



Cyngor Bwrdeisdref Sirol

Blaenau Gwent

County Borough Council

Self-Funding Care Home Residents

**SOCIAL
SERVICES**

COMMUNITY SERVICES DIRECTORATE

Version number:	1	Date Written:	March 2016
		Date Approved:	
Status:		Date of Issue:	April 2016
		Review Date:	April 2026
Approved by:	Senior Management Team		
Author:	Deb McAuliffe		
Supporting documents:			
Equality Impact Assessment		Approved by:	
		Date:	
Change history	Dates reviewed:		Outcome of review:
	April 2018		Updated capital limits
	April 2019		Updated capital limits
	April 2024		Updated admin fees
	April 2025		Updated admin fees

Contents

1. Context.....	2
2. Policy Statement.....	2
3. Applying this policy.....	3
4. Who are Self Funders.....	3
5. Practice Guidance.....	4
6. Supporting people who are able to pay the full cost of care where the person may lack capacity.....	4
7. What happens when a persons capital falls below the maximum threshold.....	5
8. Deprivation of Assets.....	5

1 Context

- 1.1 The Social Services Well Being (Wales) Act 2014 states that a Local Authority has a duty to provide care and support to meet the needs of an adult who requires residential / nursing care if they are satisfied on the basis of a financial assessment that the adult's financial resources are above the financial limit but the adult nonetheless asks the authority to meet his or her needs.
- 1.2 Individuals who have capacity and resources, and who are assessed as being eligible for residential / nursing accommodation, are able to choose which of the following two options they prefer to follow:-
- to arrange the contract and pay for the care themselves direct to the service provider; or
 - to request that Social Services arrange the contract and pay the service provider on their behalf. The service user then pays social services for the full cost of the negotiated rate for the care they receive from their own resources.

* This does not apply to self-funding individuals placed in Cwrt Mytton Residential Home, as this home is owned by Blaenau Gwent Social Services, therefore the individual's contract will be with Social Services directly and they must adhere to their terms.

2 Policy Statement

- 2.1 Self-funding individuals should be assisted to determine that residential / nursing care is the right solution, and provided with information about suitable homes
- 2.2 Where service users have sufficient resources to be self-funding Blaenau Gwent Social Services will agree to arrange a placement or a contract for residential / nursing care only where the individual (or their appointed representative) agrees to the following contractual conditions.
- The placement they choose is within the borough

- They must complete a full financial assessment and supply updated financial information on an annual basis
- They must pay Social Services the full cost charged by the individuals chosen home. This cost will be the amount negotiated with the home for their particular placement and may be more than the rate negotiated by Social Services for residents who require financial assistance.
- If they default on payment of charges for more than two invoice periods the Local Authority may terminate the contract with the individual and the chosen home. The individual will then be required to make their own arrangements directly with their home of choice. In cases where representatives are unable to pay charges whilst waiting for Power of Attorney or Deputyship to be awarded any outstanding fees must be paid immediately when they become legally appointed to act for the individual or the Local Authority will terminate the contract and take steps to recover any outstanding charges.

2.3 Self-funders who choose out of county placements can be helped as far as is necessary in their individual case, stopping short of determining the price with the home as well as finalising the contract. Individuals should contact the Local Authority responsible for the area in which their chosen home lies if they wish the Local Authority to arrange the contract on their behalf.

3 Applying this policy

3.1 This policy ***does not apply*** in the following circumstances:

- During the 12 weeks property disregard period.
- Where there is a deferred payment agreement.
- Where the care package is fully funded by the NHS

3.2 This policy is not generally expected to be applied retrospectively, i.e. existing arrangements for individual cases, where Social Services has arranged the contract and pays the service provider on behalf of a self-funder can continue.

4 Who are Self Funders

4.1 Self-funders are defined as follows:

- Existing or new residents who are liable to pay the full cost of the home from their own resources with or without local authority involvement but excluding people with preserved rights.
- People who have a property to be sold, after the end of the 12 week disregard period (this policy excludes those who enter into a deferred payment agreement). In circumstances where individuals decline a deferred payment agreement or do not meet the required criteria but do not /are unable to pay the full cost of their care, the Local Authority will register a legal charge against their property to secure any debt accrued. The person will be charged the administration fees detailed in schedule 1 until all charges are repaid in full.
- People placed by a local authority who are assessed as needing nursing care but whose contribution would exceed the cost of the placement once the nursing care element is taken out of the combined fee.

