

**Adult Services**

# **Paying for a Place in a Care Home**

**A Guide for people needing financial help for  
Permanent Care in a Care Home**

**From April 2011**



**This leaflet is available on tape, on computer disc, in large print,  
in Braille and in other languages on request from –**

**Social Care Contact Centre**

**☎ 020 8547 5005 (Voice & Minicom)**

**Email: [adults@rbk.kingston.gov.uk](mailto:adults@rbk.kingston.gov.uk)**

**Updated April 2011**

# Paying for a Place in a Care Home

## A Guide for people needing financial help for Permanent Care in a Care Home

### Who should read this leaflet

You should read this leaflet if you are a Royal Kingston resident who is going to live **permanently** in a Residential or Nursing Care Home, or if you are managing the finances of somebody who is.

You should also read this leaflet if you are currently living in a care home, paying your own fees, and may need our financial support.

### What this leaflet tells you

This leaflet gives you advice on how to decide if you are liable for the full cost of care home accommodation. If you are not responsible for the full cost, this leaflet explains the financial arrangements made to support you.

If you wish to move into a care home outside this borough, the same rules apply. If you qualify for help with the fees, this council will be responsible for your funding arrangements.

Please note that we will only be able to support you financially in residential or nursing care if your Care Needs Assessment shows that you need care that can only be provided in a care home.

This leaflet gives general guidance only and is not a statement of law. It cannot cover all circumstances. It only applies to people seeking local authority funding from, or moving into care homes on or after, 8 April 2002.

If you need more in-depth advice, particularly if you own property, you should ask for our leaflet "Understanding Care Home Financial Assessments" which gives more detail about this scheme. If you are a temporary resident please see our guide "Paying for Respite Care and Temporary Stays in Care Homes". Both of these leaflets are available from your Care Manager (social worker) or directly from our Finance Team (see contact details at the end of this leaflet).

Please contact your Care Manager (social worker) or the Finance Team directly if you have any queries, or would like more specific advice on any point. You may also wish to seek further advice and this leaflet suggests other agencies that may be able to help.

## **Who pays for residential care?**

If you need to move into a care home there will be a charge for your accommodation and care. You may be asked to pay these fees in full or in part depending on your resources (income and capital).

If you are able to pay the full fees yourself, because, for example, you have savings over £23,250, you agree this directly with the home. We can give you advice about a suitable home and about benefits that may be available to you but we cannot arrange your stay unless you cannot do this for yourself and you have no-one to help you.

If you are not able to pay the full fees yourself, we will arrange a contract with the care home to pay either the full fee or a proportion of it. To determine how much your contribution will be towards the cost we have agreed to pay the care home, we have to carry out a financial assessment.

If we do not agree that the care home charge is a fair price for the services provided, and you still wish to move there, then a third party will have to pay the difference. This is called a Third-Party or Top-up Payment (see our leaflet “Understanding Care Home Financial Assessments”). However, we do have agreements with most Homes in the Borough and top-ups are not usually needed. If the care home asks you to pay a top-up, then this must be detailed on the contract. Please see our leaflet “Understanding Care Home Financial Assessments” for more information if this happens. You should not agree to pay a top-up until you have contacted your care manager (social worker) or the finance team.

## **What if I own my own home?**

If you own your own home the value of your property will be included in the assessment of the resources available to you to pay your fees in permanent care. However, we will ignore the value of your home for up to 12 weeks of your permanent stay. This gives you time to sell your home or to consider other options.

Also, if you opt for deferred payments we can continue to set to one side the value of your property after 12 weeks. Our detailed our leaflet “Understanding Residential Care Financial Assessments”, gives more information about the 12-week disregard and deferred payments.



## Will I have to pay the full fees or a contribution?

### Responsibility for Paying the Full Fees

You will be responsible for the **full fees** (self-funding) from the date of your move into a care home if:

- Your weekly **income is greater than the weekly fees**.
- You have **more than £23,250 in savings or other assets, not including the property where you live as your home**.
- You have **less than £23,250 in savings, but total assets of more than £23,250 if you include the value of the property where you live as your home**. You may be responsible for the full fees because your total capital, including the value of your home exceeds £23,250.

However, the Borough will support you financially for up to **twelve weeks** whilst you investigate and decide how best to use the value of your home to help pay your fees.

You will still be responsible for the full fees from the thirteenth week after the date of your move into care. There may be circumstances where we can support you for more than twelve weeks if you decide not to sell, or you are unable to sell your property.

Our leaflet “Understanding Care Home Financial Assessments” explains this in more detail.

