

Moving into a care home

Social Services and Housing



Information for service users and their financial representatives on charges for care homes.

Community Care

We provide services that help people to live safely in their own homes. We will also arrange residential or nursing home care if this is needed. To do this we carry out an assessment of your needs. A Care Manager will discuss the things that you are able to do independently and those you have difficulty with and the help and care that you require.

Can I get help from the local authority towards the cost of a home?

We will only provide you with financial assistance if you are assessed as needing care in a care home and if the following applies:

- you have less than £23,250 (April 2012) in savings/assets and
- your weekly income is less than the weekly cost of the home you have chosen, i.e. the 'basic price' that the local authority will agree to fund up to – this excludes any additional care/third party payments.

(Certain assets and savings can be disregarded- for further details please contact the Finance Department on 01275 888341)

Otherwise, you will be expected to meet the full cost of the accommodation yourself. Further information for self-funders can be found in our Self-funding your stay in a Care Home fact sheet.

Everyone we support has to pay towards the cost of their care in a home and will have a financial assessment to work out their contribution.

In every case, even if you are on Income Support or Pension Credit, you will be asked to make a contribution towards the cost of your accommodation. Our payment is calculated on the difference between the amount of your contribution and the actual cost of your chosen accommodation. We will only pay up to a certain amount, depending on the type of care you require. If the amount required to make up the total cost is more than the amount we are prepared to pay, it will be necessary for you to find someone else (who is known as a third party contributor) who is willing to pay the difference. Otherwise, you may need to consider changing your choice of accommodation. You cannot act as your own third party contributor.

Your Care Manager will be able to help you with all these arrangements and will also be able to provide you with information on third party contributions if necessary. Please contact Care Connect, telephone **01275 888801** for information about contacting your Care Manager.



I don't have much money – can I get help?

Your Care Manager will ask a member of the Financial Assessment and Benefit Team (FAB Team) to arrange an appointment to see you or your financial representative to help you decide if you need to claim any benefits to which you are entitled.

The most likely benefits you may need to claim are:

- Pension Credit/Guaranteed Credit
- Income Support/Pension Credit Premium

The following are not available whilst we are assisting with funding - unless you have a property to sell, in which case certain conditions do apply: -

- Attendance Allowance
- Disability Living Allowance (Care Component)

How much will I be expected to pay towards the weekly cost of the home?

Everyone going into a home is expected to pay a weekly amount, based on what they can afford, from their weekly income and also from any savings (above £14,250). This applies to any periods that you spend in a home arranged by us from the date of admission.

Charges are based on your ability to pay, decided by a financial assessment (a form of means test) but you will not be refused a service which we agree that you need simply because you cannot afford it.

Can I keep any money for myself?

You are allowed a personal allowance of **£23.50** per week (April 2012) from your weekly income. You are also allowed to keep £14,250 (April 2012) from your savings, to use as you wish, which is not included in the calculation of your charges.

If you are receiving Savings Credit, a War Widows, War Disability Allowance or certain other benefits, you may be entitled to keep an increased weekly personal expenses allowance.

Can I give any money away?

There is nothing to stop you giving money away, but if you do we have to be sure that you have not done so to avoid paying your charges. The transfer of property, for instance your own home, to a friend or relative could also be treated as a way of avoiding charges.

If I own a house will I be expected to sell it?

We cannot make someone sell a house. The value of the house normally occupied by you is not taken into account for the initial 12 weeks (84 days) from the date we arrange a permanent contract or the date it is sold if this is earlier. However any other assets, capital or income will be included when calculating your contribution from the date of admission.

The value of the house you normally live in has to be taken into account in working out your weekly charges from the 13th week (85th day) after admission unless any of the following applies:



- the house is the place where you normally live and you have only gone into a home on a temporary basis
- your partner, former partner or civil partner continues to live in the property - except where you are estranged/divorced from this partner
- a relative over 60 or incapacitated continues to live in the property
- a child under sixteen whom you are liable to maintain continues to live in the property.

We may disregard the value of a property under certain other circumstances, for example if a long-term carer continues to live there.

If there is a change you are required to notify us immediately as the property could then be taken into account for calculating your charges.

If you intend to sell the property

Your charge will be based on your actual income and savings until the house is sold. Your charge will be recalculated from a date twelve weeks after you become a permanent resident in residential care to include as savings money from the sale of the house minus the repayment of any mortgage, charges secured on it and solicitor's fees. An invoice will be sent to you or your representative for the amount that you owe following the sale of the house.

You will not be charged interest on this amount and if, after the recalculated charge has been paid, you have over £23,250 savings you will be considered to be self funding and expected to pay the full cost of the home until such time that your savings drop below funding threshold in the future.

