**The following information is for individuals who have been assessed as needing to receive care services within a residential or nursing care setting. It explains about the costs of moving into a home and how you may be eligible to get help towards the costs.**

## SOCIAL

## SERVICES

## COMMUNITY SERVICES DIRECTORATE

#### Paying For Care In A Care Home

#### Factsheet

7th April 2025

## Factsheet E

In line with legislation within the Social Services and Well-being (Wales) Act 2014, If your placement is arranged and commissioned by Blaenau Gwent Social Services you will be required to pay something towards the cost of your accommodation and care. You may have to pay the full cost of your accommodation and care yourself or you may be entitled to receive funding assistance so the Local Authority pays part of the cost and you pay an assessed contribution towards this cost.

You will be required to undertake a means tested financial assessment to determine your ability to make a contribution toward the cost of your care home placement. Charges are payable from the date of admission. The cost of the placement and your ability to pay is taken into consideration when determining the actual amount you will be required to contribute.

**What Happens Next?**

A member of the Income team will contact you regarding the completion of the financial assessment.

You will not be invoiced until the result of any means test has been determined. Once the financial assessment has been completed, you will be invoiced for your placement from the date of admission to the end of the current invoicing period. Invoices are raised four weekly in arrears.

We will send you confirmation of your assessed charge in writing when your assessment has been completed. You will find more information about the financial assessment process and the standard rates for the services provided in the following pages of this leaflet.

###### Services To Be Charged For

* Long Term Residential Care
* Long Term Nursing Care
* Temporary residential or nursing placements or trial periods. Placements that are expected to exceed 8 weeks or do not have a definite end date or for a trial period with the view to permanent placement.
* Short Term Residential or Nursing Care exceeding 8 weeks, (any planned Short Term Care received for up to 8 weeks will be assessed under the Charging Policy for Non-Residential Care and Short Term Residential Care)

###### Services Where No Charge Will Be Made

* Aftercare services in accordance with section 117 of the Mental Health Act 1983 (after care).
* Individuals assessed as meeting the criteria for Continuing Health Care, which is assessed and funded by the Local Health Board.

###### The Financial Assessment

To determine the contribution you are liable to make toward the cost of your placement, a means tested financial assessment is made. This assessment is designed to calculate your ability to pay by taking into account your weekly income and current capital balance. You will need to provide evidence such as bank statements, bank books, bonds certificates etc. as proof of any savings you may hold, the income you receive and your National Insurance number.

###### What If The Fees For The Home I Choose Exceed The Rate Social Services Are Contracted To Pay?

Blaenau Gwent Social Services has a maximum price for categories of residential and nursing care. If the cost of the home that you have chosen exceeds the maximum for this Authority, a third party, often a friend or relative, will be required to cover the shortfall. This is known as an additional cost or ‘third party top up’. The third party must enter into a formal agreement with either the home directly or Social Services and be able to maintain this agreement throughout the period of placement.

You CANNOT meet this difference in costs yourself, either from your minimum income amount or your savings, unless you are assessed to pay the full cost of your accommodation, or it has been agreed that it can be added onto a Deferred Payment.

If for any reason the additional cost cannot be paid, you may have to consider moving accommodation.

###### Assessable Income

When calculating your assessed charge, the income you receive will be treated in one of three ways

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| **Income taken fully into account** |
| * Retirement Pensions
* Occupational Pensions
* Personal Pensions
* Annuity Income
* Cash in Lieu of Coal
* Income from insurance policies

Income from rent* Most Social Security Benefits (e.g. Income Support, Pension Credit, Employment Support Allowance, Industrial Injuries Benefit, Severe Disablement Allowance)
* *Attendance Allowance / Personal Independence Payment / Disability Living Allowance (care component)*
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* Please note these benefits will not be taken into account for temporary placements. Entitlement to these benefits will stop after four weeks admission to a Residential or Nursing home (unless you are assessed to pay the full cost of your accommodation) therefore the Department for Work and Pensions must be notified of admissions to avoid overpayment of benefits.

If the individual has a partner who still lives at home who is not entitled to any income related benefits only 50% of any occupational pensions will be taken into account in the financial assessment

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| **Income which is partly disregarded**  |
| War Widow/ers pension – supplementary pension plus £10* Pension Credit – savings credit up to a maximum of £5.75 per week. Individuals over 65 who have qualifying income in excess of their standard minimum guarantee (under Pension Credit Regulations) are also entitled to a disregard of £5.75 from their assessable income. This is known as the savings credit disregard.
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| **Income that is fully disregarded** |
| * Disability Living Allowance (DLA)– Mobility component
* Personal Independence Payment (PIP) – Mobility component
* Christmas bonus
* Social Fund Payments
* Winter Fuel Payments
* ILF Payments
* Child Benefit
* Earnings
* Working Tax Credit
* Child Tax Credit
* Housing Benefit
* Council Tax Reduction
* Constant Attendance Allowance
* War Disablement Pension
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###### Treatment Of Capital

Your capital, which includes any cash, savings, investments, property and land, is taken into account for assessment purposes. Capital below £50,000 is ignored.

