

Paying for care homes

Mrs May rushed out social care proposals in her 2017 General Election Manifesto, only to have to drop them during the course of the Election campaign as they were unpopular. The new government has also promised to produce proposals which will benefit from study of what went wrong with the May ideas.

It is first important to understand the tri partisan settlement we have lived under for many years over social care. The political parties have all agreed that healthcare must be free at the point of need for all, including elderly people requiring a lot of expensive care towards the end of their lives. They have also agreed that living costs are to be paid where possible by the people concerned. In particular, if an elderly person needs to be looked after in a care home then the hotel costs of providing a room with meals and service falls to them if they have an income to cover it or if they have capital they can draw on.

The most contentious part of the current settlement for some is the fact that an elderly person needs to sell their home when they move into the care home and spend the capital from their home sale on the hotel costs of the care home. If someone does not have any capital then the state provides the care home place as well as the healthcare at taxpayer expense. Some say this is a tax on the thrifty and prudent. Others say the elderly person no longer needs their former home, so why shouldn't its value be treated like all their other capital? Should taxpayers pay the care home costs of millionaires, for example? If not, at what level of capital should the state take over and pay for the provision? If only one person from an elderly couple needs to move into a care home then of course the couple's home remains untaxed and available for the other person living there.

My elderly parents reached the point where they needed to move into a care home to be looked after, and wanted to do so. I helped them sell their two bedroom flat so they could afford a good quality care home. I did not think I had any right to inherit their flat and did not disagree with the policy that said that money from the sale of their home had to be used for their living costs in the care home.

Do you think there should be a new deal on this matter? What is a fair solution over the costs of living for elderly people, when some elderly people have saved and have capital and others did not?