

REFORMING SUPPORT AND CARE FOR OLDER PEOPLE

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Introduction

Thank you for inviting me to give this speech about reforming support and care for older people.

I want to begin by paying tribute to IPPR's work.

From the Commission on Social Justice in the mid 1990s, to your work on globalisation and climate change, on national security, and now on 'new era economics', IPPR has always been at the forefront of debates about how Britain can meet the challenges we face.

I am very proud to be an alumna of IPPR. My time here taught me many things, the most important of which is that winning the battle of ideas is vital to winning at the ballot box.

But IPPR has never promoted ideas in a vacuum. Your work has always been rooted in the enduring centre-left values of tackling inequality and promoting social justice; on the evidence of what works; and on the understanding that achieving lasting change means building coalitions of support.

These are the things that guided me in my work at IPPR when I was the Associate Director for Health and Social Care.

In the 'Future Patient', I argued the NHS must change to meet patients' changing needs and expectations, and called for a citizenship rather than purely consumerist model of care, where patients have clear rights and choices, but also responsibilities in return.

In 'The Future Health Worker', we criticised successive Governments for continually changing NHS structures rather than services, and explained how reforms in the cultures and working practices of staff are vital to achieving genuinely patient-centred care.

And in 'From Welfare to Wellbeing' we argued for radical changes in social care, to shift the focus towards prevention, early intervention and integration, to give users and families genuine choice and control and to deliver better value for taxpayers money.

Achieving these goals is even more pressing today than it was 10 years ago, as our population ages and resources are tighter than ever before.

Caring for our ageing population

The facts are well known, but bear repeating.

10 million people in the UK are over 65 years old – that's 1 in 6 of the population. By 2030, this figure will rise to 15.5 million.

The number of very old people is growing faster still. 3 million people are currently over 80 – this will almost double in 20 years time.

The fact that we're living longer is something we should celebrate. I know from my constituency – and my own family – that older people make a huge contribution to our communities, our economy and to society as a whole.

Many people are having a great time in retirement and a wonderful 'third age'. But too many older people – particularly the very old - face a daily struggle.

A recent survey by the National Family and Parenting Institute found that the greatest concern about family life is caring for elderly relatives.

If your loved one becomes frail and needs care and support it can often come as a real shock – emotionally as well as financially.

Many families have no idea what care and support is available or how much it will cost. They often face a battle with different agencies to get the help they really need.

Unpaid carers struggle, particularly if they are getting older themselves. 1 in 5 have to give up work, because the right services and support aren't available, and their own health can suffer too.

People often feel incredibly guilty that they're not being a good enough son or daughter, and that they want or need to prioritise other things like looking after their own children or holding down their job.

It can also be very upsetting seeing someone you love change in front of you, physically and mentally; realising you will eventually lose them; and facing your own mortality, and how frightening and lonely that could be.

Care system at breaking point

Families need help and support through these difficult times.

But there is a growing care crisis in Britain, and the system has now reached breaking point.

Figures from the King's Fund, Association of Directors of Adult Social Services, and the Department for Communities and Local Government show more than £1 billion has been cut from local council budgets for older people's social care since the coalition government came to power.

This is hardly surprising. The Government has cut local council budgets by a third, and adult social care – which is around 40 per cent of local council budgets – is their biggest discretionary spend.

8 out of 10 councils are now providing care only for those with substantial or critical needs.

Preventive services have all but disappeared in many areas.

Fewer older people are getting the care they need. More are ending up having to go into hospital, or getting stuck in hospital, or more expensive residential care when they don't need to.

And families face ever increasing charges for home care, residential care, day care and meals on wheels.

Labour's recent survey of local council care charges found huge variations across the country. So whilst home help is free in Tower Hamlets, it costs more than £20 an hour in Cheshire East.

This growing care crisis is a huge, but all too often hidden, problem for families on middle as well as lower incomes.

Our ageing population also presents major challenges to the public finances.

The Office for Budget Responsibility's Fiscal Sustainability Report says our ageing population is the primary pressure on the long-term sustainability of the country's finances. The OBR warns that without major changes, including to health and social care services, this could affect the long-term growth of our economy.

It is for these reasons transforming care and support for older people is a top priority for Labour – part of our determination to show Labour is the Party that supports families and is the Party of fiscal responsibility too.

The case for change

The fundamental problem is that our care system was established in a very different age.

In 1948, the average life expectancy was 66 for men and 71 for women. Now, it is over 78 years for men and over 82 years for women.

Some health conditions that are now common amongst very old people – like dementia – were almost unknown back then, and many disabled children died at a very young age.

Social expectations were also very different 60 years ago. Disabled adults had fewer rights, and people automatically assumed that women would stay at home to care for their families.

Social care wasn't included in the creation of the NHS and the state provided support only for people who had no family and could not afford to take care of themselves.

Although many changes have taken place since 1948, the welfare state hasn't kept pace with changing needs and expectations. But it must if it is to retain support in the long term, and to provide an effective and affordable system of care.

