# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE**  | **Taking Wales Forward commitment to increase the capital those in residential care can retain – Confirmation of second increase** |
| **DATE**  | **09 April 2018**  |
| **BY**  | **Huw Irranca-Davies AM, Minister for Children and Social Care** |

I informed Members in December last year that I intended to increase for a second time the amount of capital a person in residential care can retain without having to use this to pay for their care. I can now confirm this increase.

From Monday 9 April the capital limit used in local authority charging for residential care will rise from £30,000 to £40,000, thereby allowing residents to retain a further £10,000 of their hard earned savings and other capital to use as they wish.

This is a positive and welcome next step in implementing our top six Taking Wales Forward commitment to increase the capital limit to £50,000 by the end of this Assembly. This limit determines whether a person pays the full cost of their residential care themselves, or receives financial support towards this cost from their local authority. The capital limit in Wales is the highest in the UK.

When we first increased this limit in April last year from what was then £24,000 to £30,000, there were estimated to be up to 4,000 care home residents paying the full cost of their care. I am pleased to report that in the first half of 2017-18 alone this increase benefitted around 450 care home residents, with the indications that the second half of the year will see a steady increase in this number. This encouraging position convinced me that the time is right to make a second increase to the limit.

To support implementation last year we provided recurrent funding of £4.5 million through the local government settlement. For this second increase we are providing further recurrent funding on top of this of £7 million through the local government settlement for 2018-19. We have been, and will continue, to monitor the impact of these increases to not only be aware of the benefits they are realising for care home residents, but to ensure the funding we are providing remains appropriate.

I would also take this opportunity to advise you that from 9 April, I am increasing the maximum charge local authorities can make for homecare and other non-residential care and support. This will rise from £70 to £80 per week. This is part of our commitment to have a maximum weekly charge of £100 per week by the end of this Assembly.

This provision ensures a person cannot be charged more than this maximum for all of the non-residential care they require. This increase raises additional income for local authorities to help ensure the level and quality of non-residential care is maintained but only impacts on care recipients with high levels of income or capital. Those on low incomes will continue to pay a low charge or no charge at all.

This Statement is being issued during recess in order to keep Members informed. Should Members wish me to make a further statement or to answer questions on this when the Assembly returns, I would be happy to do so.