PRESS RELEASE

***"Single and widowed homeowners with modest incomes who need care now or in the near future could have to use-up twice as much of their capital to pay for their care than if the reforms to long-term care funding had been implemented in April 2016 as originally planned."* says the Care and State Pension Reform research team**

The Care and State Pension Reform (CASPeR) research team (comprising of members from the Pensions Policy Institute, the Personal Social Services Research Unit at the London School of Economics and Political Science (LSE) and the Health Economics Group at the University of East Anglia) is today publishing '*The Impact of Postponement of Reforms to Long-term Care Financing in England*'. This briefing note assesses the financial implications of the delay in the introduction of the reforms for individuals who are likely to face care costs which exceed the cap in the interim period between April 2016 and 2020. This report has been funded by the Nuffield Foundation.

The report finds that the impact of the delay in the implementation of the long-term care funding reforms, in particular the cap on lifetime spending on long-term care, will be felt the most by people already receiving care in 2016 who have enough income or capital to contribute substantially towards their care costs under the current funding system. Median and higher earning homeowners are also affected but low earners who rent are unaffected.

Raphael Wittenberg, Associate Professorial Research Fellow, PSSRU at the London School of Economics, part of the CASPeR research team said "Single or widowed homeowners with limited incomes and savings who need to enter a care home imminently will be the group most adversely affected by the four year delay in implementing the planned reforms to the system of funding of adult social care in England."

Ruth Hancock, Professor in the Economics of Health and Welfare at University of East Anglia, part of the CASPeR research team said "Lower income renters with low savings are least affected by the delay in the reforms because they will benefit little from the reforms whenever they are implemented. The state meets most of their care costs under the current and reformed system."

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The report can be downloaded from: www.pensionspolicyinstitute.org.uk/casper

Notes for editors

1. The CASPeR research team comprises members from the Pensions Policy Institute, the Personal Social Services Research Unit at the London School of Economics and Political Science (LSE) and the Health Economics Group at the University of East Anglia.

2. The report has been funded by the Nuffield Foundation. The Nuffield Foundation is an endowed charitable trust that aims to improve social well-being in the widest sense. It funds research and innovation in education and social policy and also works to build capacity in education, science and social science research. The Nuffield Foundation has funded this project, but the views expressed are those of the authors and not necessarily those of the Foundation. More information is available at www.nuffieldfoundation.org.