



# 3rd Party Top up Payments for care home residents

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This factsheet is intended to provide basic information on Leicestershire County Council's arrangements for managing 3rd Party Top up Payments.

For more detailed information please refer to the full policy which can be found on [https://www.leicestershire.gov.uk/adult social care and health/paying for care/financial assessment for a care home](https://www.leicestershire.gov.uk/adult-social-care-and-health/paying-for-care/financial-assessment-for-a-care-home)

A 3rd Party payor is advised to take appropriate independent advice before entering into the 3rd Party Agreement.

### Definitions:

Service User	Person receiving care services provided under the Care Act 2014.
The Council	Leicestershire County Council
Provider	Organisation providing care services to the Service User
Top up	The difference between the actual charge that the Provider makes for the Service User's care placement and the normal rate, amount that the Council would have used to meet the Service User's eligible needs.
Eligible Needs	When the Service User's needs meet the Council's criteria for council funded care and support.
3rd Party payor	Someone who agrees to pay the top up for the Service User. This may be a relative, friend or charity.
Assessed Charge	The contribution towards the care home costs paid by the Service User from their income and savings.

## 1. Overview

- 1.1. Where a Service User needs care and support to be provided in a care home, the Council must ensure that the Service User is offered at least one place that can be paid for within the Council's normal rates. This means that the Council must offer an affordable option.

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<https://www.leicestershire.gov.uk/adult-social-care-and-health>



- 1.2. The Service User or their representative can choose a more expensive care home place if a top up payment can be agreed to meet the additional costs of their care and support.
- 1.3. The service user can only pay a top-up themselves, or their representative from the service user's own resources if:
  - They are eligible for a 12-week property disregard, or
  - a deferred payment agreement is in place, or
  - accommodation is provided under S117 'after care' of the Mental Health Act
- 1.4. The top up payment can be paid by one or more 3rd party payors.

## 2. Top up Payments

- 2.1. When agreeing a top up, the Council will use the normal rate that was calculated to meet the eligible needs of providing care and support in an accommodation setting of a similar type.
- 2.2. The top up payment is the difference between the actual costs of the care and support from the preferred Provider and the normal rate that the Council has determined is suitable for the Service User's eligible needs.
- 2.3. The Council will provide the Service User with the information they need to understand the total amount of charges being paid and how this links to their normal rate amount and their assessed contribution.

## 3. Contracts and Individual Agreements

- 3.1. The Council is responsible for the contract with the care home Provider for the placement and therefore the Council pays the Provider the total cost of the placement, an amount equal to the Council's contribution, the Service User's assessed contribution and the 3rd party top up payment.
- 3.2. The 3rd party payor is responsible for reimbursing the Council for the top up payment and must complete an individual agreement with the Council.
- 3.3. By signing the agreement, the 3rd party payor undertakes to continue the top up payment for the duration of the placement and recognises that these payments will continue for some time into the future, i.e. until the Service User dies or the placement is no longer appropriate.
- 3.4. The 3rd party payor must make top up payments every 4 weeks in arrears to the council preferably by direct debit. Payment of a 3<sup>rd</sup> party top up amount cannot be deferred.

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## 4. Breakdown / Failure to Pay Top up payments

- 4.1. If the 3rd party payor stops making the agreed payments the Council is liable for these payments to the Provider.
- 4.2. The Council will take action to recover these additional costs / outstanding debts from the 3rd party payor through its debt collection processes.
- 4.3. If there is a breakdown in top up payments the Council may have to make alternative arrangements to meet the Service User's needs. This means they may have to move to another home.
- 4.4. The Council will ensure that the alternative placement is suitable and meets their needs and is affordable within the Council's normal rate.
- 4.5. Before considering a move, the Council will carry out a new assessment for the Service User which will take account of their wellbeing.

## 5. More than one 3rd Party payor

- 5.1. If more than one person is responsible for the top up payment an individual agreement will be completed for each 3rd party payor.
- 5.2. Each 3rd party agreement forms a part of the total 3rd party agreement for the Service User's care placement. If any one 3rd party payor notifies the Council that they wish to terminate their agreement or default on their agreement then each 3rd party agreement relating to the Service User's care placement will be reviewed.

## 6. Independent Advice

- 6.1. The Council recommends that 3rd party payors take appropriate independent advice before entering into a top up agreement.

## 7. Financial considerations

- 7.1. The person making the top up will need to meet the additional cost of the placement for the full duration of the stay. If these additional costs are not met the Service User may need to move to another home.
- 7.2. The Council recommends that the 3rd party payor(s) considers carefully whether they can afford the top up payment for the likely duration of the placement. The Income and Expenditure form at the end of this factsheet may assist with this.

