

Guidance Note for Service Users

Charging for residential and nursing care homes

Images courtesy of NHS Photo



Will there be a charge?

You will usually have to pay a contribution towards the cost of your residential or nursing placement that West Berkshire Council agrees to fund. This includes the residential element at a residential college, if social care services are funding part of the placement.

The amount that the Council agrees to fund towards your placement is not necessarily the amount it will pay.

- The Council agrees a maximum amount it will pay for your care at a residential or nursing care home.
- Any Funded Nursing Care (FNC) applicable to your placement will be claimed by the care home.
- You will be financially assessed for a contribution towards Council funding from the date that you enter the care home.
- If the residential or nursing care home fee is more than the amount the Council agrees, a “third party top up” can be considered (see section about Care Home Top Up Payments).

A copy of the Council’s Adult Social Care Charging policy is available on request or on our website www.westberks.gov.uk

This information is valid until end March 2026.

What is taken into account to calculate the charge?

The amount of your contribution is based upon your financial circumstances. The figures used to calculate your contribution are



set by central government legislation (The Care Act 2014) and are subject to annual review.

If you have more than £23,250 in capital you can ask the Council to arrange your care and support. However, if your needs are to be met in a care home the Council may choose to meet your needs and arrange the care, **but is not required to do so**. You would not be entitled to receive any financial assistance from the Council and would pay the full cost of your care until your capital falls below £23,250

Capital can include:

- Cash
- Savings bonds
- Premium bonds
- Stocks and shares
- Funds held in a bank, building society or Post Office account
- The value of land or property, in some circumstances your home in the community may be disregarded.

Capital held in joint names will have an equal portion assumed to each person unless there is evidence to the contrary.

If you have less than £23,250 in capital you will be financially assessed to calculate a contribution towards the cost of your placement.

- This calculation is based upon your income plus a tariff income from your capital. Tariff income is calculated as £1 income for every £250 or part £250 over the lower capital threshold of £14,250. For example, if a person has £4000 above the lower capital threshold, a tariff income of £16 per week will be applied.
- You will be expected to claim your full welfare benefit entitlement.
You will receive advice about this as part of your financial assessment.

The calculation will always leave you with a personal expenses allowance - currently £30.65 per week.

Who does the financial assessment?

The officer will be able to offer you advice about the welfare benefits available to you and if necessary, help you to make any relevant claims. They can also give advice on how any benefits or pensions you receive are affected by a move into a care home. If you have a partner, the officer can also provide them with benefit advice.

The financial assessment

This is how we carry out an assessment and calculate the charge:

- We will ask for details of all of your income and savings. Income that is paid to a partner that is based on your joint financial circumstances (for example Pension Credit, Universal Credit, or Income based Jobseekers Allowance or Employment Support Allowance) must be declared.
- Deductions will be made to cover the running costs of your home in the community until your placement in a care home becomes permanent.
- The calculation will always leave you with a personal expense allowance – currently £30.65 per week.
- You will be asked to provide evidence to support all the information used in your financial assessment.
- Your income will continue to be paid directly to you and you will receive an invoice to pay your assessed contribution.
- You will be notified of the charge in writing on completion of the financial assessment.

Disability Benefits

If you are in receipt of Attendance Allowance , Personal Independence Payment (Daily Living Component) or Disability Living Allowance (Care Component) when you move into residential or nursing care, it will only be payable for a maximum of 4 weeks.

You should inform the relevant unit of the Department of Works and Pensions that you have moved into residential or nursing care.

Contact details for these departments can be found here:

www.gov.uk/disability-benefits-helpline

If you are paying the full cost of your residential or nursing care, these benefits can remain in payment.

What if you own your property?

If you own the property in which you have been living, the value will be disregarded during your trial period and for the **first twelve weeks** following the date that you are considered to be a permanent resident.

- During this time there will be an assessed charge based upon your income, savings and investments. If the property is sold during the disregard period, the proceeds will be taken into account immediately.
- After the disregard period, the value of your property may be taken into account. However, in certain circumstances it will continue to be disregarded - for example, if your spouse or partner resides in the property.

