

Paying for care and support services (adult social care) - a guide for constituents

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1. Background

Whether you need to pay for social care services, and how much, can be confusing. This guide takes you through the process used for deciding when and how much you pay for social care services. It also signposts to other useful sources of help and support.

The following information is based on the relevant legislation (the **Social Services and Well-being (Wales) Act 2014**) and the Welsh Government's Code of Practice on charging and financial assessments that local authorities **must** follow. The **Code of Practice** includes further detailed information on specific circumstances.

Financial Assessments

When a local authority decides to charge for providing or arranging care and support, it must carry out a **financial assessment** of the person receiving the care and support.

As part of the financial assessment, the local authority looks at your **savings/capital** (e.g. property) and **income** (e.g. pensions) to work out how much you can afford to reasonably pay towards your care and support. The financial assessment will also determine if you are eligible for financial help from the local authority towards your care and support, and how much.

A financial assessment is required whether your care **needs assessment** shows that residential care (a care home placement) or non-residential care and support is the best option for you.

The financial assessment can only take into account the finances of the person being assessed. If you have savings/capital or income as part of a couple, it is generally assumed that each person has an equal share.

A local authority can assess the savings/capital or income of a couple but only where this is financially of more benefit to the person being assessed. More information on this is set out in Section 5.3 and page 35 of the **Code of Practice**.

Once the financial assessment has been completed, a local authority must set out in writing how much you need to pay towards your care and support.

If your financial circumstances change, a local authority must reassess your ability to pay for your care and support.

If you have care and support needs, you can generally spend your income and use your savings/capital however you want to, including giving gifts to friends and family. However, you should not try to deliberately avoid paying for care and support through **depriving yourself of your capital or income** (intentionally reducing your assets). If a local authority believes it has evidence to support that this has happened, and if it thinks it appropriate, it can look to recover costs.

This guide gives information on how the charging system operates for residential care, Continuing NHS Healthcare, NHS-funded nursing care and non-residential care.

2. Residential care

For residential care, your **savings/capital (e.g. property) and income (e.g. pensions)** will normally be taken into account in the financial assessment.

Capital

The local authority will look at how much capital you have. In most cases, the main examples of capital taken into account include property / land, bank or building society accounts, National Savings accounts, Premium Bonds, and stocks and shares.

Pages 26-29 of the [Code of Practice](#) set out what types of capital should be ignored in the financial assessment and also how investment bonds should be taken into account.

There is a financial limit, known as the '**capital limit**', which sets out when you are eligible for financial help from the local authority to meet your assessed needs.

The capital limit is set in [Charging Regulations](#) and this level may change from time to time. The current capital limit is **£50,000**.

- If your capital is **at or below the capital limit of £50,000**, it must be disregarded in the financial assessment and the local authority will contribute towards the cost of your care. You may still be expected to contribute to your care costs from your income (further information on income is set out below).
- If you have **capital over £50,000** it is likely that you will be expected to pay the full costs of your residential care.

If you are expected to pay all of the costs of your residential care yourself (also known as a self-funder), you can still ask the local authority for advice and to arrange your care and support for you.

If your capital is dropping towards the capital limit, a local authority should carry out an assessment as soon as it is reasonably able to.

When your capital falls below the £50,000 limit, you should then start to receive financial help from the local authority for your care home fees, and you should only be required to contribute from your income.

When the value of property isn't taken into account

The Code of Practice states that the financial assessment should **not** take into account the value of your property when you are in residential care and the home is still occupied in part or whole as the main or only home by any of the people listed below:

- 1.** your partner, former partner or civil partner, except where you are estranged or divorced;
- 2.** a lone parent with a dependent child who is your estranged or divorced partner;
- 3.** a relative or member of your family who is: (1) aged 60 or over, or (2) a child of the resident aged under 18, or (3) incapacitated. Definitions are given for 'relative' and 'family' on pages 30-31 of the **Code of Practice**.

The above only applies where the property has been continuously occupied since before you went into a care home.

There are also situations where the value of your main or only home must be ignored in a financial assessment if you are temporarily receiving care and support in a care home.

The value of your main or only home must be ignored for the first 12 weeks where the value of any of your other capital is below the capital limit. The **Code of Practice** provides further details on this and also sets out other specific circumstances where capital assets should be ignored for a set period of time.

