



# **SOCIAL CARE**

## **CORONAVIRUS – CAN THE CATASTROPHE BE A CATALYST?**

**Care Report 2020**  
Eighth edition

**JUST.**

# CORONAVIRUS – WHERE DO WE GO FROM HERE?

Coronavirus is likely to loom over discussions about social care policy for years to come. Industry experts believe that more than half of deaths caused by the virus in England will be among care home residents.<sup>1</sup>

The debate over the success – or failure – of actions taken to protect care home residents will run and run. There is a widespread view among over-45s that the lack of progress on social care policy by successive governments has had an impact. More than half (56%) said they thought it had made it harder for the care services to respond to the threat.\*

Will the pandemic push social care reform up the government's agenda? Most people (52%) think reform will be among the priorities.\*

Three in 10 don't agree. Why not? The main reasons were that there will be other priorities (58%) such as

the economy and Brexit, that there will be a shortage of government funds (37%), that the government will not want to make unpopular decisions (28%) and that reform is too complex (16%).\*

Matt Hancock, Secretary of State for Health and Social Care, said reforms, in his view, had been pushed to the side for too long but action would be taken.

While we wait for progress, there are signs that the care sector experience has made people keener to avoid residential homes. Nearly half (48%) said they were likely to try to ensure any future care needs could be provided in their own homes, rising to nearly two-thirds (64%) of over-75s.\*

\* Indicates additional research conducted following the outbreak of the Covid-19 pandemic. Full research notes can be found on Page 15.

**Do you think the delays by successive governments to settle social care policy, in particular how the cost of long-term care is split between individuals and the State, has had an impact on how the social care sector and NHS have been able to respond to Covid-19?\***



**Do you think that agreeing a social care policy will be a government priority following the Coronavirus crisis?\***



**Matt Hancock**

Secretary of State for Health and Social Care, June 2020

"The timeframe has been clear, which is that we have got to get these reforms done in this Parliament and the Prime Minister has previously said that we would get them set out this year. That was before Coronavirus. We will still try to do that, but it is not straightforward."<sup>2</sup>

# FOREWORD

---

Welcome to the Care Report 2020, the eighth edition of a research series dating back to 2012 that sheds light on how the over-45s think and feel about adult social care.

This year's report is different. Coronavirus has ravaged through many care homes in recent months, leading to thousands more deaths of elderly people than would normally be expected.

Have years of delays to care funding reforms made the crisis worse? Will Coronavirus act as the catalyst for action or just an excuse to delay addressing a politically thorny problem?

Care funding reform has been on the political agenda for more than two decades but is yet to make it to the top. Austerity measures implemented in the wake of the Global Financial Crisis put a brake on ambitious reform of the care system. More recently, Brexit and the 2019 General Election have raised other priorities.

Over the years, our study has found a consistently high level of interest among the over-45s in the debate about who should pay for care. The main body of this edition's fieldwork – carried out before Coronavirus swept the country – found that two-thirds (65%) were interested in the debate.

Their interest is not being satisfied. Six in 10 (60%) said they were confused by recent government announcements on the funding of residential care, again a proportion that has remained stubbornly high over the years.

Recent reports have suggested that this government had been revisiting the idea of sharing the costs between individuals and the State with an overall cap on personal care costs. This was proposed back in 2011 and received cross party agreement, only to be ditched later.

Intriguingly, our research reveals broad acceptance for models that share costs and the highest agreement level (58%) among all the options presented was for an overall limit – or cap – on personal care costs.

News reports from care homes in recent weeks have at times been painful to watch with efforts to contain the virus thrusting the world of adult social care firmly into the public consciousness.

Yet for all the attention on the issue, at an individual level care is often the elephant in the room. It is rare for people to talk about potential future care needs with loved ones and planning to pay for care is practically non-existent. That needs to change.

The coronavirus crisis has brought much grief and difficulty but it also offers what is perhaps a unique opportunity to bring forward much-needed reforms that give people a reason to talk and to plan for a better future. It is an opportunity our leaders should seize.

**Stephen Lowe**  
Group Communications Director  
Just Group plc



## A POLICY POSTPONED

The 2019 General Election result was widely seen as a mandate for Boris Johnson to deliver on his promise to ‘get Brexit done’ which, it was hoped, would unlock work on other key policy areas including social care.

Former Prime Minister Theresa May’s promised 2017 green paper – a consultation document – was delayed six times before she was ousted. In Boris Johnson’s first speech after replacing her, he promised to “fix the crisis in social care once and for all with a clear plan we have prepared to give every older person the dignity and security they deserve”.<sup>3</sup>

Subsequent reports suggested he planned to publish a white paper – a policy statement – in the autumn of 2019 that would propose a clear course of action to address the crisis.

Hopes faded with the announcement of a December General Election. The Conservative election manifesto promised the government would start to build cross-party consensus on finding a solution to social care funding, with talks to begin within the first 100 days.

