



# MIDDLETON HALL

RETIREMENT VILLAGE

*“Funding Care –  
A guide for residents and families”*





## INTRODUCTION

Funding care is never far from the headlines. The government has failed to come up with a truly viable long-term solution for the funding of long-term care. Following the Dilnot report, the government proposed a new social care cap but in 2015 it announced that this would be postponed until 2020(see later). Funding remains a difficult and complicated matter for people dealing with it for the first time.

This guide is designed to help Middleton Hall residents and their families find their way through the current funding system to the most appropriate options. It is not designed to provide advice and our clients should always seek independent financial or legal advice.

## MIDDLETON HALL FEES

Middleton Hall has different fee structures for each service. We publish our fees annually along with an up-to-date list of government funding. This is available to all residents and families to be read in conjunction with this guide.

There are two guiding principles behind our fee structures:

### 1. RESIDENTS PAY FEES BASED ON WHAT THEY RECEIVE

We believe that someone requiring considerable staff time should pay more than someone who remains relatively independent.

Throughout Middleton Hall, clients pay according to the size of their accommodation or the package of extra services they have chosen to receive. In addition, within Middleton Gardens and Middleton Court, each client's care needs will be assessed and fees set according to the band or 'Care Level' which is appropriate for them. These are re-assessed regularly and adjusted as needs change. For example, someone coming into Middleton Hall from hospital will often show health improvements resulting in their fees decreasing after a short time. Conversely, if someone's health deteriorates, calling for a higher band of care, his or her fees will increase.

The assessment is carried out with residents and/or families and is designed to be fair and transparent.

### 2. FEES ARE THE SAME WHETHER SOMEONE IS SELF-FUNDING OR STATE FUNDED

We believe that someone who has ensured they have savings to pay for their own care should not pay more than someone who is funded by the state. Many care homes charge significantly higher fees for self-funding residents resulting in those self-funding clients effectively subsidising state funding.

As a result of the high level of services and facilities we offer, our fees are generally above state funding levels. This means that clients entitled to Local Authority Social Services Funding will have to find a third party to top up their fees to Middleton Hall's levels.

## SELF-FUNDING CLIENTS

Self-funding clients can fund their care from investment income or savings. There are schemes available to help avoid using capital to fund care fees. These include:

- Annuity schemes
- Care fees payment plans
- Equity release

Self-funding clients do not need to involve the local authority or liaise with a care manager (social worker) unless they anticipate needing local authority funding within a year (see below).

Clients should seek independent financial advice on such schemes. The Society of Later Life Advisers (Solla) is a not-for-profit association who specialise in the financial needs of older people. [www.societyoflaterlifeadvisers.co.uk](http://www.societyoflaterlifeadvisers.co.uk)

Age UK (formerly Age Concern) is a charity with a lot of useful leaflet form ([www.ageuk.org.uk](http://www.ageuk.org.uk)).

## STATE FUNDING - NON-MEANS TESTED

There are certain non-means-tested allowances that residents may be entitled to. The most common are:

- Attendance Allowance (over 65) and Disability Living Allowance (under 65). These are paid by the Department of Work and Pensions.
- Winter Fuel Payment. This should be paid automatically, as long as you are receiving a state pension.
- Nursing Care Contribution or Continuing Healthcare (see under nursing care)
- Other benefits such as pension credit and carer's allowance may be claimable

## LOCAL AUTHORITY FUNDING - MEANS TESTED

If you have savings below the threshold determined each tax year, you should be entitled to funding from the local authority area that you currently live in. The amount you will be entitled to varies between two thresholds – below the lower level, you receive full funding and between the lower and upper levels, you receive part funding which increases as your savings decrease.

Most care homes operate with local authorities under a framework agreement. Middleton Hall contracts with Darlington Borough Council on a 'spot purchase' basis which provides greater flexibility.

Residents with local authority funding have an absolute entitlement to choose Middleton Hall with this contract arrangement under the Department of Health's Choice Directive.

The local authority has set fees for residential and nursing care. These are generally below Middleton Hall's fees. This will require a 'top up' from a third party (family or friends) to meet the balance of the fees.

## NHS FUNDING (NURSING CARE)

Where a client is assessed as requiring nursing care, the NHS will pay a non-means-tested contribution to their fees that is set each year. This is known as a nursing care contribution and is paid by the CCG (Clinical Commissioning Group).

Clients needing high levels of specific nursing care, can be assessed as requiring Continuing Health Care.

Self-Funding residents already at Middleton Hall must inform the local authority when their savings are within a year of falling below the threshold for local authority funding. At this point, Darlington Borough Council will set out three choices:

