Self-funders and social care: findings from a scoping review

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Abstract
This paper draws on a scoping review of the evidence base about adults in England who purchase social care services and support using their own money. It presents a selection of the review’s findings relevant to self-funders and key aspects of the Care Act 2014.

The review covers the years 2000 to 2015. Searches of electronic databases were complemented by a focused search of the websites of key organisations. After applying inclusion/exclusion criteria, and removing duplicates, details were extracted from 76 references. The majority focused on residential care (33), domiciliary care (12), or both (23). Studies used a range of research methods.

The overall numbers and percentages of self-funders of home care and care home places have increased. There are variations across regions but limited evidence about demographic or socio-economic characteristics of self-funders. Self-funders feel they lack advice from local authorities; local authorities have limited knowledge of self-funders in their areas. People struggle to understand fees and the financial implications of long-term care. Providers are beginning to realise the potential of the self-funding market but full use is not yet being made of e-marketplaces.

Key gaps in knowledge remain at a time when the number and importance of self-funders is increasing.

Keywords: self-funders, social care, literature review, adults, older people, England

Background
People who purchase social care services and support using their own funds are often referred to as self-funders. Self-funders are different to people receiving a cash payment from the state. Many countries employ some form of ‘cash for care’ system, whereby eligible people are given cash payments to pay for social care which they arrange themselves (Glendinning & Kemp, 2006). Some countries also compensate family carers financially for the informal care they provide (Lundsgaard, 2005). There are undoubtedly similarities between people spending their own resources on care and those spending resources provided by the state. However, self-funders are distinct from people who purchase services and support through cash for care schemes because they do not necessarily have any contact with social services or other relevant bodies that may offer help and advice; they often have to navigate the care system alone.

Self-funders in England are people who have care needs below a national eligibility threshold or who have financial assets above a threshold. Under the previous FACS (Fair Access to Care Services) system, 87 per cent of English councils in 2012/13 restricted eligibility to people with needs deemed to be substantial or critical, an increase from 47 per cent in 2005/6 (ADASS, 2012). High eligibility thresholds, coupled with continuing restrictions on local authority expenditure and population ageing, mean the number of self-funders is set to increase.

In 2014, the Care Act (Great Britain, 2014) received royal assent. Described as ‘the most comprehensive overhaul of social care since 1948’ (Department of Health, 2014), it brings together existing laws and new responsibilities. Some elements of the Act came into being in April 2015; others were due to take effect from April 2016 but have been delayed until 2020. Many areas of the Act are relevant to self-funders. These are described as follows:
National eligibility criteria

The Act introduced a national minimum threshold for eligibility for social care. Previously, local councils set their own thresholds using the FACS criteria of low, moderate, substantial and critical. Most councils set eligibility levels at substantial. The new national minimum threshold has been selected to broadly reflect this level. The national minimum threshold means that there may be some changes in eligibility at the margins.

Information and advice services

Councils have been urged to develop information and advice services for all residents for several years through the Putting People First concordat (HM Government, 2008) and the Vision for Adult Social Care (Department of Health, 2010).

The Care Act made it a duty from April 2015 for local councils to establish and maintain information and advice services relating to care and support for all people in their areas, not just those in receipt of services or otherwise known to the council. Among these people are self-funders. Specifically, councils must provide information on: the types and range of care and support available locally; the process of accessing care and support; where to find and how to access independent financial advice; and how to raise concerns about the safety and wellbeing of someone who receives care.

Independent financial advice

As part of the new requirement to establish and maintain an information and advice service, councils must ensure that people are helped to understand how to access independent financial advice. Local council staff, including frontline staff, should have the knowledge to direct people to independent financial advice, and to explain the pros and cons of regulated versus non-regulated advice services.

Market shaping and commissioning

The Care Act places a duty on councils to facilitate and shape the care market so that it is able to meet the needs of local residents who need care, whether or not the council pays for that care. The aim is to help develop a sustainable and diverse range of providers and care from which people can choose.

