

# Charging for Residential and Nursing Care

## Why do Social Services charge for its services?

The Welsh Government expects Social Services Departments to raise income to help pay for the services they provide.

Moving into a care home can have major financial implications so whilst this factsheet provides details as to how your residential and nursing care services are calculated, you should note that this is for information only and you should not rely on it as a full statement of the law.

Details of some of the national organisations who can offer independent advice can be found within this factsheet.

Regulations and Codes of Practice within the Social Services and Wellbeing (Wales) Act 2014 (hereby referred to as Act 2014) determine the charging rules which means that the Council may have to ask you to pay a contribution towards the cost of care services you receive.

## Who pays what?

The Council will work out your contribution by undertaking a financial assessment, which will enable us to calculate how much you should contribute towards the cost of your care in a home. The Council negotiates annually with local care home providers in order to arrive at care home fee rates. This is the fee which the Council sets and against which your contribution will be arrived at. If you qualify for NHS funded nursing care, then the relevant Health Board will also make a contribution towards the costs. For those qualifying for Continuing NHS funded care, the full costs will be met by the relevant Health Board.

If your care has been arranged by the Council or a Health Board you will be provided with a statement of terms and conditions which provides an explanation as to what happens if, for example you have to go into hospital, when and how the contract can be ended and to whom you can complain to if you are dissatisfied.

## Chargeable Services

The following services are chargeable:

- Temporary and permanent residential care.
- Temporary and permanent nursing care
- Direct Payments

## Non-Chargeable Services

The following adult social care services are provided free of charge:

- Assessment of needs, care planning and reviews
- Provision of information and advice
- Provision of independent professional advocacy and mediation services

## Service User Exemptions


Several groups of individuals in receipt of care and support are exempt from all or part of their charges, including:

- with Creutzfeldt-Jacob Disease
- provided with after-care services and support under Section 117 of the Mental Health Act 1983
- adult carers provided with support
- individuals accessing services delivered jointly with Health they will only be charged for the social care element of each service.

## How is the charge worked out?

If you receive a service we charge for, we need to ask you about your weekly income and savings.

As part of the Council's eligibility criteria for care services, we will provide you with a financial assessment form; consent to share information form and charging for care factsheets. In respect of the financial assessment form, you **must complete and return to the Council within 15 working days of receipt.**



Alternatively, you can make an appointment for a visiting officer to help you or your financial representative complete the form. The Council would expect you to be available within 15 working days from initial contact from the Financial Assessment Team. Please do not hesitate to contact the Financial Assessment Team on **(01443) 680380 or (01443) 680383** between 9am and 5pm (Monday-Friday) or in writing to; Charging Unit, Block 5, Bronwydd House, Bronwydd Avenue, Porth, CF39 9DL to request such a visit.

You are able to request an extension to these timescales however this must be agreed by the Council. As part of the financial assessment, you will be offered a benefits check, advice and practical support to apply for benefits you might be entitled to claim.

**Should the Council not receive a fully completed form within the above mentioned deadlines then you will be charged the cost of the service you receive.**

### **How much will I have to contribute to the cost of the service?**

We will use the information you provide to work out the charges that you will have to pay each week. You will be expected to pay from your regular income and the rest will depend on your level of savings and assets. The rules ensure that you can keep some of your weekly income; this is known as Minimum Income Amount and is currently £29.50 per week.

The Council will support the individual to identify how best to pay their assessed charge. This will include offering the individual a deferred payment agreement against the value of a property taken into account in the financial assessment. Details of this can be found in a separate Deferred Payments factsheet.

Whilst undertaking the financial assessment, the Council are governed by Welsh Government guidance, which includes considerable rules as to what is both to be included and disregarded in respect of both income and capital. All of these calculations will be clearly identified for service users on an individual basis in the statement which will be issued:-

- At the first time you receive such services
- If there any changes to your financial circumstances
- And on an annual basis at reassessment time (normally April of each year)

Individuals in a care home with capital at or below the capital limit will contribute most of their income, excluding their MIA towards the cost of their care and support. (The capital limit has been set at £50,000 by Welsh Government for 2019/20).

Respite care detailed in a service user's care and support plan will not be subject to this charging policy but instead charged in line with the non-residential charging policy.

## **What if you chose a care home that costs more than we will pay?**

### **Choice of Accommodation and Additional Costs**

Sections 35 to 38 of the Act 2014 requires the Council to support an individual to find a suitable placement of their choice once they have been assessed as requiring accommodation in a care home. The individual has the right to express a preference for a care home of their choosing provided that:

- the care home is suitable to meet the individual's assessed needs
- to do so would not cost the Council more than it would usually expect to pay for accommodation of that type
- a place in the care home is available; and
- the provider of the care home is willing to enter into a contract with the Council's terms and conditions

If an individual chooses to be placed outside Rhondda Cynon Taf, the Council will still arrange for their preferred accommodation provided the above conditions are met. The Council will subsequently follow guidance in Section 194 of the Act 2014 on ordinary residence. Further details can be found in the Council's ordinary residence policy.