If after the 12 week disregard period we have to take the value of your property into account, you will be assessed to pay the full cost of your placement from this date.

If you have chosen not to sell your property at this time, special arrangements can be made to defer immediate payment of part of the full cost using your property as security (see Deferred Payments Agreement Guidance Notes).

In these circumstances you will be assessed to continue pay part of the cost of your placement. The difference between what you are assessed to pay and the full cost of your placement will accumulate against the property until it is sold. A separate invoice of the accumulated charge against your property will be issued for your information.

The Financial Assessment & Charging Team is available to discuss any queries around property ownership. Please contact them on Tel: 01635 503917

What if you don't want to disclose your financial details?

If you do not want to undergo a full financial assessment but nonetheless want to access Council support to meet your care needs, the Council must be satisfied on the basis of evidence that you can afford and continue to afford, any charges due. You will be required to complete a financial assessment form and provide sufficient information and evidence as required above. This is called a light-touch financial assessment.

If you do not fully disclose your finances you will be charged the full cost of your care home placement.

It is to your advantage to fully disclose your financial information to ensure that you are charged correctly and for the Assessment Officer to provide advice about benefit entitlement.

When are charges reviewed?

We will revise your financial assessment in April each year in line with the increases in benefits and pensions that occur at that time.

In addition to this you will be contacted every year to ensure that your charge is still correct.

All changes in the financial information used in an assessment must be notified to the

Financial Assessment & Charging Team as soon as they occur as they may affect the amount that you have been assessed to pay.

This includes increases/decreases in income and/or benefits and pensions or capital, changes in expenses and in the way that capital or investments are held.

If you are assessed to pay the full cost of your care home you need to be aware the Council's rates are usually increased on 1st April each year and this will affect the amount you are charged. You will receive written notification of any changes.

If you need more details about charging, please contact the

Financial Assessment & Charging Team on Tel: 01635 503917.

Care Home Top Up Payments

When developing your support plan we will calculate a rate, called your agreed personal budget, with which we can provide accommodation to meet your needs.

If you want to choose an alternative placement that is more expensive than the one we have identified, someone must be willing and able to pay the difference between the care home fee and the amount in your personal budget for the likely duration of your stay. This is called a 'top up payment'.

Your income and capital cannot normally be used to pay the top up payment.

If you have requested funding from the Council for your care home placement you should not enter into any private agreement about additional payments for care.

The contract for the placement will be held by the Council and all fee negotiations must be between the Council and the care home.

The Council has a separate information leaflet about Care Home Top Up Payments

Deprivation of capital & income

During the financial assessment process the Council can look for evidence of deliberate or intentional deprivation of capital or income.

What is deprivation?

The term deprivation covers a broad range of ways in which the owner of an asset might transfer it out of his or her possession. For example:

- a lump sum payment such as a gift or to pay off another person's debt
- transferring the title deeds of a property to someone else
- putting money into a trust that cannot be revoked

- converting money into another form that has to be disregarded from the financial assessment, e.g. personal possessions, investment bonds with life assurance
- reducing capital through substantial expenditure on items such as expensive holidays or extravagant living
- selling an asset for less than its true value
- Not claiming a private pension or deferring your state pension

Deliberate deprivation occurs when an individual transfers an asset out of their possession or does not claim an income they are entitled to receive, to place themselves in a better position regarding the financial assessment and reduce the charge towards their care and support.

In making decisions about deprivation of capital or income the Council will want to establish the reason for the transfer or disposal including why it was done when it was. We may want to see receipts or documentary evidence. We will look to see if the transaction took place at a time when care needs were being considered and consider if “gifts” were made historically and regularly.

Unlike other rules such as Income Tax, Capital Gains or Inheritance Tax, there is no limit to how far back the Council can consider possible deprivation if you were receiving care at the time. Similarly, tax rules surrounding gifting do not apply.