Business failure and continuity of services

Councils have a temporary duty to meet people’s needs if their provider (of residential or domiciliary care) is no longer able to do so because of business failure. This duty applies to any failed provider that was meeting needs in the local council area, irrespective of whether the council had a contract with the provider or who was paying for the care. This means that self-funders are included in this duty.

Originally from 2016, but now delayed to 2020, phase two of the Act introduces financial changes for self-funders (and others), specifically:

Care accounts and the cap on costs

The care costs cap of £72,000 (2015 prices) is the maximum amount anyone will have to pay for their care over their lifetime. Personal care and support costs of domiciliary and residential care are included in the cap, but not the ‘hotel’ costs associated with residential care. Progress towards this cap will be based on the costs to the local council of meeting a person’s care. Crucially, this means that self-funders must have a needs assessment before any costs can be added to their care account.
Increase in financial eligibility thresholds

Lower and upper limits will be increased. For example, the upper limit for people whose housing assets are not disregarded will be increased to £118,000. Therefore, assets of between £17,000 and £118,000 will be included in means-testing through a standard formula which converts each £250 of assets into a weekly income of £1 (known as tariff income). This means someone with £118,000 of assets will be assumed to have an additional weekly income of £404 (Age UK, 2015).

This paper draws on a scoping review of the evidence base about adults in England who purchase social care services and support using their own money (see Baxter & Glendinning, 2015). It presents a selection of the review’s findings that are relevant to these aspects of the Care Act 2014.

Methods

The purpose of a scoping review is to map current knowledge about a subject and identify gaps in that knowledge (Arksey & O’Malley, 2005). The review was undertaken between January and March 2014 and updated in August 2015. It aimed to identify evidence from published literature about people who fund their own social care in England, specifically:

- the size of the evidence base;
- the size and characteristics of the self-funding population in England;
- the information, advice and other forms of help needed, sought by and available to those currently funding their own social care support, or expecting to have to do so in the future; and,
- care providers’ experiences of people funding their own social care support.

For the purposes of the review, we defined a self-funder as someone who pays for all of their social care or support from their own private resources, or ‘tops up’ their local authority residential care funding with additional private spending. People who make a required means-tested contribution to their local authority funding were not included as self-funders. We defined social care as care homes (both with and without nursing), domiciliary care, day care and care received as part of extra-care housing.

Searches covered research evidence published between 2000 and 2015. Relevant articles and reports were identified through searches of the following electronic databases: ASSIA (Applied Social Science Index and Abstracts); Scopus; Social Services Abstracts; Social Policy and Practice; and Social Care Online. Box 1 (p.182) gives an example search strategy. This was augmented by searches of the websites of selected organisations known to have undertaken research about self-funders.

The original search identified 164 potentially relevant references from the electronic databases and 21 from searches of websites. All 185 references were downloaded to a reference management software package. Table 1 (p.182) details the process of reading abstracts and full texts, removing duplicates and excluding references that were not relevant, and the numbers remaining at each stage. Box 2 (p.183) gives the inclusion and exclusion criteria. Data were extracted from 71 references. The update in 2015 identified a further 44 potentially relevant references; after removing duplicates, and references that were not relevant, data were extracted from five references. Some references reported different aspects of the same studies therefore the number of studies is less than the number of references.

The review was deliberately inclusive in nature and made no attempt to assess the quality of articles using a formal hierarchy of evidence (see Petticrew & Roberts, 2003). Had we done so, data would have been extracted from far fewer studies. Instead, a wide range of relevant studies was included.
Box 1. Search terms and strategy.

The following search terms/strategy was used in searching ASSIA, then amended for other databases according to their specific search requirements.