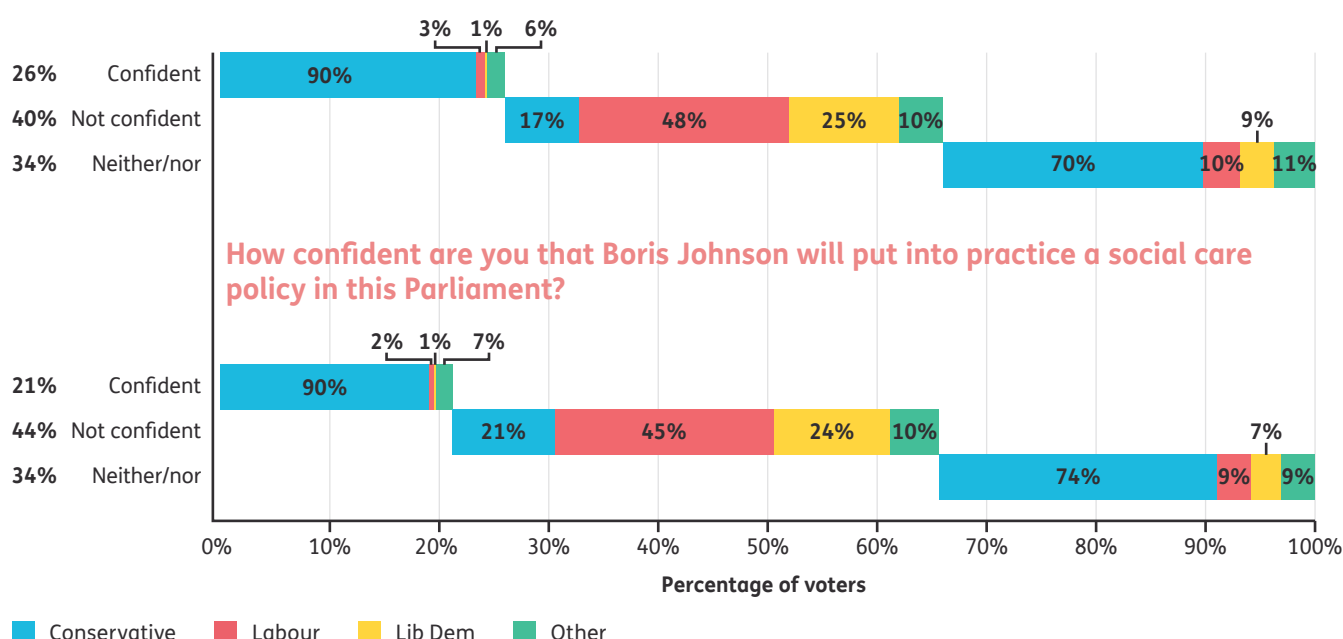
More over-45s are not confident that the Prime Minister can make progress during this Parliament than are confident he will, but opinions are divided along party lines.

Our research found that of those who were confident the Prime Minister will produce a social care policy this Parliament, nine out of 10 voted Conservative in 2019, while of those not confident more than eight in 10 (83%) voted for other parties. Tory voters are also much more likely than other voters to be confident a policy will be put into practice in this Parliament.

Coronavirus has since impacted heavily on the political process, delaying huge swathes of policy work. But concerns about the effect of the UK leaving the European Union on the provision of social care have not gone away.

A quarter (26%) said they were ‘worried’ Brexit would have a negative impact compared to 37% who said they were ‘not worried’. Of those expressing concern, 72% said they were worried about tighter immigration rules on staff numbers, 67% about medicines becoming more expensive, 63% about less funding from government, and 53% about a shortage of vital supplies.

### How confident are you that Boris Johnson will produce a social care policy in this Parliament?



## PUBLIC OPINION

There is widespread acknowledgement that the State should foot the bill if someone needs care but is unable to afford it. Three-quarters (75%) of over-45s agreed that taxpayers should provide this important safety net.

For people who are in a financial position to pay some or all of their care costs, the situation is more complex. Only about a quarter agreed that the State should not pay if people could tap into their own savings or property wealth.

The idea that the State should pick up the whole tab was relatively popular with 49% of over-45s in agreement – but still not a majority.

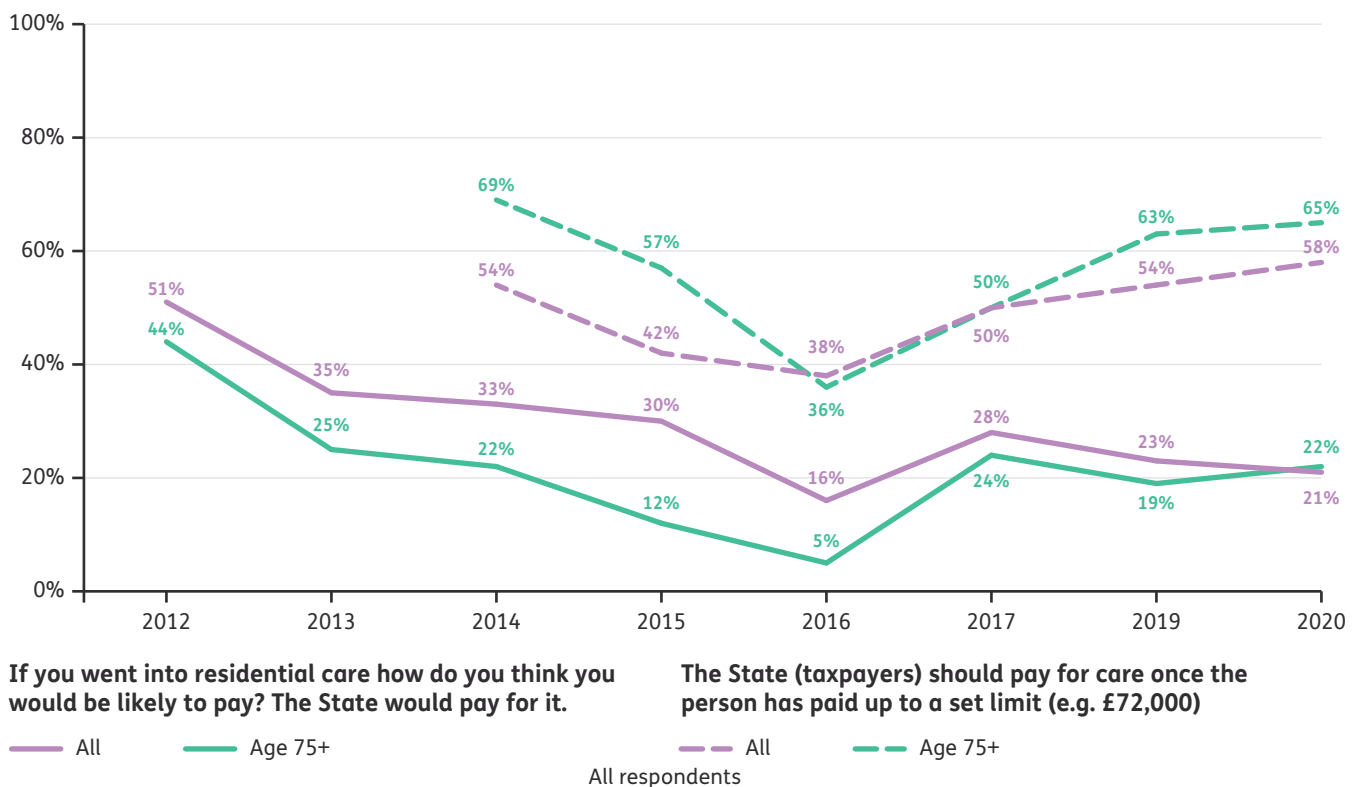
There is a difference between how people think social care should be paid for and how they themselves would fund care under the current rules. It's worth noting that the proportion who think the State would pay is trending downwards with only one in five (21%) stating this in 2020.

