



Living in a care home - how we work out what you pay

Your Financial Assessment

When your social care worker arranges for you to go to live in a care home, they will notify Adult Care Financial Services. Adult Care Financial Services will then contact you, or somebody who helps you to manage your money, and arrange to complete a statement of your financial circumstances. This enables us to calculate how much you can afford to pay towards the cost of your care.

If you have already provided us with this information, because you have received services from us before, we may use the information we already hold about your finances to work out how much you can pay towards the cost of your care home.

Do I have to pay?

Almost everyone who goes to live permanently in a care home has to pay towards the cost of their care.

The rules on how we calculate how much you have to pay for your residential care are set by the Department of Health.

The amount you will pay depends on:

- Whether you own a property
- The amount of "capital" you have – savings, investments, premium bonds, property (including your home)
- Your income, including state pension, disability and means tested benefits, and private pensions.

The flowchart on the back page of this factsheet provides a guide which you can match to your own circumstances.

If you have to pay for your own care, it is important that you seek specialist information and advice so that you make informed choices about your care and how you pay for it – see contact details at end of factsheet.

If you have to pay for your own care, please see our Care and Support Directory for more information. You may also be entitled to social security benefits. Visit www.nottinghamshire.gov.uk/benefitsadvice or phone 0300 500 80 80 for more information.

How much will I have to pay?

Income

We allow a small amount for personal expenses while you are living in the home, but after that is taken into account, if your weekly income is greater than the weekly charge of the home, you must pay the whole cost.

When working out how much you will pay for your long term care, we take account of all of the benefits you are **entitled** to receive. So you must ensure that you claim all of the benefits you are entitled to.

These are **included** when we work out how much you will have to pay:

- Retirement Pension
- Incapacity Benefit
- Employment Support Allowance
- Income Support
- Pension Credit
- Occupational pensions
- Private pensions
- Income from bonds/investments
- Rental income from property or land
- Earnings and income from businesses

These are **excluded** when we work out how much you will have to pay:

- Disability Living Allowance (mobility component)
- Winter Fuel Allowance
- Retirement Pension Christmas Bonus

If the Council is helping you pay for your care, your Attendance Allowance/Disability Living Allowance (DLA) (care component) should cease when you have been staying at the care home for four weeks. If you are paying the full cost of your care, then you should still receive your Attendance Allowance/ DLA (care component).

Capital and Property

Capital includes any savings you have such as bank accounts, building society accounts, stocks and shares, premium bonds, and investments. It also includes any property or land that you own, including your home.

If you have capital (including your home) of more than £23,250 you will have to pay the full cost of your care. Any capital below £14,250 will be excluded.

If someone will remain living in the home when you move into residential care we may exclude the value of the home, depending on the individual circumstances. You will have to talk about this with whoever does your financial assessment, or you can contact the Adult Care Financial Services Team – their contact details are at the end of this factsheet

If you have savings of between £14,250 and £23,250, we will charge you £1 per week per whole unit of £250 between £14,250 and £23,250, towards your care.

If you own a property which is not your main residence, for example a holiday home, business premises, former home or a property which you rent out, this will be treated as capital and so it is very likely that you will have to pay the full cost of your care.

Deprivation of income and savings

What does “Deprivation” mean?

If you give away savings, property or other things that count as capital this will be investigated as “deprivation”.

If you give away savings, property or other assets, or if you have sold property for less than its value, before going into a care home, then we may treat you as if you still have it. The person that you have given them to may become legally liable and we may recover any unpaid charges from that person. This may involve proceedings in the County Court.

Do I have to sell my home?

Not necessarily – you may decide to take out a Deferred Payment Agreement.

A Deferred Payment Agreement (DPA) is a legal agreement between you and the Council to defer some of your care fees against your property until it is sold, you leave residential care or you pass away.

See the factsheet “Moving into residential care – advice for homeowners” for more information on DPAs.

We strongly advise you to take specialist advice before making any decisions about selling your home to fund your care – see contact details at the end of this factsheet.

What if I am a homeowner but my home is excluded?

Adult Care Financial Services will periodically check that your partner (or person whose occupancy means that the property is excluded) still lives there. It is essential that you tell us about any changes in circumstances for your property.

We will not make any allowance for mortgage payments or outgoings for a property which is excluded.

If you rent your home

If you rent your home and receive Housing Benefit, you will continue to receive this for four

weeks after moving into a care home. If your notice period extends beyond four weeks, we may make allowance for up to a further four weeks rent. During this time, we will make allowance for the sewerage element of water rates.

Whether you rent or own your home, we do not make allowance for other expenses such as:

- Gas, electricity, telephone
- Credit card, loan, catalogue repayments
- Gardening/cleaning/window cleaning
- Equipment maintenance agreements (for example boiler or stair lift)
- Television Licence
- Sky/Virgin/BT Vision subscriptions
- Internet Connections
- Mobile Telephones
- Car
- Charitable donations
- Gifts
- Magazine/newspaper subscriptions
- Funeral Plan
- Life Insurance
- Gym membership

How much of my income will I have left?

You will have a small personal allowance left each week to pay for clothing, toiletries and your other outgoings. This amount increases every April.

There may be circumstances where you can keep a small additional amount, depending on your income.