1. ab("social care") OR ti ("social care")
2. ab("social service") OR ti ("social service")
3. ab("social support") OR ti ("social support")
4. s1 OR s2 OR s3
5. ab("self fund") OR ti ("self fund")
6. ab("top* up") OR ti ("top* up")
7. ab("private* purchas") OR ti ("private* purchas")
8. ab("private spend") OR ti ("private spend")
9. ab("personal fund") OR ti ("personal fund")
10. ab("private* NEAR/3 fund") OR ti ("private* NEAR/3 fund")
11. ab("private* NEAR/3 pay") OR ti ("private* NEAR/3 pay")
12. ab("private expenditure") OR ti ("private expenditure")
13. ab("pay for care") OR ti ("pay for care")
14. ab("self financ") OR ti ("self financ")
15. ab("paid for") OR ti ("paid for")
16. s5 OR s6 OR s7 OR s8 OR s9 OR s10 OR s11 OR s12 OR s13 OR s14
17. ab("residential care") OR ti ("residential care")
18. ab("care NEAR/3 home") OR ti ("care NEAR/3 home")
19. ab("domiciliary care") OR ti ("domiciliary care")
20. ab("non-residential care") OR ti ("non-residential care")
21. ab("day care") OR ti ("day care")
22. ab("extra care housing") OR ti ("extra care housing")
23. ab("housing with care") OR ti ("housing with care")
24. s17 OR s18 OR s19 OR s20 OR s21 OR s22 OR s23
25. s4 OR s24
26. s16 AND s25

Limits applied to each search:
Date: After 01 January 2000
Type: Scholarly journals
Language: English

Table 1. Number of references identified and read.

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<tr>
<td>Abstracts read</td>
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<td>References from which data extracted</td>
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Box 2. Inclusion and exclusion criteria.

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<th>Inclusion criteria:</th>
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<tbody>
<tr>
<td>• empirical research (all methods)</td>
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<tr>
<td>• reviews of empirical research</td>
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<tr>
<td>• secondary analysis of existing data</td>
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<td>• models/simulations using existing data</td>
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<tr>
<th>Exclusion criteria:</th>
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<tbody>
<tr>
<td>• debates, viewpoints or think pieces</td>
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<tr>
<td>• policy documents</td>
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<tr>
<td>• guidance documents</td>
</tr>
<tr>
<td>• focus not on England</td>
</tr>
<tr>
<td>• not about social care</td>
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<tr>
<td>• not about self-funders</td>
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</tbody>
</table>

Findings

**Characteristics of the evidence base**

The studies used a wide range of research methods, often in combination, including surveys, interviews, focus groups and secondary analysis of existing data. Other commonly used methods were mystery shopper exercises and routinely collected evidence from regulatory inspections.

We did not undertake any formal assessment of the generalisability of the publications or research studies on which they were based. However, approximately one-third of the studies were based on national or multi-regional research and used large scale quantitative surveys or mixed methods. About a quarter of studies were also based on national or multi-regional data but used predominantly qualitative methods. A further quarter of studies were small scale or locally-based, for example, research in a single local authority. Thus, the findings from the majority of studies might be considered generalisable in the sense that they report on data from a wide range of the relevant population and the social care services available to them.

**Table 2** (p.184) shows the types and focus of the references.

**Numbers and geographical variations**

The evidence provides no definitive figure for the number of people funding their own domiciliary care in England. However, numbers appear to have increased from around 150,000 in 2006 to 170,000 in 2011 (Commission for Social Care Inspection, 2008; Henwood & Hudson, 2008; National Audit Office, 2011; Putting People First Consortium *et al.*, 2011) and account for around 20 to 25 per cent of the home care market (Poole, 2006; Putting People First Consortium *et al.*, 2011).

In residential care, 118,000 older people self-funded in 2006 (Commission for Social Care Inspection, 2008) increasing to 170,000 by 2011 (National Audit Office, 2011; Putting People First Consortium *et al.*, 2011). Around a third of care home places were self-funded in the period 2002-2005 (Williams & Netten, 2005; Commission for Social Care Inspection, 2006; Wanless, 2006). More recent estimates suggest 43 to 45 per cent self-funded in 2010-2012 (GHK Consulting Ltd., 2011; Putting People First Consortium, 2011; Laing & Buisson cited in Carr-West & Thraves, 2013). It is clear that, whatever the discrepancies in the estimates, trends appear to be upwards.
Table 2. Characteristics of the evidence base.