If the total of your capital assets is more than £50,000 you will be assessed to pay the full cost of your placement. This excludes the contribution made by the Health Board toward the funded nursing care payment for nursing placements. In most cases these costs will need to be paid directly to the care home, however, you may still request the Local Authority to arrange a placement on your behalf. For more information on the Local Authority arranging your placement in these circumstances, please refer to the Policy for Contracting for Self-Funders.

###### Treatment Of Property

The value of your main or only home will be ignored for the first 12 weeks of a permanent stay, but it will be included in the financial assessment after 12 weeks (if it is sold within the first 12 weeks the proceeds will be taken into account as savings in the financial assessment). This is called the 12-week disregard period. The value of your main or only home is ignored for the duration of a temporary stay.

The value of any other property you may own is included in the financial assessment from the date of admission.

During this 12-week disregard period, payment of any Attendance Allowance or Care Component of the Disability Living Allowance should stop after a maximum of 28 days for as long as the Local Authority is ‘disregarding’ the property. The Disability Benefits Centre should be advised of the arrangements to avoid any overpayment in benefits (see useful contacts section). This does not apply if you are fully funding your placement.

The value of your main or only home will be disregarded in the financial assessment f it is occupied by any of the people listed below. This only applies where that property has been continuously occupied prior to you going into a care home:

1. your partner, former partner or civil partner, except where they are estranged or divorced;
2. a lone parent with a dependent child who is your estranged or divorced partner;

(iii) a relative (as defined in the Social Services and Wellbeing (Wales) Act (2014) who is:

(1) Aged 60 or over, or

(2) Is a child of the resident aged under 18, or

(3) Is incapacitated

A local authority may also use its discretion to apply a property disregard in relation to those in residential care in other circumstances. However, the local authority will need to balance this discretion with ensuring a person’s assets are not maintained at public expense.

If you do not wish to sell your property or are unable to do so before the 12-week disregard period ends the Social Services Income Team will then obtain a valuation of your property and use it to work out your charge as if it were an amount of savings available to you. If you are not able to pay the weekly amount due in respect of the property you will have the option to enter into a deferred payment arrangement.

###### Deferred Payment Arrangements

Deferred payment arrangements enable you to continue paying the assessed contribution you were required to make before the property was included in your assessment, until the property is sold. The remaining costs you are liable to pay are deferred and allowed to accumulate as a loan until the property is sold. A legal charge which is similar to a mortgage, is placed against your property and will enable the Local Authority to recover any deferred costs as soon as the property is sold. For further information on deferred payments please see the Deferred Payments Policy

If you do not want to enter into a deferred payments arrangement or do not sign the relevant agreement agreeing to the terms of the arrangement the value of your property will still be taken into account and you will be charged accordingly when the 12-week disregard period ends.

###### Minimum Income Amount

From 7th April 2025 the minimum income amount that you are entitled to keep for your own personal expenditure is £44.65 per week. This amount is set annually by the Welsh Government.

If you receive the savings credit element of Pension Credit you will be entitled to a savings disregard equivalent to either the amount you receive or a maximum figure of £5.75. If you do not receive savings credit but are over 65 and your qualifying income exceeds the standard minimum guarantee (determined using Pension Credit regulations) you will also be entitled to a £5.75 savings disregard.

Weekly Assessed Charge

Your assessed weekly assessed charge is calculated as follows:

**Weekly Assessable Income**

Less Minimum Income Amount

 ***Less* Savings Disregard**

 **= Weekly Assessed Charge**

The Social Services Income Team will notify you in writing of the amount you will be required to pay.

Applying For Benefits

Pension Credit and Universal Credit are means tested benefits which can top up your income to a minimum level determined by the Government.

If you are entitled to claim these benefits you will be required to do so to help contribute toward the cost of your accommodation and care. If you choose not to claim these benefits when you are entitled to do so, you will nevertheless be assessed as though you are receiving the benefit.

Deprivation of Assets

If a person gives away their home, savings or other assets before going into residential/nursing care or when already living there, we must investigate the circumstances in detail. We must also examine any sale of an asset at less than its true market value.

As a Local Authority we have a duty to protect public funds. We must look to see if a person has made a conscious decision to dispose of an asset in the knowledge that to do so would have an effect on their charge.

If we determine that a significant factor in the decision to give away, or sell an asset at less than its market value was to avoid paying fees or reduce the amount payable, the law allows us to take action. Depending upon the circumstances, we can either assess you as still owning the asset (referred to as notional capital), or require the person to whom you gave the asset to contribute towards your fees.

