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## Joint Parliamentary Briefing

Clause 155 - Health and Care Bill, Report Stage (Lords)  
February 2022

### Why clause 155 must be deleted

**Age UK, Alzheimer's Society, Carers UK, Disability Rights UK, Independent Age, The Kings Fund, Leonard Cheshire, Mencap, MS Society, National Autistic Society, The Neurological Alliance, and Sense believe Clause 155 significantly waters down this Government's original proposals for the care cap at the expense of people with modest wealth and lower incomes. We would like to see the Government withdraw Clause 155.**

**Any savings that the Government would make in implementing this Clause - which was not set out in the Bill as presented in September 2021 - will come entirely from those with less wealth and means, while leaving the better off more or less unaffected.**

### The implications of Clause 155:

With the new care cost cap, once an individual has been assessed as having eligible needs, the meter will begin running, with costs accumulating until their contributions towards the cost of meeting their assessed eligible needs hits the £86,000 cap.

Individuals will qualify for means-tested financial support if their assets fall below £100,000.

This was intended to help those with modest means protect some of their assets and make a £86,000 cap fairer.

However, Clause 155 means that this protection is no longer the positive it should be. The Clause changes the original model devised by Andrew Dilnot to exclude this means-tested Local Authority support from the amount that counts towards the cap. i.e. those who are assessed as requiring some state-funded support (people with limited assets of between £20,000 and £100,000) will only be able to count what they directly contribute towards their care towards their cap not the full cost of their care.

**This change is deeply unfair – those with lower levels of assets will now take longer to hit the cap and contribute a bigger proportion of their wealth than someone who has accumulated more wealth or assets during their lifetime.**

New analysis of the Government's impact assessment<sup>i</sup> for the reform reveals that a wealthier person needing care could reach the £86k care cap in just a couple of years, whereas someone with fewer assets could still have a decade or more of paying fees ahead of them. It's quite likely that such a person would never reach the cap at all.

The Government's own figures<sup>ii</sup> show that although some people will benefit from the cap, under the arrangements Ministers now want in place:

- More than 4 in 5 older people will not see any benefit from the cap at all.<sup>iii</sup>
- Poorer care users are much more likely to die before they reach the cap than someone who is better off, with the same care needs.<sup>iv</sup>

The change runs counter to the Government's levelling up agenda, favouring those in the South-East of the country over those in less wealthy parts of England where house values are typically lower and healthy life expectancy is also lower, increasing the likelihood of an individual developing care needs towards the end of their life.

Furthermore, reforms do not include Andrew Dilnot's suggestion for those who develop care needs under the age of 40 to have a 'zero' cap which would have effectively removed charging for this group. Leaving this group relatively unsupported by the reforms – in fact: The majority (86%) of working age disabled adults receiving social care will be no better off financially under the reform package. If the Government wants to support this group of people with their care costs this must be addressed.

Fundamentally clause 155 undermines the Government's promise to protect people from catastrophic care costs and having to sell their home for care and therefore should be removed from this Bill. This would allow Local Authority means tested support for people with fewer assets to count towards an individual's cap thereby protecting those more of the population from catastrophic costs and making the care cost cap fairer.

## Get in touch

For more information or to discuss the Bill in more detail, please contact:

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You can also learn more about the serious impact of Clause 155 from the joint Health Foundation and IFS analysis: <https://ifs.org.uk/publications/15930>

<sup>i</sup> Age UK have developed illustrative scenarios for two hypothetical women with identical circumstances except for their assets, based on the figures given in table 4 on page 31 and table 7 on page 36 of the Government's [Impact Assessment](#). Both of our hypothetical women were living in a care home which cost £683 a week, and both had an income of £239 a week. Mrs A had assets of £200,000 and Mrs B had assets of £80,000.

<sup>ii</sup> This analysis is based on the Government's own figures in their [Impact Assessment](#)

<sup>iii</sup> Table 2 page 32 in Government's Adult Social Care Charging Reform Impact Assessment – link above.

<sup>iv</sup> Table 4 page 31 in Government's Adult Social Care Charging Reform Impact Assessment – link above.