



“The planned 2020 reforms to the English Long-Term Care funding system could be as generous for those needing long periods of care as the Scottish-style system for residential care or the Welsh system for home care” says the Care and State Pension Reform research team

The Care and State Pension Reform (CASPeR) research team is today publishing ‘Long-term care funding: a comparison between England, Scotland and Wales’. This report compares the effects of the reforms to the English long-term care financing system planned for 2020 with the long-term care systems operating in Wales and in Scotland. The research was funded by the Nuffield Foundation.

While access to publicly funded adult social care in England is currently subject to a means test which can require wealthier people to meet the full costs of their care:

- Scotland operates a system of ‘free personal care’ for older people receiving home care or residential care,
- Wales has a similar system to England but with a weekly maximum charge of £60 for home care,
- England will introduce in 2020 a lifetime cap on liability to meet care costs incurred to meet eligible assessed care needs.

The report finds that the reforms planned for England, and the systems in Wales and Scotland, are all more generous than the current English system but in different ways. Comparisons between the systems depend on how long an individual needs care, especially residential or high intensity home care. The benefits of implementing any of these more generous systems in England would go to people who are not eligible for state support with their care costs – or eligible for state support with only part of those costs – under the current system.

Ruth Hancock, Professor in the Economics of Health and Welfare at University of East Anglia, part of the CASPeR research team said

“The cap on lifetime care costs which is being introduced in England from 2020 can be as generous as a Scottish-style system of Free Personal Care but only for those needing care – especially residential care – for long periods.”

Raphael Wittenberg, Associate Professorial Research Fellow from the Personal Social Services Research Unit at the London School of Economics, also part of the CASPeR research team said

“The reforms to the English system to be implemented in 2020 will benefit people with moderate or high resources who need residential care or high intensity home care for extended periods; but the Welsh system, which caps the weekly charge for home care at £60, and the Scottish system, which provides free personal care for older people, will still generally be more generous than the English reforms for older people who need care in their own homes.”

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PRESS RELEASE



An Executive Summary of the report follows on the next page.

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The report can be downloaded from: <http://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 sponsored 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.



Long-term care funding: a comparison between England, Scotland and Wales

Summary

This report investigates the financial implications for older people of the differences between the social care funding systems of England, Wales and Scotland. It considers how illustrative older people (vignettes) needing social care would be affected if the funding systems of Wales or Scotland were implemented in England, contrasting that with the effects of the reforms to long-term care funding due to be introduced in England in 2020.

Scotland and to a lesser extent Wales have long-term care funding systems that are more generous than the system currently in operation in England. However, from 2020 the reforms planned for England will put a cap on an individual's liability to pay towards their care.

The main findings of the analysis presented in this report are:

- Compared with the current English system, a Scottish style system of 'free personal care', the Welsh system, and the reforms due to be implemented in England in 2020 are all more generous.
- The benefits of implementing these systems in England would go to people who are not eligible for state support with their care costs – or eligible for support with only part of those costs under the current English system.
- The benefits of a Scottish style free personal care system depend on the level of non means-tested state contribution to care home fees. Under the lower of two levels examined, the lifetime benefits of free personal care might not be any higher than the benefits of the planned English reforms for median earning home-owners.
- The comparisons of the different funding systems depend on the length of time for which individuals need care – especially high intensity home care or residential care.
- The Welsh system, which has a maximum weekly charge for home care, can be more beneficial than the English reforms for people who need only home care.
- The English reforms produce benefits on a par with a Scottish-style system of free personal care only for people who need care long enough to benefit from the cap on care costs.