

## Paying for Residential Care

### Introduction

Torfaen County Borough Council's policy is in line with the guidance and regulations set by the Welsh Government under the Social Services and Well-being (Wales) Act 2014.

This fact sheet tells you about the charges we make for residential care. It includes information on how we work out the charges, what happens to your benefits and what happens if you own a property.

Please note charges for adults who receive home and day care services while living in their own homes is described in a separate fact sheet: Paying for home (domiciliary) and day care services.

*For more information about residential care options, you may wish to read our factsheet: Choosing a Care Home.*

### Is residential care the right option for me?

If you feel that your needs are such that you require a residential service, you can be assisted in this process by having your needs assessed by Social Care Services. This will help in deciding if permanent care would be appropriate or if alternatives can be arranged. If it is established that you do need to move into a residential or nursing home we need to work out how much you can afford to pay.

### Will I have to pay towards my placement?

Apart from those people who are subject to Section 117 of the Mental Health Act 1983, everyone has to pay something towards his or her care.

If you have been assessed by Social Care Services as needing long term residential or nursing care, we have to carry out a financial assessment.

### How does Torfaen County Borough Council carry out the financial assessment?

We will automatically invite you to complete a financial assessment form so we can work out what you have to pay.

If someone else is completing and signing the form on your behalf, they should have appropriate legal authority to do so.

Evidence of their authority must be enclosed with the form, e.g. lasting power of attorney. If you need help completing the form please contact us on 01495 766002 and we will arrange for an officer to help you complete the form.

For all income, capital or savings, we must see up to date evidence e.g. bank statements for the last 3 months. If you are in receipt of state benefits we may be able to obtain this information on your behalf from the Department for Work and Pensions.

You can send in photocopies with your form. Alternatively we can accept information by e-mail. If you or your representative have a smartphone or tablet capture the images required to support your claim and e-mail them directly to

[FinancialAssessments@torfaen.gov.uk](mailto:FinancialAssessments@torfaen.gov.uk)

## How is the charge worked out?

The amount you will have to pay towards the cost of your stay in a residential or nursing home depends on your income and capital.

When calculating your contribution, we ignore any capital under £50,000. If you have £50,000 or over in capital you will be responsible for paying the full charge for your stay.

In general, most of your income, including social security benefits, counts towards the cost of your care.

If you have a husband or wife living at home you will be asked whether you intend passing half of any occupational (private) pension to him or her. Our Benefits Advice Officers are available to advise you how this may affect any benefits claimed.

The information on the financial assessment form will be used to work out how much you need to pay each week towards your care costs (weekly assessed charge). The balance of any care costs not met by your weekly assessed charge will be met by the Council.

## What happens to my benefits?

Not all of the benefits you receive will continue to be paid when you go into residential care.

If the Council is contributing towards your care costs and you are in receipt of Attendance Allowance, Disability Living Allowance (care component) or Personal Independence Payments (daily living component) this will cease four weeks after

your admission to care. Unless you have recently been in respite or hospital, in which case it may be sooner.

If the Council is not paying any contribution, you remain fully entitled to these benefits. If you are in receipt of Disability Living Allowance (mobility component) or Personal Independence Payment (mobility component) this will continue to be paid but will not be taken into account when working out your weekly assessed charge.

If you are claiming Income Support, Pension Credit or Universal Credit you need to report the change in your circumstances to the Department for Work and Pensions. If you need to claim these benefits you should contact our Benefits Advice Service on 07980 682606 / 07957 910066 and 01495 742521 who can assist you.

In some circumstances, you will be referred automatically for Benefits Advice, and they will contact you direct. An officer will help you fill out any application forms and will follow up the claim afterwards to make sure that you are receiving the correct entitlement.

## When in residential/nursing care how much will I be able to keep every week?

From 06 April 2026 the amount that you may keep for your own personal needs is £46.35. This amount is set annually by the Welsh Government. You can also retain up to a further £5.75 as a single person if you are over 65 and are eligible to receive Pension Credit.

## What happens if I own property?

If you own your home, we will usually take its value into account when calculating how much you have to pay for your residential care.

There are, however, some important exceptions to this rule. Your home will not be classed as capital if you are only entering the home temporarily or if one of the following people is still living there:

- Your partner (provided you are not divorced or separated)
- a relative who is under 16, and who you have to support by law
- a relative who is over 60 years of age
- a relative who is incapacitated

If you have capital, including property, valued at £50,000 or over you will be asked to pay the full charge for your care.

If the value of your home is taken into account as capital/savings, you may not have enough income or other savings to meet the full costs of your residential care. In these circumstances, you may need to consider selling your home in order to pay the fees.

If you own property, you may wish to consider some other options:

### 1. Time to decide – the 12-week rule

To give you time to decide what you want to do, you will have a 12-week 'breathing space' from the day you move into a residential home permanently. This means that, during the first 12 weeks, the value of your property will not be used when calculating your weekly assessed charge.