Income

During the financial assessment, a local authority must take into account your **income**, which can include pensions, annuity and investment bonds and some welfare benefits. However **earnings from employment must be ignored** when working out how much you are able to pay.

Annex B of the **Code of Practice** sets out detailed information on what income is taken into account and what is ignored during a financial assessment.

Minimum Income Amount

If you are in residential care and you have capital at or below the capital limit, you will contribute most of your income (excluding earnings) towards the cost of your care and support. However, a local authority must make sure you have a specific amount of your own income to spend on personal items such as clothes. This is

known as the '**minimum income amount**'. This is in addition to any income you receive from earnings.

The **minimum income amount** is currently **£43.90 per week**.

Top-up fees

Where the assessment process has decided that a care home will best meet your needs, you have a right to choose your preferred accommodation (subject to certain conditions).

The local authority is required to have more than one option of accommodation available within the standard amount it usually pays for residential care. If there is no suitable accommodation available that meets your assessed needs within the standard amount, the local authority must arrange a more expensive care home that is suitable and adjust its contribution to the funding. In this situation, the local authority must not ask you or a third party to pay the extra cost.

Sometimes, a person chooses a care home that costs more than the local authority would normally pay for someone with their assessed needs. If you are in this situation, the local authority should make arrangements for you to move to your chosen care home, but only if someone else, or in some circumstances you, can make up the difference between what the local authority would usually pay and the care home's fees. This third-party contribution is known as 'top-up fees'.

Top-up fees will need to be paid for the length of time you are in the care home and should the additional cost not be met, you may need to move to an alternative care home.

Deferred payments

As part of a deferred payment agreement, if your property has been taken into account in your financial assessment, you can defer or delay paying some or all of your care costs until a later date so you do not need to sell your property as soon as you move into a care home. Local authorities must offer a deferred payment agreement to people who meet certain eligibility criteria. Further details on deferred payment agreements, including eligibility are set out in Annex D of the **Code of Practice**.

3. Continuing NHS Healthcare

Continuing NHS Healthcare (CHC) is the name given to services arranged and funded solely by the NHS, for people whose assessment has shown that their primary need for care is a health need rather than a social care need. The information below is taken from [information on CHC](#) published by the Welsh Government.

Where it appears that you may have a need for CHC, health boards are expected to take reasonable steps to make sure they carry out the relevant assessment.

Being eligible for CHC does not depend on your specific condition, disease or diagnosis or on who provides the care or where it is provided. CHC can be provided in any setting including your home or in a care home.

If CHC is provided to you when you live in a care home, the NHS pays the full cost of the care home fees. The NHS makes a contract with the care home to pay the relevant fees. In most circumstances, this will be a nursing home (a care home that provides nursing care).

To determine if there is a primary health need, you will be assessed by looking at all of your needs considering four key areas:

- 1. Nature** – this describes a person’s needs and the type of needs e.g. physical, mental health or psychological. It also describes the effects of a person’s needs on them and the type (quality) of help required to manage their needs.
- 2. Intensity** – this describes one or more needs (quantity) which may be so severe as to require a degree of ongoing care.
- 3. Complexity** – this describes how symptoms interact, making them difficult to manage or control, requiring skills to monitor the symptoms, treat the condition and/or manage the care.
- 4. Unpredictability** – this describes the degree to which someone’s needs fluctuate and how difficult those needs are to manage. It also describes the level of risk to an individual’s health if the right care isn’t provided quickly.

The Welsh Government published [Continuing NHS Healthcare The National Framework for Implementation in Wales](#) in 2022. This sets out the process that the NHS and local authorities must follow when deciding your eligibility for CHC.

4. NHS-funded nursing care

If your assessment determines that you are not eligible for fully funded CHC, you may be eligible for **NHS-funded nursing care**, if you need certain services from a registered nurse. This will be decided as part of the CHC assessment process.

Nursing homes employ registered nurses to provide nursing care to those who need it. The NHS makes a payment directly to the care home to fund this nursing care.

The NHS-funded nursing care contribution only covers the cost of providing your registered nursing care and not your general personal care. The NHS-funded nursing care contribution will only meet some of the total care home fees and the remaining fees will need to be paid for by you, or with help from the local authority.

The Welsh Government has published a **public information leaflet** which provides information on when you should receive NHS-funded nursing care and what aspects of care can be dealt with by a registered nurse.

5. Non-residential care

A needs assessment may determine that you can stay in your own home with social care services provided to support you. This is usually referred to as non-residential social care services or domiciliary care.

