

**Merthyr Tydfil County Borough Council**  
**People and Performance Directorate**  
**Social Services Department**



Cyngor Bwrdeistref Sirol  
**MERTHYR TUDFUL**  
**MERTHYR TYDFIL**  
County Borough Council

**Third Party Payments**  
**Residential / Nursing Care**

Revised April 2016

If the charge made by the care home of your choice is greater than the fees MTCBC is prepared to pay for your care, the difference can be paid by a third party sponsor. This leaflet explains more about this arrangement.

### **When is a Third Party needed?**

A third party contribution is only needed when the fees of your chosen care home are more than the price MTCBC would usually expect to pay. Many care homes charge fees that are the same as those set by MTCBC each year as the maximum amount it will pay. However some care homes charge more.

If you choose a care home that is more expensive than the price MTCBC will pay, you will need to find some way to pay the difference. This is called a third party arrangement. You will need to identify a sponsor to make the third party payments. The amount of the third party payment should be negotiated between the third party sponsor and the care home manager.

### **Who can be a Third Party Sponsor?**

Usually the third party sponsor is a relative or friend who will be required to enter into an agreement with the council/care home, which will form part of the resident's agreement for residential or nursing care.

The council and the sponsor must be satisfied that they have enough resources to cover the third party payments for the foreseeable future.

### **Can I make Third Party payments myself?**

No, you cannot pay the third party amount yourself. Residential and nursing home accommodation is not provided free of charge. When you move to a care home you will have to pay a weekly assessed contribution. Your income, benefits, savings and assets will already be taken into account to calculate your assessed contribution.

An amount of money is disregarded when calculating your assessed contribution to cover personal expenses that are not included in your fee to the care home. The regulations do not allow for the third party payments to be taken from your personal allowance.

**However there are some exceptions:**

## **What are the exceptions?**

If you own your property and the value is to be taken into account twelve weeks after your admission into a residential / nursing care home, you will be offered a deferred payments agreement (please see separate leaflet).

If you enter into this agreement we will allow you to accrue the difference between the full cost of the care provided (including the third party) less the contributions currently being collected by this authority against the property. This amount will be claimed back when the property is sold.(i.e. if the weekly cost of your care is £600 and the third party is £100 and you are currently paying the authority £150 a week, then £550 a week is the amount secured against the property).

A valuation of your property must be provided to ensure that there are sufficient funds to cover any outstanding fees including the third party.

In this instance the client or a third party sponsor will only be required to pay the third party payments for the first twelve weeks.

If you have savings over the capital limit set by The Welsh Government you will be eligible to cover the full cost of your care home placement yourself and a third party will not be required. The fees to the home should be negotiated between you and the home manager.

When your savings fall below the capital limit set by The Welsh Government you will be able to approach the council for financial assistance towards your care home placement (this will be subject to a needs assessment). If you are eligible for financial assistance but the home you are already living in charges more than the maximum fee level set by the council you will need to identify a third party sponsor to meet this additional amount. If a third party sponsor cannot be found we may need to consider moving you to less expensive accommodation. You should consider this prior to choosing your care home.

## **Who receives the Third Party Payment?**

The third party payment will usually be paid direct to the home by the third party sponsor. In exceptional circumstances this may be collected by the council.

## **Will the amount stay the same?**

The level of payment made as a third party payment towards the overall charge will increase (generally annually) when the rate charged by a care home increases. However, if your circumstances change and you need a higher level of care the third party contribution could also change.

Legally there is nothing to say that the increase in fees has to be shared equally between MTCBC and the third party. However, we will try to make sure that the third party contributions are reasonable, and increases are at a similar rate for all parties.

### **What if the third party stops payments?**

If this happens, the home will tell us straight away. If the third party sponsor can no longer make payments and you are unable to identify an alternative sponsor, we will negotiate on your behalf with the care home to see whether they will accept the set local authority price for the accommodation, which will be lower than the price you are being charged.

If the care home is not prepared to re-negotiate the price then you may need to move to a less expensive room in the same home or to an alternative home at the local authority rate. Before this happens, the Care Manager will carry out a full community care assessment, in order to ascertain the impact the move might have.

If in the meantime, if we have had to meet any shortfall, we may recover it from the third party. Before entering into a third party agreement the sponsor must consider what will happen if the fees increase in the future and whether they will be able to afford to continue to meet the third party payments.

### **Where can I get more information?**

If you require more information than what is contained in this leaflet you can contact the Financial Assessment and Charging Team for advice on 01685 725069.

Alternatively you can seek independent advice from your local Citizens Advice Bureau or other voluntary organisation.

### **USEFUL CONTACTS**

Duty Officer - Tel: (01685) 725000

Assessment and Charging Team - Tel: (01685) 725069