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- 7.3 The 3<sup>rd</sup> party payor should consider that over the period of time the Service User is likely to stay in the care home placement the Provider may request an increase in the top up amount.
- 7.4 The 3<sup>rd</sup> party payor(s) must be able to satisfy the Council that the top up amount is affordable to them.
- 7.5 The 3<sup>rd</sup> party top amount is payable by the 3<sup>rd</sup> party payor(s) on a separate invoice(s). The Service User's own income and savings cannot be used to pay a 3<sup>rd</sup> party top up amount. The Service user will be required to pay their own assessed contribution to the cost of their care and support services from their income and savings.
- 7.6 The amount of the top up payment will not reduce if the amount that the Service User's own assessed contribution alters because of a change in their financial circumstances. Neither will the amount of the top up payment automatically reduce if the Council's normal rates increase.

## **8. Reviews**

- 8.1. The top up agreement will be reviewed at least annually. The review will usually take place at the same time as the Service User's care review.
- 8.2. If the Service User's care needs change and a care review is held then the top up agreement will also be reviewed.

## **9. 3rd party responsibilities**

- 9.1. The 3<sup>rd</sup> party payor will need to assure the Council that they are able and willing to pay the additional cost of the preferred accommodation for the period during which the Council expects to meet the Service User's needs. The 3<sup>rd</sup> party payor needs to recognise that this may be for some time into the future.
- 9.2. The 3<sup>rd</sup> party payor must inform the Council immediately of any change in their circumstances which would mean that they are unable to continue to pay the top up payment.

## **10. Increases and variations to top up payments**

- 10.1. The Council will review the cost of residential accommodation as part of the Council's Annual Fee Review process.
- 10.2. If the Provider wishes to change or increase the amount of a 3<sup>rd</sup> party contribution the Council will advise and consult with the 3<sup>rd</sup> party payor about the change / increase.
- 10.3. The Council is responsible for informing the Provider of the 3<sup>rd</sup> party payor's decision about the change / increase.

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10.4. If the change / increase is agreed the new amount will be recorded on the schedule attached to the 3rd party agreement. If the change / increase is not agreed the Council may have to make alternative arrangements to meet the Service User's needs. This means they may have to move to another home.

## **11. Termination of the top up agreement**

11.1. If the 3rd party payor wishes to terminate the agreement they should give the Council as much notice as possible and not less than 3 months' notice. This will allow the Council to review the Service User's care needs and to make alternative arrangements for their care.

## **12. Complaints**

12.1. If a 3rd party payor wishes to make a complaint about the top up arrangement this will be considered by the Council under their statutory complaints procedure.

12.2 Any complaints should be addressed to the Customer Relations Manager, Corporate Resources Department, County Hall, Glenfield, Leicester, LE3 8RL. Tel: 0116 305 7422. Email [complaints@leics.gov.uk](mailto:complaints@leics.gov.uk)

# Adult Social Care



## 3rd Party contribution self assessment form

£ monthly

### Household Income

Wages after tax and national insurance

\_\_\_\_\_

Occupational Pension

\_\_\_\_\_

State Pension

\_\_\_\_\_

Other Benefits

\_\_\_\_\_

Income from self employment

\_\_\_\_\_

Income from savings and investments

\_\_\_\_\_

Other significant income

\_\_\_\_\_

**Total Household Income per month**

\_\_\_\_\_

### Household Expenditure

Council tax Mortgage payment

\_\_\_\_\_

Rent

\_\_\_\_\_

Gas / Electric

\_\_\_\_\_

Water

\_\_\_\_\_

Buildings & Contents Insurance

\_\_\_\_\_

Mortgage life insurance

\_\_\_\_\_

Ground Rent / Service Charge

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Phones mobile & landline

\_\_\_\_\_

TV, Internet & Broadband

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Food & groceries

\_\_\_\_\_

Loan / HP repayments

\_\_\_\_\_

Credit card repayments

\_\_\_\_\_

Childcare costs

\_\_\_\_\_

Child maintenance or child support

\_\_\_\_\_

Public transport

\_\_\_\_\_

Fuel Vehicle running costs

\_\_\_\_\_

Other significant expenditure

\_\_\_\_\_

**Total Household Expenditure per month**

\_\_\_\_\_

**Household Disposable Income per month**

\_\_\_\_\_

Proposed weekly third party top up amount

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Proposed monthly third party top up amount

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