



# When I'm 94: How to fund care for an ageing population

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The Institute for Public Policy Research (ippr) and PricewaterhouseCoopers LLP (PwC) are working in partnership to consider how the future system of social care can be based on principles of fairness, sustainability and simplicity.

Our new work builds on *Expectations & Aspirations: Public attitudes towards social care*<sup>1</sup>, published before the Government's Green Paper, which highlighted that there could be a 'ticking time bomb' around the issue of social care, with many families reluctant to care for elderly relatives.

This briefing is based on deliberative workshops<sup>2</sup> that engaged people in debate about social care. It highlights that few are yet willing to face up to the challenges around costs of care. Three principles also emerged from our workshops as essential components of any future system of social care. They are: fairness, sustainability and simplicity.

## Fairness

There was consensus across all groups that social care should be provided to everyone according to their needs. For example, as one participant said:

"The provision of care should be in relation to the needs of the person who needs the care. Very, very disabled people have got to have more care than someone who's only got what I've got, arthritis. I don't need much care. I don't need virtually any care at all but someone like my late husband, who couldn't even hold a sheet of paper, he needed a lot of care and got it and I think that's absolutely right." (Woman, over-65s group)

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<sup>1</sup> ippr and PwC (2009) *Expectations & Aspirations: Public attitudes towards social care*, London, ippr and PwC.

[www.ippr.org.uk/publicationsandreports/publication.asp?id=669](http://www.ippr.org.uk/publicationsandreports/publication.asp?id=669) , or [http://www.pwc.co.uk/eng/publications/expectations\\_aspirations.html](http://www.pwc.co.uk/eng/publications/expectations_aspirations.html)

<sup>2</sup> Deliberative workshops were held with people aged over 65, people currently seeking employment, a group of professionals and social care stakeholders.

**Testing the principle:** Any proposal for a future social care system will need to be fair, and seen to be fair. People understood fairness as providing care according to need and funding it according to means.

## Sustainability

Any future system of social care will have to be financially viable and sustainable in terms of the demands it makes on households and public finances. A range of views emerged from our groups, and opinions varied according to people's own circumstances and experiences.

People thought that those without the financial resources to pay for their care should have free social care provided, even if they have family who can care for them, and that people should contribute according to their means.

"I don't think it matters that she hasn't [got the money], it matters that she can't look after herself, and if she can't pay for herself, the state should pay." (Woman, professional group)

Most people wanted issues of finance to be decoupled from the decisions they made about what social care they need, so that their choices are not constrained or biased by funding decisions at a vulnerable time in their lives. They felt that the current system was often unfair in that their entitlement to funding was decided first and the care flowed from that. They were also reluctant to pay at the point of need or in one lump sum, such as upon retirement, but would prefer to make payments throughout the life course.

"The point where you need the care is probably the one time in your life where you don't have the money to pay in, so I think it is a danger to do that because suddenly everyone will need to be government funded." (Woman, professional group)

There were tensions around entitlement. People from all groups were worried about having to support those who had not paid into the system, although this concerned participants in the professional group most. Many in this group made a distinction between those who deserved care from the state and those who did not.

"The difficulty is you've got people who didn't save and didn't look after their own money but you've also got people who are poor because they've never been able to have a well paid job for some reason, so you've also got a distinction between those lower income people. But that's very difficult to prove so you're never going to have a completely fair system." (Woman, professional group)

Some people in the other groups thought that those on low incomes were not any less deserving than those who could afford to pay more.

"The people who have got the least money are the people who have worked as nurses or road sweepers or carers, and they've got hardly anything and you're saying that their social care shouldn't be as good

and that's rubbish. I mean, they've been looking after people all their lives." (Man, seeking employment group)

In the over-65s group, people were more likely to have had personal experience of struggling to pay for care.

There was no agreement about what care different people deserved beyond basic provision, but possible solutions to this tension emerged, ranging from making contributions compulsory so that everyone pays into the system according to their means, to educating or incentivising people to save, or rewarding those who 'top up' with better quality care.

**Testing the principle:** Any future system of social care will need to stand the test of increased demand – and therefore funding – as our society ages. It will need to include contributions from those in need of care but, again, will have to ensure that the system of assessing the appropriate contributions is fair and seen to be fair.

