PENPERGWM HOUSE

Understanding Funding in Care

3.10.2023

1. Disclaimer

The information provided below has been obtained from various sources and links to website have been included if applicable. Please note that Penpergwm House accepts no responsibility for the accuracy of the information, even when obtained from websites, and is providing this information in good faith to try and explain how funding in the care sector works to clients and families.

2. Introduction

Penpergwm House is a private residential home and our room fee varies from £900 to £1,385 per week, depending on the type of room that is available at the time of admission. The room fee includes support from our care staff, laundry, meals, activities, a dedicated telephone line and WiFi access. Incidentals such as the hairdresser, chiropodist, toiletries, newspapers, personal incontinence products, magazines, escorting fees etc. that we may supply are charged to the resident. Additional charges may apply if a client's care and support needs change (Point 9)

We are registered as a **residential** provider so do not provide "nursing" care and we do not have a Registered Nurse on site, however, we are able to access clinical support as needed via the district nursing team and / or GP.

The local authority rate for residential care is below that of our lowest room fee so, if a client receives funding from a local authority then the shortfall between our room fee and the local authority rate is payable by a "third party top up".

A client's financial status may also change during their stay at Penpergwm House and, if this happens, a client may move to a more affordable bedroom.

3. Care Home Categories and Registrations

Care homes that provide "regulated activities" to people (e.g. personal care, bathing, mobility assistance) have to be registered with the regulatory body called Care Inspectorate Wales (CIW). When registration takes place, care homes must stipulate what type of "regulated activity" they will provide and this then determines the category of a care home.

Some care homes only have one registration status, like Penpergwm House, but some can have multiple registrations like: Residential Care, Nursing Care, Dementia or EMI (Elderly Mentally Infirm) Care. The type of registration also determines the skill base of the staff that work in the Home as some may need additional training or qualifications.

For example, a “Dementia/ EMI Residential” Home must prove to CIW that they have staff who are trained to manage the care needs of clients with complex mental health needs and possibly behaviours that challenge. The Home also must be suitably adapted to ensure the safety of clients with higher needs e.g., secure access, more signage.

Nursing Homes must have certain staffing levels and Registered Nurses on site 24/7 to manage the complex physical and mental care needs of clients e.g., clients who are in bed a lot, who need clinical support throughout the day or who require certain medication.

Care needs can vary depending on acute medical situations like a chest infection or something more chronic like Emphysema so the type of care that a person requires is based on various assessments as well as their usual everyday status.

“Funded Nursing Care” (FNC) is an amount paid by the local authority (in Monmouthshire, but this can vary across the different Health Board areas) to a nursing home if a client meets certain criteria. The client would still need to meet the cost of the accommodation if they are above the financial threshold.

“Continuing Health Care (CHC) Funding” is paid by the Health Board to a nursing home if a client has extremely complex needs that may be unstable or inconsistent. In this case the full amount for the placement is paid and does not depend on the financial status of the client.

If a client has been assessed as requiring FNC or CHC then they would not be able to reside in a residential care home like Penpergwm House. Assessments usually take place by multi-disciplinary teams and would normally include families and representatives.

4. Financial Status

https://gov.wales/charging-social-care

“**Residential care**

If you have capital over £50,000 you may have to pay the full cost of your residential care. If your capital is at or below this limit, the local authority will help pay for your residential care.

How much you pay towards this care will be calculated from your eligible income, such as pensions or welfare benefits. Local authorities must ensure you are left with at least £35.00 a week to spend on personal items.”

The local authority that oversees the persons financial assessments and their care depends on where your permanent residence was located so if someone moved from another council e.g. Hampshire, then Hampshire will be responsible for supporting the client.

Monmouthshire Council will support Monmouthshire registered residents however it can also depend on how long someone has been in a care home in that local authority.

Monmouthshire currently pay £805 per week, as of the 8th June 2023, if a person has been assessed as requiring “residential” support with their finances in a care home. Each local authority sets their own rates each year. To put this into perspective, here are the figures for other councils in Wales.

