

## **SPEECH TO SOCIETY OF LATER LIFE ADVISERS**

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**22 JANUARY 2013**

### **INTRODUCTION**

I'm delighted to speak at your conference, which takes place at a very important time.

The Draft Care and Support Bill - which could have major implications for the way information and advice is provided to older people - is currently going through its pre-legislative scrutiny phase in Parliament.

And the Government is due to be publishing its plans on Andrew Dilnot's recommendations on long-term care funding "imminently".

I want to say something about both these issues today.

### **INFORMATION AND ADVICE SERVICES**

I know as a constituency MP, and from the experiences of my own family, that one of the biggest problems people face if they or their loved ones end up needing long-term care is finding out what services and support are available in their area.

The whole system is terribly complex and confusing – at a time when many families already feel very stressed and upset.

## CHECK – AGAINST - DELIVERY

People don't know what care they are entitled to, or how much they may need to pay – indeed many are shocked to discover social care isn't free like the NHS.

They don't know where to look for care, how to judge the quality of services and which ones they can trust.

It's not just the formal services people want to find out about – the home help, day care, care breaks and residential homes.

It's the smaller services that can make a big difference, especially to family carers, like home adaptations, help with shopping, and maybe a bit of cleaning too.

And crucially it is emotional support that people desperately need. It can be really distressing coming to terms with the fact you or the person you love needs ongoing care and support – allowing a 'stranger' into the family home to help with what is often very personal and intimate care, or having to leave the home you've lived in for many years. Having someone to talk to about these difficult issues can be a life saver for many families.

People whose care is funded by their council usually at least get some information and advice – albeit patchy and inconsistent. But if you have to fund your own care, you're left entirely on your own, as if your needs and struggles don't matter.

The Draft Care and Support Bill could help transform information and advice services. It takes forward the recommendations of the Law Commission’s review of adult social care legislation, which was initiated by the last Government, and the proposals in Labour’s White Paper before the last election “Building the National Care Service”.

The Bill requires local councils to establish information and advice services for users and their carers – whether they are state funded or self-funders – about what care is available and how it can be accessed.

Many local authorities have already developed, or are developing, excellent information and advice services. This best practice in some parts of the country now needs to be spread to all parts of the country.

We need to learn lessons from pioneering councils that are developing information and advice services – not just for adult social care but other areas like the Family Information Services on local childcare and early years services – and from the experience of the voluntary and private sectors too.

It’s not rocket science, but often very difficult to get right in practice.

We need to start with asking older and disabled people and their families what information and advice they want, and how they want to get it.

It's got to be available in a range of different languages and formats. There's been a big increase in broadband uptake amongst older people in the last two years. More than half of those aged 65-74 years now have online access at home. But only a quarter of the over 75s do, and they are the biggest users of care and support, so effective written and face to face information is essential too.

The information must be up to date – which will be a big challenge in a sector with a large number of often very small providers.

The source of the information must be clear – so people know whether it is genuinely independent or from the providers themselves.

And there must be proper signposting to other sources of more expert advice, not all of which local councils can provide.

A constituent whose mother has dementia came to one of my surgeries just the other week to say she was very worried our local Alzheimer's Society has had to drop its dementia advisers because of cuts to their funding.

She'd tried asking the council for support instead, but their advisers simply didn't have the same depth of understanding about what its like looking after someone with dementia as the Alzheimer's Society.

There are other important issues local councils need to bear in mind.

First, whilst the legislation requires them to provide information and advice for people in their area, many sons and daughters don't live near their parents yet play a vital role in sorting out care and support, and will need proper information and advice too.

Second, people increasingly want and value the opinions of other people who have used services – not just the so called 'experts'.

I'm sure virtually everyone in this room has used TripAdvisor to book a hotel room.

Of course deciding which NHS or care service you want to use isn't the same as choosing a hotel, but the underlying principle – that people want to know what those who have used a service think about it – is going to become increasingly important in future.

There's lots of exciting developments in this area, like the website Patient Opinion which allows patients to tell the story of their NHS experience. It is a really powerful tool for patients to find out what others have said about a service, and for staff and commissioners to improve standards with detailed, real time feedback.

Patient Opinion is about to launch a new service – Care Opinion – which could make a big difference in adult social care and I would strongly urge local councils and the Care Quality Commission, to register with the site and promote its use.

Third, we all need to think much more broadly about the kind of information and support people want as they get older.

For example, all sorts of advice about exercise and diet is now available – like how best to get your ‘5 a day’. But the vast majority of this is targeted at families and children. Yet in the century of the ageing society, this has to change. Councils, the NHS and businesses have a lot to do to catching up to do if they’re going to meet the needs of this major and growing demographic.

### **DILNOT AND ‘CAP’ ON CARE COSTS**

Turning now to the second issue, which is how we fund long term care and support.

This question has bedevilled Government’s of all political persuasions, and the last Labour Government was no exception.

We didn’t deliver lasting reform to long-term care funding, although Andy Burnham deserves huge credit for grasping this issue and putting forward bold proposals before the last election when he was Secretary of State.

We tried to secure cross party agreement for these proposals, because we understand this is an absolutely critical long-term issue and that people need to know how social care is funded, whichever political party is in Government, so they can properly plan for the future.