If you do not intend or are not able to sell the property

We will arrange and pay for the property to be valued. The valuation figure will be used in working out your charge as if it were an amount of savings available to you.

During this time you will be charged on the basis of the weekly income that you are receiving and the savings which you have available.

Under these circumstances and as a safeguard, we will place a legal charge (a form of mortgage deed) on the house with the Land Registry, which means that the charge has to be redeemed when the house is sold.

When the house is sold, an invoice will be sent to you or your representative for the total amount of arrears that are due at that time.

If you live in a house owned by someone else, or someone else lives in a property you own, there may be what is called a beneficial interest in the property. Under certain circumstances, it may be necessary for us to make enquiries about such arrangements. They may affect the way the amount of capital you have is assessed.

During the period that you are self-funding, because you have not sold your property and we have paid your fees on an interest-free basis, you will be entitled to receive Attendance Allowance or the care component of Disability Living Allowance after the first 12 weeks of the stay. You will need to contact the Benefits Agency for further guidance.



Interest is not chargeable on the arrears whilst you are resident in the care home and can only be charged from the date of a service user's death until the date payment is eventually received by the local authority.

If you own a former council property

If the house you own is a former council house, which has been bought under the 'right to buy' legislation and someone else has helped you with the purchase, it may be possible to disregard part of the value if that person can provide acceptable proof that they contributed towards the purchase.

How will my husband or wife (partner) be affected financially if I go into a home without them?

Your charges are worked out on the basis of your own income and savings and 50% of joint income or capital held in joint names will be taken into account.

Generally, your spouse will not be required to make any contribution towards your charges.

In some circumstances, the law requires that a husband should support his wife and a wife should support her husband. The law sometimes requires that partners should support each other. If we consider it necessary your partner could be asked to make a contribution towards your charges or you could be given a larger personal expenses allowance to support your spouse in the community. This is known as a Liable Relative Payment. You should discuss this with your visiting officer from the FAB Team.

If you and your spouse live in the same or different care home you will be charged as separate individuals on the basis of each of your own resources.

We may disregard half of any occupational pension payable to a married person in order to support their partner remaining at home. We must be sure your partner is receiving the benefit of the disregarded amount. You should discuss this further with the visiting officer from the FAB Team as it may not always be beneficial i.e. by allowing your spouse remaining at home to receive part of your occupational pension may mean their eligibility to other benefits is affected.

Temporary Respite Care in a care home

When you go into a home on a temporary basis you will be given a weekly allowance to cover various personal expenses. This allowance is for expenses you have which are not met by Income Support, by a partner remaining in the community or from any other source. These may include:

- rent commitments
- mortgage payments
- council tax
- water rates
- sewage and environmental rates
- standard charges for gas and electricity



If you become a permanent resident, this type of allowance will cease after 8 weeks, unless a property is to be sold, then we will disregard the appropriate sum until it is sold.

If you have savings/assets under £23,250 - excluding the value of your main residence, (Certain assets and savings can be disregarded- for further details please contact the Finance Department on 01275 888341) you will be asked to make a contribution towards your stay as follows: -

- £15.60 per night for those aged 60 years and over
- £11.15 per night for those aged between 25 and 59 years
- £9.05 per night for those aged between 18 and 24 years

These rates are only applicable to the first 28 days of any respite stays within the financial year (8 April 2012 - 6 April 2013). If you exceed 28 days it will be necessary for a full financial assessment to be completed.

If however you feel you will be unfairly disadvantaged by this fixed rate you can choose to have a full financial assessment.

The length of funding assisted respite is based on assessed needs.

How will you calculate my weekly charge?

A visiting officer from the FAB Team will contact you or your financial representative to complete a financial statement form and a consent form. These forms allow the Benefits Agency to provide us with necessary information.

You will need to provide documentary evidence of your financial details and may also be asked to complete some other benefit claim forms.

You or your financial representative are also required to sign the financial statement, which is an agreement to pay charges from the date of admission and an acceptance of the terms and conditions relating to charges.

Your charges will be reviewed on an annual basis and when your circumstances change.

If your financial circumstances change, you should notify us immediately. Your charge will be calculated on the basis of the details you provided in the financial statement, which are as follows:

- personal details
- financial representative/third party details
- income details
- your savings/assets
- details of any land/property you own
- details of any ongoing commitments you may have



How is a financial assessment carried out?

After all the information has been gathered and in accordance with government regulation the calculation of your charge is carried out by:

1. **Weekly Income**

All your weekly income is added up. Examples of income are:

- any State Benefits received (State Retirement Pension, Pension Credit, Income Support)
- occupational pensions (superannuation)
- trust fund income
- annuity income
- stocks and shares income
- rent from properties

If you receive Attendance Allowance (AA) and Disability Living Allowance (DLA), payment will cease after the first four weeks in a home. If you have property to sell and meet certain criteria the AA or DLA may be re instated from the date the value of the property is included in your financial assessment. The AA/DLA will be taken into account when calculating your charges for the first four weeks if you have moved into the home on a permanent basis, but will be ignored if your stay is temporary.