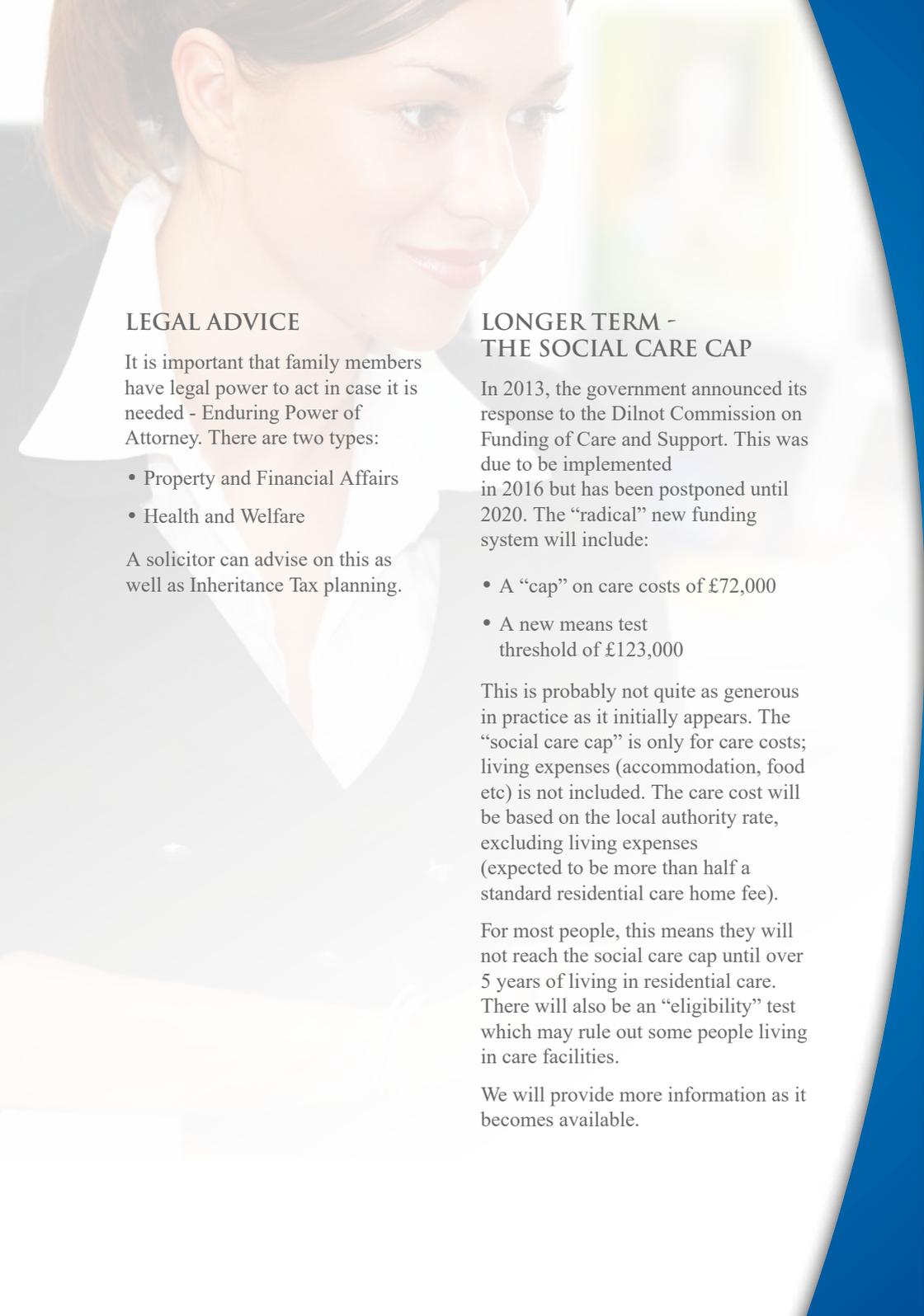
1. If they wish to stay at Middleton Hall, a third party agrees to pay the top up
2. They can choose to move to an alternative care home where there is no top up
3. If only Middleton Hall can meet their needs (the resident is not able to be moved), Darlington Borough Council will meet Middleton Hall's full fees.

A care manager (social worker) from the local authority will normally assess the care needs of a resident at this point as well as undertake a financial assessment.

There are also arrangements for people who own a property where the local authority will provide funding for fees while the property is on the market – Deferred Payment Agreement. At the point that the house is sold, the fees are then repaid to the local authority.

In these circumstances, the NHS will pay for their care needs.

At present Middleton Hall does not have registration to provide a nursing care service. Should the resident be assessed as requiring nursing care, then care can only be provided by care homes registered to provide nursing care.



## LEGAL ADVICE

It is important that family members have legal power to act in case it is needed - Enduring Power of Attorney. There are two types:

- Property and Financial Affairs
- Health and Welfare

A solicitor can advise on this as well as Inheritance Tax planning.

## LONGER TERM - THE SOCIAL CARE CAP

In 2013, the government announced its response to the Dilnot Commission on Funding of Care and Support. This was due to be implemented in 2016 but has been postponed until 2020. The “radical” new funding system will include:

- A “cap” on care costs of £72,000
- A new means test threshold of £123,000

This is probably not quite as generous in practice as it initially appears. The “social care cap” is only for care costs; living expenses (accommodation, food etc) is not included. The care cost will be based on the local authority rate, excluding living expenses (expected to be more than half a standard residential care home fee).

For most people, this means they will not reach the social care cap until over 5 years of living in residential care. There will also be an “eligibility” test which may rule out some people living in care facilities.

We will provide more information as it becomes available.

## SOURCES OF INFORMATION

We will always endeavour to provide relevant information at Middleton Hall. However, we are obviously not able to offer financial advice or recommend specific advisers. For general information, including our fees information, please ask at reception.

There are a number of different types of professionals who may be able to help you with funding issues:

- Solicitors
- Independent Financial Advisers
- SOLLA  
([www.societyoflaterlifeadvisers.co.uk](http://www.societyoflaterlifeadvisers.co.uk))

There are also a number of charities that provide useful information:

- Age UK ([www.ageuk.org.uk](http://www.ageuk.org.uk))
- EAC (Elderly Accommodation Council) via  
([www.firststopcareadvice.org.uk](http://www.firststopcareadvice.org.uk))
- Counsel and Care  
([www.counselandcare.org.uk](http://www.counselandcare.org.uk))

Government information is available from:

- Department of Health  
([www.doh.gov.uk](http://www.doh.gov.uk))
- Public Service web site  
([www.direct.gov.uk](http://www.direct.gov.uk))
- Local authority Adult Services Department - Care Managers  
([www.darlington.gov.uk](http://www.darlington.gov.uk))

If you would like to discuss any matters arising from this information, please arrange to meet up with the relevant service manager at Middleton Hall.



# MIDDLETON HALL

RETIREMENT VILLAGE

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