Appendix ii Care Home Fees 2023-4 – all categories as at 8 June 2023

	Benchmark cost (NPF and NCB)				Nursing	Nursing EMI	
					1342.37	*1627.72*	
Position	Region	Local Authority	Residential	Res EMI	Nursing	Nursing EMI	Average fee
1	Gwent	Torfaen	£862.84	£953.01	£970.20	£1,014.24	£950.07
2	C&V	Cardiff	£912.29	£979.40	£903.39	£1001.17	£949.06
3	West Wales	Ceredigion	£827.00	£884.00	£961.00	£961.00	£908.25
4	Gwent	Blaenau	£814.00	£934.00	£897.00	£952.00	£899.25
5	C&V	Vale	£820.50	£907.70	£820.50	£907.70	£864.10
6	CTM	Merthyr	£794.00	£878.00	£865.00	£901.00	£859.50
7	West Wales	Pembrokeshire	£805.30	£879.14	£835.59	£908.95	£858.00
8	Gwent	Monmouthshire	£805.00	£896.00	£847.00	£877.00	£856.25
9	W Wales	Carms	£797.92	£850.88	£825.16	£886.23	£840.05
10	Gwent	Caerphilly	£798.93	£871.69	£787.18	£869.03	£831.71
11	Swansea Bay	Swansea	£800.00	£800.00	£838.00	£884.00	£830.50
12	N Wales	Flintshire	£727.55	£821.58	£852.94	£915.61	£829.42
13	CTM	Bridgend	£775.00	£825.00	£832.00	£883.00	£828.75
14	*Gwent*	*Newport*	*£707.19*	*£828.46*	*£857.39*	*£898.82*	*£822.97*
15	Swansea Bay	Neath PT	£792.00	£834.00	£801.00	£843.00	£817.50
16	N Wales	Gwynedd	£711.83	£807.31	£820.14	£923.64	£815.73
17	N Wales	Conwy	£711.83	£786.10	£843.92	£893.97	£808.96
18	N Wales	Anglesey	£711.83	£795.46	£774.54	£915.37	£799.30
19	CTM	Rhondda CT	£772.00	£818.00	£780.00	£825.00	£798.75
20	Powys	Powys	£778.00	£790.00	£780.00	£825.00	£793.25
22	N Wales	Wrexham	£711.83	£743.18	£774.54	£837.26	£766.70
22	N Wales	Denbighshire	£711.83	£743.18	£774.54	£837.26	£766.70
	All Wales average		£779.49	£846.64	£838.37	£898.19	£840.67

Newport fees are negotiated individually and figures therefore reflect the average. Figures shown are for 2022-3 since average fees will take longer to calculate but anecdotally are around 14%.

5. Third Party Contribution

If a person wants to live at Penpergwm House and the local authority pays £805 per week towards their care because they fall below the £50k threshold, then the balance of the room fee is paid by a Third Party. E.g. the family

Monmouthshire Council have a contract with Penpergwm House to "purchase" care so, in essence, they are responsible overseeing the support provided, doing reviews and ensuring that Penpergwm House is the most suitable place for the client based on their assessed care need. This means the local authority also have the right to look at alternative homes if the Third-Party Contribution ceases.

This is set out in various Contracts and Legislation detailed below.

6. MCC Contract with Penpergwm House

Service User = Client

Service Purchaser shall mean the Council

THE THIRD PARTY CONTRIBUTION

8.2 The Service Purchaser acknowledges that an individual should be able to exercise genuine choice over where he / she lives and has the right to enter into more expensive accommodation than he / she would otherwise have been placed in provided that a Third Party is willing and able to pay the Third Party Contribution, being the difference between the Care Home Fee for the place in the Home and the Rate the Service Purchaser would usually expect to pay for someone with the individual's assessed needs.

In instances where the Service User exercises choice and wishes to make use of a placement that is more expensive than that which the Service Purchaser would normally purchase, or wishes to purchase services additional to those specified in the Care Plan, **and** the Service Purchaser is in agreement, then a Third Party shall be responsible for the difference between the amount the Service Purchaser would normally pay and the actual cost of the placement.

