



## **Frequently Asked Questions: Fairer Charging - Adult Social Care**

### **Who will be impacted by these proposals?**

There will be two groups of people who will be impacted by these proposals.

- People who receive care in their own home and contribute towards the cost of their care will be impacted by proposals one, two, three, four, and five.
- People who are in a care or nursing home and contribute towards the cost of their care will be impacted by proposals four, five, six and seven.

### **How will these changes impact on the services I receive?**

The services that you receive will not change but the amount that you pay towards your care may change. You will only be asked to pay the amount identified in your financial assessment.

### **How do you calculate how much I will pay?**

If your capital (for example your savings) is more than £23,250 you are required to pay the full cost of your care. This is known as a 'self funder'.

If your capital is less than £23,250, the council may provide financial support and you may have to contribute towards the cost of your care. The council will undertake a means tested contribution, known as a financial assessment. This is based on your income and expenditure. You can request this by completing and submitting a financial assessment form using the link below:'

[www.stockport.gov.uk/helpcarecosts](http://www.stockport.gov.uk/helpcarecosts)



## **How do you propose to calculate the interest charges where a deferred payment arrangement has not been signed?**

We are proposing to introduce interest charges on the money owed to the council (known as accrued debt). The Care Act 2014 allows us to do this and sets the maximum amount that councils are able to charge.

The interest rate will change every six months on 1 January and 1 July to match the government borrowing rate (Gilt Rate) plus 0.15%.

**The rate in April 2025 will be 4.25% - the gilt rate of 4.10% plus 0.15%.**

The interest charged will be added to the amount you owe. This means that the interest will be added to the money you borrowed, and then you will have to pay interest on the new total amount. This is known as compounding the interest.

## **When will any of these proposed changes come into effect?**

If any of these proposals are agreed, changes would come into effect from **April 2025**. After the consultation has ended, we will let you know the outcome and any changes that impact you. This will happen before any changes are implemented.

## **If I want to talk to someone about these proposed changes, who do I contact?**

You can leave a telephone message on our dedicated Adult Social Care Fairer Charging Consultation Line;

**0161 217 6029 (Option 1)** at any time and we will look to respond to you within 3 working days.

Alternatively, you are welcome to send us an email to our dedicated email account – [ascfairercharging@stockport.gov.uk](mailto:ascfairercharging@stockport.gov.uk)

## **What is a Deferred Payment Agreement (DPA)?**

A DPA is a type of loan that homeowners can use to pay for their care home or nursing home. It's designed for people who cannot afford their



weekly care costs because most of their money is tied up in the value of their home.

### **I currently live in a care home, how will these changes affect me?**

If you currently live in a care home or a nursing home, there are two ways in which these changes might affect you.

- 1) If you own a property and are intending to enter into a deferred payment agreement (DPA) with the Council.
- 2) If you have capital between £14,250-£23,249 included in your financial assessment, and this has reduced by £250 when your financial assessment is reviewed each year, then the proposal to remove the 10% capital adjustment will impact you.

### **What is capital?**

Capital refers to assets that are included in your financial assessment when calculating how much you pay for care home or nursing home costs. It includes money in the bank, building society accounts, stocks, shares, bonds, national savings, property, and land.

If you have:

- more than £23,250, you will have to pay the full cost
- between £14,250 and £23,250, you will have to pay £1 weekly for every £250 or part of £250 over £14,250 (in addition to a contribution from your income)
- less than £14,250, we do not take your savings into account.

### **How long does the consultation last and who will make the final decision?**

The consultation will run from 21 November 2024 closing on midday 8 January 2025. Responses will help to shape the development of these proposals which will return to Scrutiny Committees in January ahead of final sign off at Budget Council in February 2025.



## **What do the proposals mean for Disability Related Expenditure?**

This consultation does not change our approach to how we calculate Disability Related Expenditure.

## **What is protection of property?**

Protection of property means that the council will take steps to ensure that a person's belongings and home are safe when they can't look after them themselves. This includes making sure their home is secure or taking care of their pets. The goal is to make sure that the property is not neglected or at risk while they are in the hospital, a care home, or receiving care services at home.

## **What is a subsidy?**

A subsidy is financial help given to individuals. In Stockport, we have been able to reduce the cost of care for our residents. This means people have been charged less than what it costs the council to provide Adult Social Care Services.