5 Practice Guidance

5.1 Where an individual is self-funding and has capacity the following applies:

- The Community Care assessment should inform individuals about the type and range of services available to meet their needs.
- Where an individual is considering a care home placement, practitioners should give information on what standards to expect including details of the Commission for Social Care Inspection.
- Practitioners will need to determine whether the individual wishes to arrange their placement privately or would like the Local Authority to meet their needs. If they choose to contract through the Local Authority practitioners must make them aware of the conditions in this policy and ensure they sign the contract agreeing to these conditions.
- Individuals may choose to place themselves in a care home without a community care assessment. They should be advised that, if they require funding from the local authority

in the future, the Council will need to undertake an assessment of their needs before deciding how to proceed.

6 Supporting people who are able to pay the full cost of care where the person may lack capacity.

- 6.1 Where a person has been assessed as lacking capacity to make their own arrangements for residential /nursing care, Blaenau Gwent Social Services will seek to confirm whether there is a legally appointed representative who can make the arrangements on the person's behalf.
- 6.2 Where no such representative is confirmed as legally appointed to act, Blaenau Gwent Social Services will contract on the person's behalf. A Best Interest decision process should guide all decisions taken on the person's behalf, including choice of care home and arrangements to pay for any additional items or services.
- 6.3 An appropriate and willing representative will be required to make an immediate application to the Court of Protection to legally represent the individual. If there is no willing representative or they cannot provide evidence that steps have been taken to make an application to the Court of Protection within 4 weeks of the individuals admission to the care home the Local Authority will takes steps to apply to the Court of Protection on the individual's behalf.

7 What happens when a person's capital falls below the maximum threshold?

- 7.1 If an individual's savings fall below £50,000, they might be eligible for funding assistance from the Local Authority.
- 7.2 Individuals should contact the Local Authority about 3 months before they think their savings will reach this level and ask for a reassessment of their finances. The Local Authority will only provide funding from the date the individual contacts them for help, therefore if their capital has already dropped below £50,000 prior to contacting the Local Authority they will not be reimbursed.

8 Deprivation of Assets

- 8.1 The local authority may consider that individuals have deprived themselves of assets in order to reduce their charge. Deprivation of assets has occurred where a person has deprived or decreased

their overall assets resulting in the reduction or removal of any charge imposed for their care and support. This means that they must have made a conscious decision to do this in the knowledge that to do so would have such an effect on their charge.

- 8.2 In such cases the local authority may either charge the person as if they were still in possession of the asset, or if the asset has been transferred to someone else, seek to recover the lost income from charges (or from lost contributions or reimbursements where direct payments have been made) from that person.
- 8.3 The authority will only consider questions of deprivation of assets when the resident ceases to possess assets which would otherwise have been taken into account in the financial assessment.
- 8.4 The following actions would be considered deprivation of assets:
- a) A lump-sum payment to someone else, for example as a gift;
 - b) Substantial expenditure has been incurred suddenly and is out of character with previous spending;
 - c) The title deeds of a property have been transferred to another person;
 - d) Assets have been put in to a trust that cannot be revoked;
 - e) Assets have been converted into another form that would be subject to a disregard under a financial assessment, for example personal possessions;
 - f) Assets have been reduced by living extravagantly, for example buying an expensive sports car;
 - g) Assets have been used to purchase an investment bond with life insurance,
 - h) Giving away or selling the right to an income from an occupational pension.
- 8.5 When deciding if deprivation has occurred the Local Authority will consider the following:
- a) Whether avoiding or reducing a charge was a significant motivation;

- b) 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
- c) Would the person have had a reasonable expectation of needing to contribute towards the cost of this either now or at some future point.

SCHEDULE 1

Schedule of Administrative Charges:

These fees are subject to change each year.

Schedule of Administrative Charges 2025/2026	
Land Registry Fees	£10.00
Annual Administrative Fees (this includes the cost of an initial / annual valuation of the property)	£68.60