

# Evidence submission

Age UK evidence to the Health Committee and  
Communities and Local Government Committee joint inquiry  
on long term funding of adult social care

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## 1. The Current Social Care Climate

Creating long-term sustainable health and social care systems is of ever greater importance with demand for both services continuing to rise. Increased longevity means more people are living for longer with complex, long-term conditions<sup>1</sup>. Dementia diagnoses are expected to reach 1 million by 2027 and 1.75 million by 2050<sup>2</sup>, increasing pressure on both health and care services. The numbers of people over the age of 85, who are most likely to have significant care needs, are expected to double over the next 20 years<sup>3</sup>.

Funding has not kept pace with increased demand in either sector. Under current spending plans, the NHS budget will have increased by an average of 1.1 per cent a year between 2009/10 and 2020/21, compared to a long-term average increase of nearly 4 per cent a year since the NHS was established<sup>4</sup>. Local authority spending on social care fell by 7 per cent in real terms between 2009/10 and 2016/17<sup>5</sup>. As a result, councils have significantly reduced the amount of support available. Tightened eligibility criteria have led to an estimated 25 per cent reduction – more than 400,000 – in the number of older people alone accessing publicly funded care<sup>6</sup> over that period. At the same time service users report being offered smaller packages of care and are being asked to contribute more in charges<sup>7</sup> – including a growing number of people paying ‘top-ups’<sup>8</sup>. We have also seen a quadrupling, to £1.33 billion, of the NHS transfer to social care between 2010/11 and 2015/16<sup>9</sup>.

As a result more than a million adults are now living with some level of unmet need with activities of daily living (ADLs) including maintaining personal hygiene, assistance to eat and drink and using the toilet<sup>10</sup>. Taking into account instrumental activities of daily living (IADLs), such as managing medication, this figure rises to over 1.5 million<sup>11</sup>.

Reduced funding is also leading to market instability. Capacity in the care sector has been affected, particularly the number of nursing home beds, and there are significant levels of ‘churn’ amongst home care owners and operators<sup>12</sup>. Last year 39 per cent of councils had had at least one home care provider cease trading in their area and 44 per cent at least one residential care home<sup>13</sup>. Over the same period 37 per cent of councils had at least one home care contract ‘handed back’ as providers withdrew from the local authority funded market<sup>14</sup>.

The systemic crisis in care also impacts on the quality of services. Public satisfaction with services has declined sharply, 41 per cent of people reported being dissatisfied with care services in 2017, a 6 per cent increase since 2016 alone<sup>15</sup>. Service users routinely report difficulties accessing service, concerns about quality of service provision and lack of continuity of care. 1 in 5 social care providers were rated as either inadequate or requiring improvement by the Care Quality Commission in 2017<sup>16</sup>.

Carers and voluntary and community organisations provided care with an estimated value of £132bn in 2015, compared with UK spending on health of £134bn<sup>17</sup>. It is therefore important to recognise that the 5.4 million informal carers in England<sup>18</sup> already provide the majority of care and support. However rising levels of unmet need<sup>19</sup> suggest that increases in informal family care<sup>20</sup> have not been sufficient to fill the gap left by the decline in public care provision. Changing family structures, greater geographical dispersal, demands of the workplace (likely to increase with rising State Pension age) and a reliance on older carers, often experiencing poor health themselves, all impact on the capacity of people to care for loved ones. In many cases it is likely to be the sufficiency of care that has suffered as a result – families who are providing support but are simply unable to provide enough to meet all of an individual’s needs. Taken together, this all points towards families and communities reaching the practical limits of the care they are able to provide in the context of a rapidly ageing population.

## **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 system<sup>21</sup>. By 2019/20 the King's Fund estimates the 'stand still' funding gap will have grown to £2.5 billion<sup>22</sup>. 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 they had few opportunities to recharge their batteries, or lead a normal life.

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 its long term future. Furthermore the need to find a solution is urgent – trends driving growth in demand are only going to accelerate and become more acute over the next decade. Successive governments have kicked this issue into the long grass, but we have reached a tipping point whereby the crisis is so significant that its effects are far reaching and profound, particularly for ordinary families and the NHS. It is vital the Green Paper brings forward proposals that tackle the root causes of the crisis and set the system on a secure footing for the future.

