

A blank cheque to the baby boomers

James Mumford 16 December 2012 15:25

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After more than a decade of wrangling, it **seems** that a deal is finally about to be struck on long-term care of the elderly, by adopting the package **proposed** by economist Andrew Dilnot. George Osborne has apparently agreed to a proposal, to be announced as early as next month, to make sure no one pays more than £75,000 towards their care costs however wealthy they are. The threshold below which their equity is exempt will also be jacked up.

The estimated cost of all this is £700 million – money that this government simply does not have. To offer this at a time of cuts to further education, aircraft carriers, local authorities and welfare would be extraordinary. Yet Osborne is contemplating moving into a new sphere altogether: paying for the social care of the asset-rich middle classes.

Gordon Brown was criticised for offering to the elderly electorate universal subsidies such as winter fuel payment and free bus transport; and for extending means-testing to ensure that hundreds of thousands of older people received pension credit. All of these policies, so it was argued, helped to wed as many pensioners as possible to a welfare state only a Labour government would protect.

But now – quietly, surreptitiously – we see the Coalition government poised to do exactly the same, universalising a system which has historically been means-tested. Reeling from this year's 'granny tax' debacle and keenly aware of the effect of rising energy prices upon the elderly, political officials across Westminster all know they must do something to win over the grey vote. They desperately need a legacy going into 2015.

And not just the grey vote. As the old saying goes, where there's a will there are relatives. Dilnot is also about protecting savings and inheritances from the ravages of social care costs.

In the 'sector' one is constantly reminded that we live in an ageing society and that this is something to be celebrated, with complaints duly following about the media's ageist presentation of the ever-increasing number of elderly as a 'burden'. What is never said is that renouncing ageism requires something far more than watching our language. To really come to grips with the reality of an ageing society means ceasing to think of our parents' or grandparents' housing wealth as sacrosanct, to be preserved at all costs.

We are informed that Treasury's concerns over cost have been allayed by setting the cap higher (the £75,000 is higher than than £35,000 already proposed). But that's just at the beginning. When significant numbers of baby boomers come to require social care the cumulative cost will rocket, the taxpayer saddled with paying for it. Here, then, is a proposal presaging another massive redistribution of wealth from one generation to another.

But perhaps most problematic of all, to 'do Dilnot' now – or in 2015/16 – would be to neglect the current crisis we face in the existing system for the poorest elderly. This is a crisis the Centre for Social Justice spent two years examining, leading to a set of reform proposals in *Age of Opportunity*.

So, when local authority care is starved of cash; when older men and women across the country are subjected to the ignominy of 15-minute domiciliary care visits; when the system has been declared 'broken' by all sides and is plagued by controversy, what is the reform proposal on the table? Bringing onto the books a whole new group of people. Without first reforming the current means-tested system Dilnot is the wrong priority for Parliament at this moment.

James Mumford is a senior researcher at the Centre for Social Justice.