Paying for Residential or Nursing Care

April 2018

Moving to a care home

If you are finding it more difficult to cope in your own home, you can ask us to arrange for an assessment of your needs.

If the needs assessment shows that the only way to meet your needs is for you to move into a care home* (see Note below), then this should be written down in your ‘care plan’.

Your care plan should say which sort of care home can meet your needs, for example, a nursing home, a residential home or a specialist dementia care home.

To find out about care homes you can contact the Care Quality Commission (tel: 03000 616161 website: cqc.org.uk). The Care Quality Commission regulates and inspects all care homes in England, and you can see the latest inspection reports for all care homes on their website.

This factsheet tells you about financial help for people going to live permanently in a Care Home. Local Authorities (Councils) are required to charge for Care Homes under the Care Act 2014. This factsheet explains the rules we follow to calculate charges.

The information in this factsheet will be relevant between 1 April 2018 and 31 March 2019.

*Note

The term ‘care home’ is used to mean any home that is registered with the Care Quality Commission (CQC) to provide accommodation together with personal care
and also possibly nursing care. This includes local authority homes and independent homes, which are run by private or voluntary sector providers. The CQC's terms for them are nursing home (requiring a registered nurse to be on site) and care home. It also includes the residential element at a residential college, if Adult Social Care are funding part of the placement

Paying for a care home

Most people will have to pay something towards the cost of their accommodation in a care home. If your weekly income is greater than the weekly care home fees, or if your total capital is above £23,250, you will be expected to pay for your own care home fees in full.

You can still ask us to assess your care needs even though you are paying for your own care home fees in full and you can still go ahead to arrange your care home without any help from us if you prefer. However, you may want to get our help in working out your care needs and finding a suitable care home to meet those needs. You may also want to get a needs assessment from us before you move into a care home.

We can give you advice about whether the home you have in mind is suitable for your needs but we cannot enter into a contract with the home to provide your care unless you are unable to do this yourself and do not have anyone to help you.

If your capital is only just above the £23,250 limit, you will find that your savings will soon start to reduce as you pay your fees. At some stage your savings may reduce below this limit and you will need to contact us to assess your financial situation.

If you cannot afford to pay the full cost of your fees yourself, we will carry out a financial assessment to see how much you can afford to contribute towards your care home fees. The rules about how we calculate your contribution are based on The Care Act 2014.

If your income is less than the fees for the care home, and you have less than £23,250 in savings or other assets, we will pay towards your care costs. However, you will still need to pay a contribution towards the fees. How much you pay will depend on how much money you have.

To find out how much your contribution will be, we will need to carry out a financial assessment. This will take into account:
▪ your capital and savings, for example, stocks, shares, investments or other assets (see page 4);

▪ your regular income, for example, pensions, benefits, maintenance or other payments you receive (see page 6);

▪ the value of your home, if you own it (see page 9).

We will then write to tell you how much you have to pay and we will then send you a monthly bill for your contribution.

If you chose not to complete a financial assessment form you will be required to pay the full cost of your care home fees.

If we cannot agree to pay the full amount charged by the home, you can ask a ‘third party’ to pay the difference. If the care home asks you to pay a top-up, then this must be detailed in the contract. You should not agree to pay a top-up until you have contacted your care manager (social worker) or our Finance Team (see page 7).

There are different rules about how we use the value of any property in calculating your contribution and we explain this in this leaflet.

**What happens if I have nursing care needs?**

If you have been assessed as needing nursing care in the care home, you may qualify for the nursing part of your care costs to be covered by the NHS. This is known as NHS-funded Nursing Care and is set at £158.16 per week from 1 April 2019. You will still have to pay for your non-nursing care and your accommodation charges.

If you are paying for your own care, the nursing care contribution is deducted directly from the cost of the care home fee before you pay. If you receive funding from us, this amount will be deducted from our contribution, and will not actually reduce the amount you are paying.

You may qualify for full NHS funding to pay for your care home fees. This is called NHS Continuing Healthcare. It is a package of care and support to meet all of your individual assessed needs, including physical, mental health and personal care needs. This care can be provided in a hospital, a care home with nursing, a residential care home, or in your own home.
There are national rules that should be used by every NHS Clinical Commissioning Group (local health authority) to work out if you qualify for NHS Continuing Healthcare.

**How we consider your capital and savings**

Capital is any money, savings or assets that you have. Any property, including buildings or land that you own may be treated differently.