The option receiving the most support was the cap on care costs proposed by the Dilnot Commission in 2011 which was initially accepted by the then-government but then indefinitely postponed.

The cap put a limit on how much an individual would be expected to pay before the State stepped in, protecting the savings of those needing a lot of care. Nearly six in 10 (58%) supported the idea of a cap. Since we first asked for views on a cap in 2014, support dipped but has then climbed to an all-time high among over-45s and support is stronger still among the over-75s at 65%.

A cap on care costs was included in both the Labour and the Liberal Democrat 2019 election manifestos.

### Trend over time of expectation the State would pay for social care and attitudes towards a cap on care costs



## PREPARATION

Have you had the ‘care conversation’? Have you sat down with family or friends to talk about what your preferences might be? Have you even thought about care?

If the answers to those questions are ‘no’ then you are not alone. When it comes to planning for care, people are likely to be proverbial ostriches, renowned for burying their heads rather than facing the truth.

Nearly four in five (78%) of over-45s said they had not thought about care, planned for it or spoken to family about it. That figure has barely budged since we started asking the question.

Even when people get older there still appears to be a reluctance to talk about your possible care needs. Among those aged-75+, 83% had not thought, planned or spoken to family about care.

One potentially difficult conversation is the possibility of moving in with children. Although one in five (21%)

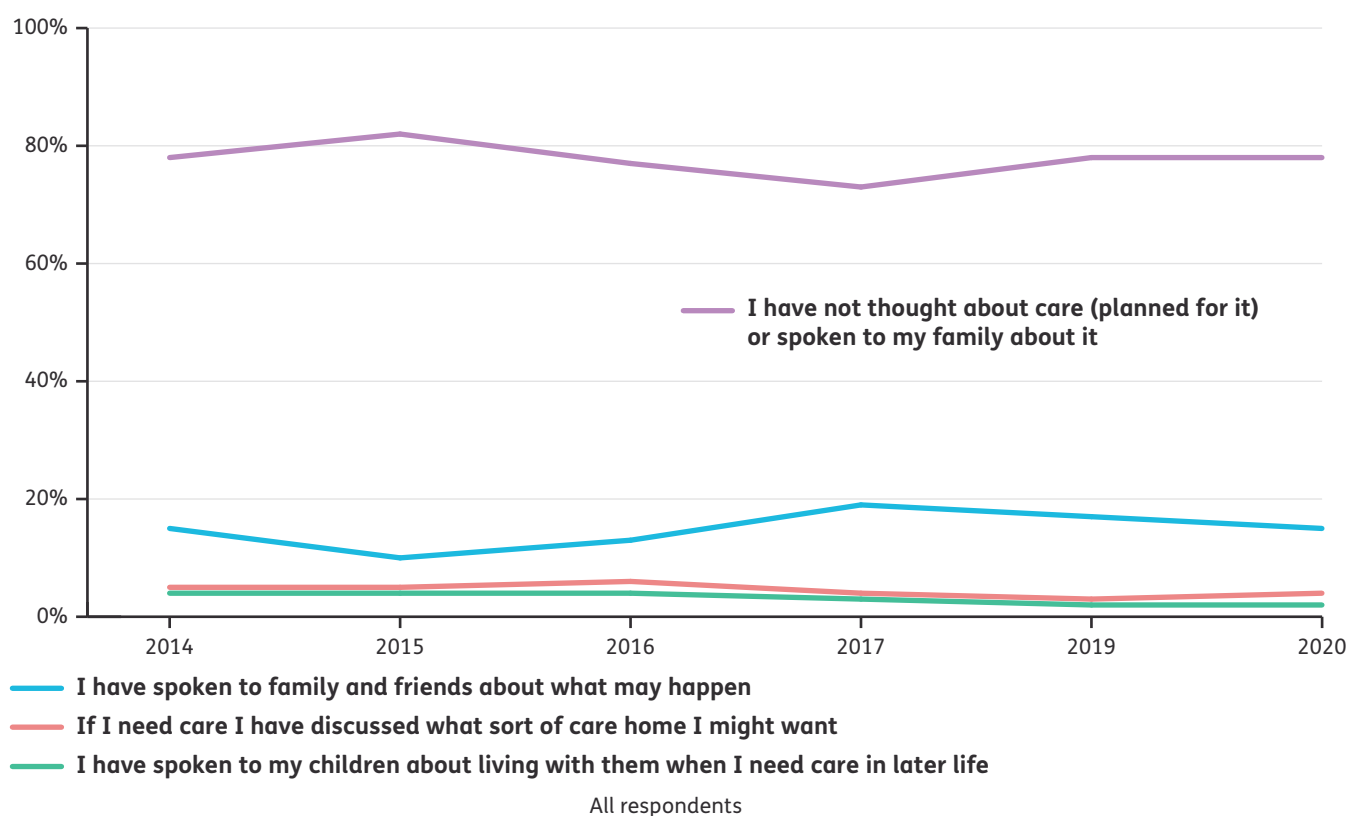
agreed they would like to live with children if they could not cope in their home, only one in 50 (2%) have actually had the conversation about moving in.

Among parents, there is a reluctance to fall back on their children, either as care providers or to house them in later life.

However, the research reveals a high risk that people leave care planning until it is too late and that – despite their intentions – it may be children who end up picking up responsibility. That’s not something they want to happen with only about one in four (27%) agreeing they would rely on children to decide their care.

The fact that more than half (55%) agreed that they had not given long-term care any thought highlights the potential for planning to fall by the wayside until it is too late, leaving little option but to rely on children to make the decisions.