The following actions would be considered deprivation of assets:

1. A lump-sum payment to someone else, for example as a gift;
2. Substantial expenditure has been incurred suddenly and is out of character with previous spending;
3. The title deeds of a property have been transferred to another person;
4. Assets have been put in to a trust that cannot be revoked;
5. Assets have been converted into another form that would be subject to a disregard under a financial assessment, for example personal possessions;
6. Assets have been reduced by living extravagantly, for example buying an expensive sports car;
7. Assets have been used to purchase an investment bond with life insurance,
8. Giving away or selling the right to an income from an occupational pension.

When deciding if deprivation has occurred the Local Authority will consider the following:

1. Whether avoiding or reducing a charge was a significant motivation;
2. The timing of the disposal of the asset. At the point the capital was disposed of could the person have had a reasonable expectation of the need for care and support, even if at this point they were not yet receiving this; and
3. Would the person have had a reasonable expectation of needing to contribute towards the cost of this either now or at some future point.

What Happens If My Circumstances Change?

You must report any changes in circumstances to the Social Services Income Team as changes may affect your assessed charge. If necessary, a reassessment of your charge will then be completed.

Changes include:

* Increase/decrease in income
* Increase/decrease in capital which will mean your capital exceeds or reduced below the capital limit
* A property that was previously disregarded no longer falls within the disregard criteria, e.g. a relative aged 60 or over moves out.
* If you become eligible for Continuing Healthcare.

What Happens If I Am Initially Paying The Full Cost Of My Care And My Capital Falls Below £50,000?**?**

If your savings fall below £50,000, you might be eligible for funding assistance from the Local Authority. You should contact the Local Authority about 3 months before you think your savings will reach this level and ask for a reassessment of your finances and care needs. The Local Authority will only provide funding from the date you contact us for help, therefore if your capital has already dropped below £50,000 prior to contacting us you will not be reimbursed.

Reviews And Appeals

Your charge will be reviewed on an annual basis. If you are unhappy with your assessed charge, there is a formal review and appeals process. Information in relation to this process can be found in the Policy for Charging for Residential and Nursing Care.

How Charges Can Be Paid

You will receive an invoice every four weeks unless you choose to pay your charges by direct debit.

Payments can be made by

* Direct Debit (a schedule will be provided to list the payments and dates charges will be collected from your account)
* Cheque
* Online Payment
* Credit or Debit Card\* (by contacting C2BG – see contact list )
* Cash (by taking your invoice or a payment card to any Post Office or Pay Point)

What Happens To The Information You Provide?

All information you provide for financial assessment purposes or benefit claims is treated with complete confidentiality by the Council.

We will not use this information for any purpose other than calculating your expected contribution toward the charges you receive and claiming any benefits you are entitled to.

We may share information with other Departments within the Council, such as Housing Benefit and Council Tax to ensure that the information held is accurate.

How To Contact Us

For any queries with regard to the financial assessment process individuals can contact the Income Team

Abertillery, Blaina and Out of County Areas Michael Bees 01495 369622

Ebbw Vale/Cwm Areas Kathryn Turner 01495 369509

Tredegar, Brynmawr & Nantyglo Areas Ruth Jones 01495 369552

**Other queries**

C2BG (Connect to Blaenau Gwent)

The Contact Centre

Tel: (01495) 311556

Duty Referral Team

01495 315700

**Advocacy and Advice**

**Brynmawr Citizens Advice**

107 – 110 Worcester Street
Brynmawr
Blaenau Gwent
NP23 4JP

**Drop-in (initial assessment sessions)**

Wed: 10.00 - 13.00

Thu: 10.00 - 13.00

Telephone 03444 772020

**Department for Work and Pensions (Working Age Benefits)**

Job Centre Plus Office

Ty Gantre, Civic Centre

Ebbw Vale

NP23 6XG

0800 0556688

**Department for Work and Pensions (Pensioners)**

The Pension Service 8

Post Handling Site B

Wolverhampton

WV99 1AN

Telephone:- 0800 731 0469

**Disability Advice Project**

9A Avondale Industrial Estate,

Avondale Way,

Cwmbran

NP44 1UG

Telephone: - 01633 485866

E-mail: info@dap-wales.org.uk

Website :- www.dapwales.org.uk

**Age Cymru Advice Line**

Telephone: - 08000 223 444

**The** [**Speakeasy**](http://www.speakeasyadvice.co.uk/)

166 Richmond Road,

Cardiff

CF24 3BX

Telephone: - 029 2045 3111

**Benefit Enquiry Line**

Freephone 0800 882 200

Text phone 0800 243 355

To receive this information in Braille, large print, electronically or on audio tape please contact the Information Officer on (01495) 354630.

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www.blaenau-gwent.gov.uk