We may be able to increase your allowance if you have special circumstances. If you have additional expenses that you cannot pay, discuss these with your social care worker who might be able to consider increasing your personal allowance.

How is my care cost worked out if I have a partner and perhaps children who remain at home?

When you move into a care home, you will be treated as a single person for benefits purposes.

Only your own income is taken into account by us. If you have no income of your own, or your income is very low, for example, a small retirement pension, that is all that is taken into account.

Your partner's income can not be taken into account when we work out how much you should pay towards your care costs.

How are occupational pensions treated if I live with a partner?

If you have an occupational pension, you can choose to give half of it to the partner staying at home. You will then get more financial help from us, but the person staying at home may get less income support or pension credit. You may want to contact Adult Care Financial Services about this – see the contact details at the end of this factsheet.

Third party payments

A third party is someone who agrees to pay a "top-up" to enable a relative or friend to go into a home which charges more for care than we expect to pay for someone with similar care needs. This top-up is in addition to the amount you are asked to pay from your own income and savings.

The amount of the top-up is agreed at the time you go into the home, but can be changed by the home as long as they give notice. In order to protect the person paying the top-up, the Council pay it to the home and then invoice the person for the agreed amount every four weeks. The person who agrees to become a third party will be asked to sign an agreement form.

The care home should not ask you or your family/friends to pay any additional top-up payments which have not been agreed by the Council. It is very important that you tell Adult Care Financial Services or your social care worker if you or your family are asked to pay any money directly to the care home.

It is very important that the person who agrees to make third party payments is able to do so for as long as you are in the home. If regular payments are not made, we may have to ask you to move to a home which still meets your needs but costs less.

How do I pay?

The Council will pay the care home directly and then work out how much you have to pay and tell you how much this is. The council will then send you an invoice every four weeks. There may be a delay between you going to the care home and receiving your invoices, so you must not spend all of your money as the charges will be back dated to the date your stay began.

When your invoice is sent, it will give details of how to pay. To discuss ways to pay, see contact details at the end of this factsheet for our Debt Recovery Team.

What if I don't pay?

If you do not pay your fees, you will be contacted by the Council to find out whether there is any problem. If there is a problem, we will try to help you sort it out. If there is no problem, but you still do not pay your bills, then we will take action to recover any debts. This could mean court action if all else fails.

Financial advice for people paying for their own care:

Society of Later Life Advisers

- www.societyoflaterlifeadvisers.co.uk
- tel: **0845 303 2909**
- email:
admin@societyoflaterlifeadvisers.co.uk

Financial Services Authority

(produces information about funding long-term care and a register of qualified financial advisers):

- www.moneymadeclear.fsa.gov.uk/products/long_term_care/long-term_care_getting_help.html
- tel: **0300 500 5000**

Useful information is also available on the County Council's own website:
www.nottinghamshire.gov.uk/self_funding or please ring us on 0300 500 80 80.

Contact information

For more information about how we have worked out how much you must pay for your care, contact Adult Care Financial Services on

Phone: 0115 9775760 (Option 4)
Monday to Thursday 8.30 am to 5.00pm
Friday 8:30 am to 4:30 pm
Email: acfs.residential@nottsc.gov.uk

If you would like to discuss payment of your invoices or the balance of your account please contact the Debt Recovery Team on

Phone: 0115 9772727 (Select option 2, then option 1)
Monday to Thursday 8.30 am to 5.00pm
Friday 8:30 am to 4:30 pm
Email: debt.recovery@nottsc.gov.uk

For any other enquiries:

Nottinghamshire County Council Customer Services Centre:

Phone: 0300 500 80 80
Monday to Friday: 8am to 8pm
Saturday: 8am to 12 noon
Email: enquiries@nottsc.gov.uk
Website: www.nottinghamshire.gov.uk
Minicom: 01623 434993
Phone 0300 500 80 80 if you need the information in a different language or format

Welfare benefits information to make sure you are claiming everything you are entitled to
http://www.nottinghamshire.gov.uk/caring/adult_socialcare/welfarebenefits/

For **compliments, comments or complaints** about the service you have received
<http://www.nottinghamshire.gov.uk/thecouncil/contact/comments/adult-social-care/>

Please note:

Nottinghamshire County Council has supplied details of some financial advisers for your information only, the information is not exhaustive and there are more financial advisers available in the market. The Council has not vetted any financial advisers and does not control and is not responsible or liable for them or any advice or services they provide. The Council does not endorse or make any representations about any financial advisers, or any results or advice that may be obtained from using them. If you decide to use any financial adviser please ensure that you conduct your own prudent checks.

This chart only provides a guide and does not replace the full financial assessment that will be undertaken once eligibility for social care services has been established



Definition of Savings / Capital

For services which enable you to live within a care home the list below provides a guide of savings / capital that Nottinghamshire County Council includes. This is intended as a guide and is not exhaustive;

- Buildings and land (owned but not those you currently live in / on)
- National Savings Certificates and Ulster Savings Certificates
- Premium Bonds
- Stocks & Shares
- Capital held by the Court of Protection or a deputy appointed by that Court
- Savings held in building societies & bank accounts (including savings held in the National Savings Bank, Girobank and Trustee Savings Bank)
- SAYE schemes
- Unit trusts
- Co-operative share accounts
- Cash
- Trust funds