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Adult social care charging reforms

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Introduction to the care charging reform

From October 2023 the government will be introducing changes to the way people pay for care and support in England. The purpose is to protect people from unpredictable care costs by limiting the costs a person in England will spend on their eligible care and support needs over their lifetime.

Blackpool Council has agreed to be an early adopter for the change or a 'trailblazer' and we will be introducing these changes early.

The lifetime cap on care costs will be set at £86,000. Those assessed by the local authority as having eligible care and support needs, whether you are new to services or an existing social care user, can progress towards the cap. The maximum anyone will have to pay over their lifetime for personal care costs is £86,000. This is based on what the local authority charge to meet eligible care needs, or in the case of self-funders (people who arrange their care themselves) what the cost would be to the local authority of meeting your eligible care needs. Only your assessed contribution (what you pay) will count towards the care cap.

The upper financial threshold will change to £100,000 and the lower limit £20,000. If you have over £100,000 in cash assets you will not be eligible for financial support towards the cost of your care and support. The amount you pay to meet your eligible needs will be counted towards the care cap. If you have below £100,000 we will offer you a financial assessment to determine the amount you would contribute towards the cost of your care and support - it is the calculated cost of your contribution amount that will be counted towards the care cap.

Is my property taken in to account as an asset?

Your property is only taken in to account if you are living long term in a residential or nursing home, you own your property and have no spouse/partner or dependents remaining in the property. You may choose not to sell your property and may be eligible for a Deferred Payment - see the Deferred Payments Fact Sheet.

How can I get an assessment?

You can contact us to request an assessment (link <https://support.blackpool.bettercare.org.uk/>) of your needs or complete the [on-line self-assessment](#) which will help you determine if you have eligible social care needs.

What happens next?

Following your assessment we will discuss with you in which areas you meet the eligibility criteria.

If you have over £100,000 in cash assets and choose to make your own arrangements to meet your needs you will need to keep invoices and receipts from your chosen care provider to show the money you are spending towards your care cap. Anything you spend over and above the Independent Personal Budget amount will be your choice and will not count towards the care cap. If you wish us to arrange your care for you there will be an annual administration fee of which will not be counted towards the care cap.

What date does my care account start?

Your care account will start from the date you contact us to request an assessment of your needs or, from the date your care

commences if this is later than the date you contact us. Any care provided prior to this date will not be counted toward the care account.

This is with the exception of those with assets over £100,000 who are already living in a residential or nursing home who will not be eligible for a care account until further announcements are made by Government.

Daily Living Costs

If you are receiving care in a residential or nursing home daily living costs will be deducted from your Independent Personal Budget or Personal Budget to arrive at the amount that counts towards the cap.

The amount deducted for daily living costs is £212.00 per week and will change annually in-line with inflation.

Example: You pay £700 per week to your residential care home, £212 would be deducted for daily living costs leaving £488 per week which would count towards the care cap.

Top Up's

Some providers charge fees which are higher than Blackpool contracted rates. Any amount over and above the Blackpool contracted rate is referred to as a 'top up'. These are either 1st Party top-ups (paid by you) or 3rd Party top-up's paid by someone else. Some providers may be willing to negotiate the top up charge and you need to consider these top up charges may also be increased. If you or your family agree to pay a 'top up' charge you must consider if this is sustainable long term.

If it is established that you are no longer able to pay the top up we may ask you to move to another provider based on your individual needs as the council will only consider paying 'top up' charges in exceptional circumstances.

Any top up charges are not counted towards the care cap.

Costs that do not count towards the care cap

- Costs of meeting eligible needs incurred before the assessment.
- Any financial contribution from the local authority towards a care package
- Daily living costs for residential/nursing care
- Any top up payments
- NHS funded nursing care for people in care homes and continuing health care
- The cost of services that are provided under other pieces of legislation (for example, free aftercare provided under section 117 of the mental health act, discharge to assess support, reablement)
- Care provided informally by family/friends
- Admin charges

When would I reach the care cap?

People will reach the care cap at various times and no two people will be the same.

Example 1

You have over £100,000 in savings and pay privately for your care:

You pay £25.00 per hour privately for a carer to provide support for 7 hours per week.

Your budget would be based on the council's hourly rate of £17.35, the difference of £7.65 would be a Top Up and would not count towards the care cap.

7 hours care per week x £17.35 per hour = £121.45 per week x 52 weeks = £6,315.40, this would be your annual independent budget amount and would count towards the care cap.

If you continued to receive 7 hours support per week it would be 13.6 years before you reached the care cap amount of £86,000.

Example 2

You have over £100,000 in savings and pay privately for residential care:

You pay £700.00 per week for your residential care placement.

Your budget would be based on the council’s contracted rate of £586.74, the difference of £113.26 would be a Top Up and would not count towards the care cost.

The daily living rate for residential care is £212.00 per week and this amount would be taken from the weekly amount £586.74 - £212.00 = £374.74 x 52 weeks = £19,486.48 would be your budget amount.

If you continued to receive residential care at the same rate it would be 4.3 years to reach the care cap.

Example 3

You have less than £100,000 and pay a contribution towards your care:

If you have less than £100,000 and have received a financial assessment only the amount you contribute towards your care counts towards the care cap.

You receive 7 hours care per week, your personal budget would be based on the cost of the care to the council.

Your budget would be based on the council’s hourly rate of £17.35.

7 hours care per week x £17.35 per hour = £121.45 per week x 52 weeks = £6,315.40, this would be your annual personal budget amount. Following the financial assessment you have been assessed to pay £7.00 per week towards the cost of your care.

£7.00 x 52 weeks = £364.00 per year would count towards the care cap.

If you continued to receive 7 hours support per week and your financial situation did not change it would be 236.3 years before you reached the care cap amount of £86,000.

Need more information?

You can visit the [government website](#) for more information about care accounts and some other examples.

There are also some independent charities and support services who can provide you with additional advice and information for example; [Citizens Advice](#) and [Age UK](#).

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