



Four in five over-45s believe they can be forced to sell their homes to pay for later life care

Retirement specialist Just Group research finds people aren't convinced by government statements that no-one can be forced to sell a home to pay care fees

Most over-45s are convinced that people needing to pay their own care costs could be forced to sell their homes, new research shows. Nearly four in five (78%) believe it is true that someone needing to pay for care could be forced to sell a home, with just 22% saying it was false.

Just Group's Care Report 2023 – the 11th in the annual series of in-depth reports¹ – highlights the widespread confusion about how the current care system operates, contributing to a lack of planning for future care needs.

“Apart from knowing care can be eye-wateringly expensive, most people don't have much idea of how the system works or what future care costs they may face,” said **Stephen Lowe, group communications director at Just Group**.

“A good example is that most over-45s answered that you can be forced to sell your home to pay for care. This is not technically correct but, practically, homeowners needing care who aren't eligible for State funding will often find selling a home is the only source of the large sums of cash required.

“While politicians don't want to be accused of forcing older people to sell up, the public are savvy enough to know that is exactly what may need to happen if they have to pay for their own care.”

Residential care fees for self-funders average more than £50,000 a year². Care fees are means-tested and in some circumstances, such as where a spouse or dependent still occupies a home, the value of the home will be disregarded from the assessment.

Since 2014, English councils have had to offer Deferred Payment Agreements (DPA) which are loan arrangements usually secured against the care user's home. Care fees are met by the council but repaid after the homeowner's death.

“DPAs are the government's way of delivering on its promise that nobody has to sell their home to pay for care during their lifetime,” said Stephen Lowe. “However, only about one in five over-45s (22%) have heard of them and of the remainder, more than half say they wouldn't be interested.

“Many of those with assets of over the means-test threshold of £23,250 would not initially be offered a DPA but would instead be expected to use up their savings first. There are about 160,000 self-funders in care homes² but only 2,605 new DPAs were agreed during 2020/21³ which gives an idea of how sparsely they are used.”

Reforms were due to come into force this autumn in England that would have introduced more generous means-test limits and a cap on care costs. These have been delayed until at least 2025, after the next General Election.

“Reforms are urgently needed because people need to be clear on what the State will provide in the future and what responsibilities they must bear for themselves,” said Stephen Lowe. “We are calling on all the political parties to put their plans for social care front and centre of their manifesto promises.

“This issue is too important to ignore any longer. People need some certainty so they can stop fearing the future and start planning for it.”

ENDS

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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>

2 – Laing & Buisson – Care Homes For Older People, UK Market Report, 33rd edition

3 – NHS England, Deferred Payment Agreements - 2020-21: <https://digital.nhs.uk/data-and-information/publications/statistical/deferred-payment-agreements/2020-21>

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