

Counsel and Care

Commission on Funding of Care and Support: Call for Evidence

About Counsel and Care

Counsel and Care is a national charity working with older people, their families and carers to get the best care and support for older people. We work with older people and their carers to ensure they are aware of and receive their rights and entitlements, and promote choice and control in later life.

We operate a unique and personalised advice service, which deals with around 250,000 enquiries per year, through telephone calls, emails, letters and our website. The frequency of contact we have with older people and the issues raised through this service are used to inform our campaigning and lobbying work.

The advice service is an expanding part of the organisation as ever-increasing numbers of people are in need of advice and guidance about complex care and support issues affecting older people. Enquiries are answered in detail relevant to the individual and are followed up with a tailored letter, stating options available with information about related policy guidance and legislation. This is a resource that people can and do revisit for guidance.

Counsel and Care's standpoint: a summary

Counsel and Care welcomes the Commission on Funding of Care and Support as an independent body dedicated to understanding and mediating the future effects of what could be a serious care crisis. A holistic approach to care funding must be taken and the important contribution of unpaid carers highlighted here is key to the success of any future funding system. The £87 billion in savings that carers make to the economy each year should be recognised as an integral part of the funding of care and support. The strengths of the current system are inadequately represented in light of what is actually happening. For example, we know that preventative services are not universally available, and given the drive towards personalisation and choice and control for adults using social care, the cutbacks to lower level services including prevention create risks around older people's wellbeing with independence deteriorating as a result.

Our suggestions on how social care funding should be reformed are well documented in previous policy papers we have submitted, however we note in this response that there is much that is not being taken into consideration. For example the role of unpaid carers, third party top ups usually

made by families, and self funders who pay for all of their care need to be borne in mind and recognised. Ultimately, we seek a fair and sustainable solution to the funding of care as the Commission does, with a realistic entitlement for all those needing care.

Question 1: Do you agree with the Commission’s description of the main opportunities and challenges facing the future funding of care and support?

“Looking to the future, demographic change is likely to lead to increasing demand for care and support”

Counsel and Care agrees with the Commission that current demographics are changing drastically and measures must be taken to ensure that the UK will be able to cope, financially, with the pressures of a mounting older population alongside more working age people with caring responsibilities. This is why we would first like to address the scope of The Commission, which seems to acknowledge the importance of paid and unpaid carers but has not directly cited them as a part of the consultation process. This is a serious oversight as unpaid care is a part of the economic system which allows long term care to exist in its form now and will continue to be a foundation of ‘free’ care and support for generations to come. Carers organisations, unpaid care, and family support are part and parcel of the care paradigm and without their input in to any system of long term funding, it will remain unsustainable at best, and grievously unfair at worst. The Commission has cited that they will be undertaking ‘deliberative research with specific groups and members of the public’. Counsel and Care would ask whether this research will include in-depth discussions with older people, their families and carers? In order to create a fair and sustainable system the voices of older people must be included in the discussion.

The charity would highlight the important finding that not only is the quantity of older people increasing but that the actual length of life is increasing as well. On the advice line we are increasingly supporting older people caring for the older old, people aged 80 and over. This trend will continue¹ and given the estimation by the Commission that the supply of care by adult children will increase at less than one quarter of the demand increase for care, a care deficit is likely to increase to unsustainable proportions. Therefore, undoubtedly, as stated by the Commission, we will need an ever-increasing pot of money to deal with the care needs of an ageing population. Rhetoric about modeling systems for long term care and support is empty without a real commitment to an increase in spending in the long term. Any vision of a future care model which focuses only on the state of the economy at present without taking a longer view of future need regardless of the ebbs and flows of economic systems will be untenable. It is not current conditions which should singularly predict the future of long-term care and support funding but the outcomes to which generations of ageing citizens are entitled to for the foreseeable future.