In some cases, an individual may choose a care home that is more expensive than the Council would usually expect to pay for that type of accommodation. Where there is an additional cost the Council will only place in the preferred accommodation if there is a third party wishing to accept responsibility for the additional payment and enter into an agreement with the Council and care home provider. If there is no one willing or able to meet the additional costs then the Council will refuse to provide the chosen accommodation. Further details can be found in the Council's Choice of Accommodation Protocol developed in partnership with Merthyr Tydfil Council and the Cwm Taf University Health Board.



## Self-funders who ask Council to arrange their care

Under section 35 of the Act 2014, the Council will if requested arrange a residential placement for an individual with assessed care and support needs, even if the individual has sufficient assets to pay in full for their own care and support in a care home.

## What will Social Services need to know?

**Your income** - this could be state retirement pension, occupational pension and other state benefits. Guidance rules determine which ones are taken into account for assessment purposes.

**Your capital** - this refers to the value of any property, savings or investments you have, some of which may be excluded from our calculations. Currently, if you have assets below £50,000 they will be ignored for assessment purposes. If you have assets in excess of £50,000, together with your income, then you will be required to pay the full weekly cost of the care (apart from the Health component if you are moving to a nursing bed in a care home).

If your capital is less than £50,000 but your weekly income is more than your care home fees, you will have to meet the full cost of care.

If you own property, the value is not taken into account if, whilst you are in the care home, a spouse, partner (including a civil partner) or close, dependent relative aged over 60 will continue to live there, or your move into a care home is only **temporary**. For the first 12 weeks, following your **permanent** move into a care home, the Council will ignore the value of your house and assess on income and savings only. The Council will meet any short fall during this 12 week period. If, however, you sell your property within this time, the proceeds from the sale will be taken into account immediately.

The Council recognises that there may be a delay in selling or cashing in your assets or you may choose **not** to sell them or cash them in. For example, you may decide, for whatever reason, not to sell your house. It is not Council policy to require that people moving into a care home sell their property in order to contribute towards the costs of care. In this case, you would be expected to pay from your remaining assets and income.

The payment of the difference between your assessed charge and the full cost of the home will be deferred and built up as a debt against the property. The Council is obliged to offer a formal deferred payment scheme and details of this can be found in a separate Deferred Payments factsheet.

Please be aware that taking this course of action may affect any benefits you receive, such as pension credit. The Council therefore strongly recommends that you seek further advice on this matter from an independent source, details of such organisations can be found at the end of this factsheet or of course you are free to choose your own source.

Please do not hesitate to contact the Financial Assessment Team on **(01443) 680380** or **(01443) 680383** between 9am and 5pm (Monday-Friday) or in writing to; Charging Unit, Block 5, Bronwydd House, Bronwydd Avenue, Porth, CF39 9DL to request a Deferred Payment Factsheet and Application Form .

### **What if you give your assets away before admission?**

If you give away assets or otherwise dispose of them in order to put yourself into a more favourable position to get local authority assistance for your care, the Council may be able to assess you as if you still have the assets. Welsh Government guidance states that each case should be considered on its own merits with Councils being bound by the public law principle of acting reasonably at all times. Again, the Council recommends strongly that you should seek further advice from an independent source.

### **Discretionary disregards**

The Council has discretion to apply a property disregard in other circumstances however, will need to balance this discretion with ensuring an individual's assets are not maintained at public expense. An example where it may be appropriate to apply a discretionary disregard is where it is the sole residence of someone who has given up their own home in order to become a carer for the person who is now in a care home.

Where this happens the Council will consider all the relevant factors before deciding whether the property should be disregarded.

Factors such as the timing and purpose of the move may be relevant to establishing if the property is the relative's main or only home. The purpose of the disregard in these circumstances is to safeguard certain categories of people from the risk of homelessness.

The Council will consider if the principle reason for the move is that it is necessary to ensure the relative has somewhere to live as their main or only home, rather solely to protect the family inheritance.

## **Expenditure Allowances**

The Council will consider taking into account if an individual requires an increase in their MIA to cover any disability related expenditure or household commitments, especially if they are a temporary resident.

Where an individual believes they have additional expenditure over and above the MIA, they have the right to seek a review and a more detailed consideration of their disability related costs may then be undertaken.

## **The Maximum Charge Payable**

The maximum charge for residential adult social care services will need to be determined on an individual basis, according to an individual's means and cost of placement.