### Which best describes the kind of conversations you’ve had about any of your future care needs?



## PREPARATION CONT.

Why are people who have not thought about care, so reluctant? First, only a small minority (4%) say it is because they will not need care so clearly most do not think they are immune.

Around a quarter of over-45s (24%) said thinking about care was too depressing. One in five (19%) said they were too young to think about care and understandably this figures reduces among older respondents.

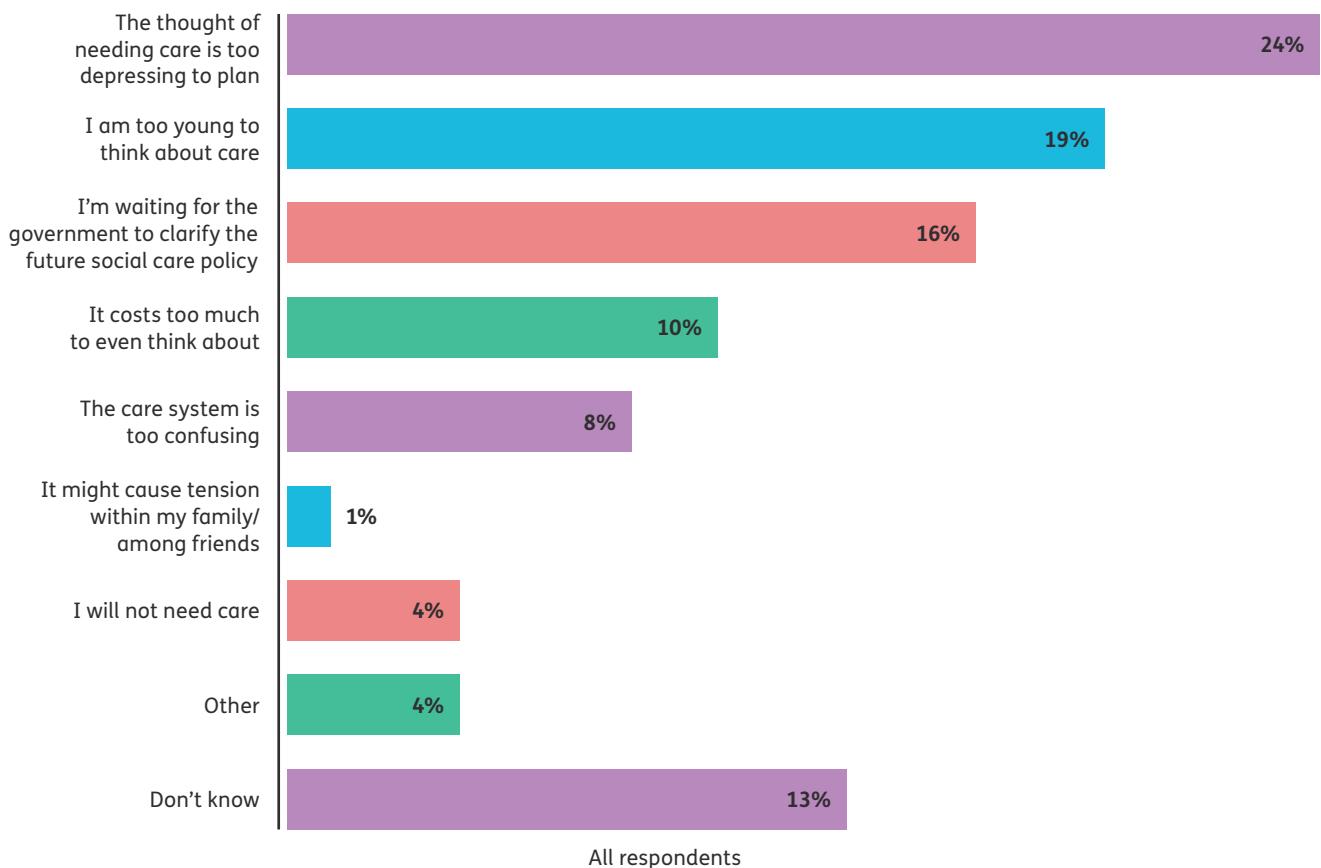
Focusing on the over-75s, very few (just 2%) think they are too young to think about care. Despite being the age group most likely to need care sooner, they are only a little less likely than average to have thought about care, planned for it or spoken to family about it.

Part of the reason may be that they are the age group bearing the brunt of the uncertainty resulting from the fact reforms have been promised but are yet to be delivered.

Those aged 75+ who are yet to think about care are most likely to say that they are waiting for the government to clarify future care policy (29% of over-75s compared to an average for all ages of 16%), most likely to say the care system is too confusing (11% compared to 8%), and most likely to say that the costs are too high to think about (12% compared to an average of 10%).

Given the combination of a complex system, exorbitant costs and no sign of change - people can hardly be blamed for switching off.

### What's the main reason you have not thought about care, planned for it, or spoken to family about it?



## EXPERIENCE

Organising care for a relative or friend is an onerous undertaking.

There is often an urgency to organise residential care at short notice, perhaps when it is recognised that an older person living at home can no longer cope or will not be able to when discharged from hospital after being treated for illness or injury.

Our research found that one in four over-45s (25%) has had to help a parent, an in-law or a partner to find residential care, rising to nearly one-third (30%) of married people. One in six (16%) has a friend who is having to do this.

Most thought it was difficult to find the right information (56%) and found the care system complex to find their way through (78%). It is perhaps not surprising that more than three-quarters (77%) said they found the process stressful.

Although people generally understand that care is not going to be cheap, there was still a lack of preparation for the reality of the scale of costs. Nearly nine in 10 (88%) of those who had organised care said they were shocked at how expensive it is. Three-quarters (73%) were surprised how little financial support the State provides.

### The views of people who have organised long-term care for a family member such as parent, in-law or partner

	Agree	Disagree	Neither
It was difficult to find the right information	56%	13%	31%
The care system is very complex; it's really difficult to find your way through	78%	5%	16%
I was shocked at how expensive care is	88%	4%	8%
I was surprised by how little financial support the State provides and how much we would have to contribute	73%	11%	17%
The whole process of finding care was very stressful	77%	6%	17%



## PUBLIC UNDERSTANDING

Planning for care requires people to know how the care system works, what they might have to pay and what State support is on offer.