We didn't succeed in getting this cross party consensus when we were in Government, but we have been determined to try again in Opposition.

As you know, Andrew Dilnot's Commission on Funding Care and Support proposed:

- increasing the upper capital threshold for means tested state support from £23,350 to £100,000;
- introducing a 'cap' on the overall amount people have to pay for their care of between £23,000 and £50,000 – suggesting £35,000 as the most appropriate and fair level; and
- that there should be clear, standardised national criteria to determine which services people are entitled to and to help tackle the post-code lottery of care.

Labour warmly welcomed these recommendations as a significant step towards a better, fairer and more sustainable system.

Ed Miliband initiated cross party talks on the proposals, which we entered into in a spirit of genuine openness and commitment.

Unfortunately, the talks broke down when the Government unilaterally published its own progress report on funding alongside their White Paper and Draft Bill on Care and Support.

The Coalition's mid-term review repeated the Government's acceptance of the Dilnot principles.

Earlier this month Nick Clegg said the Government intends to publish its detailed response soon, including how to protect people from catastrophic care costs.

I'm sure you've seen media reports that the Government intends to set the cap on care costs at £75,000. This would be legislated for during this Parliament, but would not come into effect until after the next general election.

I want to explain Labour's very real concerns if this speculation proves to be true.

Our first concern is that people on lower incomes and with lower wealth would not receive adequate protection of their assets and savings if the cap is set at £75,000 – a point Dilnot's own Report makes very clear. It explicitly warns that moving outside the range of £25,000 to £50,000 would mean the overall reforms "would fail to satisfy our criteria on fairness and sustainability."



## CHECK – AGAINST - DELIVERY

Second, we're concerned that because of the way the cap works in practice, too few people on middle incomes would benefit from a £75,000 cap either.

Take an elderly person staying in a single nursing care room in Southern England. The average cost of these rooms is £817 a week – and in many homes far higher.

It is vital that people understand the Dilnot 'cap' doesn't cover what the individual actually pays but to what their local council would pay – and the average local authority rate for a single nurse-care room in Southern England was £470 a week in 2010/11.

This means in practice the elderly person wouldn't reach the cap for over 5 years.

The average length of stay for residents in a BUPA care home – which includes state and self-funders - is around 2 years, and for homes like those run by Partnership UK which are entirely self-funded - is around 4 years.

In other words, the elderly resident would be dead before they hit the Dilnot 'cap'.

Our third concern is that a cap of £75,000 would not encourage the "enormous insurance market" that the Prime Minister recently claimed in a television interview because the premiums to cover care costs could be too expensive and beyond the reach of many people.

Finally, reforming how long-term care is funded in future must be done alongside action to tackle the immediate, urgent and growing care crisis.

Again, Dilnot himself makes this point crystal clear.

His Report says “The Government should both implement our reforms and ensure that there is sufficient and sustainable funding for local authorities ... The Government must devote greater resources to the adult social care system. As well as funding for new reforms, additional public funding for the means tested system is urgently required.”

Whatever the Government claims about putting more money into social care, figures from its own Department for Communities and Local Government show that more than £1.3 billion has been cut from local council budgets for older people’s social care since the Coalition came to power.

Councils are doing their best to save money through changing the way care is provided and working more closely with the NHS.

But adult social care makes up around 40% of local council budgets and is their biggest discretionary. When council budgets are being cut by a third over the course of this Parliament, and when any transferred resources from the NHS are not ring-fenced, it is inevitable that care services suffer.

Fewer people are now getting the help they need with 8 out of 10 councils now providing care only for those with substantial or critical needs

More people are being charged more for vital services like home help with costs that vary hugely across the country: so whilst home care is free in Tower Hamlets, it costs £21.50 an hour in Brighton at Hove.

The number of people having to pay in full or part for residential care has reached an all time high: last week's Laing and Buisson report says 230,000 older residents are now paying for their care – 57% of the total number of older residents in independent sector care homes.

At the same time a 'two tier' service in residential care homes is emerging that's unfair to people with state and self-funded care:

- 8 out of 10 residential care providers say self-funders are being charged more to cross-subsidise council funded residents; and
- 60% said they are reducing the proportion of beds for council funded residents

## **Conclusion**

We've of course got to see what the Government actually proposes, but there are clear tests by which their plans will be judged.

## CHECK – AGAINST - DELIVERY

First, that the current care crisis is addressed, alongside future reforms.

Second, that changes should be both fair and sustainable, helping people on low and middle incomes, and ensuring a fair contribution from individuals and the state

And third, that the system must be clear and easily understandable for the people who use care and their families. The public will not be look kindly on politicians who claim to have ‘solved’ the care crisis and ‘capped care costs’ if the reality proves very different.

Andrew Dilnot put forward a very carefully balanced package of proposals. The Government would be extremely foolish to squander the opportunity Dilnot presents to secure genuine, lasting agreement and wider public support.

Labour is determined to put in place a better, fairer system for the future.

On Thursday, Andy Burnham will be launching our Health and Care policy review and setting out our vision for a genuinely integrated care system that’s fit for the 21<sup>st</sup> century.

I look forward to working with the Society of Later Life Advisers as we take this work forward.

Thank you.