

HEALTH AND SOCIAL CARE ACT 2001

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 4 : Social Care

Measures to increase availability of Part 3 accommodation

Section 54: Funding by resident etc. of more expensive accommodation

261. Currently, people provided with accommodation by local authorities cannot themselves pay the extra required for them to be provided with more expensive accommodation than the local authority will pay for. In other words, people cannot use any assets ignored by the means test to fund a care placement whose cost is greater than the level the local council would usually pay. This is because they will have been assessed for a fair contribution so should not have extra resources to utilise in this way. A third party (for example, a relative) can make up the difference if a more expensive home is chosen.
262. Under the new arrangements – the three month disregard (whereby for the first three months from admission to residential care, the value of the resident’s home is disregarded from the means test) and the deferred payments scheme (see *section 55*) – greater numbers of people will be effectively supported by the local authority and many of these people will have some additional resources available .
263. *Section 54* allows for the making of regulations to enable both residents and third parties to make additional payments so that a resident can enter more expensive accommodation than that which the authority would normally pay for in respect of a person with the same needs. *Subsection (2)* defines additional payments.