If you are found to have deliberately deprived yourself of capital you can be treated as having “notional capital” to the value of the capital that you have disposed of in your financial assessment. If the notional capital added to your actual capital comes to more than £23,250, the Council may assess you as being able to meet the full cost of your care and support.

If you are found to have deprived yourself of income you can be treated as having “notional income” of the maximum income you are entitled to receive from the product.

Invoices

Invoices will be issued four-weekly in arrears and you will receive thirteen invoices a year. The reverse of the invoice will include instructions on how to pay.

Please note you will be charged your assessed contribution whilst in hospital if your bed is retained for you at the care home.

It is possible to pay by standing order and the Financial Assessment and Charging Officer will be able to arrange this for you.

What to do if you think your financial assessment is incorrect

If you think your financial assessment is incorrect, please contact the Financial Assessment & Charging Officer who completed the assessment. They will check the assessment with you to ensure the information included is accurate.

If you are still not satisfied with the outcome of the financial assessment, the Council has a Charging for Adult Social Care Review and Appeals process which is in two stages. The first stage is a review of the financial assessment by the Financial Assessment & Charging Team Manager to ensure the assessment has followed the Council's Adult Social Care charging policy and contains no errors.

If you are not satisfied with any decision made in the first stage you will be able to progress to the second stage of the process where the case is considered by an appeal panel consisting of senior managers.

If you feel that we have not assessed you correctly please contact the Financial Assessment and Charging Team Manager on 01635 503917.

Self Funders

You are classed as a self funder if:

- you have contracted directly with a care home without any involvement from West Berkshire Council and you pay the full cost of your care.
- your care needs have been assessed but you are not currently eligible for adult social care services.
- If you are self funding in a care home and your capital is approaching the upper capital threshold, currently £23,250 you will need to contact the Council to request a Care And Support Needs Assessment to see if you are eligible for funding assistance. We suggest you contact us 3 months before your capital reaches the upper capital threshold to allow time for these assessments to be completed by telephoning the Community Care Helpline on Tel: 01635 503050.

A needs assessment will be carried out to see if your needs are best met in a care home. If we think they are, discussions will take place with your care home to see if they can accept the price the Council is prepared to pay to meet your relevant level of need. If not, and your preference is to remain in the care home, you may be able to stay in the home if there is a relative, friend or charity willing to pay the extra cost (Third Party Top Up). The Care Home Top Up Payments leaflet provides further information. If neither of these options are available, we may arrange for you to move to an alternative care home.

If you are self funding in a care home and own your property you may be eligible to apply for the deferred payment scheme when your available capital reaches the upper capital threshold. The Deferred Payments Guidance notes provide further information about the scheme.

A financial assessment will be carried out to calculate the date your capital will reduce below the upper capital threshold if it has not already done so. We call this assessment a Capital Depletter

assessment. The assessment will also determine the amount you will be asked to contribute towards your care if you are eligible for funding assistance.

Once it has been agreed you are eligible for assistance towards the funding of your care we will pick up the funding from the date you contacted us (assuming it has been verified your capital was below the threshold at this point) or the date your capital was below the threshold (if this was after the date you contacted us).

Where you can get independent advice

If you need further guidance concerning local authority charging for residential and nursing care, independent advice can be obtained from:

- Citizens Advice Bureau
- charities for older people
- solicitors and financial advisors

Details of such agencies and organisations are available from West Berkshire Council's **Adult Social Care Helpline** on **Tel: 01635 503050**.

Charges for Care Homes for 2024-25

Residential Care WBC Homes - full cost per week	Willows Edge Care Home	£1121.50
	Notrees Care Home	£1121.50
	Birchwood Care Home	£1269.70
Nursing Care WBC Homes - full cost per week (excludes Funded Nursing Care)	Birchwood Care Home	£1269.70
Residential/Nursing Care Independent Sector Homes - full cost per week		Actual cost

We are committed to being accessible to everyone. If you require this document in an alternative format or translation, please call the Financial Assessment & Charging Team on 01635 503917.