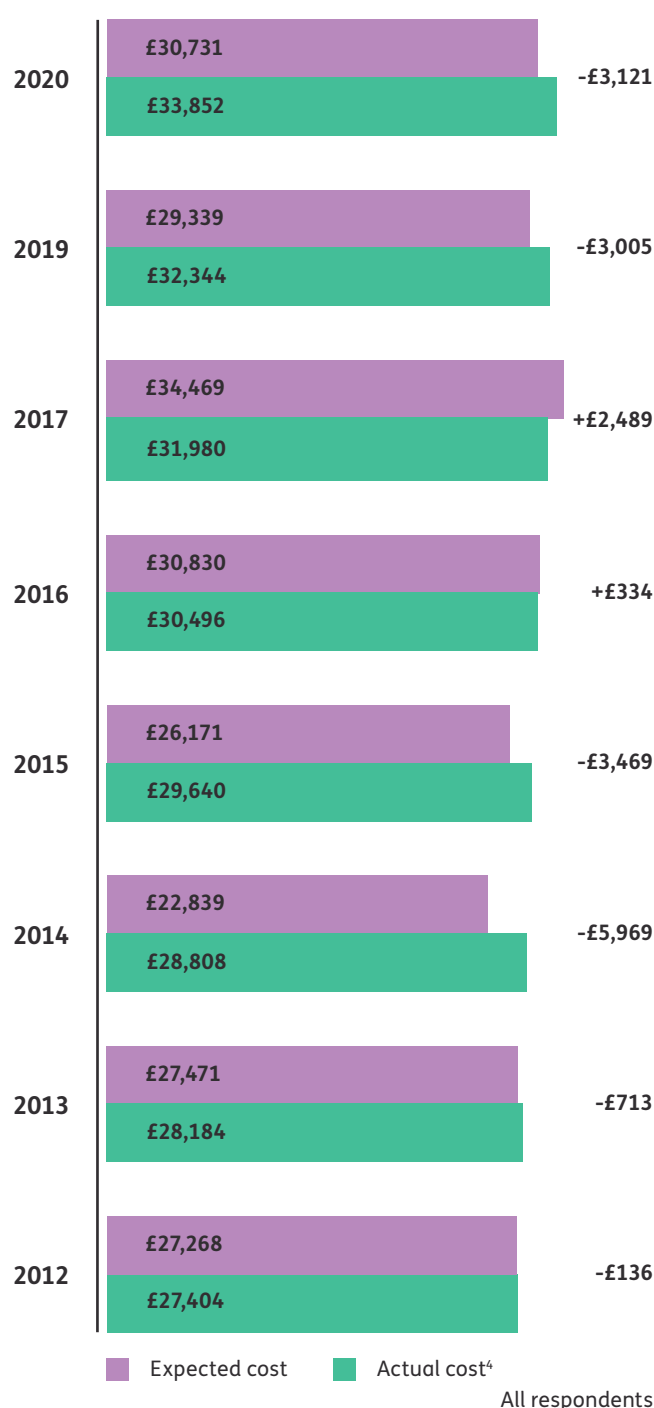
In general, people do grasp the idea that a year's worth of residential care will cost several tens of thousands of pounds. This year – as in most years – the research found that they slightly underestimate the average cost by about 10%.

At an individual level, care costs will vary hugely according to a number of factors including location, the type of care needed and whether the individual is bearing all their own costs and prepared to pay more for a higher standard of care, for example, being the sole occupant rather than sharing a room.

About 45% of care home residents pay all their own costs. On average, these self-funders pay £4,100 a year more than the average cost of a care home – a weekly cost of £730 rather than £651. Nursing care for a self-funder costs more than £1,000 a week.<sup>4</sup>

Residential care costs vary by area with the most expensive, the South East, at £40,716 a year which is 45% more than the lowest cost area, Northern Ireland, at £28,028.

### Expected v actual cost of one year of residential care



## PUBLIC UNDERSTANDING CONT.

The rules around securing taxpayer help are not widely known. Very few think the State will pay regardless of wealth. Four in 10 (43%) said they did not know there was a set limit.

Local authorities have a legal duty to carry out a care needs assessment, which is free, to show what level of care is needed.

Those with eligible care needs undergo a financial assessment – a ‘means test’ looking at savings and income – to see if the local authority will provide financial support. The exact rules are complex and vary between different parts of the UK. In England, only people with assets of less than £14,250 can expect the State to meet their full care costs. Those with up to £23,250 are expected to pay some of the cost of care

while those with assets above this are “self-funders” who pay all their own costs.

There are three main funding options: people with total capital above an upper threshold are ‘**self-funded**’ who must pay all their own costs; those with less than the minimum threshold will be fully ‘**local authority funded**’; those in between will be ‘**partially funded**’ by the local authority but must top up the rest.

When asked what would be a fair means-tested limit below which the local authority should start to pay for care, more than half thought it should be more than £23,250. The average level suggested increased with age, from £49,572 for those aged 45-54 up to £63,562 for those aged 75+.

