

1 in 4 older people who are legally entitled to a free care home place are facing hidden charges on their family

New Age UK 'Behind the headlines' report: the 'third party top ups' stealth tax

A new report by Age UK reveals another element of unfairness in the UK's failing social care system, with the families of 1 in 4 care home residents^[i] whose care is supposed to be free – representing 1 in 10 of all care home residents - forced to stump up 'top up fees' that can run into thousands each year.

Age UK's latest report, - **'Behind the headlines: the '3rd party top ups' stealth tax** – reveals how the families of care home residents whose care is supposed to be fully funded by the State are sometimes having to contribute significant amounts themselves.

Based on research by Age UK, this applies to the families of 48,400 older people in care homes across the UK who are being made to pay 'top-up fees', despite their loved one meeting the tough conditions for their costs to be paid entirely by the State, via their local council. The 'top-ups' being asked for vary but can sometimes exceed £100 a week.

The law says that 'top ups' should only be paid voluntarily by third parties – usually families – for example, to pay for a home closer to family or extra facilities such as a nicer room, and with their informed consent. It makes it clear that older people have the right to be offered at least one residential placement which is available and affordable within the funding the council has allocated to them – i.e. without the need for any topping up by a third party. However, unfortunately at Age UK we are hearing more and more examples of relatives being asked to pay a 'top up', often because there is no local care home place available that the council has enough money to pay for. The Charity therefore believes the third party top ups regime is too often being abused.

When an older person needs to move into a care home this is often a difficult and upsetting time for them and their family, but Age UK is worried it is being made even worse by demands for top-up fees that families have not been led to expect and that come as a nasty surprise, given that their loved one has qualified for fully funded care.

Caroline Abrahams, Age UK's Charity Director said:

"Over the last year Age UK took over 250 calls from worried families complaining about demands for extra fees, when their loved one's care home place was supposed to be paid for in full by the local council.

"Families are finding themselves in horrible situations, such as knowing that unless they pay up their older relative will have to live in a care home that is so far away they will be cut off from everyone they know. In some cases families are being asked to pay a lot more than they can afford and in others we have heard of families under pressure not to dispute an unfair request for a 'top up', when their loved one is in hospital and ready to leave, because otherwise it would take even longer for them to be discharged.

“Older people and their families should make sure they understand their legal rights if they are asked for a ‘top up’ as it is sometimes possible to challenge these demands. Age UK has a lot of free information available via our advice line and website.

“In today’s cash strapped care system we fear that ‘third party top ups’ are increasingly a form of ‘stealth tax’ on families, unfairly exploiting their desire to do right by their loved ones if they need to move into a care home. This is hugely unfair and it’s yet another reason why the Government must live up to its commitment to consult on new proposals on social care, later this year.”

Calls to Age UK’s Information and Advice line show just how powerless many older people and families feel when they are trying to arrange and manage care, with ‘third party top up’ an area ripe for being abused:

- People are often unaware of the legislation governing top ups – councils should therefore refer people to relevant independent information from, for example, Age UK, at the time that they are expected to pay top-up fees.
- People are rarely aware of what the council’s contract with the care home covers. To prevent this, families and/or friends of care home residents should expect a statement setting out what the council has paid for, including care and support, accommodation and ‘hotel costs’.
- To protect against the risk of being unfairly evicted for not paying top-up fees, care home contracts should give residents much greater protection against eviction and should clearly set out the circumstances in which care homes can give them notice.

Case studies

The stories below reflect just some of cases outlined in the report and are representative of the 250 calls received to our Information and Advice line, in relation to Top-Up fees. Names, gender and certain details and characteristics have been changed to preserve our callers’ confidentiality.

Care home fees go up so it’s ‘pay a top up or move out’: Linda’s mother went into a care home in 2015, and is funded by her council. The council helped Linda to find a care home that did not require a top up. However, four weeks later, by which time her mother was settling in, Linda was told her mother could only remain if a top up of £120 a month was paid. More recently, this has since increased to £160 a month. The council says that if Linda can't pay the top up then she should look for a home that doesn't require one.

Top ups demanded when self-funders run out of money: Maureen’s father is in a care home with nursing provision. Her father wants to move closer to her. She has found a place and the council has finally agreed to pay the full cost, minus her father's contribution. They initially asked for a top up, but a care assessment was carried out to establish his needs and the council has agreed this is the cheapest one that meet his needs. Maureen has now been asked to sign an agreement that any future increases will be paid by her. Maureen does not

know how much an increase might be, and is worried about effectively signing a blank cheque.

Hospital discharges held up by requirements for top ups that families cannot fund:

Jo's father-in-law has been in hospital for 12 weeks, having been medically fit to leave for a while, but without a suitable care home in the area. The family have since identified a care home outside the area which they think is appropriate but social services say they will not pay the full fee rate, meaning that a top-up payment is required. Jo is going to have to make a contribution, which will leave her with very little money to live on. She says that the council has told her that her father-in-law cannot be discharged from hospital until the family agree to sign a top-up agreement. This is placing her in an extremely difficult and stressful position.

Care homes improperly demanding top ups directly from families: Barry's mother is moving to another care home and is receiving council funding. The council arranged an £18.00 a week top up with Barry which he was happy with. However, the new care home asked Barry for a separate £300.00 a week top up and told him not to tell the council. Luckily Barry did tell the council and the council contacted the home. When the council asked them about it the care home said that Barry had 'misunderstood'.

-Ends-

Ref:

Notes to editors

1. For a copy of the report '**Behind the headlines: the '3rd party top ups' stealth tax** **contact** Will Staynes or Liz Fairweather on

Tel: 020 3033 1264/020 3033 1718 or Liz.Fairweather@ageuk.org.uk /

William.Staynes@ageuk.org.uk

References

^[1] Laing & Buisson – UK Healthcare Market Review – Twenty-Ninth Edition