

# Finding and financing care in hard times

The top issues reported to  
Counsel and Care's Advice Service  
in 2008

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### The top issues reported to Counsel and Care's advice service in 2008

Times remain hard for older people moving into a care home, but they are also getting worse, with difficulties exacerbated by the ongoing financial gloom.

The top five issues that older people, their families and carers contacted Counsel and Care's advice service about in 2008 shed a light on a community care system in crisis. **Paying for a care home** is the biggest concern for older people contacting Counsel and Care's advice service. Enquirers' other main concerns include the complaints process, rights for self-funders, support for older people with dementia, their families and carers, and concern about lack of meaningful information and advice.

The report is based on a sample of 2,620 telephone enquiries taken by Counsel and Care's Advice Service in 2008. Counsel and Care's Advice Service reaches some 250,000 older people, their families and carers a year through telephone enquiries, website, guides and publications.

### Worries about care home costs

**Paying for a care home** is the biggest concern for older people contacting Counsel and Care's advice service on a daily basis, making up 30% of all calls. Enquirers in 2008 expressed particular concern about using large amounts of their savings and capital to pay for care, and about how the costs of care home placements seem to be ever increasing.

In particular, with the credit crunch and the poor housing market, many more older people, needing to move into a care home urgently, are finding it difficult to sell their homes at short notice. Many now face the difficulty of being unable

to release funds to pay for their fees, and are looking to councils for financial support or are forced to sell their home far under its market value in order to encourage a quick sale. Some councils with their restricted budgets are in turn trying to divert families to build up debt with care home providers rather than offering the option of a loan or deferred payment.

Deferred payment loans are discretionary but councils should not operate a blanket policy to refuse applications. Under deferred payments the council provides funding on a loan basis to be repaid when the property is eventually sold or the older person passes away. Interest would only be added to the debt on the sale of the property, or 56 days after the owner has died. For those older people unable or unwilling to sell their homes immediately, this can provide essential funding to help pay expensive care home fees and ensure that their place in their care home of choice remains secure.

**Mr W, Leeds**

**"I contacted Counsel and Care's Advice Service when my mother was looking to move into a care home. She had £10,000 savings and a property, which was proving difficult to sell. I had approached her local council who told me that she had to spend her capital down to £3,000 before they would offer deferred payments.**

**Counsel and Care advised me that while it is at the council's discretion to provide a deferred payments loan, they should not tell an older person already under the capital limit (£13,500) to spend their capital down to £3,000. As a result of the advice, I decided to make a complaint against the council on my mother's behalf to ask for a reimbursement of the £7,000 as this was capital she would have saved under deferred payments."**

Each application by an older person for a deferred payment should be considered on its own merit, and the council should let the older person know their decision in writing. If the application is unsuccessful the council should explain the reasons why they cannot agree the application, so if the older person

feels the application has been unfairly refused, they can make a complaint, using the local council's complaints procedure.

Also, more and more relatives of older people in care homes, often over 65 themselves, are being asked by local councils to pay a **third party top-up** each week to cover increasing care costs. 18% of calls about care home costs in 2008 were about a family member having to pay an additional amount on top of what the council was willing to pay. In England it is estimated that around 35%<sup>1</sup> of all council-funded residents have to look to a relative to ensure their care costs are met in full. Sometimes, even the older partner left at home is asked to pick up this difference, even if they are on a low income themselves.

**Mrs C, Surrey**

**"I contacted Counsel and Care's Advice Service after I was requested by my mother's local council to pay a third party top-up towards her care home fees. As I am in my sixties myself, I am a 'pensioner paying for a pensioner's care'. This can't be right. I also have to pay for my mother's hair cuts, chiropody, dentures and tights as her personal expenses allowance is such a small amount. It is a big drain on my own finances."**

The practice of inflexible and unrealistically low 'standard' rates offered by councils to meet an older person's care needs must stop. While local councils can set such amounts, they should not be arbitrary rates based on budgetary restraints. Instead, they should be flexible enough to take into account regional variations, the vacancies available at the time, and above all, the older person's individual assessed needs. It is strange then, that CSCI has found in areas where availability of accommodation is limited, three-quarters of council-funded residents were paying top-ups.<sup>2</sup> In addition, some callers to our Advice Service in 2008 have highlighted the fact that social workers themselves are not aware that

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<sup>1</sup> Office of Fair Trading, *Care homes for older people in the UK: a market study, 2005*, in Commission for Social Care Inspection, *State of Social Care in England 2006-07, 2008*, page 114

<sup>2</sup> Commission for Social Care Inspection, *A fair contract with older people? A special study of people's experiences when finding a care home, 2007*

requests for top-ups from a third party should not be a blanket policy. Such requests by councils should not be a matter of course and only if the choice of home is one based on a preference rather than a specific need.

Older people considering whether or not to move to a care home should, according to the legislation, be enabled to make a 'reasonable choice'<sup>3</sup> about where it is best for them to live, based not only on their physical care needs, but on fulfilling their social, emotional and psychological needs as well.

### **The plight of self-funders**

In addition, those older people who are paying for the full cost of their care themselves, without any financial support from their councils, are left out in the cold. Nearly 50% of all calls from self-funders to Counsel and Care's advice service are concerned with how to pay for a care home placement.

At present, the community care system is overly bureaucratic and unwieldy. Many '**self-funders**' have been telling Counsel and Care's advice service in 2008 about the length of time it currently takes to negotiate the system and the lack of information provided by statutory bodies, especially at the point where a move to a care home becomes an imminent prospect.

