

Councillors' Briefing Note No. 138

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New government proposals on capping of residential and care home costs

Proposals

New government proposals are that at a date to be agreed in the future; the personal contributions towards the costs of a care home will be capped at £75,000. The hotel costs of a care home i.e. food and room rental will still need to be paid by individuals after the cap has been reached.

Some people make their own decision to move into a care home and can pay anything from £500 to £1000 a week. If paying an average of £750 per week, the cost would reach the cap of £75,000 in just under 2 years. Given the average length of stay in a care home for older people is 2 years it is unlikely that the majority of people will ever reach the point where contributions are capped.

At the current time where someone is paying for themselves and they reach the capital threshold of £23,250, the Council will be asked to step in to reassess the person with a view to contributing to the funding of the care. At that time the Council will consider whether the fee being charged is appropriate for the services being provided and whether they meet the assessed needs of the individual. The Council will carry out an assessment with the person with a view to either taking over funding or finding a more appropriate resource to meet their need.

The Council is working with care home providers to get a better understanding of the fees they charge and the number of people who fund their own care. This is so we can be ahead of the game and be able to proactively support customers in making the right choices

Care Home Contributions – criteria in Wiltshire at this time...

There are certain situations, where the value of your home, will be ignored by both the Department for Work and Pensions and the Local Authority after you have moved permanently into a Care Home.

This disregard will apply if any of the following people continue to live in your former home:-

- i) your husband, wife or partner
- ii) a relative over 60
- iii) a relative who is "incapacitated" (sick or disabled)
- iv) a relative who is under 16 and whom you are liable to maintain.

In addition the Local Authority (but not the Department for Work and Pensions) has discretion to ignore the value of your home when a long-term Carer remains living in it.

If the value of your home is disregarded because someone else is living there, i.e. one of the above, and that person moves out or dies, then the value of the property would then normally be taken into account from the date of the change in circumstances.

(If the resident dies first then no further action is required - there is no retrospective charging)