The financial assessment for non-residential care will normally take into account your **savings/capital and income** and will determine whether you pay the full amount for your care and support, or less.

Maximum charge

If you are receiving care and support at home, local authorities must not charge you more than a weekly maximum charge for all of the services you receive. The maximum weekly charge is currently **£100 per week** and is set in the [Charging Regulations](#). This amount can change from time to time.

Capital

As with residential care, the financial assessment will look at how much capital you have. Pages 26-29 of the [Code of Practice](#) set out what types of capital should be ignored in the financial assessment and also how investment bonds should be taken into account.

The **capital limit** for non-residential care and support is set in the [Charging Regulations](#) and is currently **£24,000** (not including the value of your home). This amount can change from time to time.

If you are receiving non-residential care and support at home or in the community, the value of your **main or only home must be ignored** where capital is taken account of in a financial assessment.

- If you have capital **at or below £24,000**, this should be ignored in full by the local authority in the financial assessment and when deciding how much you will have to contribute towards your care services, the authority will look only at your income.
- If you have capital **above the £24,000 capital limit**, the local authority can charge the maximum amount for the services it provides.

If you have capital above the capital limit, you can ask your local authority to arrange your care and support for you. However, you will be asked to pay the full

cost up to the weekly maximum charge for non-residential care and support, until the value of your capital is at or below the level of the capital limit.

Income

The financial assessment will also take into account your **income**. However **earnings from employment must be ignored** when working out how much you can pay.

Annex B of the **Code of Practice** sets out detailed information on what income is taken into account and what is ignored during a financial assessment. This includes information on welfare benefits, annuity, pensions and investment bonds.

Minimum income amount

If you receive care and support at home, you will need enough money to pay for living costs such as rent, food and utilities. The Code of Practice states that local authorities must make sure that your income does not fall below a specified amount after charges have been deducted for non-residential care and support.

This is referred to as the **'minimum income amount'** and must be at least the equivalent of the value of your 'basic entitlement' to a relevant welfare benefit plus a minimum 'buffer' of 35% of this. This minimum income amount must also include at least a further 10% of a person's "basic entitlement" to a relevant welfare benefit to allow for disability related expenditure. Further details are provided on page 44 of the **Code of Practice**.

6. Reviewing assessment decisions

You can ask for a review of a charge made by a local authority if you think it is incorrect. Annex E of the **Code of Practice** gives information on the process to be followed in these circumstances.

7. Other sources of help and support:

- **Senedd Research constituency guide [Accessing care and support services \(adult social care\)](#)**, July 2021.
- **Age Cymru Advice** – “the key provider of information and advice for people in later life”. Guides and detailed factsheets available on the website: **[Age Cymru Advice \(ageuk.org.uk\)](#)**. Advice line: 0300 303 44 98. Email: advice@agecymru.org.uk
- **Local Age Cymru organisations** – five regional organisations across Wales provide advice and support on a range of issues, as well as direct services. For more information go to www.agecymru.org.uk/local.
- **Local Age Connects organisations** – six local, independent Age Connects organisations across Wales. The local Age Connects provide services including information, advice and welfare benefits, befriending, independent advocacy, and activities programmes. For more information go to: www.ageconnectswales.org.uk/services.
- **Mencap Cymru** – “the voice of learning disability in Wales”, provides information and advice guides on its website: <https://wales.mencap.org.uk/information-and-support>. And the Wales learning disability helpline: 0808 8000 300.
- **Citizens Advice** – a national network of free local advice centres across Wales offering confidential and independent advice. Website: <https://www.citizensadvice.org.uk/wales/>
- **Alzheimer’s Society Wales** – dementia charity, provides information and advice on its website: **[Alzheimer’s Society Cymru \(Wales\)](#)**, and the National dementia connect support line: 0333 150 3456.
- **Older People’s Commissioner for Wales** – independent champion for older people across Wales. Tel: 03442 640670. Email: ask@olderpeoplewales.com. Website: www.olderpeoplewales.com.
- **Public Services Ombudsman for Wales** – the independent Ombudsman has legal powers to look into complaints about public services and independent care providers in Wales. Tel: 0300 790 0203. Email: ask@ombudsman.wales. Website: **[Public Services Ombudsman for Wales](#)**.
- Welsh Government **[summary information on Continuing NHS Healthcare](#)**.