After 12 weeks the value of your property will be taken into account as savings/capital, and if this amounts to £50,000 or over you will be asked to pay the full charge for your care.

However, if you sell your home during the 12 week period you will start to pay the full costs of your care as soon as it is sold.

### 2. Delaying or deferring your payments

We appreciate that this is a difficult time, whilst you make decisions regarding your property. Therefore, an option is for you to choose a 'deferred payment agreement' with the Council.

If you don't have enough money to pay your contribution to your care fees without selling your home, we will allow you to delay making your payments. This means the Council will be giving you a loan, which you will only pay back when you sell your home or when your estate is wound up. There is an administration charge of £300.00 for setting up the deferred payment agreement and interest may be charged during the period of the deferred payment agreement. The interest charged will be at 0.15% above the Market Gilts Rate as specified in the most recently published Economic and Fiscal Outlook Report.

If your request for deferred payments is granted, we would advise you to seek independent financial advice before you finalise the arrangements.

Remember to consider security, insurance and maintenance if your property will be left empty. In certain circumstances we may turn down your request for deferred payments. We will give you our reason(s) in writing; you can appeal against this decision. Please refer to the section on 'What if I disagree with the decision?' – contained later in this factsheet.

## What happens if I give away my home or other 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 we have a duty to protect public funds, we must investigate and decide if a significant reason for the disposal was a desire to avoid paying for, or towards, residential or nursing care.

If we decide that a 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(s), or require the person to whom you gave the property to contribute towards your fees.

## Will I have to pay for nursing care (if needed) whilst in residential care?

If you are assessed by the local health board as needing residential nursing care, they will pay the home the nursing element of your charge. You will be asked to pay a charge for the residential element of your care, calculated on your income as described above.

In some cases the Health Authority may assess you as meeting the criteria for continuing health care funding. If this is the case, you will not be charged – the full cost will be met by the Health Authority.

## Will I have to pay if I need a temporary or respite stay in residential/nursing home?

If you are going into a residential or nursing home for respite/short term care you will be charged as if you were receiving care at home, and the maximum you will pay is £100.00 per week.

## What happens if the care home I choose costs more than social services is prepared to pay?

If the care home you choose costs more than the Council's fee, and there are places available elsewhere that would meet your needs, you can still move to your first choice care home, if a family member or friend is prepared to pay the difference. This is called additional costs (third party top-up).

No-one should ever be forced to top up your care costs, however, if a third party is willing to pay for better accommodation or extra services, they can pay the additional cost directly to the care home of choice.

If there comes a time when your third party can no longer afford the additional cost (top-up), you can ask for a re-assessment of your needs. If this happens – and the assessment shows that a less expensive home locally would meet your needs, we may ask you to move there.

## What happens if my circumstances change?

If your circumstances have changed and you require advice, please contact the Financial Assessment Team on **01495 766002**. If necessary, a new financial assessment form will be issued for completion. Changes include:

- Increase/decrease in income or capital, e.g. if it falls below **£50,000**.
- A property that was previously disregarded no longer falls within the disregard criteria, e.g. a relative who is over 60 years of age moves out.

## How will I be told how much to pay?

We will confirm in writing what you have to pay and provide full details of how and where you can pay.

If you completed a financial assessment form we will also include a copy of the weekly assessed calculation. Please check the income details used and let us know if you think they are incorrect.

The weekly charge is normally converted to an annual figure and you will be asked to pay the charge monthly.

## How do I pay the charges due?

Payments can be made by a number of different methods, including direct debit, cash, cheque or debit or credit card. We will send you full details of how and where you can pay.

## What if I disagree with the decision?

You can ask for a review of your charge if you think we have calculated your charge incorrectly. You should do this in writing to the Head of Revenues and Benefits. See contact details below for the address. We will check the weekly assessed charge and if it is incorrect we will reassess the charge and advise you accordingly. If we do not change our decision we will give you a detailed explanation of our decision.

If you remain unhappy with the outcome of the review, you can make an official

complaint to the Council. Please see leaflet – Complaints – How to be Heard.

## How can I make sure I am claiming all the benefits I am entitled to?

Our Benefits Advice Service is available (at no charge) to anyone who enters residential care. We can advise you about the effects on your benefits and make sure you are getting all the benefits and pensions you are entitled to, e.g. Pension Credit.

In some circumstances, you will be referred automatically for Benefits Advice, and they will contact you direct. If you need to contact them, please do so, on the number below.

An officer will help you fill out any application forms and will follow up the claim afterwards to make sure that you are receiving the correct entitlement. The Benefits Advice Service can be contacted on 07980 682606 / 07957 910066 and 01495 742521.

## Our contact details

If you need more help, please contact us.

**Telephone:**

01495 766002

**E-mail:**

FinancialAssessments@torfaen.gov.uk

**Our Address:**

Torfaen County Borough Council  
Revenues and Benefits Section (Financial Assessment Team)  
Civic Centre  
Pontypool, Torfaen  
NP4 6YB

*This factsheet can be made available in other languages and formats upon request. Please contact us in order to arrange this.*