Any payments you receive on a personal basis from charitable or voluntary sources can be taken into account, although you will be able to keep the first £20 per week of any such payments as an addition to your Personal Expenses Allowance.

Weekly charitable or voluntary payments you receive to help pay your charges (regarded as third party contributions) or one-off payments for specific purposes will be disregarded when calculating your charges.

2. **Capital**

Tariff Income on Capital (savings/assets)

A weekly tariff income is worked out on your capital. Examples of capital are:

- National Savings
- Bank or Building Society Accounts
- Stocks and Shares
- Government stocks (current market value)
- Premium Bonds
- Unit Trusts/Personal Equity Plans/Individual Savings Accounts

This weekly tariff income is worked out by adding up all your savings, taking off the first £14,250 the tariff is then worked out afterwards at £1 per £250 so if you had £14,750 the tariff income would be £2.

The value of any property/land you own is treated as capital and tariff income is calculated in the same way as above. This tariff is then added to your actual weekly income.



3. **Weekly Expense**

The personal expenses allowance of £23.50 per week (April 2012), plus any additional allowances for ongoing expenditure, is taken off your calculated weekly income which then gives your weekly charge.

If you need more detailed information about the calculation of weekly charges please contact the Finance Section on 01275 888 340.

How do you inform me of my charge?

You, or your financial representative, will receive a letter notifying you of the amount of your charge and, also, a statement showing you how this amount has been calculated.

The statement will also show:

- who has calculated the amount
- how you can contact them
- what to do if you disagree with the amount
- some other items of information

How do I pay my charges?

If you are staying on a temporary basis you or your financial representative will be asked to pay the fixed rate charge directly to the owner of the home see section Temporary Respite Care in a care home.

If you are a permanent resident you will be asked to pay an Interim charge directly to the owner of the home. This Interim charge is currently:

- £15.60 per day for those aged 60 years and over
- £11.15 per day for those aged between 25 -59 years and
- £9.05 per day for those aged between 18 – 24 years.

When we are able to calculate your individual charge we will notify you or your financial representative and the owner of the home of the revised charge. It will then be necessary for any additional charges to be paid to the home or any refund due to be made to you by the owner of the home. These changes will be backdated to the date of admission.

There will be some delay in telling you your charges, but you should remember to save enough to pay them. This means you should save all your income over the interim charge and £23.50 - your Personal Expenses Allowance until you receive details of your charges.

If you are a resident in a local authority home, you or your financial representative will receive invoices on a monthly basis, which you should pay as directed on the invoice.

Third party contributors will be told separately about their contributions and how to pay. As a general rule, they will be expected to pay in the same way.



Will I have to pay if I go into hospital or go on holiday?

You must pay for all periods you are resident in the home. This includes the day of admission but not day of discharge. You will have to pay for any periods you are away from the home for a period of under three days, but not for longer periods. This does not include periods in hospital.

You will continue to pay your current weekly charge for the first 52 weeks of any period in hospital as benefits continue to be paid during the first 52-week period. No charge will be made to you after the 52 weeks in hospital.

What happens if I want to move to another home?

If you are unhappy in a home and are thinking about moving, you should discuss this with your Care Manager as soon as possible.

Who can help if I can't manage my own financial affairs?

If you are unable to manage due to physical difficulties and/or wish someone else to act on your behalf you can appoint someone by signing a Lasting Power of Attorney.

If you are unable to manage due to mental incapacity you can be assisted by a benefits agency appointee for your state benefits and, also, by the Court of Protection if you have other financial resources.

These are complex matters and it is not possible to provide all the details here. For further information on how assistance can be provided, contact your Care Manager for more information.

Contact details

When you need to request help and to contact Care Managers please telephone

North Somerset Care Connect

Telephone: **01275 888 801**

Minicom: **01275 888 805**

Telephone lines are open 8am to 6pm Monday to Friday

For information about charges please telephone

Calculation/Collection of weekly charges

Telephone: **01275 888 340**

Receiverships

Telephone: **01275 888 347/3**



Other Useful numbers

Citizens Advice Bureau	Telephone	0844 826 9692
Age UK Somerset	Telephone	0845 643 4709
Crossroads Carers	Telephone	01934 411 840
Alzheimer's Society	Telephone	01934 514 977

This publication is available in large print, Braille or audio formats on request.
Help is also available for people who require council information in languages other than English. Please contact **01275 882 851**

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