8.3 The Service User cannot pay the Third Party Contribution themselves, even though they may have sufficient capital or income to do so. The exceptions are that a Service User who is subject to the 12 week property disregard or has a deferred payments agreement with the Service Purchaser may make top ups from his / her own resources on his / her own behalf (refer also to Clause 7.3 above).

8.6 After admission, unless where a Service User has chosen to move to a more expensive room within the Home, a Third Party Contribution shall not be introduced unless the Service Provider has given the Service Purchaser(s) and the Service User or the Service User's Representative not less than six (6) weeks' notice in writing of the intention to do so together with an explanation of the reason(s). In circumstances where neither the Service User nor a Third party is able to pay the Third Party Contribution, the Service Purchaser(s) shall undertake or arrange for assessments to be undertaken and shall notify the outcome to the Service Provider at or before the end of the six (6) weeks notice period.

8.7 Prior to the Service Provider requiring a Third Party Contribution in relation to an existing Service User the Service Provider shall discuss the proposed requirement with the Service Purchaser(s) and the Service User and / or Representative(s).

8.8 The Third Party Contribution shall be recorded in the Third Party Agreement and in the Individual Service Contract (ISC), where appropriate.

8.9 The amount of the Third Party Contribution shall have no effect on the financial assessment or the Service User's Contribution. The Third Party Contribution shall be payable to the Service Provider or the Service Purchaser from the date of the Service User's admission or from the date notified by the Service Provider under Clause 8.5 (whichever date is the later).

8.10 The Service Provider shall provide the Service User, the Third Party and the Service Purchaser, not less than twenty eight (28) working days' notice of any change in the amount of the Third Party Contribution and it shall be the responsibility of the Service Provider to obtain the agreement in writing of the Third Party to the change and to provide a copy to the Service User and the Service Purchaser(s).

8.11 Where the Third Party is paid direct to Service Providers and in the event the Third Party is in arrears with the Third Party Contribution the Service Provider shall first use best endeavors (short of litigation) to obtain payment and shall refer the matter to the Service Purchaser(s)'s Designated Officer. The Service Provider shall not permit the Third Party Contribution to be unpaid for more than four (4) weeks before notifying the Service Purchaser(s).

8.12 Where the Third Party ceases to pay the Third Party Contribution for any reason, the Service Purchaser(s) shall not be obliged to maintain the Service User in a Home more expensive than the Service Purchaser(s) would usually expect to pay and the Service User may be required to move to alternative accommodation on reasonable notice unless, following re-assessment and a Review of Service meeting, it is concluded that the Service User's assessed needs (to include his / her rights under the European Convention on Human Rights) can only be met in the current Home. In such circumstances the Service Purchaser(s) shall make up the difference between the Care Home Fee and the current respective contributions paid by the Service User and the Service Purchaser(s).

8.13 A Third Party Contribution shall not be required where the Service Purchaser(s) decides, following assessment, to offer to place a Service User in a more expensive Home to meet the Service User's assessed needs or for other reasons.

7. MCC Contract to Client

Care Plan Contract

1) The Provider agrees to provide care for the resident in accordance with the Contract Agreement for Care Home Accommodation Functions, this Care Plan Contract and the Residents Care Plan.

2) For new placements the Council agrees to pay residential care fees of £725.00 per week to the Provider in respect of the Resident. This payment will include the assessed resident's contribution.

Third Party Payments

3) Should any third party contributions be appropriate these will be agreed between the provider and the third party and the arrangement of collection of these fees will be made between them (i.e. third party payments will be paid directly to the provider).

4) In the event of a default of the third party fee, the council will not be responsible for the continued payment of the fee. The Provider and the Council would act in accordance with clauses 8.11 and 8.12 in the contract agreement.

5) As described in clause 8.13 of the main contract agreement, a third party contribution shall not be required where the Service Purchaser(s) decides, following assessment, to offer to place a Service User in a more expensive Home to meet the Service User's assessed needs or for other reasons.

