/11 from 2009/10.<sup>ii</sup>
- Adult social care budgets fell by £1bn in 2011/12 from the previous year, meaning even fewer people will get support and these trends will continue through to 2014/15<sup>iii</sup>.

Over the next 20 years, the supply of care by families is likely to grow by 13% (assuming unchanging propensity to care), while demand will increase by 55%<sup>iv</sup>. It is estimated that by 2017 we will reach a 'tipping point' in care where demand will outstrip what families are able to provide<sup>v</sup>.

## **2. Enable more people to be active in society**

Reform now could build a fair and sustainable care system which delivers dignity, independence and peace of mind for older and disabled people and their families. Failure to act would continue a cycle of cuts, neglect and abuse in social care, at great cost to our economy, public services and society. More people are now living in isolation and without the support they need because less than one-fifth of councils provide support to people assessed with 'moderate' needs and above, down from half in 2005.<sup>vi</sup>

- 800,000 older people who currently need care receive no formal support from either the state or private sector agencies<sup>vii</sup>
- 42% of carers have not taken a break of more than two days since beginning caring<sup>viii</sup>
- A survey of people with learning disabilities and their families showed that 1 in 5 had been told their hours of care would be reduced<sup>ix</sup>
- A survey in 2011 showed that services to 24% of disabled adults had already been cut, even though their needs were the same or had increased<sup>x</sup>

## **3. Act now to avoid greater costs in future**

Demand for support was greater than expenditure on support by around 9% from 2005/06 to 2010/11<sup>xi</sup>. The longer we let the gap grow between investment and need, the more expensive it will become to close that gap and meet the needs of the country. People are already using all of their savings and selling their homes to pay for care - around one in ten people at the age of 65 will face lifetime care costs of more than £100,000. For those born with a disability, these costs can be considerably higher<sup>xii</sup>.

The inability to meet needs through social care creates extra demand on the NHS, as demonstrated by increasing number, 11%, of delayed discharges in 2011/12 compared to 2010/11<sup>xiii</sup> and increasing emergency readmissions within 28 days<sup>xiv</sup>.

And we cannot rely on family members to continue picking up the strain of a failing social care system as carers are 31% more likely to be suffering ill health than non-carers<sup>xv</sup>. Increasing reliance on carers will turn ever more carers from providers to recipients of care.

### **Dilnot Commission recommendations**

"Without extra resources, people are not going to get the care that they need, the quality of support is likely to decline and extra pressure will be placed on other services. The Government should ensure that there is sufficient, and sustainable, funding for local authorities so that they are able to manage existing pressures as well as the new requirements as a result of our reforms."

Dilnot Commission

1. The lifetime contribution to adult social care costs that any individual needs to make should be a maximum capped at between £25,000 and £50,000. The Commission believes that £35,000 is an appropriate and fair figure.
2. Those who developed needs aged between 40 and 49 would have a cap/maximum liability of £10,000. For those aged 50 to 59, this would rise to £20,000; £30,000 for those aged 60 to 64 before reaching the limit of a £35,000 cap for those aged 65+. Any adult aged under 40 should be eligible for non-means tested free support.

3. Cease means-testing people on end of life care registers for adult social care<sup>xvi</sup>
4. Consistent with rising property values, the asset threshold for those in residential care below which they will qualify for means-tested support should increase from £23,250 to £100,000.
5. There should be national eligibility criteria, and set at a minimum of substantial.
6. There should be a national eligibility framework for carers and councils would be required to meet the eligible needs of carers.

### **Change is affordable**

At 2010/11 prices, it would only cost an extra £2.1bn per annum by 2015/16 to:

- Introduce a cap of £35,000 on an individual's contributions to their care
- Introduce a cap of £7,000 per annum on an individual's contribution to living costs in residential care ("hotel" costs)
- Raise the upper threshold for means testing people in residential care to £100,000

**This increase is equal to only 0.3% of total Government spending or 0.17% of GDP, whereas the Office for Budget Responsibility advises that with current policies, public spending on long-term care will rise by 0.5% of GDP by 2029/30 anyway.**

Note: The cost of our recommendations (£2.1bn) is taken from the Dilnot Commission report, but differs from the costs of the Commission's recommendations (£1.7bn) because the Commission proposed maximum 'hotel' costs of £10,000 p/a.

To meet the growing unmet needs of people aged 65+, Age UK estimate that an additional £2.8bn per annum will be needed by 2015/16. However, Government has already set aside an additional £2bn for social care in the comprehensive spending review, but the impact of overall cuts to council budgets has meant reduced spending on social care by £1bn in 2011/12.

**The choice we face is increasing spending on a system that supports fewer people, creates inequality and punishes those who save, or to invest in a reformed system that will allow more people to receive support, plan for the future and retain savings no matter where they are in England.**

<sup>i</sup> Both, The Commission on Funding the Future of Care and Support (2011). 'Fairer Care Funding; Analysis and Evidence, Vol II'. London: Centre of Information. Hereafter referenced as "Dilnot Commission, Vol II'.

<sup>ii</sup> Both 'Community Care Statistics: Social Services Activity, England - 2010-11 - Provisional Release', Health and Social Care Information Centre, 2011.

<sup>iii</sup> 'Social Services Budget Survey' (2011), The Association of Directors of Adult Social Services

<sup>iv</sup> Dilnot Commission, Vol II

<sup>v</sup> Pickard, L. (2008) Informal care for older people provided by their adult children: projections of supply and demand to 2041 in England. Report to the Strategy Unit and Department of Health.

<sup>vi</sup> Harrop, A. (2011) 'Care in Crisis'. London: Age UK

<sup>vii</sup> Harrop, A. (2011) 'Care in Crisis'. London: Age UK

<sup>viii</sup> Niblett, P. (2010). 'The Household Survey of Carers 2009/10'. London: The Health and Social Care Information Centre

<sup>ix</sup> 'Social care – the continuing crisis' (2011). Learning Disability Coalition

<sup>x</sup> Submission to the Dilnot Commission Call for Evidence (2011) *Care and Support Alliance*

<sup>xi</sup> Dilnot Commission, Vol II

<sup>xii</sup> All statistics in paragraph: Dilnot Commission, Vol II

<sup>xiii</sup> DH obtained by BBC, published 8<sup>th</sup> November: <http://www.bbc.co.uk/news/health-15198431>

<sup>xiv</sup> 'Hospital Episode Statistics; emergency readmissions into hospital' (2011). The Health and Social Care Information Centre

<sup>xv</sup> Ipsos Mori (2011) 'GP Patient Survey, 2010/11'. London: Department of Health.

<sup>xvi</sup> See Palliative Care Funding Review for more details