If we are supporting you financially, then we will need to work out how much capital you have. Some items are counted and some are not. The list below is only a guide. It does not cover all possible types of capital.

- If you have more than £23,250 in savings or capital, you will have to pay the full cost of your care home fees.
- If you own a property, its value will usually be regarded as capital after 12 weeks of you moving permanently to a care home. However, your property may not be taken into account in some cases, for example, when a relative continues to live there.
- For financial assessment purposes your stay will become permanent at the point it is decided you will not be returning to live in your own home.
- If you own a second property, the value will be taken into account from the date you go to live in a care home.
- Savings or capital of less than £14,250 are not taken into account so we will not ask you to pay anything from your capital towards the cost of your care but you will have to contribute from your income (see below).
- If you have savings or capital between £14,250 and £23,250, we will expect you to contribute £1 per week for every £250 you have over £14,250.
- If your savings or property have been transferred to someone else before you needed to move to a care home they may still be taken into account in the financial assessment. This will depend on individual circumstances.

Some capital is not included when we assess your total assets. For example, we ignore personal possessions, Social Fund payments, arrears of certain benefits and certain ex-gratia payments. You should tell us about all your capital on the Financial Assessment Form and we will apply any disregard that is appropriate.
We cannot ignore the value of things like personal possessions if you have bought them with the intention of reducing or avoiding your responsibility for care home fees.

If your capital is held abroad, we will make a reasonable allowance for the cost of transferring it to the United Kingdom if this is necessary. We will also take into account any restrictions there are on the amount of capital you can transfer out of some countries at one time.

If some or all of your capital is held jointly with another person or other people, you should value your share by dividing the total value by the number of people who own it.

If some or all of your capital is held in a trust fund, then the terms of the trust deed will determine whether this should be counted as capital or not. Please send us a copy of the trust deed. It will help us decide how it should be treated.

It is against the law to give away your assets with the intention of reducing your responsibility for care home fees. If this happens, we may work out your responsibility for care fees as if you still have the asset. In some circumstances we may also take steps to have the asset returned to you.

You can still use your assets to buy yourself things that you need or want, or to buy presents for people. However, you must not do this with the intention of reducing your responsibility for care home fees

**How we consider your income**

If we are supporting you financially with your care home fees, we will need to work out how much income you have. By income we mean any money that you have coming in from any source, for example, pensions, benefits, maintenance received, or any other payments you receive. Income includes:

- Pension Credit, Income Support, State Retirement Pension, superannuation and other private pensions, Employment Support Allowance, Incapacity Benefit, Industrial Injuries Benefit and war pensions;
- Personal Independence Payments, Attendance Allowance and Disability Living Allowance (care component);
- Net earnings and sick pay;
• income from non-dependant relatives and boarders;
• Rental income;
• Annuities and trust income.

This list is only a guide. It does not cover all the possible types of income.

We only need to know about money that you receive, not about money that your spouse, civil partner or partner gets if the money is in their sole name. However, you must tell us about money you hold jointly with someone else.

Most income is included in your financial assessment in full. Some income is fully or partially ignored, for example, we ignore 50% of any occupational or private pension if you pay at least this amount to your spouse or partner.

We also make an allowance for the Mobility Component of any Disability Living Allowance. There are other disregards depending on the type of income.

Allowances and deductions

We make allowances and deductions for your outgoings, as follows:

• All residents are entitled to keep a personal allowance of £24.90 per week;
• A further £10 is disregarded for people receiving war injury pensions, war widow or widower pensions and war disablement pensions;
• Savings Credit disregard of up to £5.75;
• An additional allowance of up to £144 may be awarded to help you with property maintenance costs should you be on the Deferred Payment Scheme.

Calculating the charges

Any charge based on capital will be added to your income: allowances will then be deducted from this total. The balance will be treated as chargeable income which must be paid towards the cost of your care home fees.

Third Party or ‘top up’ contributions
In certain circumstances you may choose to move to a home that costs more than the Council can pay under its standard fee structure. Where that happens then normally the shortfall in fees must be paid as an additional contribution by a friend or family member acting as what we call a “third party”. This contribution is separate from your assessed contribution and is always payable on top of the amount you are assessed to pay from your available income.

Benefits

When you move to 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 & Pensions (Benefits Agency) and the Housing Benefit Section promptly of any stays in a care home.