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| <p><b>Important:</b> If you have a <b>property</b> you should see our leaflet “Understanding Care Home Financial Assessments” for more information.</p> |
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### Responsibility for Paying a Contribution

You will not be responsible for the full fees but will pay a contribution if:

- Your total **savings and assets are valued at less than £23,250 and your income is less than weekly care fees**.

In this case, the Borough will support you financially from the date of your move but you must make a contribution to your fees. Please see below for details of how the Borough will support you.

### If you are unsure which situation applies to you

Please contact your Care Manager (social worker) or the Finance Team and outline your financial situation. We will either be able to advise you immediately or we may ask you to complete a form with details of your finances. We will then advise you in writing as soon as we can.

## How do you work out what I have to pay?

We always follow a set of rules that are laid down in law by parliament and the guidance given by the Department of Health.

### First, you complete a Financial Assessment form

Before we can work out how much of your care fees you will have to pay we need to find out about your financial situation. To do this we ask you to complete a **confidential** Financial Assessment form giving details of your income and your capital such as savings and other assets.



### Then we work out your weekly income

From the information you give us, we will calculate your weekly income. We add together all your current sources of income including state benefits, and a nominal (tariff) income from any savings or assets you have over £14,250, but under £23,250.

If we think you are entitled to any other state benefits we will advise you to claim them. We will add the amount we expect you to get from these benefits to your total income.

### Then we work out your allowances

Everybody is entitled to a standard Personal Expenses Allowance, which is for you to buy personal things you may need. This allowance is set by parliament and is reviewed each April. It is currently £22.60 weekly

If you have a spouse or partner, we make an allowance of half the total value of any occupational or private pensions you receive, with your agreement.

There are other allowances depending on the type of income. For more information about other allowances, please see our leaflet "Understanding Care Home Financial Assessments".

### The amount you pay

This is simply your total income minus your total allowances. We will review the amount you have to pay in April each year. You will generally be left with at least £22.60 per week, the standard Personal Expenses Allowance.

## What should I do now?

### Make a list of all your finances



List all your sources of income, and list all your savings and any other assets including any property you own but do not live in as your home.

We have to let you know that it is against the law to dispose of or give away your assets or income with the intention of reducing your responsibility for residential or nursing care costs.

### If you need to know more read, our leaflet “Understanding Care Home Financial Assessments”

Read any section of our leaflet “Understanding Care Home Financial Assessments” that is relevant to your situation. Let us know if anything in either leaflet could be made clearer.

### If you have property

Read the section on Property in our leaflet “Understanding Care Home Financial Assessments”. You can request a copy from your Care Manager (social worker). Talk your situation over with your Care Manager.

Consider carefully whether you wish to sell your property to pay for your care fees or whether you wish to defer payment. Consider talking to your relatives or a close friend about the options you have.

If you jointly own your home with someone else, talk to them. Contact our Finance Team to see how your share of the value of your home is likely to affect how much you will have to pay towards your care fees.

Seek independent financial advice if necessary. **Make sure you have all the information you need.**

### Contact your Care Manager (social worker)

Speak with your Care Manager (social worker) to find out the weekly fee for the home you are going to. If you do not know yet which home you will be going to, you can establish the approximate fee for the type of home you are interested in.

## If you have capital over £23,250



### How long will my savings last?

It is very difficult to say exactly how long it will take for your savings to reduce to the limit at which we can begin to help you financially. This is because there is a wide variety of investment options available to you for your savings, and further options available for your property. We cannot identify which option, or mix of options will be best for you. We would always recommend that you seek independent advice on which options are right for you. We cannot tell you how your money should be spent, though we have to let you know that it is against the law to give away or dispose of assets in order to reduce your liability for care fees.



### Seeking Independent Financial Advice

If you are responsible for the full amount of your fees, we would always recommend that you get independent financial advice on all your options. Financial Advisers are regulated by the Financial Services Authority (FSA). The FSA only allows those advisers with the finance industry's "CF8" qualification to provide advice on care funding. We strongly recommend you check that the financial adviser you have chosen has that qualification. You can check this by contacting the Financial Services Authority. Their contact details are listed on Page 10. Please note that some Independent Financial Advisers will charge for their services.

The Society of Later Life Advisers (SOLLA) aims to help older people with care needs find advisers who can help them make the most of their financial circumstances. SOLLA's contact details are on page 10.

## What happens to my benefits?



When you go into a care home, your entitlement to benefits may be affected. This is because your needs will be different. Some things you might pay for at home will be provided by the care home and will be covered by the fees charged.