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<tr>
<td>Report</td>
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<td>4</td>
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<tr>
<td>Magazine-style journal</td>
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<td>Press release</td>
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<tbody>
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<td>3</td>
</tr>
<tr>
<td>Domiciliary care only</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td>Residential and domiciliary care</td>
<td>22</td>
<td>1</td>
</tr>
<tr>
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<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Housing with care</td>
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<td>0</td>
</tr>
<tr>
<td>Day care</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>5</td>
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There are also regional variations. A higher percentage of people in the South East and South West of England self-fund care home places (48 per cent and 43 per cent, respectively) than in the North East (less than 20 per cent) (Care Quality Commission, 2013a). Think Local Act Personal Partnership (2012) found the percentage of self-funders in care homes varied by local council (for example, 15 per cent in Hartlepool and 57 per cent in Hampshire). Payment of top ups also varied; in Hartlepool, the maximum percentage paying top ups in any single care home was one per cent of council-funded residents whereas in Bradford it was 31 per cent. The picture was comparable for domiciliary care with 14 per cent self-funding in London Borough of Kensington and Chelsea and 64 per cent in Hampshire.

**Knowledge about self-funders**

There was a very clear gap in the evidence about the characteristics of self-funders, with no reliable data on their socio-economic make-up, age, gender or ethnicity. However, there was some suggestion that self-funders had lower dependency levels in residential care than those who were publicly funded (Challis et al., 2000; Netten et al., 2001a, 2001b, 2003); some were still able to undertake numerous activities of daily living and/or gardening before admission (Wright, 2002, 2003).

In addition to there being little evidence of their characteristics, in 2011, 60 per cent of local authorities did not know how many people in their area funded their own care home places; only 39 per cent knew how many people qualified for state funding after spending their assets (National Audit Office, 2011). Carr-West & Thraves (2013) estimated that 24 per cent of self-funders in care homes eventually fell back on state support. In addition, 40 per cent of local authorities suspected that more top up fees were being paid than they were aware of (Office of Fair Trading, 2005a, 2005b).

In relation to domiciliary care, a number of studies raised the issue of people being ineligible for public funding but unable to afford to pay for their own care (McClimont & Grove, 2004; Commission for Social Care Inspection, 2008; Henwood & Hudson, 2008). These people were described as 'lost to the system', that is, not known by local authorities (Henwood & Hudson, 2008).
Advice from local authorities

Advice from local authorities appeared to be limited. A survey of older people in Hampshire (Institute of Public Care, 2010) revealed that a significant proportion of those who were self-funders of domiciliary care had not had any contact with, and thus no information from, the local authority. Forty-seven per cent chose not to make contact, preferring to manage their affairs independently or believing they would not be eligible for public funding.

When contacting local authority telephone advice services, self-funders and their relatives felt disadvantaged by the unwillingness of statutory services to help them with exploring options (Thornber, 2008; Commission for Social Care Inspection, 2008; Henwood & Hudson, 2008; Hudson & Henwood, 2008). Henwood & Hudson (2008) also found that self-funders who believed they had significant needs were steered towards residential care before other options had been explored fully.

Not all self-funding residents received a local authority assessment of their needs or advice on their placement before entering a home (Netten et al., 2001b; Challis et al., 2000). The Commission for Social Care Inspection (2007) found that the availability of assessments was not well publicised to people likely to fund their own care. Moreover, little was offered other than a list of care homes following any assessments given. Dalley & Mandelstam (2008) and Henwood (2009) also found local authorities failed to assess the needs of people they expected to be self-funders or to separate needs assessments from financial assessments; furthermore, they failed to help self-funding residents when their funds ran low (Dalley & Mandelstam, 2008). There is widespread interest by councils in online self-assessments; these may be useful to self-funders in the future (Ayling & Marsh, 2014).

