Third Party Payments for Care Home Fees

What is a Third Party Payment?
Some independent care homes charge fees which are higher than the usual amount that Social Services can contribute. This maximum amount is often referred to as ‘the usual costs’. If Social Services is contributing towards your care home fees, and you choose to move into a home which charges a higher fee, the difference between the two amounts is paid by a third party, usually a relative. Third party payments are sometimes referred to as ‘top-up’ payments.

What does a Third Party Payment cover?
The reasons for a third party payment will vary from one home to another. For example a home might charge extra for a room which was superior in some way to a standard room. However a third party payment can cover anything provided by a home which is outside the ‘usual costs’ which Social Services will cover.

Before you sign any contract the home should give you written details of all the charges it intends to make in the Statement of Purpose document. If there is anything that is not clear or which you do not understand, you should ask for advice.

Who can make a Third Party Payment?
As the name suggests, this payment is made by someone other than yourself or Social Services. This can be a relative or friend.

The general rule is that you cannot use your own money to fund a third party payment.

However in certain specific circumstances you may make a third party payment from your own capital. These are:-

♦ When you are eligible for the 12 week property disregard or
♦ Where Social Services has agreed to a Deferred Payment until your home is sold.

We recommend that you seek independent financial and legal advice if you are considering these options. (Speak to the Financial Assessment Team if you need more information about these arrangements).

Apart from these circumstances, there are no clear guidelines available on what is allowable in all circumstances and how you can use your own money. If you need further advice about how a top up to your care home fees might be arranged please discuss this with your care manager.

How do the arrangements work?
If you move to a care home where a third party payment is required, the person who will make the third party payment on your behalf must sign a contract with Social Services, before the contract with the home is signed. In doing so they must confirm that they have the financial means to make the third party payments (including any future increases) for the whole time you will live at the care home.

Payment is made direct to the care home, normally monthly.

The Local Authority is empowered to take action to recover the cost of the third party contribution from the third party if they fail to honour this agreement. If the third party fails to keep to the commitment to pay the agreed amount then you may have to move to a new care home where the fees are within the Social Services ‘usual costs’.
Can a third party payment be required after entering a care home?

If you are already resident in a care home, and no third party agreement was required at the time you became a resident, the home may seek to introduce a third party payment at a later date. Also if a change to your arrangements is made at your request or with your agreement, for example you move to a superior room, then an additional third party payment can become due.

Such changes in arrangements will require the drawing up of a new placement agreement and will require the agreement of all parties. As such this will mean the existing agreement will end and you will be entitled to 28 days notice in such an event.

What happens if the care home fees increase?

It is usual for the fees charged by care homes to increase each year. The amount that Social Services can contribute to your fees may not increase at the same rate as the home fees increase.

The third party element of the fee can only be increased once in any financial year, and as a guide, the amount should not increase by more than 25% a year. You should receive at least one month’s notice that the third party payment is to increase. The person who makes the payment for you must sign a new contract with Social Services if the amount of the third party payment increases.

What happens if we are no longer able to pay the third party payment?

If the person making the third party payment begins to have difficulty with the arrangement it is important that they contact Social Services as soon as possible.

As detailed in the Third Party Agreement this may result in the care home resident having to move to other accommodation, subject to a full assessment of their care needs. Once contacted, Social Services will arrange a review of those needs and financial arrangements for ongoing support.

Further Information

If you require further information about the financial assessment process please contact the Financial Assessment Team on 01792 636312 or 636756.

Other information from Social Services which you may find useful

- Choosing a Residential Care Home which is right for you
- Paying for Care in a Residential or Nursing Home
- Care Home Contracts

For free copies of these factsheets, please ask your care manager, phone 01792 636693 or download them direct from www.swansea.gov.uk/socialcarepublications

Swansea Social Services and personal information

When you are in touch with Social Services, we will keep information about you in written records and computer files. We will keep this information confidential, except where we need to share it with people providing you with care, or to protect you or other people.

You have a right to ask to see records we keep about you.

We can give you more information about how we handle personal information. Phone 01792 636693 for a factsheet.

Comments and complaints

We welcome any comments about our services – good or bad. We are interested to hear how we could do things better, and we like to know when we are doing well.
If you are unhappy with the services you receive, we encourage you to make a complaint. Full details are given in the leaflet ‘Making a comment, complaint or compliment about Social Services.’ For more advice or information about making a complaint, you can contact our Complaints Officers on 01792 637345.

This information is also available in alternative formats, such as large print, on audio CD, in Braille, or electronically. Please phone 01792 636693 for copies.