¹ <http://www.telegraph.co.uk/health/8230749/10m-alive-in-Britain-today-will-live-to-be-more-than-100-years-old.html>

Changing care needs alongside the change in wealth and assets accumulated by those of working age are important factors in the future funding of care and support. Counsel and Care would argue that the fundamental premise behind highlighting the wealth accrued by the 'baby boomers' which is set to increase when they reach their 70's and 80's overlooks crucial changes in the accumulation of wealth for those currently of working age, including younger generations. Whilst it was highlighted in the Commission document that there is no certainty when predicting future wealth and pension accrual, the current economic decline combined with the lack of pension savings by young people indicates that the picture is different than earlier thought.

An unpopular but necessary approach to funding care and support in the future is addressing the need for a cultural change throughout society. One which recognises that individuals will need to plan for a longer period of time with care and support needs in future with a lower and probably diminishing income than they might have expected during their working life. The Commission has a key role to play in highlighting individual responsibility for one's own future care and support. This argument could equally extend to the Commission's role in combating the cultural expectations surrounding a right to inheritance, especially in the form of property. This model may, in future, be unsustainable and inheritance tax will have to change to reflect the increasing need for more funding in care and support. It is not realistic for people to expect that they will have property to hand on to families in later life and to also expect to have financial support from the state to meet their health and social care needs. The challenge of expectations needs to be addressed even if a solution cannot be found.

Changing social and technological trends will have an enormous influence on how our ageing society approaches care and support in future. In light of the increase in telecare and telehealth, we can expect that the supply of home care health will change and often people will be better and more efficiently served by technology. It is, however, very important not to overlook the human side of caring when funding technological improvements. Whilst telecare and telehealth can contribute to efficiency savings and independence for those who supply and use it, it is in no way a replacement for one-to-one human contact. Counsel and Care would agree with the statement:

...there are other activities in which labour is not only an input; it is the effective output too. In these activities, there is little scope for pure productivity increases, in the sense of simply reducing the amount of time needed to deliver the same output, though it may be that investment, technological improvements and better organisation can improve the quality of that output. Pure productivity increases, if they occur, are likely to be indirect, small and oneoff.²

There are no productivity gains to be made in a care and support system where people are both the product and the services. Any new funding system must recognise that whilst some savings can and will be made, the giving and receiving of care will always be a personal function with variable outcomes, based on changing care needs and not simply on a one-dimensional function that focuses on services.

² Himmelweit, S.(2005). *Can we afford (not) to care: prospects and policy*. GeNet Working Paper No. 11:.4-5.

Question 2: Do you agree with the Commission’s description of the strengths of the current funding system, and its potential shortcomings? Do you think there are any gaps?

Counsel and Care would argue that the strengths of the current funding system outlined in this document do not accurately reflect what is actually happening on the ground. There is very little to indicate that the strengths, such as prevention, are more than aspirational at this time.

The current system could be described by some as providing a safety net for those with the lowest means and the highest needs. However, in light of the drastic budget cuts and the sheer amount of means tested benefits whose eligibility criteria have been or are being heightened, such as council funding for social care needs to those most at risk, it would seem that safety net is small at best. The current system is based on standards set out in a national framework which may not best represent the needs of those requiring critical care. The Counsel and Care advice line takes upwards of 3,000 queries a year in relation to statutory care and support for older people, their families and carers. Many of these queries are related to families feeling as though the critical needs of their vulnerable relatives are not being addressed by individual local authorities, PCT’s or councils. The provision of social care support between and amongst areas can be patchy at best and negligently variant at worst.

Counsel and Care welcomes the drive to personalisation and is happy to see the government focus on giving patients choice and control over their care. However, the term personalisation is often conflated with personal budgets. Whilst personal budgets are useful to many, they are not a cure-all for the lack of input service users have previously felt they had over their long-term care plans. There is evidence to indicate that the regulation, monitoring and distribution of personal budgets is not consistent across areas and is a highly confusing and sometimes undesirable process. Not all people will be able to keep a personal budget nor will desire to do so. There is no precedent set for those people who will continue to need support and care from their local authority to maintain a good quality of life. Personalisation is welcome, and personal budgets may be appropriate for many people but these are not well-defined terms which incite a sense of confidence in people who have the highest level care needs, especially those who are older and vulnerable.