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- <sup>1</sup> [http://www.cqc.org.uk/sites/default/files/20171123\\_stateofcare1617\\_report.pdf](http://www.cqc.org.uk/sites/default/files/20171123_stateofcare1617_report.pdf)
  - <sup>2</sup> [https://www.alzheimers.org.uk/download/downloads/id/2323/dementia\\_uk\\_update.pdf](https://www.alzheimers.org.uk/download/downloads/id/2323/dementia_uk_update.pdf)
  - <sup>3</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/tablea24principalprojectionenglandpopulationinagegroups>
  - <sup>4</sup> <https://www.kingsfund.org.uk/publications/what-are-priorities-health-and-social-care>
  - <sup>5</sup> <https://www.kingsfund.org.uk/sites/default/files/2017-11/The%20Autumn%20Budget%20-%20joint%20statement%20on%20health%20and%20social%20care%2C%20Nov%202017.pdf>
  - <sup>6</sup> <https://www.kingsfund.org.uk/sites/default/files/2017-11/The%20Autumn%20Budget%20-%20joint%20statement%20on%20health%20and%20social%20care%2C%20Nov%202017.pdf>
  - <sup>7</sup> [https://www.ageuk.org.uk/Documents/EN-GB/For-professionals/Research/Briefing-The\\_Health\\_and\\_Care\\_of\\_Older\\_People\\_in\\_England-2015-UPDATED\\_JAN2016.pdf?dtrk=true](https://www.ageuk.org.uk/Documents/EN-GB/For-professionals/Research/Briefing-The_Health_and_Care_of_Older_People_in_England-2015-UPDATED_JAN2016.pdf?dtrk=true)
  - <sup>8</sup> [https://www.ageuk.org.uk/documents/en-GB/For-professionals/Research/The\\_Health\\_and\\_Care\\_of\\_Older\\_People\\_in\\_England\\_2016.pdf?dtrk=true](https://www.ageuk.org.uk/documents/en-GB/For-professionals/Research/The_Health_and_Care_of_Older_People_in_England_2016.pdf?dtrk=true)
  - <sup>9</sup> [https://www.ageuk.org.uk/documents/en-GB/For-professionals/Research/The\\_Health\\_and\\_Care\\_of\\_Older\\_People\\_in\\_England\\_2016.pdf?dtrk=true](https://www.ageuk.org.uk/documents/en-GB/For-professionals/Research/The_Health_and_Care_of_Older_People_in_England_2016.pdf?dtrk=true)
  - <sup>10</sup> [https://www.ageuk.org.uk/documents/en-GB/For-professionals/Research/The\\_Health\\_and\\_Care\\_of\\_Older\\_People\\_in\\_England\\_2016.pdf?dtrk=true](https://www.ageuk.org.uk/documents/en-GB/For-professionals/Research/The_Health_and_Care_of_Older_People_in_England_2016.pdf?dtrk=true)
  - <sup>11</sup> [https://www.ageuk.org.uk/documents/en-GB/For-professionals/Research/The\\_Health\\_and\\_Care\\_of\\_Older\\_People\\_in\\_England\\_2016.pdf?dtrk=true](https://www.ageuk.org.uk/documents/en-GB/For-professionals/Research/The_Health_and_Care_of_Older_People_in_England_2016.pdf?dtrk=true)
  - <sup>12</sup> [http://www.cqc.org.uk/sites/default/files/20171123\\_stateofcare1617\\_report.pdf](http://www.cqc.org.uk/sites/default/files/20171123_stateofcare1617_report.pdf)
  - <sup>13</sup> <https://www.adass.org.uk/media/5994/adass-budget-survey-report-2017.pdf>
  - <sup>14</sup> <https://www.adass.org.uk/media/5994/adass-budget-survey-report-2017.pdf>
  - <sup>15</sup> <https://www.kingsfund.org.uk/publications/public-satisfaction-nhs-2017>
  - <sup>16</sup> [http://www.cqc.org.uk/sites/default/files/20171123\\_stateofcare1617\\_report.pdf](http://www.cqc.org.uk/sites/default/files/20171123_stateofcare1617_report.pdf)
  - <sup>17</sup> [https://www.sheffield.ac.uk/polopoly\\_fs/1.546409!/file/Valuing-Carers-2015.pdf](https://www.sheffield.ac.uk/polopoly_fs/1.546409!/file/Valuing-Carers-2015.pdf)
  - <sup>18</sup> [https://www.carersuk.org/for-professionals/policy/policy-library?task=download&file=policy\\_file&id=5466](https://www.carersuk.org/for-professionals/policy/policy-library?task=download&file=policy_file&id=5466)
  - <sup>19</sup> [https://www.ageuk.org.uk/documents/en-GB/For-professionals/Research/The\\_Health\\_and\\_Care\\_of\\_Older\\_People\\_in\\_England\\_2016.pdf?dtrk=true](https://www.ageuk.org.uk/documents/en-GB/For-professionals/Research/The_Health_and_Care_of_Older_People_in_England_2016.pdf?dtrk=true)
  - <sup>20</sup> [https://www.carersuk.org/for-professionals/policy/policylibrary?task=download&file=policy\\_file&id=5466](https://www.carersuk.org/for-professionals/policy/policylibrary?task=download&file=policy_file&id=5466)
  - <sup>21</sup> [https://www.local.gov.uk/sites/default/files/documents/1.69%20Adult%20social%20care%20funding-%202017%20state%20of%20the%20nation\\_07\\_WEB.pdf](https://www.local.gov.uk/sites/default/files/documents/1.69%20Adult%20social%20care%20funding-%202017%20state%20of%20the%20nation_07_WEB.pdf)
  - <sup>22</sup> <http://www.health.org.uk/sites/health/files/AutumnBudgetWhatItMeans.pdf>