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Long-term freeze on means-test thresholds reflects social care policy paralysis, says retirement specialist Just Group

- 2023 Care Report highlights care system widely seen as ‘not fit for purpose’
- 13-year freeze on means-test thresholds drags more people into paying for care
- Politicians urged to put social care ‘front and centre’ of General Election promises

Only one in eight (12%) over-45s who have helped find a loved one a care home think the English adult social care system is fit for purpose, with three-quarters (76%) saying the process was stressful.

Just Group’s 2023 Care Report – the 11th in a research series dating back to 2012¹ – highlights a widespread lack of knowledge about how the care system works and who pays, plus a lack of planning to meet potential future care costs.

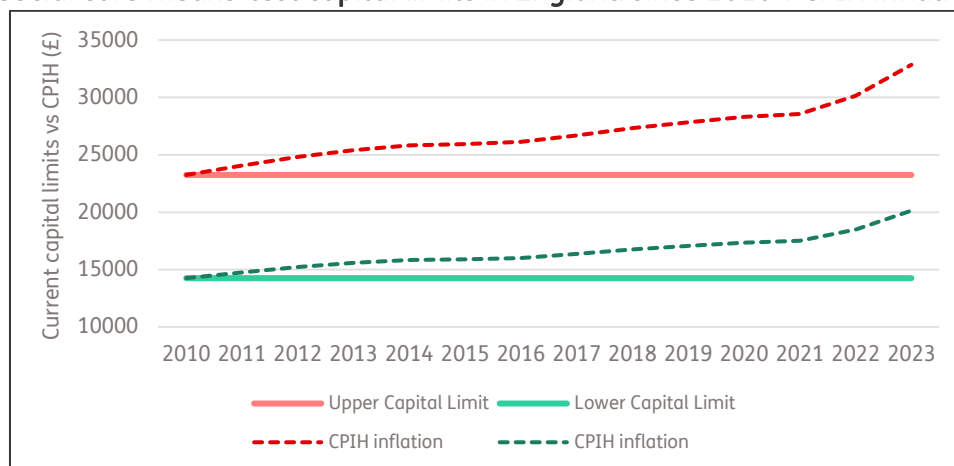
Three-quarters (76%) of the over-45s said they “had not thought about care, planned for it or spoken to children about it”. Among over-75s, the figure was almost as high at 70%.

“Our 2023 report is called ‘No Policy, No Planning’ because that sums up the position among both policymakers and the public,” said **Stephen Lowe, group communications director at Just Group** which specialises in providing financial solutions for retirement and later life care.

“It’s a disappointment because this autumn we were supposed to see the introduction of new, far more generous means-test thresholds and a cap on social care costs that would have helped people start to plan. These reforms were delayed until after the next election and so may never be implemented.

“The result is that 53% of over-45s said they were confused by recent government announcements on the funding of care, and 47% said they will delay making financial plans until new funding rules have been introduced.”

Social care means-test capital limits in England since 2010 v CPIH inflation



He said that the freezing of the current means-test limits for the last 13-years show how paralysis is gripping care policy, dragging thousands more into paying for their own care.

“If thresholds had risen with inflation, they would be nearly 50% higher than they are today, meaning many more people would get State funding,” he said.

In England, those with assets above the Upper Capital Limit of £23,250 are expected to meet all their personal care costs from income or capital while the value of assets is ignored if they are below the Lower Capital Limit of £14,250. These figures were due to rise to £100,000 and £20,000 respectively this autumn, but the plans have been put on ice.

“About one-third (35%) of over-45s did not know there was an Upper Capital Limit while another one-fifth (22%) thought it was much higher,” said Stephen Lowe.

“Most people’s knowledge is very vague, as shown by the fact that nearly half of people (45%) think that care costs are capped although this is a policy that has never been, and may never be, implemented!”

He said that after nearly a quarter of a century of policy paralysis, all the political parties need to put social care at the heart of their planning for the next General Election which could be held in 2024.

“It’s hard for people to plan when they are confused about what support the State will provide and what responsibilities they are expected to shoulder for themselves,” said Stephen Lowe. “No one is expecting a miracle cure. But there is no reason not to put in place a solid foundation on which people can start to plan.”

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Enquiries

Media

Stephen Lowe, Group Communications Director

Lucy Grubb, Head of Media & PR

Telephone: +44 (0) 1737 827 301
press.office@wearejust.co.uk

Temple Bar Advisory

Alex Child-Villiers
William Barker
Sam Livingstone

Telephone: +44 (0) 20 7183 1190

Notes to Editors

1 – Just Group Care Report 2023 – No Policy, No Planning:

<https://www.justgroupplc.co.uk/~media/Files/J/Just-Retirement-Corp/news-doc/2023/just-3051-2023-care-report.pdf>

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