Prevention is without a doubt one of the most important parts of the current system of care and support and should be at the forefront of any discussion on the future of the funding system. The charity would debate whether prevention activities are whole-heartedly being carried out in the current system, given the already strong push towards critical care only, as exemplified by some local authorities. The current means tested system does not offer itself to prevention as it is only when service users reach the threshold of critical, either financially or physically/mentally, that the government step in to support. Even such benefits as the Disability Living Allowance do not focus on prevention but maintenance of certain conditions. Any policy that does not focus directly on improving prevention services will find existing provision continuing to draw back, in the current economic climate, to critical needs. Money must be ring-fenced specifically for

proven and effective methods of prevention for people with different levels of care need, including but not limited to working against loneliness, helping re-ablement and mobility, and supporting day centres. The current focus on prevention should not only be maintained but increased in order to prevent a top heavy care system where those with low level care and support needs are not addressed until they reach critical stages, at which time the cost to maintain their care is significant and burdensome on an already stretched funding system.

It is true that the current system can be described as a partnership between the state, private sector, and individuals. However, it is not clear if this relationship broadly acknowledges and supports carers and the contributions they make. There is little research and evidence on unmet need in the system and therefore any argument which makes a case that the state is providing its share of support, either in financial incentives and benefits for carers or direct services and entitlements to those needing care, would be incorrect as every indication is that carers do not at the moment receive enough support³.

Question 3: Given the problem we have articulated what are your suggestions for how the funding system should be reformed? How would these suggestions perform against our criteria that any system should be sustainable and resilient, fair, offer value for money, be easy to use and understand and offer choice? Please also take into account the impact that your suggestions will have on different groups.

“These trends suggest that as a country we will need to be spending a greater percentage of national income on care and support.”

There is indication⁴ that whilst the Commission has said it is open to exploring all options for funding in relation to long-term care there is a clear steer towards privatisation of access to services. If this is a precursor of things to come it would seem the government is inclined to support the partnership model of funding, asking people to contribute to and be matched by (either at or below parity) government funding for social care. This is disconcerting in a climate where the government’s ability to match the funding of its citizens in any meaningful or sustainable way is low. In addition, given the acknowledgement in the previous section of this document that the household wealth of young people is decreasing in comparison with the contemporary older population it would be unwise to not keep open the idea of state funded social insurance schemes which allow access to services and support at all levels of wealth. It is not unreasonable to be concerned about how a partnership system would maintain its funding streams in order to prevent further segregation of the rich and poor as those in the middle of the financial spectrum would lose out on all but critical care, only to be received once they hit the threshold after reducing savings to pay for a system that would not look all that different from the unsustainable system currently being used in the United Kingdom.

³ Counsel and Care (2009) *The Real Cost of Quality*. National Care Forum and Counsel and Care, London.

⁴ The Commission on Funding of Care and Support (December 2010), *Call for Evidence on the Future Funding of Care and Support*. The Commission on Funding of Care and Support, London.

There is only cursory mention in this document of the important contributions made by self funders, third party top ups, and unpaid caring. The Commission must recognise that there is a real need to measure these resources more accurately. Any system of care and support that does not properly fund the inputs and outputs in to care will be unsustainable. A financial model, whether it be partnership, social insurance, or a hybrid⁵, will have to take in to account how carers are paid and supported to do care work. We are seriously concerned about the fact that the Commission is not being advised on in the External Reference Group by social care workers, older people using social care, or any organisations which work in the caring field directly, including The Royal College of Nursing. What does this say about the true commitment to transforming the future funding of social care in a way that aligns with the needs of the caring and cared for?