You should notify the Department for Work and Pensions (formerly the Benefits Agency) and the Housing Benefit Section promptly of all stays in residential or nursing care.

Generally, if you are self-funding you will be able to keep any Attendance Allowance or Disability Living Allowance (**Care** Component) you receive. If you are getting help from the local authority with your fees, these benefits will stop after 28 days, unless you will have to repay the council under a deferred payment agreement. They will stop sooner if you go straight from hospital into a care home.

Your stay in residential or nursing care will not affect the **Mobility** Component of your Disability Living Allowance.

When you go into permanent residential care you will usually be entitled to your normal rate of Income Support but without any housing costs. However, you may get a reduced rate if your Attendance Allowance or Disability Living Allowance (Care) stops after 28 days.

Your Housing Benefit and Council Tax Benefit will stop immediately you enter permanent care, or if it is decided that you will not be returning home following a temporary admission. In some circumstances, payment of Housing benefit can continue during the notice period required by your contract or tenancy agreement.

After the decision that you will not be returning home you will need to give notice to your landlord of your intention to end your tenancy. Some landlords may be willing to accept a reduced period of notice in these circumstances.

Our Kingston Information Partnership (KIP) offers a free, confidential welfare benefits check to all prospective care home residents; just tick the box on the Financial Assessment form. If you have any queries about your benefit entitlement you can contact KIP or one of the other advice agencies listed on page 10.

## **What happens next**

If you think that you may need financial help paying the fees for the care home, please ask your Care Manager (social worker) for a Financial Assessment form to complete. Please note that we can only provide you with financial help if your care needs assessment says that you need residential or nursing care.

When your form is returned to us, we may contact you if we need any further information. The information you give us is treated in the strictest confidence.

When we have worked out your contribution we will write to tell you how much you have to pay and send you a monthly invoice for the charge. We believe the easiest way to pay the monthly charge is by direct debit and we will send you the forms to arrange this. There are other ways to pay each invoice if you are unable to pay by direct debit.

When you have paid your assessed contribution you will generally have a minimum of £22.60 per week left for your personal expenses.

## **When your contribution will change**

Your contribution will change in April each year because your state benefits will change. We will write to you in February or March each year about this.

If your financial circumstances change – for example because you win a premium bond prize or inherit money– then we may need to review your contribution. Please contact the Finance Team if your circumstances change and we will tell you what you need to do. Our contact details are on page 10.



## **Compliments, Comments and Complaints**

We value feedback from the people who use our service. It tells us what we do well and where we can improve.

If you have a comment or query about the service you have received please talk to your Care Manager (social worker) or to a member of our Finance Team.

If you are not satisfied with our service you have the right to complain. Your complaint does not have to be in writing. Please see our leaflet “Your Right to be Heard”, available from Customer Services or your Care Manager.

We are always very interested in any comments you have to make about this leaflet. We are keen to make this leaflet as easy to use and informative as possible. Your comments and advice will be of the greatest importance to us.



## Useful contacts

### **Society of Later Life Advisers (SOLLA)**

Arnold's Oak  
Eastling  
Faversham  
Kent ME13 0BD  
☎ **0845 309 2909**

- Help to find skilled, independent advice for self-funders

### **Age Concern Kingston**

14 Nelson Road  
New Malden  
KT3 5EA  
☎ **020 8942 8256**

- Welfare Benefits advice
- Services for Carers
- Access to services

### **Citizens Advice Bureau**

Neville House  
55 Eden Street  
Kingston upon Thames  
Surrey KT1 1BW  
☎ **0844 826 9701**

- Welfare Benefits advice
- Debt Advice
- Consumer Advice

### **Kingston Information Partnership**

3 Brook Street  
Kingston upon Thames  
Surrey, KT1 2EY  
☎ **020 8481 3112/3113**

- For advice about your benefit entitlement you may also like to contact the RBK/Pension Services

### **Financial Services Authority**

☎ **0845 6061234**  
Minicom: **08457 300104**

- For information about qualified Independent Financial Advisers

## **How to contact the Finance Team**

### **The CCS Finance Team**

Guildhall 1 (Room 217)  
Kingston upon Thames  
Surrey, KT1 1EU

☎ **020 8547 6064**

FAX: **020 8547 4773**

Minicom: **020 8547 5819**

E-mail: [ccs-financeteam@rbk.kingston.gov.uk](mailto:ccs-financeteam@rbk.kingston.gov.uk)

- Please contact the Finance Team if you have any queries.
- Our office hours are 8.45am to 5pm Monday to Thursday, & to 4.45pm Fridays.