Self-funders were also disadvantaged once they had entered residential care. Williams & Netten (2005) found self-funders lacked advice and assessment when care homes closed. Only about a third of local authority closure protocols mentioned self-funders, with half of these stating that they treated all residents the same regardless of funding, and the other half that self-funders would only be given information and advice about closures if they requested it or had no relatives.

Financial advice and implications

Financial implications of long-term care

Self-funders did not feel well informed about the financial implications of long-term care (National Audit Office, 2011). Many care home residents were concerned about what would happen to them when they ran out of money, particularly whether they would have to move to a cheaper home (Netten et al., 2001b; Wright, 2002, 2003). They were not usually warned about this (Commission for Social Care Inspection, 2008; Henwood & Hudson, 2008) or that they may have to move to a more suitable home if their needs increased (Commission for Social Care Inspection, 2007; Wild et al., 2010).

There was also confusion about selling houses to pay for care (Wright, 2003). Henwood (2006) estimated that approximately 40,000 houses were sold per year to pay for care home places, with between 120 and 640 possibly sold unnecessarily as people may have been eligible for NHS Continuing Healthcare. A London-based study (Robinson & Banks, 2005) found that around half of older Londoners owned their own homes and so had to pay the costs of their care home places. This resulted in many choosing a cheaper home outside London, moving away from family, friends and familiar surroundings. In addition, while finances were tied up in housing, people found it hard to find the money to buy the support which would enable them to remain in their own homes.
Care home fees and topping up

Self-funders pay more than publicly-funded residents and top up fees are common (Wright, 2002; Ball et al., 2005). Self-funders in nursing homes have been found to pay about 30 per cent more than the fees paid for local authority-funded residents (Garvican & Bickler, 2002) and 40 per cent more, on a ‘like for like’ basis, in care homes across 12 councils surveyed (County Councils Network & LaingBuisson, 2015).

A study by the Office of Fair Trading (2005a, 2005b) looked at the care home market for people aged over 65. It showed that 30 per cent of residents were self-funders, with an additional 15 per cent making top up contributions. Ten years later, County Councils Network & LaingBuisson (2015) found 55 per cent of residents in care homes without nursing were self-funders, and 12 per cent paid top ups to local authority funded places. The proportion of people who top up local authority funded care home places has increased for all age groups (Care Quality Commission, 2013b; Office of Fair Trading, 2005a, 2005b).

Care home fee contracts for self-funders can be confusing. For example, the Office of Fair Trading (2004) found that contracts for self-funders or those topping up care home places were not clear and prices not transparent. The difficulty in obtaining sufficient information about prices was seen as particularly important if older people or their relatives were under pressure to choose a home quickly or if they were making a one-off choice (that is, for a permanent rather than temporary home). Local authorities are not usually involved in top up fee contracts, which has raised concerns that the fees might be unjustified (Office of Fair Trading, 2005a).

Financial advice and products

Few people use financial products to help pay for their care. Only four per cent of self-funders in residential care had an Immediate Needs Annuity (INA) in 2011 (Lloyd, 2011). The obligation to obtain independent financial advice can deter people from purchasing financial products (Lloyd, 2011). Carr-West & Thraves (2011, 2013) found that 40 per cent of people in care homes would benefit from an existing financial product but only three per cent of councils provided a list of independent financial advisors who could give advice about these products.

On the whole, key national organisations were not confident in giving advice about finances (Hudson & Henwood, 2009), despite a third of calls to a national advice line being about finances, and the most requested information guides being about care home fees and third party top ups (Independent Age, 2012). Ayling & Marsh (2014) report practice examples from two councils signposting independent financial advice through their websites and customer contact centres, but also point out that reluctance by some councils and their voluntary sector partners to promote self-employed financial advisers (whose income is related to the products they sell) is hampering progress.