This weekend, the Shadow Work and Pensions Secretary Liam Byrne and the Shadow Education Secretary Stephen Twigg rightly argued that childcare must be transformed as part of Labour's vision for a modern welfare state. So too must our system of care and support.

Just as over the last two decades Labour championed childcare to support families, help women work, boost our economy and give children the best start in life, over the next two decades we will champion a better, fairer system of care for older people.

Reforming services

The most pressing issue is providing proper information and advice for families about what care is available, how much it costs, and whether it is of decent quality.

The Law Commission has made a persuasive case for a statutory duty on local authorities to ensure every family gets simple, clear and reliable information – irrespective of whether care is funded by the state or individuals.

Second, we need a fundamental shift in the focus of health and social care out of hospitals, into the community and more towards prevention and early intervention. This is vital to help keep people as fit and healthy as possible, for as long as possible, as they get older.

We need to start, not with people who are already in the system – which is too often the case at present – but before they end up needing care and support in the first place.

Services also need to be far more joined up, so older people and their families don't have to struggle between different agencies or get passed from pillar to post.

And support and care need to be far more personalised to give older people and their families a greater say and greater control.

Labour made big changes in this area, introducing Personal Budgets and Direct Payments – which now employ 14 per cent of people working in social care, compared to 12 per cent who are directly employed by local councils.

Prevention, integration and personalisation will help improve the health and well being of older people and their families, and save taxpayers money too.

To give just one example: delayed discharges from hospital have increased by 16 per cent since August 2010 and now cost the NHS more than £500,000 every single day – because the right services aren't available in the community or at home.

We need a different approach.

When Labour was in Government, we introduced Partnership for Older People's Projects. These brought together different NHS, council and voluntary sector services to help older people stay living independently in their own homes, and delay the need for higher intensity or institutional care. They included low level services like lunch clubs and home visits, and more formal services like better hospital discharge.

The National Evaluation of these projects showed that small services providing practical help and emotional support can make a big difference to older people, particularly in reducing loneliness, which is a huge issue for many older people today.

The projects also significantly reduced the use of NHS services. On average, overnight hospital stays decreased by 47 per cent.

Every £1 spent on the POPPs projects led to an additional saving of £1.20 in hospital emergency bed days alone.

Use of A&E decreased by 29 percent. Use of physiotherapy and occupational therapy clinics and outpatient clinics were also reduced – producing savings of over £2,100 per person.

Organisations like Turning Point believe fully integrating health, social care and housing could lead to even greater benefits, producing savings to the NHS of £2.65 for every £1 spent on genuinely integrated care.

One of my real concerns about the Government's Health Bill is that it will make it much harder to make the changes we really need to our care system in future.

The Bill is forcing through a huge, distracting and disruptive reorganisation at precisely the time when the NHS needs to make fundamental reforms. There's no evidence that smaller GP-led Commissioning Groups can deliver major changes to hospital services.

The Bill will also sweep away Care Trusts – organisations that jointly commission health and social care services for adults, and which have achieved some of the best examples of integrated care, according to the Health Select Committee.

That's why Labour is opposing the Health Bill – not because we are against change, but because the Bill will prevent us making the changes older people and their families desperately need.

Reforming funding

Finally, we must transform the way care and support is funded.

Andrew Dilnot's Commission rightly says the current system is not fit for purpose and in need of urgent and lasting reform. It is unclear, unfair and ineffective – and must be changed.

The Commission proposes increasing the current means-tested threshold above which individuals have to pay for care from £23,350 to £100,000, to help those on low and middle incomes.

It calls for a 'cap' on the overall amount people pay of between £25,000 and £50,000 – to help protect people from catastrophic costs.

1 in 10 of us will face care costs of £100,000 or more over the course of our lifetime.

The Commission also says there should be clear, standardised national criteria to determine which services people are entitled to, to help tackle the post-code lottery in care.

The Dilnot recommendations are a major step towards creating a better, fairer system for funding care and support. Labour has warmly welcomed them and we are determined to play our part in achieving cross party consensus. Ed Miliband called for cross party talks on Dilnot – and I'm pleased to say these are currently underway.

However, on their own Dilnot's recommendations won't solve the whole problem of how to fund care and support for our ageing population, because they don't address how to pay for the baseline costs of the current system.

This raises very difficult issues about how care and support should be funded in future.

Millions of families face a squeeze in their incomes – a squeeze that was happening before the financial crash, but is even more acute now because of this Government's failing economic policy. Youth unemployment is over a million. Young people who have jobs will have to work longer and save more for their retirement. They also face having to pay back more student debt, and getting on the housing ladder later than ever before.

So - as the Dilnot Commission rightly argues - we need to make sure any new system for funding care and support is fair across the generations, as well as across different income groups.

Conclusion

Transforming care and support for our ageing population is one of the biggest challenges facing Britain today.

Reforming the system is vital for older people and their families – on middle as well as low incomes. It is also vital for the future sustainability of public finances.

That's why this issue is a top priority for Labour.

I hope IPPR will help shape our thinking on these issues in the months and years ahead.