Fixing social care: the two choices that are yours to make

A plain-English guide to the decisions about adult social care in England - written so anyone can weigh them up, not just experts. Discussion draft, June 2026.

Social care means the help people need to live well when age, illness or disability makes everyday life hard - help with washing, dressing, eating, getting around, and staying safe, at home or in a care home. Nearly all of us will rely on it, or care for someone who does.

For twenty-five years, governments have tried to fix social care and failed. They failed for one main reason: each time, someone decided **who should pay** for the most expensive cases and presented that decision as if it were the only sensible answer - when in truth it was a choice about fairness that the public was never properly asked. We think that is the wrong way round. The facts about what works should be settled by evidence. But the choices about money and fairness belong to you.

So this guide does three things. First, it sets out the **facts that are not really up for debate** - the things the evidence has already settled, so you can choose on a true picture. Then it puts to you the **two real choices**: who pays when care costs are ruinous, and how good a service we build and how fast. We are not going to tell you the answer. We are going to give you the honest costs and consequences of each, and let you decide.

First, the facts that are settled

These are not opinions or choices. They are what the evidence shows, and every option below has to live with them.

- **There are not enough care workers, and it is about to get worse.** Roughly one in fourteen care jobs is empty. For years the gap was filled by hiring people from abroad - and in July 2025 the government closed that route, with nothing put in its place.
- **Paying carers a bit more keeps the ones we have, but does not bring new ones in.** Where this has been tried (for example in Australia), a pay rise stopped people leaving but did not recruit. To actually solve the shortage you need better pay *and* proper training and career paths *and* better-designed jobs *and* a way to bring new people in.
- **Giving people a right to care, without first building the staff and care homes, just moves the problem.** Scotland gave older people the right to free personal care but did not build enough capacity to deliver it - so people ended up stuck in hospital because there was no care package waiting for them (around 720,000 hospital days were wasted this way in a single year).
- **"Care insurance" you buy for yourself has failed everywhere as a main answer.** No country has made it work on its own. It only ever works as a small extra on top of a system everyone pays into. So "just let people insure themselves" is not on the table.
- **Earmarking a tax "for care" only lasts if it is properly locked in.** The UK tried it in 2021 and scrapped it within about a year - before a single pound reached care. A label on a tax is not the same as money that actually arrives.

- **A few people face truly ruinous costs, and you cannot predict who.** Most of us will need little or no care. But a minority - often people with dementia - need years of expensive care and can lose almost everything: their home, their life savings. This is the heart of the money problem, and it is the thing most of the options below do *not* solve.

With those facts in mind, here are the two choices.

Choice One: Who pays when care costs are ruinous?

Right now, if you are one of the unlucky few who needs years of care, you can lose nearly everything you own before the state steps in. The question is whether that should change - and if so, who should carry the cost instead: the individual and their family, or all of us together through taxes, and how fairly that is shared across rich and poor and across generations.

Below are six honest options. For each we give what it means in plain terms, the rough extra cost to the country each year, who has tried it and how it went, and the catch. **Only one of them actually stops people losing everything** - we say which, plainly, but whether that is worth the cost is your call. (The figures are careful best-estimates, not exact; they are there to compare options, not to be quoted to the penny.)

Option 1 - A new care contribution (the German approach)

What it means: everyone pays a small new amount from their wages into a fund that is only ever spent on care - a bit like a dedicated, care-only version of National Insurance. **Rough extra cost:** about £7 billion a year in new contributions. **Tried where:** Germany and Japan have run this for decades. It worked and stayed popular. **The catch:** the amount you pay has had to keep rising as the population ages, and it never covers everything - you still pay your own "board and lodging" in a care home. People facing the very longest, costliest care are still exposed.

Option 2 - Re-label a slice of the tax we already pay

What it means: take part of the National Insurance we already pay and earmark it "for care" - no new tax. **Rough extra cost:** no new money - but around £7 billion a year would have to be found from something else, because re-labelling existing money does not create more of it. **Tried where:** the UK tried earmarking a care tax in 2021 and cancelled it within about a year. **The catch:** it sounds painless because there is no new tax - but it does not raise a single extra pound for care, and a future government can quietly un-label it just as easily as this one labelled it.

Option 3 - Free personal care (the Scottish approach)

What it means: the state pays for your personal care - the help with washing, dressing and eating - wherever you live. You still pay your own rent and food costs. **Rough extra cost:** about £6.5 billion a year in new money. **Tried where:** Scotland, since 2002 - and it is popular. **The catch:** it is only as good as the workforce behind it. Scotland gave people the right but not the staff, and people got stuck in hospital waiting for care that did not exist. And because it does not cover board and lodging, someone in a care home for many years can still run their savings down.