Attendance Allowance / Disability Living Allowance (Care Component)

If you are paying for your care home fees yourself, your Attendance Allowance or Disability Living Allowance (Care Component) will not be affected. You can continue to receive this for as long as you satisfy the conditions for entitlement and are paying for your care home fees yourself.

If you are getting financial support from us, your Attendance Allowance or Disability Living Allowance (Care Component) will stop after 28 days in a care home. However, if you intend to repay us from the sale of your home (Deferred Payment) you will be able to reclaim these allowances from the thirteenth week of your permanent stay.

If you go into temporary care regularly, for example for respite care, and your breaks at home are of 28 days or less, your stays in the care home are added together. When the days in care add up to 28 days, your Attendance Allowance or Disability Living Allowance (Care Component) will stop. This is called the linking rule. If your pattern of stays in temporary care means that you may be at home between stays for 28 days or less, please discuss this with your Care Manager (social worker).

A stay in a care home does not affect Disability Living Allowance (Mobility Component).

You can find out more about Attendance Allowance and Disability Living Allowance.
**Allowance** by contacting the **Benefits Enquiry Line on 0800 88 22 00.**

**Income Support and Pension Credit**

If you go into a care home on a temporary basis, for example respite care/have a break, your Income Support (called Pension Credit for people over 60 years) will usually be paid at the same rate as when you are living at home.

If you move to a care home on a permanent basis, you will usually be entitled to your normal rate of Income Support but without any housing costs.

However, if you are getting Attendance Allowance or Disability Living Allowance (Care Component) and this stops after 28 days (see above) your Income Support will be reassessed and may reduce. This is because some people get extra Income Support because they also get Attendance Allowance or Disability Living Allowance (Care Component). This extra Income Support stops when the other allowances end.

You can find out more about **Income Support** by contacting the **Benefits Enquiry Line on 0800 88 22 00.**

**Housing Benefit**

If you move to a care home on a **permanent** basis, your Housing Benefit will stop. Housing Benefit may be payable for any period of notice you may have to give to your landlord if you are not resident at your home and you are in a care home.

If you move to a care home on a **trial** basis to see if the home suits you, you will continue to get Housing Benefit for up to 13 weeks. However, the moment you decide to stay, or decide you will not be returning home, your Housing Benefit will stop. If you have to pay your landlord for a notice period, then Housing Benefit may continue during this period.

If you move to a care home on a **temporary** basis, you will continue to get Housing Benefit for up to 52 weeks, longer if there are exceptional circumstances and you will be returning to your home soon. However, your Housing Benefit will stop the moment you decide to stay permanently or decide you will not be returning home, subject to payment during any notice period.

Housing Benefit stops once your stay in a care home becomes permanent or if you have no intention of returning home or if you sub-let your home while you are in a
care home. These rules are the same for the Council Tax Reduction scheme.

You can find out more about Housing Benefit and Council Tax Benefit by contacting the Benefits Section on 020 8547 5001.

How we consider your property

Property is any individual buildings, parts of individual buildings and land that you own, either the freehold or the leasehold, and includes assets that you own abroad. This applies whether you are the sole owner or you own the property jointly with other people.

The Care Act 2014 says that if you have assets worth more than £23,250 then you are expected to use the value of those assets to pay for your care. This includes the value of your property.

If another person lives in your property

You are not expected to use the value of your property to pay for your care fees if the person who lives there is:

- Your spouse or partner, or;
- Over 60 years of age and your close relative, or;
- Under 16 years of age and you have a legal responsibility to maintain them, or;
- A disabled person.

Also, if someone lives in your property who looks after you, under some circumstances you may not be expected to use the value of your property to pay for your care fees. This applies if they do not fall into one of the four categories above.

If you would like us to consider this, we may need to ask you questions about how much and how long your carer has looked after you. We may also need to ask you about your carer’s own financial circumstances.
We have to advise you that we may not be able to agree to this in all cases.

If your property is jointly owned with another person, or other people, then we have to value your share. This applies whether you own the property as joint tenants or
tenants in common. Valuing your share in these circumstances can be difficult. If we cannot agree with you what your share is worth, we may seek an independent valuation from a professional.

It is advisable to seek independent advice if you jointly own your property with someone who does not fall into any of four categories above.

If you have property abroad, then we always make a reasonable allowance for the cost of transferring any income from it, or the proceeds of the sale, to the United Kingdom if this is necessary. We know that some countries sometimes have restrictions on the amount of money you can transfer out of them at one time. Please let us know if you think this applies to your property. We will take account of any relevant restrictions.

