Written evidence submitted by Society of Later Life Advisers (ASC0004)

Health and Social care Committee -Inquiry into cost of inaction on adult social care reform

Q: What is the cost of inaction to individuals and how might people's lives change with action on adult social care reform?

The delay in implementing the reforms proposed with the introduction of a self-funder Care Cap has a knock-on effect on discussions and decisions being made by individuals and/or their attorneys seeking funding solutions for long term care:

- Since the Care Cap was announced, some clients have deferred implementing secure funding solutions, continuing with the default 'drawdown from income and liquid assets', waiting for the Care Cap activation.

  This deferral can uplift the overall costs incurred in self-funding and accelerate the risk that funds will fall below the £23,250 - £14,250 self-funding upper – lower Financial Assessment thresholds. At this point the Local authority 's obligation to take over funding the care is triggered…increasing the LA burden.

  Simultaneously, the ability for part of the future Estate to be ring-fenced for the beneficiaries is denied. This continues to be a significant driver of public resentment of the self-funding Rules.

- Potential self-funders (through income and/or capital assets exceeding the Financial Assessments thresholds) are actively seeking (legitimate) lifetime gifting options to secure the Estate passing to their nominated beneficiaries. Where lifetime gifts are successfully utilised, this will accelerate the trigger point for LA financial liability.

- As Domiciliary Care denies the residential property falling into the Financial Assessment for self -funders (property disregard), some families are implementing care in the home purely to preserve future inheritance values.

Q: Where in the system is the cost of inaction on adult social care reform being borne the most?

Without question, the burden falls increasingly of the self-funded private social care users:

- Private Care Providers increasingly using private resident fees to cross subsidise the economic shortfall in LA fee rates?

- The erosion/total loss of family wealth transfers on death through the inequities of the current self-funder rules. This penalises ordinary (former 'working' people) and rewards the significant balance of:

  - the social care population that benefited from State Benefits and/or failed to save for their later life costs

- People who chose to rent their homes
- The inequity self-funders cross subsidising LA limited care fee payments to care providers

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