**Where the value of savings and investments, of the person who is going into care, is above £23,250, that person will have to use their own money to pay their long-term residential care fees. Were you aware of this?**

No, I did not know there was a set limit

43%

Yes, I was aware of this amount

37%

I thought it was more than £23,250

14%

I thought it was less than £23,250

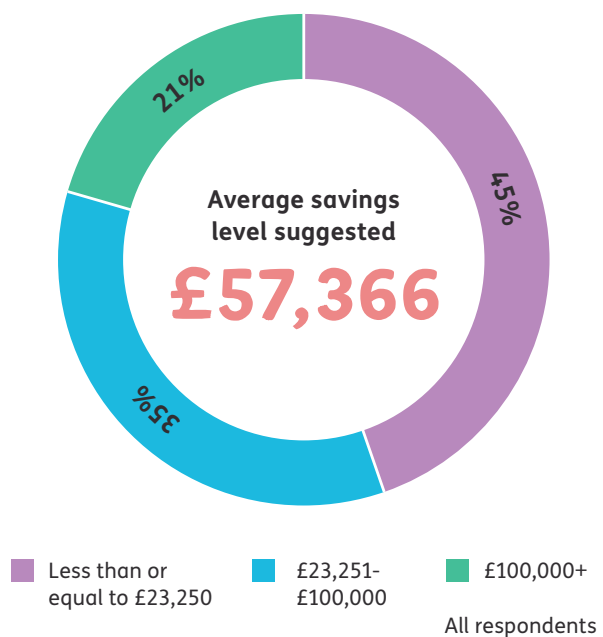
4%

I thought the State paid no matter how much I had in savings and investments and property assets

2%

All respondents

**What’s a fair means-tested limit below which the local authority should start to pay for care?**



# PUBLIC AMBITION

Even before Coronavirus, the attractiveness of having to go into a residential care home has been declining. The trend in our Care Report research has been for more people to say they don't want to go into a home.

Nearly three-quarters (73%) this year agreed that they do not want to go into a care home, the highest recorded level since we started asking the question in 2014. This figure rises to 82% among the over-75s, again the highest figure recorded.

If they did end up needing residential care in later life, 20% agreed they would be happy to go compared to 48% who disagreed. Most over-45s (70%) said they would be happy to have carers come into their own home if they needed help.

Research carried out following the Coronavirus lockdown reveals that the effect of the pandemic, particularly the high death rates in some homes, may be making more people think about needing care in the future.

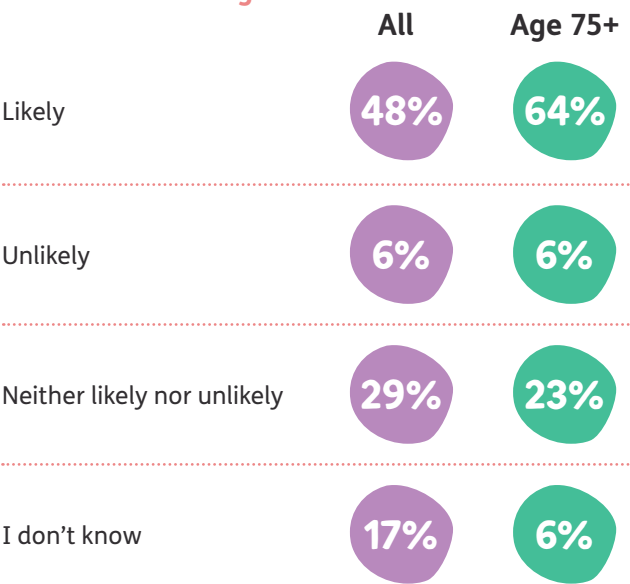
Nearly half (48%) said that they were now likely to try to plan for care in their own home, a figure rising to around two-thirds (64%) among those aged 75+.\*

## Trend over time of people who have said they did not want to go into a care home

I do not want to go into a residential care home (%)



## As a result of the current Covid-19 crisis, how likely are you to now try to ensure any future care needs in old age can be provided to you in your own home rather than in a residential care home setting?\*



## PICKING UP THE BILL

Most over-45s recognise that finding the funds to pay for residential care in the future, should they need it, will mean tapping into multiple capital and income sources. Very few – just one in five – think the State will pay.

Comparing the youngest and oldest age groups in the sample reveals how thoughts about paying for care may change over the decades of retirement.

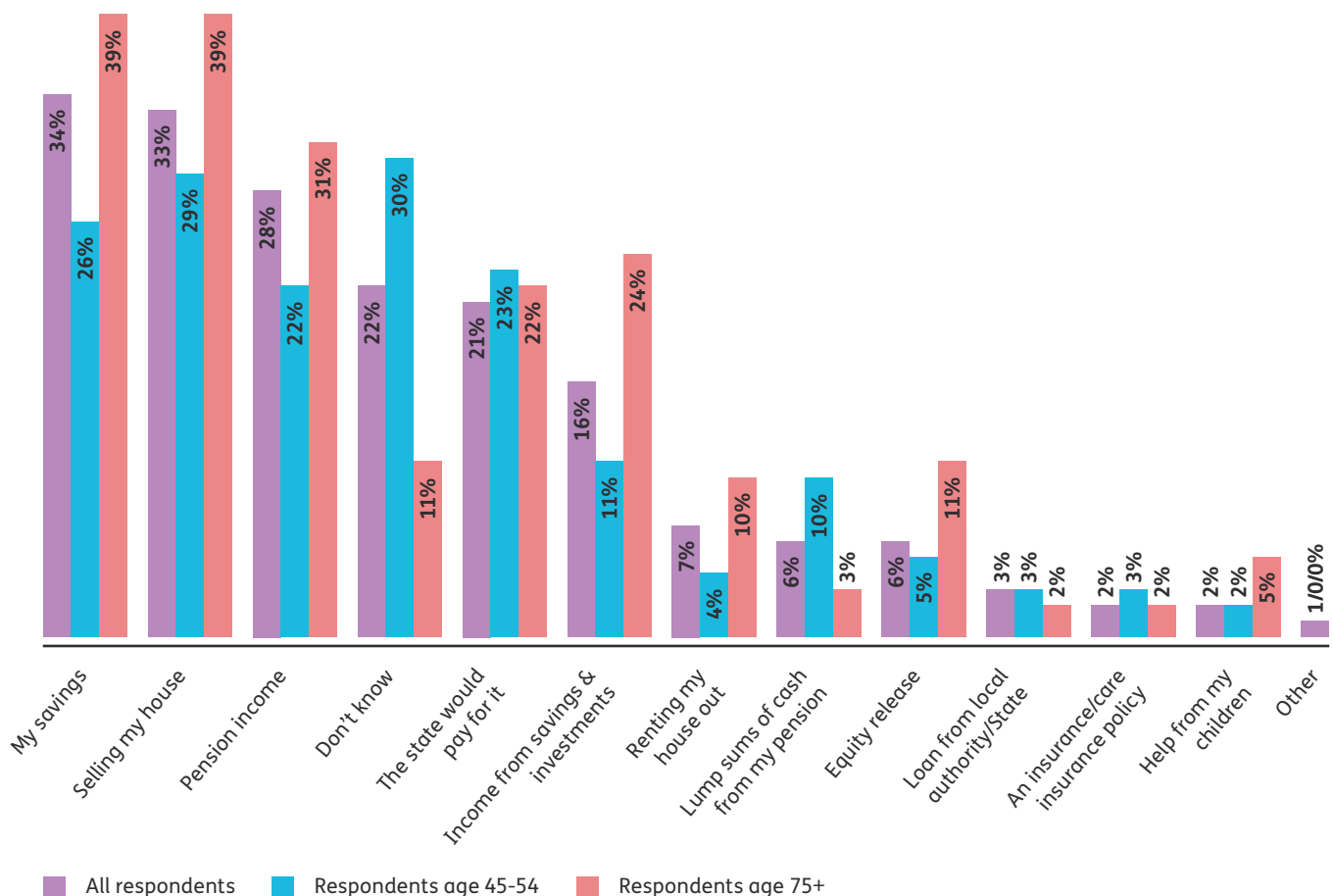
That is particularly true of attitudes towards using property as a source of cash.

