

2. The Future Funding

We welcome the opportunity presented by the forthcoming Social Care Green Paper and this inquiry to focus on sustainable future funding. The crisis in social care is deep and systemic, however it is also urgent. Before progress can be made on addressing long term challenges, policymakers need to acknowledge a system struggling to cope with the demands of today. Recent social care funding announcements are a fraction of what is needed to provide services that are safe, effective, caring, responsive and well-led. Local government estimate an immediate injection of £1.3 billion is needed to stabilise the current system²¹. By 2019/20 the King's Fund estimates the 'stand still' funding gap will have grown to £2.5 billion²². We believe Government should show a sign of good faith through immediate funding increases to allow the consultative process to focus on reforming the system in the longer term.

Looking ahead, establishing a sustainable system for the future cannot mean more of the same. A model of social care, capable of meeting the needs of a growing older population and taking its place as a fully functioning part of an integrated health and care system, needs to address the challenges of unmet need, sufficiency and quality of care as well as mechanisms to protect individuals from high and unlimited costs. It will need to work in partnership with individuals, their families and carers, based on a realistic and fair understanding of what each can contribute alongside the state.

We believe a consensus can be reached on the future funding of social care if there is belief that measures put in by this Government will address today's system pressures whilst building a platform for sustainable long-term reform that offers all older people access to high quality care and support when they need it most.

Age UK has recently run a series of focus groups with older people in receipt of care, mostly domiciliary care, and their carers, in partnership with the local Age UK and in the presence of their local MP, about what they want to see from the forthcoming Green Paper and how they believe a better social care system can best be funded.

3. What Older People and their Families Think

The results of our focus groups are currently being written up but the top line findings include the following:

Wherever these focus groups took place, in poorer or more affluent areas, north or south, urban or rural, Age UK heard very similar things:

- most of all, how crucial the front line care workers who deliver social care are to those who need it;
- that too often there is no continuity of staffing and carers do not have enough time;
- that 'care' is therefore sometimes reduced to a rather perfunctory, instrumental activity, with most of the humanity of the interaction removed;
- that family carers feel abandoned, out of their depth, trying to manage complex health as well as care issues for their loved ones, with insufficient support from either local health or social care services. Perhaps not surprisingly, it was the carers of older people with dementia who tended to express views like this the most.

More generally, the family carers at these events almost universally expressed worries about running out of money to pay for care and all the attendant expenses, worries about their own futures and worries about stress, often saying t

The sense from these focus groups was that older people may be prepared to pay a bit more towards care, if they can afford it, and as part of a broader settlement in which everyone makes a contribution across our society, but only in exchange for a care system that is appreciably better than what is on offer today.

It was clear from what they said that by this they meant especially the quality and quantity of front line services, including care homes and nursing homes as well as domiciliary care, and the support available to help informal carers – whether they are the adult children of older people with care needs or their ageing partners.

Measures to cap catastrophic care costs and/or a ‘floor’ were of some appeal to older people who had assets, but by no means all older people do and, in any event, since schemes of this kind take time to develop and embed it seems unlikely that today’s older people in need would be likely to benefit from them. They would, therefore, risk being seen as of benefit to future generations but not to them, and the focus groups made it clear that older people are unlikely to be persuaded that it is in their interests to pay more towards their care simply on this basis. They themselves would need to receive a tangible return in terms of the quality and quantity of services on offer.

When it came to the question of how more resources could be invested in social care and their own place in this, older people and their families in the focus groups were relaxed about the idea that different age groups might contribute to paying for social care in different ways – opening up the possibility that – say – the current generation of older people could be offered mechanisms of paying for care that reflects the greater assets that many, but by no means all have; while younger generations might contribute in some other way to the creation of a fund that in due course could pay for their care, should they need it. There was unanimous agreement that any such scheme would need to be compulsory and State backed (if not necessarily State run) because the focus group participants did not believe that people would willingly put money aside for a cost that might not crystallize for many years to come, if indeed at all – in other words some kind of system for pooling risk.

When it came to specific funding mechanisms the one that was clearly most preferred was some kind of general rise to National Insurance or Income Tax, possibly in the form of a hypothecated tax – perhaps for Health and Care together within a more integrated system.

There was also quite a lot of support, following discussion, for – say – a 5% levy on all estates after a person has died to help fund social care for all. This was perceived as ‘fair’ and not pitched so high as to cripple anyone financially as a result.

The Committee may therefore conclude that the least unpopular approach, so far as older people and their families are concerned, would be a basket of proposals that collectively raise a considerable amount of money. They would, however, need to be the right measures, explained to the public in the right way. They would also need to be complemented by a big increase in public funding, up front, at the next Spending Review, or preferably in advance of that, to drive the improvements to services on the ground without which it appears the older public will be unlikely to feel they wish to pay any more (of course many are already paying a considerable amount, and for services of very variable quality).

Once these focus groups have been fully written up we may well have further information to share with the Committee, if this would be helpful. Age UK expects to be in a position to publish a short report about them by the end of March 2018.

4. Conclusion

Social care is in crisis and only by acceptance of this will a sustainable solution be reached to fund