The current facts and figures on care and support in England⁶ do not have any data on the current private spend on social care. Whilst there is nothing that can be done at this late stage to remedy that serious statistical oversight, it is worrying that the questions asked about how to fund long term care are not being answered with a full picture of how the current funding model is supported. This is no small point. In future, whichever model is chosen should be monitored, recorded and regularly assessed for accuracy and legitimacy, which must always include the amount of people who fund their own care. This measure would allow for the country to take a balanced view on who is *actually* paying for care, including third party top ups, and how they are paying for it. We cannot take a long term decision on who should pay for what if we don't know how that division is currently made.

In addition, any funding settlement taken for long-term care should include funding for those family members, most likely women, who will leave paid employment (or never enter it) in order to take on unpaid caring duties. There must be contributions made in to the care funding system continuously for those people in order accurately reflect their contribution to the better outcomes for people needing care. This is not to mention the need for valuing care work as a skilled profession in need of proper remuneration, training, and long-term in-work support to maintain acceptable levels of job retention in the sector⁷. This will create a more sustainable system socially and financially for families as a whole.

A sustainable system of care and support that understands and offers choice is one in which equity in access to services and in outcomes is prioritized. This means that outcomes are

⁵ Featherstone, H. and Whitham, L., (2010) 'Careless: funding long-term care for the elderly'. Policy Exchange, London.

⁶ The Commission on Funding of Care and Support (December 2010), *Call for Evidence on the Future Funding of Care and Support*. The Commission on Funding of Care and Support, London.

⁷ Counsel and Care (2009) *The Real Cost of Quality*. National Care Forum and Counsel and Care, London.

measured in ways that reflect the individual needs of people in the care and support system which are comparable across areas but also respect that certain outcomes will be considered more favorably by some than others. The key to a quality system is one that will recognise the need for individualisation in terms of outcomes based delivery but will not lose sight of national minimum standards for services. It will also have to be finely in tune with the changing perceptions and needs of the public when addressing future models. The system must be open to change and as Stone and Wood put it: “In order to be truly deemed fair, to be understandable by resonating with the reality of our lives, and to be financially and socially sustainable, a future care funding settlement must be able to fund and facilitate, even incentivize, the *type* of support people want. This is very different from a focus on services or settings (for example, own home, care home).”⁸

Conclusion

Counsel and Care welcomes the Commission and its mission of creating a fair and sustainable system that offers value for money. In light of this, the Commission should be realistic in its approach to tackling the issue of funding care and support. This includes disseminating, supporting and sharing with the general public the realities of the social care system. There must be a cultural shift change in which people are informed of and understand the chosen model of funding, especially if this is to be a partnership. In this model it is important that the next generations can get quality advice and information on how to invest in their own future care and understand the consequences if they do not do so.

It can also not be overstated that demographic changes mean more money will be needed in the system no matter what type of funding is chosen. Any economic modeling of future care and support should take into account the self-funded, third party top ups, and unpaid care in order to accurately predict future potential unmet need. In this way a whole picture of the care and support system can be captured and risks mediated in ways that are sustainable and resilient.

The type of funding system used should not just focus on how individuals will pay for care but also how carers will be remunerated in ways that recognise their valuable contributions. Equity in services and outcomes can only be achieved through a consistent commitment to understanding the needs, now and in future, of older people, social care service users, their families and carers. Their views should be included in this call for evidence and in any further discussions on the future funding of care and support.

The drive for more choice and control for service users is welcomed by Counsel and Care but personalisation and personal budgets must not be conflated in the social care sector. Whereas many older people, their families and carers may desire more control over their care packages, they may also not be able or willing to maintain a personal budget. In addition, prevention is key

⁸ Stone, E. and Wood, C., (2010) ‘A funding settlement that works for people, not services,’ *Quality in Ageing and Older Adults*, 11(4): 14-23.

and any trend by the social care sector towards providing critical care only is against the fundamental principle of prevention. Over the long term this could save billions of pounds and offer the greatest quality of life to social care users.

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