It is against the law to give away your property with the intention of reducing your responsibility to pay for care home fees. If this happens, we may work out your contribution as if you still have the property. In some circumstances we may also take steps to have the property returned to your ownership.

**The 12 week property disregard**

We will disregard (ignore) the capital value of your property during the first 12 weeks of your stay in a care home if:

- you have been assessed as needing to live in a care home on a permanent basis;
- you own your own property, and;
- you have less than £23,250 in savings;
- and have less income than the costs of the care home fees.

You will still be financially assessed to see how much you can contribute from your income. After the 12 weeks property disregard has ended, your property will be regarded as a capital resource in any financial assessment unless there is a statutory disregard as set out in the Care and Support Statutory guidance issued under the Care Act 2014.

**Deferred Payment Scheme**
If you do not wish to sell your property while you are living in a care home permanently and you have savings of under £23,250, you can ask us for a long-term loan. This is known as a ‘deferred payment agreement’.

This means we loan you what is needed to pay the rest of your care costs (that you aren’t paying from your income and savings). We claim the money back later once your property is sold. Deferred Payments are made direct to the Care Home although “loan style” Deferred Payments (where payments are made direct to the Resident) can also be considered.

A deferred payment will start after the end of the 12 week property disregard where appropriate. If this is agreed, we will aim to have the agreement finalised and in place by the end of the 12 week disregard period. If you chose not to apply to join the deferred payment scheme or your application is rejected, you may have to pay for your own care home fees from the 13th week of your stay.

**Please see our leaflet ‘Deferred Payment Scheme’ for more details.**

**What other ways are there of paying for care home costs?**

**Renting out your property**

You could choose to rent out your property, which could give you enough income to cover the full cost of your care home. There are advantages to this as you will not build up a debt, or have to pay interest and administrative charges and your property will be occupied. Your tenant will be paying Utility Bills and Council Tax which will reduce your outgoings.

We operate a scheme where people can become landlords and rent their accommodation to us. The scheme is called the Private Sector Leasing Scheme (PSL). Two to three bedroom properties are ideal for this.

The scheme is well established and already has many people using it to pay for their care. It is a hassle free way to rent your property and may be a good option for you to consider.

Under the PSL Scheme you can receive a guaranteed rental income from the Council and have the peace of mind that the Council are managing your property.

Benefits of the scheme include:
guaranteed rent payments, even if your property goes vacant

no commission fee

the lease is between you and us (not you and the tenant)

we give you a cash lump sum of up to £1,750 in the first year

we find tenants for you and manage the ongoing relationship with them

we make sure your rent is paid on time

if you need your property returned to you, it will be in the same condition, allowing for reasonable wear and tear

we cover your Council Tax and your water rates

variable length lease agreement are available with a minimum of one year.

If you want to discuss this option contact Kingston Council's Private Sector Leasing Team on 020 8547 5491.

Equity Release Schemes

There are also various equity release products which may be suitable for your personal circumstances.

Equity release is the name given to a range of products that let you access the equity (cash) tied up in your home if you are over the age of 55. You can take the money you release as a lump sum or, with some schemes, several smaller amounts.

Other ways

You may also choose to pay the full cost of your care from your available income and savings/assets, or a family member may choose to pay some or all of this for you.

You should take independent financial and legal advice to help you decide which course of action is best for you.

To obtain independent financial advice about what is best for you please contact
Staywell, the new name for Age Concern Kingston upon Thames (see contact details below) who can direct you to sources of assistance.

What happens next

If you think that you need financial help paying for care home fees, 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 to move to a care home.

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 bill. After a time, if you and the home agree, we may ask you to pay the fee directly to the home.

When you have paid your assessed contribution you will generally have a minimum of £23.50 per week left for your personal expense.

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, we may need to look again at 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 18.

Compliments, Comments and Complaints

We value feedback from the people who use our service as it tells us what we are doing 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 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 ‘Have Your Say’, available from the Customer Contact Centre or your Care Manager.
We are also very interested in any comments you may have about this leaflet. We are keen to make this leaflet as easy to use and informative as possible. Your comments and advice are important to us. Thank you.

