

How will my residential or nursing home charges be paid?

If you need financial help to go into a residential care or nursing home, the council will discuss with you the most suitable type of care and help you choose a place in a home. We will then pay the home's fees up to the maximum agreed and will then work out how much you can afford to contribute. A council financial assessment officer will advise you.

Why do I have to pay towards the cost of my care?

Under the National Assistance (Assessment of Resources) Regulations 1992, residents must pay for their accommodation in full unless they can show the council they don't have enough money to pay the whole amount. That is why we will ask you to give us information about your finances.

So the contribution you make towards the fees will depend on your circumstances and how the national regulations say it will be worked out.

Is there a limit to how much capital I can have?

Yes. If you have more than £23,250 you are liable to pay the fees in full in a private or voluntary home and the council will not ask for information on your ability to pay.

Capital of £14,250 or less is fully disregarded. Capital over £14,250 and up to £23,250 is converted into an "assumed" weekly income using a simple formula. This is often called a tariff income.

Please note that if the council thinks you have

given money away to reduce both your capital and the charge, then your contribution will be calculated as if you had not given any money away.

If you have sold your property but intend to buy and live in another one that is more suitable, the money raised from the sale will not be taken into account for the purpose of paying your care fees for 26 weeks. But you must tell both your care manager and the financial assessment officer what you intend to do.

Can I still claim pension credit (or income support if you are under 60)?

Yes. If you are already receiving pension credit or income support when you go into a home you will still be able to receive these but the amount you get may vary.

If you are not getting pension credit/income support, you may be entitled to claim it. The financial assessment officer will give you advice about this. If you are entitled to claim, you will be given help to apply either before or at the time you go into the home.

This extra money from pension credit/income support must be included as part of your contributions. If you are entitled to pension credit/income support, your contribution will include the amount we think you are entitled to claim and will be based on the information about your finances that you have given us.

It is very important that you make a prompt and complete claim for pension credit/income support as you will need this money to meet your contribution towards the cost of your care.

If the amount of pension credit or income support you get is different from the figure we have predicted, you must tell us.

Unless you have been assessed to pay the full cost of your care, payment of attendance allowance/disability living allowance care component must stop if your stay in a residential or nursing home is longer than 28 days, which includes any days spent in hospital before going into the home.

You must tell the Disability Benefits Unit at Blackpool (tel: 08457 123456) that you are staying at a residential or nursing home.

How is my contribution worked out?

We work out how much you should pay towards the cost of the home's weekly fee by adding together income from all sources and taking away the value of your various allowances. That figure will be the charge for your accommodation.

Residential care is charged for by the day and you will be told how much you must pay per day. The financial assessment officer should be able to tell you roughly how much you will be expected to pay, unless your finances are very complicated.

What is counted as income?

Income is:

- **All state benefits** - except disability living allowance (mobility component).
- **Attendance allowance/disability living**

allowance (care component) will be included for the first four weeks if you are a permanent resident. After that it will be withdrawn.

- **Occupational, superannuation or private pension** - where a resident has a spouse *who is not living in a resource centre or a residential/nursing home* - 50 per cent of any occupational, superannuation or private pension will be ignored where the resident is passing that amount to his/her spouse for the spouse's maintenance.
- **Other money income**
- **Tariff income on capital** - capital between £14,250 and £23,250 is converted into an "assumed" weekly income using a simple formula – £1 a week for every complete £250 or part of £250.

Are there any allowances made for housing expenses I may still have?

Yes, allowances will be made against the housing costs of temporary residents which will include rent/mortgage payments, council tax, water charges, buildings/contents insurance.

Do I have an allowance for personal expenses?

Yes, you will have a personal allowance (fixed by the government). This is £23.50 per week (April 2012).

Third party top-up payments

The council agrees to pay a standard price to residential and nursing homes for their care, but

occasionally some homes will want to charge more than this price.

There are government rules about who can pay this difference in price – the ‘top-up payment’. A third party, eg, a relative, friend or charity, can pay this difference in price for you. You are not allowed to pay the difference yourself (unless you have signed a *deferred payment agreement*).

Top-up payments are in addition to the financially assessed contribution you are required to make yourself.

Your care manager should be aware of a third party top-up payment at the time of your placement, and they will be able to discuss this with you and the third party.

Will I have to sell my property?

The value of your property will be taken into account 12 weeks after it has been agreed you will be staying permanently in residential care.

If the value of your property, plus any other savings you may have, is more than £23,250 you will have to meet the full cost of your care home fees. If you don't have enough income or other savings/assets, apart from your property, to meet the full cost of your care then you may have to sell your home in order to pay the fees. The financial assessment officer will discuss this with you at their visit.

In exceptional circumstances, and if the council has funded your placement whilst you are unable to access your funds, the council will seek to fully recover from your assets any monies paid on your behalf.

You can re-apply for financial help from us when your capital falls below £23,250 - **but please note that you cannot give money away to reduce it to this level.**

Are there any exceptions to this?

Yes, where a resident no longer lives at home, its value will be disregarded where it is occupied by the resident's spouse or a relative of the resident who:

- is aged 60 or over, or
- is aged under 16 and is a child whom the resident is liable to maintain, or
- is incapacitated. 'Incapacitated' usually means that the person is receiving incapacity benefit, severe disablement allowance, disability living allowance, attendance allowance, or, if the person isn't actually receiving one of these benefits, they would qualify if they applied. Medical or other evidence may be needed to support this.

In addition, the council can also decide to disregard the value of premises but only where a third party continued to live on those premises, e.g. where it is the sole residence of someone who has given up their home to care for the resident or someone who is an elderly companion of the resident. Where we have decided to disregard the value of the property, we can also decide whether to reconsider our decision.

If your property is rented and someone else still lives there, any allowance made for rent, insurance, and so on, will stop once it has been decided that you are now living permanently in the residential care or nursing home.

If the ownership of the property is complicated, for example, if you jointly own the property with someone who doesn't fit into any of the categories mentioned so far, you must ask for advice from the financial assessment officer.

How will my contribution be collected?

In most cases the council will collect the contributions from the resident, unless the residential or nursing homes have agreed to do it for us. Payment will be by direct debit, but if this is a problem please talk to your financial assessment officer.

If you are admitted to hospital and the residential or nursing home place is kept open for your return, you will have to pay your contribution towards the residential fees during the hospital stay.

Your finances will be reviewed every April but it is important that you tell us about any changes as soon as possible so that we can quickly check how much you pay.

Additional information

All the questions in the financial statement form should be answered – if none, please write 'none'.

You must tell us about any change in your finances so that we can work out what you should be paying.

If you, your family or anyone acting for you needs further advice or information about the costs of living in a home, they should contact the relevant care manager or adult services duty team on 821000, if appropriate. They will refer you to a financial assessment officer.

You can get more independent advice from the Citizens' Advice Bureau, Age Concern, Disability Rights Alliance and publications such as the *Child Poverty Action Group* handbooks.

How to contact us

For further information please call (01983) 823340 or email fabteam@iow.gov.uk

If you have difficulty understanding this document, please contact us on 01983 821000 and we will do our best to help you.

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