### Simplicity

There was debate around whether professionals or families should be the ones to care for people. Some participants felt that they had a moral obligation to care for others, particularly their parents, and people from all groups felt nostalgic for what they described as a lost sense of community in which people would care for one another informally. But it is clear that this nostalgia does not necessarily translate into a preference for informal networks of care over formal provision as, in general, people did not want their children to have no choice but to care for them.

"If I was bed ridden and incontinent I would not want my little girl to have to have that responsibility. I would still want to keep my dignity. I had to nurse my dad with cancer ... it was awful, and, touch wood, I hope I never have to put my daughter into that situation." (Woman, seeking employment group)

Most of the participants from the over-65s group who had experienced caring for someone felt that people generally did not have any choice in whether or not they will care; if someone close to you needs care, you are likely to provide it. People did not necessarily see themselves as carers but as partners, parents or children of those who need care. Overall, people did not want their personal choice of whether or not to care to commit others to do the same as them. They also wanted there to be support for informal carers as well as formal provision.

There was discussion around whether formal care should focus on bringing care recipients together or on supporting them to live independently. Some people – and especially those from the group currently seeking employment – were concerned about formal care settings being able to respond to the emotional and social needs of older people. Some felt that formal care services had a paternalistic role to encourage socialisation and prevent loneliness.

“Elderly people suffer a lot from isolation and heavy dependencies... the usual social structures that had been in place to cater for them are no longer as strong. The more social day-centre-type thing, and even something as simple as meals on wheels [is good], as not only does it provide nutrition, but it also provides social contact.” (Man, professional group)

However, when expressing this opinion, people were often not putting themselves in the position of the care recipient but looking at what they thought was best for older people, who they thought would be lonely. This view contrasts to others in the professional group who expressed support for measures that facilitated more independent living, and even more so with the stakeholder group who felt that social care should be moving more towards individualisation and personalisation.

And finally, people found the current system unnecessarily complicated. Those who had experience told of complicated assessment procedures and a lack of information. Most people access care services at a crisis point and it is unnecessarily complicated, often causing stress.

**Testing the principle:** The test for any new system of social care is: is it simple enough to be easily understood, and can also accommodate a range of needs, requirements and preferences.

## Conclusions

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Fairness, sustainability and simplicity should underlie any future social care system. The system must be fair and be seen to be fair. We need to create a simple care funding system that is affordable and that people can understand easily, enabling people to make well informed decisions.

There was a broad consensus that funding for social care should be needs-based and paid for according to people's means. People were also keen to separate out issues of funding from the decisions they make about what care they need. However, although people were unanimous and clear that no one should be denied the care that they need, a tension arose around fairness and entitlement and whether or not greater contributions should be recognised by better quality care.

No single proposed system of social care carried universal assent. Often when expressing opinions about social care delivery, people were talking in the abstract about what would be best for other people or society as a whole, placing strong emphasis on notions of obligation and community. However, it is clear that this does not necessarily translate into a preference for informal networks of care over formal provision, as many expressed a preference for professional care for their own future needs. What is clear from this is that people feel responsible for ensuring others have the care and support they need, when they need it, and that provision for this should be made by society as a whole.

We have outlined the principles for the future of social care and the key questions that will determine whether the system will be fair, sustainable and simple. It requires policymakers to engage with the public to turn these principles into practice. In *Expectations & Aspirations: Public Attitudes towards social care* we proposed that an independent panel be established by government – tasked with overseeing the type of involvement and engagement that is required to raise awareness and engage in a debate about the future of social care. These findings add both strength and urgency to that proposal.

Few are yet willing to face up to the cost of care. A lack of awareness, complexity around eligibility and funding means that individuals, as well as our politicians, are not yet facing up to the challenges around paying for care. Radical reform is necessary and politicians need to engage and understand in what people need and want.

### Next steps

Based on our research to date, we are developing the concept of an innovative, online deliberative tool that will engage people further in discussion about the future of social care. It will seek to understand how people make decisions around care and how to reform the social care system so that it achieves the principles of fairness, sustainability and simplicity. Using this tool, we will be able to generate data to enable us to develop new proposals for the future of social care.

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