July 2018
Useful organisations - National

Care Quality Commission

The Care Quality Commission (CQC) is the independent regulator of adult health and social care services in England, whether provided by the NHS, local authorities, private companies or voluntary organisations. It also protects the rights of people detained under the Mental Health Act.

Care Quality Commission
National Customer Service Centre
Citygate, Gallowgate
Newcastle upon Tyne NE1 4PA

Tel: 03000 616 161 (free call)
Email: enquiries@cqc.org.uk
Website: www.cqc.org.uk

Carers UK

Carers UK is a national charity providing information and advice about caring alongside practical and emotional support for carers.

20 Great Dover Street
London SE1 4LX
Tel: 0808 808 7777 (free call)
Email: info@carersuk.org
Website: www.carersuk.org

Department of Health

Government department with overall responsibility for social care including residential care homes.

Tel: 020 7210 4850 (national call rate)
Website: www.dh.gov.uk
Elderly Accommodation Counsel

Provides information on all forms of accommodation, support and care for older people.

EAC FirstStop Advice,
3rd Floor,
89 Albert Embankment,
London, SE1 7TP
Tel: 020 7820 1343
Email: info@firststopadvice.org.uk
Website: www.housingcare.org

Equality Advisory and Support Service

This new service replaced the helpline run by the Equality and Human Rights Commission in October 2012.

FREEPOST Equality Advisory Support Service FPN4431
Tel: 0808 800 0082
Textphone: 0808 800 0084
Website: www.equalityadvisoryservice.com

Gov.uk

Gov.uk is the website of the UK government providing information and online services for the public. It provides information and services on topics such as money, employment, travel and education.

Website: www.gov.uk

Independent Age

Independent Age provides an information and advice service for older people, their families and carers, focusing on social care, welfare benefits and befriending services.

6 Avonmore Road
London W14 8RL
Tel: 020 7605 4200
Advice line: 0800 319 6789
Email: charity@independentage.org
Website: www.independentage.org
Pension Service

For details of state pensions, including forecasts and how to claim your pension.

Tel: 0845 60 60 265
Textphone: 0845 60 60 285
State Pension Forecasting Team: 0845 3000 168 (lo-call rate)
Website: www.gov.uk/browse/working/state-pension

Relatives & Residents Association

The Relatives & Residents Association gives advice and support to older people in care homes, their relatives and friends.

1 The Ivories,
6-18 Northampton Street
London N1 2HY
Tel: 020 7359 8136
Email: info@relres.org
Website: www.relres.org

Useful organisations - Local

Kingston Adult Social Care services
(Social services for adults)

Kingston Adult Social Care services arranges care and support services for adults living in the Royal Borough of Kingston upon Thames who need help to keep independent, safe and well, and their family and friends supporting them.

Kingston Adult Social Care
Guildhall, 3rd Floor
High Street
Kingston KT1 1EU
Tel: 020 8547 5005
Email: adults@kingston.gov.uk
Website: www.kingston.gov.uk
Adult Social Care Finance Team

Adult Social Care Finance Team
Second Floor, Guildhall 2
Kingston KT1 1EU
Tel: 020 8547 4778
Email: asc.financialassessments@kingston.gov.uk

Kingston Carers’ Network (KCN)

KCN is the leading local voluntary organisation dedicated to supporting family and friends caring for someone in the community.

418 Ewell Road
Surbiton
KT6 7HF
Tel: 020 3031 2757
Email: info@kingstoncarers.org.uk
Website: www.kingstoncarers.org.uk

Kingston Centre for Independent Living (KCIL)

KCIL is an independent user-led organisation providing a range of information, advice and support services to make sure disabled people living in Kingston are supported to lead independent lives.

River Reach
31 - 35 High Street
Kingston
KT1 1LF
Tel: 020 8546 9603
Email: enquiries@kcil.org.uk
Website: www.kcil.org.uk
Citizen’s Advice Kingston

Citizen’s Advice Kingston offers advice and information on a wide range of subjects including welfare benefits, debts, housing, employment, relationships and legal issues.

Neville House
55 Eden Street
Kingston KT1 1BW
Tel: 020 3166 0953 (Monday to Friday 10.00-1.00pm)
Website: www.citizensadvicekingston.org.uk

Staywell

Staywell is the new name for Age Concern Kingston upon Thames. Staywell provide a range of community services including practical care and support services in the home, social activities and information and advice.

Tel: 020 8408 8170
Email: firstcontact@staywellservices.org.uk
Website: www.staywellservices.org.uk