The older person or their representative should be provided by the local council and the care home provider with up-to-date and accurate information about their own needs and their care home of choice. Unfortunately, many older people with savings of over £22,250 or a property are often left with little more than a list of names when having to make a choice of care home. All too often, without the specific details they require to make an informed decision, potential self-funding residents, and their families and carers, are forced to make a **choice**

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<sup>3</sup> Local Authority Circular LAC (2004) 20: Guidance on National Assistance Act 1948 (Choice of Accommodation) Directions 1992  
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**of care home** in the dark, based on incomplete information and often during a time of great stress or illness. Ideally, such a decision should be made after many factors have been considered, starting with an assessment of the older person's needs, consideration of the fees, and including a visit to the home, perhaps at mealtimes, where the older person and their relatives and carers can experience the feel of the place and see the residents and staff interacting together.

### **Open and transparent pricing**

Self-funding care home residents are also the victims of a two-tier system, often paying much higher fees than the unrealistic council rates in order to keep the care home afloat. Shockingly, despite almost four years having passed since the publication in May 2005 of the outcomes of the Office of Fair Trading's (OFT) care home market study<sup>4</sup>, the situation for older people, their families and carers does not seem to be much improved. More must be done to safeguard self-funding residents from huge year-on-year fee increases by more closely regulating contract terms. As consumers, self-funding care home residents are more vulnerable to unfair price increases, but as they cannot easily switch service provider, they are less able to do anything to improve their situation.

If pricing information is provided by a care home, often a blanket fee is quoted without any detailed breakdown of what it actually includes. Furthermore, many people are not aware that care homes should be providing detailed information as a matter of course, and therefore are afraid to ask for it. Care homes need to be much more transparent and open in providing information about their fees, and give a clear written breakdown of what their costs cover, such as whether charges for nursing care, chiropody or social activities are included in the fees along with accommodation, food and personal care. In this way, the position of care home residents as consumers will be strengthened.

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<sup>4</sup> *Care homes for older people in the UK – a market study*, Office of Fair Trading, May 2005  
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Older people, their families and carers should be able to make informed choices based on first comparing different care homes to establish what a reasonable charge is and what is excessive within the care home market.

### **Lack of information and advice**

Recognition must be made of the vulnerability of self-funding residents, who currently have to manage with little or no support from social services, especially **older people with dementia** who are ineligible for council services (**see below**).

Counsel and Care will continue to support all older people, their families and carers, including those who are self-funding, to access good quality care within any community care setting, and to encourage them to raise a complaint or access independent advocacy if they have concerns.

However, self-funders should not just be dependent on getting information and advice from the voluntary sector. On one level it is about access, but on another it is about making sure the information provided is applicable to the older person's particular set of circumstances. It is about explaining and interpreting the wealth of information available and advising the individual as to the best way forward depending on their situation. Extra emphasis must be placed on local councils and private care providers to ensure that older people and their families are fully supported to access such good quality, independent advice, information and advocacy that can be tailored to their individual situations.

### **The voices of older people with dementia, their families and carers**

Counsel and Care receives a large number of calls each year from families and carers who are concerned about whether their older relatives with dementia are receiving the most appropriate and high quality care that meets their needs in the care setting of their choice. In particular, issues about care decisions and lack

of capacity make up almost half of all calls to the Advice Service about an older person with dementia. Enquirers are concerned about situations where the wishes and wants of the older person with dementia seem to be disregarded in favour of the opinions of professionals (or sometimes other family members) under an assumption that the older person has lost mental capacity for all decision-making. Access to independent mental capacity advocacy must be promoted and facilitated whenever possible for older people with dementia who do not have support from family, and independent advocacy must be better funded and promoted in general.

### **Fears about complaints**

Evidence from Counsel and Care's Advice Service also shows that more support is needed generally, but especially for older people with dementia, their families and carers, to raise concerns and make **complaints** about standards of care. The fear and confusion surrounding the idea of **making a formal complaint** must be removed, along with the amount of paperwork and effort involved which can actively discourage individuals from raising their concerns.

It impacts especially on those older people with the most complex needs or a dual-diagnosis, who have services jointly funded by both health and social care. The system is very confusing for people with neurological conditions whose needs are not easy to deconstruct into health and social care components. In these situations, it is often difficult to clarify who is ultimately responsible for the package of care provided and so it can be unclear for older people, their families and carers to whom they should direct their concerns. Moves towards amalgamating the NHS and the local council complaints procedures into one simplified and unified approach is a positive step, but there is still a lot of work that needs to be done to ensure the voices and concerns of older people with dementia, their families and carers are heard.



## **Urgent need for change**

However, it seems that the urgency of the situation is not sinking in; recent news about the personal expenses allowance shows that government continues to consider £21.90 an acceptable amount of money for an older person living in a care home to manage on per week.

The credit crunch does not mean that Government has a 'get-out-of-jail free' card on considering a meaningful increase in funding for older people's care. This situation was urgent before the banks failed and with our ageing population will only get more so.

At the very least, Counsel and Care is calling for better information, advice and advocacy for older people, their families and carers to support them when making these life-changing decisions. We urge Government to address this as a matter of urgency as part of the imminent green paper on social care.

Clearly this report highlights the need for radical reform in the green paper to create a care system that is simple, fairer, consistent, transparent and flexible.



**Counsel and Care is the national charity working with older people, their families and carers to get the best care and support.**

**We provide personalised, in-depth advice and information, which informs our research and campaigning work.**



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