Individuals will only be charged what they have been financially assessed they can reasonably afford to pay, and after any service charges are made, they will be guaranteed to still retain a level of income equivalent to the minimum income amount.

## **Notification of Charge**

In all cases, the amount you will be assessed to contribute towards your care fees will be confirmed in writing and the detail as to how the Council has calculated your assessment will be provided in a supporting statement. This correspondence will also include details of

- Charge start date
- Requesting a review
- Invoice timetable
- Payment methods
- Your obligations to the Council with regards to changes in financial circumstances

## **What if I don't want to give you details of my finances?**

You don't have to. All individuals have the right to choose not to provide their financial details to the Council. In such cases, the Council is unable to undertake a financial assessment, and the individual will be charged for the care they receive at the Council's agreed rate for the type of residential care and support they receive.

## **Appointing someone to act for you**

From April 2016, new service users will, as part of the Council's eligibility criteria for care, be required to identify if they lack the capacity to manage their financial affairs. If they are capable, the individual in receipt of care services will be invoiced for their charges directly to their place of residence. The Council is able to provide copy correspondence (but not official invoices) to a third party as long as the individual in receipt of the care services has provided us with the relevant written authority.

If someone is acting on your behalf, it is important that they are doing so formally, for example as an Appointee for your state benefits, Lasting Power of Attorney or Deputy under the Court of Protection. Only in these cases, will the Council contact your representative for information on your finances and then if they take responsibility to make payments, we will invoice them directly for your care contribution.

## **How do I make payments?**

Every 4 weeks we will send you an invoice; this invoice will be sent in arrears. There is a range of methods to pay charging invoices. Details of these methods are included on the back of the bill sent out each month, and include the following payment options:


- Direct debit
- Cheque
- At any Barclays bank
- At any post office (using council swipe card)
- By debit / credit card
- Via council cash desks

If however, you move into a care home outside of the area, you will be advised to pay your assessed charges directly to the home and we will arrange to pay any balance to the care home.

## **What if I don't agree with the contribution I have to make?**

You may request a review of your financial assessment where you feel an inappropriate decision has been made, either in the level of the charge, or in relation to the basis upon which the decision to impose a charge was made. You are entitled to provide additional information that may be considered, for example, additional disability related expenditure. The Council will set up a Review Panel headed by the Head of Service to consider these requests.





A review form and factsheet are available, on request, by contacting the Financial Assessment Team on **(01443) 680380** or **(01443) 680383** between 9am and 5pm (Monday-Friday) or in writing to; Charging Unit, Block 5, Bronwydd House, Bronwydd Avenue, Porth, CF39 9DL.

If an individual is unhappy with the Review Panel's decision they will be able to make a formal complaint about this to the Council in accordance with the Council's Social Care complaints procedure.

### **What if my financial circumstances change?**

Should your financial circumstance changes, you must advise the Financial Assessment Team as soon as possible, as this may affect your assessed charge. Changes, which should be notified, include:

- Receipt of a new benefit
- Changes in capital
- Changes to income or allowable expenditure

This will ensure you are being charged fairly and correctly.

### **What happens if I don't pay?**

Where you accrue a debt the Council will take all reasonable steps to ascertain the reasons why this has occurred and only when it is clear that it is as a result of a deliberate non-payment will debt recovery be considered in line with the requirements of the 2014 Act.

### **Where can I get more information than there is in this leaflet?**

The Council has a helpline to provide information and advice. Please do not hesitate to contact the Financial Assessment Team on **(01443) 680380** or **(01443) 680383** between 9am and 5pm (Monday-Friday) or in writing to; Charging Unit, Block 5, Bronwydd House, Bronwydd Avenue, Porth, CF39 9DL.

## **Where can I get independent financial advice?**

The Council is aware that planning for your future care and support needs can be complicated and funding can be expensive. Taking professional advice may be helpful in enabling you (and your family) to identify the most suitable and cost effective solution.

There are a large number of organisations that will provide free general advice about the funding of care and support. These are a good place to start if you are looking for information and want to see what sort of options are available.

### **The Money Advice Service**

Tel No 0800 138 7777

<https://www.moneyadviceservice.org.uk/>

### **Age Cymru**

Tel No – Advice Line 08000 223 444

<http://www.ageuk.org.uk/cymru/>

### **Citizens Advice**

Tel no Helpline 034554 04 05 06

<https://www.citizensadvice.org.uk/wales/>

**This information can be made available in other formats  
(Welsh, large print, Braille and other languages)**

To comment about this fact sheet or any other information received from social services,

Please contact [\*\*socialservices@rctcbc.gov.uk\*\*](mailto:socialservices@rctcbc.gov.uk)