Nearly four in 10 (39%) over-75s say they would fund care from selling a house, more than one-third more

than in the age 45-54 age group. Compared to those aged 45-54, over-75s are more than twice as likely (10% compared to 4%) to say they would raise funds from renting out their house, and also more than twice as likely (11% compared to 5%) to say that they would use equity release.

Very few over-75s see releasing lump sums of cash from a pension as a likely source of funding, just 3% compared to 10% of those aged 45-54. Flexible access to pensions from age 55 may give new options to access lump sums in later life, but only if the funds have not been accessed earlier in retirement.

**If you went into residential care at some point in the future, how do you think you are likely to pay for it?**



## PROPERTY

Perhaps the most emotive subject in the entire care debate is whether people should have to sell their homes to pay for care.

Is it fair that people should pay what they can towards their own care, rather than relying on the support of other taxpayers? Or should care be subsidised, allowing property wealth to be passed on to heirs?

Campaigning for the Conservatives before the 2019 General Election, Matt Hancock, Secretary of State for Health and Social Care, said of social care: “We will consider a range of options, but we will have one red line: we will protect the family home.”<sup>5</sup>

Current rules do not force people to sell homes while they are receiving residential care, but it is often the only practical way of meeting the high costs.

Local authorities have a duty to provide Deferred Payment Agreement but access is restricted due to tight eligibility criteria, including having savings of less than £23,250 (£50,000 in Wales). It places a legal charge against a person’s property to ensure any care fees paid by the authority can be recouped later with interest, so often the property does end up being sold.

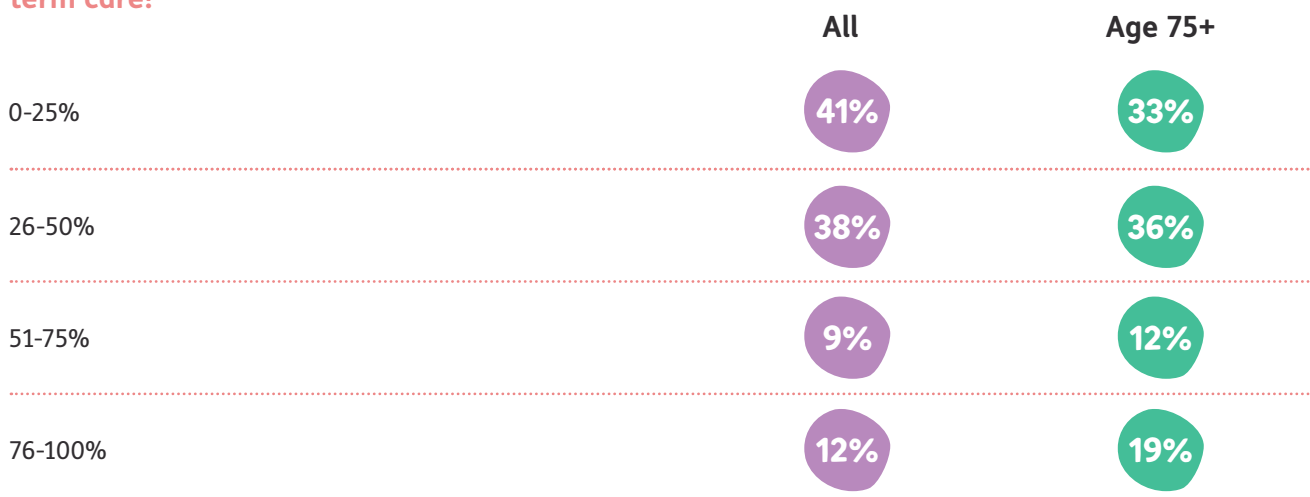
Our research looked at a case study of whether it was fair that someone with a £500,000 home but no other assets would have care costs reclaimed from the eventual sale of the home. A large number (37%) thought it was unfair that costs should be reclaimed from the eventual sale of the house.

But a majority thought it was fair. Just over half (52%) thought it would be fair to reclaim some of the proceeds from the eventual sale of the house. One in ten (11%) said it would be fair to reclaim all of the proceeds of the eventual sale of the house.

Among those who thought it was fair, four in 10 (41%) thought the amount reclaimed should be limited to a quarter of the property’s eventual sale value, while nearly as many (38%) thought it should be limited to between a quarter and a half.

Those in the 75+ age category were more likely to suggest a higher amount should be reclaimed from the eventual house sale – 31% of those aged 75+ thought it was fair to reclaim more than half, compared to 21% of all over-45s.

### How much of the property value do you think should be taken to pay for someone’s long term care?



# CONCLUSION

## Where do we go from here?

Most people think that government delays sorting social care policy have had an impact on how well the sector and the NHS were able to respond to the Covid-19 pandemic.