The developing market for self-funders

The evidence base on provider experiences and the market for social care for self-funders is limited. There is some evidence that domiciliary care providers previously prioritised large local authority contracts, thus limiting self-funders’ choice of agency (Patmore, 2003; Putting People First Consortium, 2011). Baxter and colleagues (2008) also found that home care agencies did not advertise specifically to self-funders, but used information aimed at council-funded clients (eligible only for personal care services); thus self-funders had no information about the wider range of services available to them (for example, help with shopping, trips out or companionship).

However, large local authority contracts are no longer typical. More recently, evidence suggests that although managers of home care agencies lack good information about the local market of self-funders, they recognise the advantages of accepting self-funders seeking modest help as
their needs are likely to increase over time (Putting People First Consortium et al., 2011; IPC Market Analysis Centre, 2012). Providers expect the size of the market for self-funders to continue to increase as eligibility thresholds rise and, if the level of personal budgets falls, more people top up their local authority-funded care (Laing & Buisson, 2013).

In terms of advertising services to potential clients, 25 per cent of councils now have ‘e-marketplaces’ – digital platforms that enable people to find out about local services (Roberts, 2015). These increase the exposure of services (both domiciliary/regulated care and unregulated services such as handyman schemes) to clients, although many providers do not advertise prices and many sites are merely directories of services, rather than interactive sites through which people can purchase services; residential homes are reluctant to advertise prices as these are usually negotiated individually and prices for self-funders are higher than for council-funded clients (Roberts, 2015). There are some concerns that cross-subsidization, with self-funders’ fees compensating for the low prices paid by local authorities, has reached unsustainable levels and may result in more care homes in the future being for self-funders only (Birley et al., 2015; County Councils Network & LaingBuisson, 2015).

**Discussion**

This discussion summarises the main findings and the strengths and limitations of the research. It then gives implications for policy and practice, including issues around information and financial advice, market shaping and cross-subsidization. The final section suggests areas for further research.

**Summary of main findings**

This paper has reported selected findings from a scoping review commissioned by the NIHR School for Social Care Research to determine the size and scope of the research evidence base about people who fund their own social care in England (Baxter & Glendinning, 2015). It has reported evidence that a substantial percentage of people fund their own care both at home and in care homes; there are large variations in these proportions at regional and local levels. Very little is known about the characteristics of self-funders, and local councils are often not aware how many people fund their own home care or residential care in their areas. Advice and information offered by councils to self-funders has been perceived as poor. The financial implications of long-term care, fees and the availability of financial products are all poorly understood and explained. The market for self-funders is developing, with the introduction of e-marketplaces and the realisation by home care providers that demand is growing. The issue of cross-subsidization in the residential care sector is a current issue.

**Strengths and limitations**

The research evidence presented is limited in that it focuses on self-funders in England only. However, the findings are pertinent in other parts of the UK where people ostensibly receive free personal care. For example, personal care at home is free for people aged 65 or over in Scotland, but these free services are not provided to everyone; people’s needs are still assessed and those with needs lower than the eligibility threshold are required to fund their own care.

The review has a number of strengths. First, the inclusive design permitted a wide range of published research to be reviewed, which illustrated the overall weakness of the evidence base. Second, the review’s inclusion of both quantitative and qualitative evidence enabled the presentation of generalizable evidence alongside more nuanced data. Finally, the review is strengthened by its focus on self-funders as a defined group, distinct from people purchasing care using funds provided through cash for care schemes.
**Implications for policy and practice**

Importantly, the Care Act has addressed some of the issues highlighted by the evidence. Specifically, the research evidence shows that self-funders lacked information about care home closures. The Care Act states that councils have a temporary duty to ensure that people’s needs continue to be met if their care home or home care provider fails – this duty covers all people however funded. In addition, the lack of information more generally to self-funders is to be addressed, with the Care Act requiring councils to establish and maintain services to provide advice, including how to access independent financial advice, to all people in their areas.

The requirement that councils ensure everyone, including self-funders, has information about care and, when appropriate, care accounts, is important. The evidence to date suggests that not all self-funders receive information from councils, and for those who do it can be limited. The new requirements are likely to involve substantial increases in workloads for councils, both in identifying current and potential self-funders, and in ensuring services offering information and assessments are available. An important part of this process will be to publicise to self-funders their rights to these services. A particular challenge will be how to reach people who, according to evidence, choose to be self-funding because they do not want to share financial details with the council or prefer to manage their own affairs.