8. Penpergwm House: Contract of Care (issues to a permanent Client)

Schedule 3; Example 5:

If any of the Paying Parties is unwilling to continue to meet any increase to the Fees, the End Date will be 90 days after we receive written notice of this. The reason for the extended period in this case is to allow time for the Client to find a new placement, and also to allow time for possible negotiations to take place that might resolve the problem

9. Care and Support Needs Assessments

As mentioned in Point 2, the room rate includes certain items like the phone and activities. However, as per the Contract of Care, Schedule 2:

a) Where it has been identified that the Client's needs have increased for whatever reason and at whatever time and the need for additional support is required, for example: additional specialist equipment; specialist staff training; additional care staff required etc.; the fees will be reviewed and increased or adjusted accordingly based on the Dependency Profile. The Care Evaluation Profile Rate will be invoiced in arrears.

b) The increased or changing needs and associated increased or adjusted fees will be discussed fully with the Client and the Client's Representative(s). 48 hours' notice of the intention to increase or change Dependency fees will be provided.

This is when a client's needs becoming more dependent and possibly above the standard support provided. As an example, assisting someone to get up in the morning, having a bath or shower, going to the toilet, helping with their mobility, proving emotional support etc is all considered a "Medium Dependency". If someone needs 2 carers to hoist them, provide 2 hourly pressure relief and a lot of support due to mental health reasons, then it may be considered a High Dependency. As mentioned above in (b), if a client's needs do start to change considerably, they and their families will be involved in understanding the next assessment steps as well as whether a Care Evaluation Profile Rate will be required.

If a client's care needs change and become even more complex or challenging to manage then the Registered Manager will request an assessment of care needs from the GP and District Nursing Team to ensure that we are still providing support within our CIW registration guidelines.

We are able to support many clients in different ways, even at the end of life stage, so it is very rare that we need to start this process and clients and families are always involved in this decision making process.

10. Legislation

The way that local authorities must and should support people with their care is explained in the following legislation:

1. Social Services & Well-being (Wales) Act 2014:

   https://www.legislation.gov.uk/anaw/2014/4/enacted

2. The Care and Support (Choice of Accommodation) (Wales) Regulations 201
3. Social Services and Well-being (Wales) Act 2014:
   Part 4 and 5 Code of Practice (Charging and Financial Assessment)

11. Attendance Allowance

A person who pays for their care privately may be able to claim Attendance Allowance but please see the below website for more information.

https://www.gov.uk/attendance-allowance/what-youll-get

12. Power of Attorney & impact on care

Enduring Powers of Attorney ("EPA's") were a fore-runner to Lasting Powers of Attorney ("LPA").

EPA's enabled a person to choose someone else ("Attorney") to look after their affairs in the event that they lost the capacity to manage it themselves and were strictly limited to the their **financial affairs**. EPA's can no longer be made after 1st October 2007, however, if an EPA

was made before that date, it would remain valid and can be used by the appointed Attorney to manage a person's business affairs.

LPA's were introduced by the Mental Capacity Act 2005 to replace EPA's as it was felt that the old EPA regime could possibly leave Donor's vulnerable to unscrupulous Attorneys.
There are two different types of LPA:

1. Property and Affairs
2. Health and Welfare

Each type covers different decisions and there are separate application forms for each. A person can choose to either make both types, or just one. There can be the same attorney for both, or there can be different attorneys.

The main difference between the old EPA regime and LPA's is that an LPA must be registered with the Office of the Public Guardian before it can be used whereas an EPA can be used from the moment it is signed and is only required to be registered once the Donor loses capacity.

Health and welfare LPA's can only be used once the Donor has been deemed to have lost capacity to make such decisions for themselves.

General Powers of Attorney ("POA") are limited to only dealing with financial affairs and will cease to be effective if the person loses capacity.

In the event of a health and welfare issue, a representative who only has an Enduring Power of Attorney (EPA), General Power of Attorney (GPA) or a Lasting Power of Attorney (Property & Finance) will not be able to make a decision regarding their loved one's health and welfare.

The representatives' views and wishes will be taken into consideration but only as part of a decision-making process involving others who are involved in the person's care.

However, if someone has a LPA for Health & Welfare, the representative is able to make important medical and care decisions, after weighing up the information provided, on behalf of their loved one if they do not have the means or capacity to do so themselves.