We asked people whether agreeing a new social care policy would be a priority for the government following the pandemic: only 7% of over-45s thought it would become the top priority; 45% thought it would be among the government's top priorities and 29% did not think it would be a priority.\*

One intriguing but constant theme of our research findings is that there is broad agreement on what constitutes fairness in paying for care regardless of political affiliation.

Across the political spectrum, most agree that if someone is unable to pay for care then the State should pay. Similar proportions say they think the State should pay for all care, regardless of how they voted at the

2019 General Election. There is no great difference in voter support for those who do and don't back a cap on care costs.

Social care funding seems to be a policy area where we, the voters, are more likely to have views that agree than profound differences. Some ideas carry greater support than others, but there seems only weak correlation with political affiliation.

Absence of consensus has been used as an excuse for lack of political progress. Perhaps the barrier is more a lack of political courage to push through the reforms needed to create a social care system fit for purpose in the 21st century.

We hope our research reassures and emboldens our political leaders. People want a good outcome and worries about lack of progress towards a workable solution appear to outweigh concerns about the finer points of that solution.

## THE KEY PRINCIPLES FOR REFORM

With the State unlikely to take on the burden of providing free care to all, the onus will be on many individuals to shoulder some responsibility for preparing for their own future care needs. This will require delivering better information, greater access to advice and a wider choice of options.

Organisations such as the [Association of British Insurers](#) have suggested some key principles that reforms must address:

- **Raising awareness** – the new system must raise the public's awareness of their liability to pay for care, as well as the costs involved.
- **Help individuals plan** – encouraging more people to budget or plan for the risk that they will need to meet future care costs.
- **Provide incentives** – with many individuals needing to self-fund, mechanisms should incentivise people to plan ahead.
- **Simplicity and clarity** – new rules should be easy to communicate to the public and make clear any costs they are expected to pay and how these might be offset by State benefits.
- **Planning for the long-term** – individuals need confidence that the new system will be stable and not prone to modification or meddling.
- **Be realistic** – with no 'one size fits all' solution likely, the reforms need to embrace a range of options that can be tailored to people's individual preferences and circumstances.

## ABOUT JUST

Just (Just Group plc) is a FTSE-listed specialist UK financial services company.

A leader in the individual retirement income, lifetime mortgage, care and defined benefit de-risking markets, Just has been trusted to manage over £20 billion of customers' retirement savings and has helped customers release over £5 billion from their properties.

Just provides a wide range of products, advice and professional services to individual customers, financial intermediaries, corporate clients and pension scheme trustees.

### THE RESEARCH FOR THIS REPORT

This report is the eighth in our series of Care Reports designed to provide a snapshot of what people aged 40 and older in England and Northern Ireland know and think about the later life care system. In the course of our research we have conducted research with almost 15,000 people, including the research for our eight care reports.

Unless a footnote references an external source, the data we use in this report is taken from our own online consumer research conducted in 2020. We took a supplementary poll to gauge sentiment amid the coronavirus crisis, and this data is marked by an asterisk throughout.

Where we have used our own research data from 2012 - 2019 we mark which year's data we reference. Please note, numbers may appear not to sum due to rounding.

### We conducted research in 2012-2020 as follows.

- 2020** – online survey among 1,002 adults aged 45 years and older in England and Northern Ireland, conducted 30 January-3 February 2020 by Opinium
- 2020** – Covid-19 supplementary data: online survey among 1,000 adults aged 45 years and older in England and Northern Ireland, conducted 4-7 May 2020 by Opinium
- 2019** – online survey among 1,001 adults aged 45 years and older, conducted 4-11 March 2019 by Opinium.
- 2017** – online survey among 1,088 adults aged 45 years and older in England and Northern Ireland, conducted September 2017 by Opinion Matters.
- 2016** – online survey among 1,005 adults aged 40 years and older in England and Northern Ireland, conducted April 2016 by Opinion Matters.
- 2015** – online survey among 1,592 adults aged 40 years and older in England and Northern Ireland conducted, December 2014 by Opinion Matters.
- 2014** – online survey among 1,005 adults aged 40 years and older.
- 2013** – online survey among 841 adults aged 45 years and older.
- 2012** – online survey among 894 adults aged 40 years and older.

1. "More than half of England's coronavirus-related deaths will be people from care homes," The Guardian
2. Downing Street Coronavirus News Conference led by Secretary of State for Health and Social Care, Matt Hancock (2 June 2020)
3. Boris Johnson's first speech as Prime Minister (24 July 2019)
4. LaingBuisson UK Market Reports, 2012-2020
5. Secretary of State for Health and Social Care, Matt Hancock, in The Daily Mail, 20 November 2019



## FURTHER INFORMATION

---

**Stephen Lowe**

**Group Communications Director**

Email: [stephen.lowe@wearejust.co.uk](mailto:stephen.lowe@wearejust.co.uk)

Tel: 07776 227402

**Ben Stafford**

**Head of Public Affairs**

Email: [ben.stafford@wearejust.co.uk](mailto:ben.stafford@wearejust.co.uk)

Tel: 07790 015981

---

---

[Justgroupplc.co.uk](http://Justgroupplc.co.uk) | [WeAreJust.co.uk](http://WeAreJust.co.uk) | [JustAdviser.com](http://JustAdviser.com)



@WeAreJustUK  
@WeareJust\_PR  
@Just\_Adviser



@WeAreJustUK



Just Group plc

Just is a trading name of Just Retirement Limited ('JRL'), Just Retirement Money Limited ('JRML'), Partnership Life Assurance Company Limited ('PLACL') and Partnership Home Loans Limited ('PHLL') which are subsidiary companies of Just Group plc. JRL is registered in England and Wales, with company number 05017193. JRML is registered in England and Wales, with company number 09415215. PLACL is registered in England and Wales, with company number 05465261. PHLL is registered in England and Wales, with company number 05108846. The registered office for JRL, JRML, PLACL and PHLL is Enterprise House, Bancroft Road, Reigate, Surrey, RH2 7RP. JRL and PLACL are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. JRML and PHLL are authorised and regulated by the Financial Conduct Authority. Calls may be monitored and recorded, and call charges may apply.