The Care Act states that councils must ensure that people are enabled to access independent financial advice. This duty should mean all councils, rather than the current three per cent suggested by the evidence (Carr-West & Thraves, 2011), provide accessible details of independent financial advisers. Part of this advice should relate to top ups, property disregards and deferred payments. These are all issues that the evidence suggests are priorities for people seeking information. However, ways of overcoming the reluctance of self-funders to receive financial advice and councils to promote self-employed advisers will need to be found.

There is evidence that people with low to moderate care needs are often ‘lost to the system’ (Henwood & Hudson, 2008). Although care accounts have been delayed, in the immediate future it is important that self-funders know that they have a right to an assessment; councils need to have the capacity to undertake assessments and subsequently offer appropriate support and advice for arranging care. In the longer term, it is important that people have their needs assessed regularly so that a care account can be set up as soon as they reach the eligibility threshold. Failure to do so will mean that eligible expenditure on care may not contribute to people’s care accounts.

We found no evidence about the impacts on self-funders of market shaping and commissioning, but some early signs that councils were hosting e-marketplaces to enable advertising of a diverse range of services. It is essential that, in addition to personal care, low level support and preventive services are available and that self-funders are aware of them. Local wellbeing initiatives, for example, might help prevent, reduce or delay self-funders’ needs for more intensive social care (and potentially, in the longer term, financial demands on local councils). Given the evidence that the size of the self-funding market varies across regions and councils, the design and impact of any initiatives will need to differ according to a council’s geographic location and their previous involvement with supporting self-funders.

The very recent literature shows that cross-subsidization is an important area for commissioners in shaping markets, particularly residential care markets. Self-funders often pay substantially more than council-funded residents for similar services. When phase two of the Care Act is implemented, self-funders moving into residential care will be given the right to ask councils to arrange care on their behalf. (They already have this right for domiciliary care.) This means self-funders will be able to pay the lower fees that councils are charged (plus an arrangement fee) rather than the higher self-funding fees. As Birley et al. (2015) and County Councils Network & LaingBuisson (2015) discuss, shrewd self-funders (perhaps following independent financial advice) will use this system when they realise the savings they can make.
This will, ultimately, leave care homes with lower fee income as the ratio of self-funding fees to council fees falls. To maintain income levels, care homes may have to increase fees charged to already financially stretched councils.

**Implications for research**

This paper has shown that the evidence base about self-funders is weak. Most studies identified for the scoping review were descriptive rather than evaluative. It was not clear whether or not many references had been peer reviewed. Given the number of self-funders, this level of evidence is disappointing and has clear implications for research, not least in filling some of the gaps in knowledge.

One noticeable gap is the lack of research evidence about the characteristics of self-funders. If providers, especially home care providers, are to diversify to meet the demands of the self-funding market, they need a thorough understanding of who their purchasers are, as well as the types of services they want to purchase. These services will not necessarily be the same as those commissioned by local authorities on behalf of personal budget users.

Phase one of the Care Act provides opportunities to evaluate the relative success of different methods of establishing and maintaining information and advice services, including e-marketplaces. Think Local Act Personal offer useful examples of current practice (see Ayling & Marsh, 2014), but independent evaluations of what works, for whom and why, would be important contributions.

The evidence also suggested that home care providers are becoming more aware of the importance of the self-funding market. However, we do not know how an increase in the number of self-funders, and potentially an increase in their average needs resulting from increased eligibility thresholds, will impact on providers or their care workforce, nor what challenges and opportunities arise in providing care to self-funders compared to people receiving public funding in either home care or care homes.

**Conclusion**

There is a body of research evidence about self-funders of adult social care in England, but key gaps in knowledge remain at a time when the number and importance of self-funders is increasing.

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