Option 4 - A cap on what anyone ever pays *(the only option that stops people losing everything)*

What it means: put a lifetime limit on how much any one person ever has to pay for their care. Once you have spent that limit (the original plan set it at £86,000), the state covers the rest, for life. **Rough extra cost:** about £2 billion a year at first, rising over time as more people reach the limit. **Tried where:** it was passed into UK law but never switched on, and was cancelled in 2024. **Important:** this is the *original, fair* version. A rigged 2021 version only counted what you paid yourself - so someone with a £90,000 home could lose almost all of it, while a £500,000 estate was largely protected. That version is exactly the kind of unfair choice dressed up as protection that we are determined not to repeat. **The catch:** it costs more as the years go on, and it does protect the estates of people who would otherwise have paid more - some people think that is fair, others do not. That is the value judgement, and it is yours.

Option 5 - Let people keep more of their savings first

What it means: raise the savings limits - frozen since 2010 - so you can keep more of your own money before you have to start paying for care. **Rough extra cost:** about £4 billion a year. **The catch:** it is cheap and it helps a lot of people - but it does nothing for the worst cases. Someone facing years of care costing £40,000-£60,000 a year still ends up paying almost all of it.

Option 6 - Keep the system as it is, just stop it getting worse

What it means: no reform - just enough extra money to stop the current system declining as the population ages. **Rough extra cost:** about £3.4 billion a year. **The catch:** it is honest about being the bare minimum. Nobody is protected from ruinous costs; the waiting lists and the unfairness stay. We include it because every other option should be judged against "what happens if we do nothing much."

> **On top of any of these**, people who want extra cover could buy private insurance - but only as a top-up on the public system underneath, because on its own it has failed everywhere.

So the question to you is simple to state and hard to answer: when someone faces ruinous care costs, who should carry them - that person and their family, or all of us together - and how fairly should the burden be shared between rich and poor, and between today's workers and tomorrow's? Only Option 4 directly stops anyone losing everything. Whether that protection is worth its cost, and whether the fairer choice is one of the others, is for you to weigh.

Choice Two: How good a service, and how fast?

The second choice is about the care itself - above all, the people who provide it. We cannot fix social care without enough well-trained, fairly-paid carers, and right now we are badly short. There is no honest way around spending money on this. But *how far* to go, and *how fast*, is a genuine choice - and we will not pretend that the most expensive option is the only responsible one.

Here is the honest ladder. Each rung says what it buys and what it leaves undone.

Rung 1 - Slow the decline *(about £1.5 billion a year)*

A modest pay rise - just enough to stop more carers leaving. **The honest truth:** this does **not** fix the shortage. There still are not enough carers, so people still wait for care, and the right-to-care options above

still cannot be delivered properly. We are clear about this because the cheapest rung is too often sold as a "fix" when it is not.

Rung 2 - Fix it *(about £6 billion a year)*

A real pay rise that lifts carers well above the legal minimum; proper training, qualifications and a career path; better-designed jobs that people want to stay in; and a homegrown way to recruit and train new carers to replace the overseas route that closed in 2025. This is the level the evidence says actually solves the shortage. The new recruits would come partly through a proposed national jobs-and-training service - the National Employment Service, a separate piece of Pragma's work - that turns people looking for work into trained carers; good for them, and good for care. (You can read more about that idea in its plain-English summary.)

Rung 3 - Fix it faster *(about £8.7 billion a year)*

The same as Rung 2, but bigger and quicker - closing the gap sooner, at a higher cost now.

So the question to you is: it is a *fact* that the cheapest rung does not fix the problem - but *how far up the ladder to climb, and how fast,* is a *choice* about how much we are willing to spend to give people the care they need. That choice is yours, not something to be decided for you and dressed up as unavoidable.

What we are *not* doing

We are not recommending one funding option, and we are not telling you which rung to choose. That is deliberate. For twenty-five years the answer to "who pays" was decided behind closed doors and sold as the only option - and it failed every time, because half the country never agreed to it. Our job is to give you the real costs and the honest consequences, and put the choice where it belongs: with you.

We are also not pretending any of this "pays for itself." Good social care does relieve pressure on the NHS and on councils - that is real - but we will never dress those hoped-for savings up as if they cover the bill. The cost is the cost.

How you will get to decide

We will put these two choices to the public - clearly, with the real costs, and with the honest catches spelled out - on our own platform, so the decision is made in the open rather than for you. People who take part will be able to have their say and see how others weigh the same trade-offs. The detailed evidence behind every figure here is published in full alongside it, so anyone can check our working.

These are the choices a generation of reform avoided. We think it is time they were put to the people who will live with the answer.

This is the plain-language companion to the Strategic Design, the Delivery Design, the Evidence Annex and the costing model. The underlying figures have been checked against their original published sources (June 2026); where a figure has been corrected or carries a caveat, that is recorded in the evidence annex.