

Adult Social Care

Paying for Residential and Nursing Home Care

Last reviewed June 2011
By Adult and Community Services

Paying for Residential and Nursing Home Care

Information about the financial arrangements which apply if you intend to move to residential or nursing home accommodation.

- If your available capital exceeds £23,250 you will pay the full cost of your accommodation and there will be no need for a financial assessment by the Adult and Community Services Directorate.
- If you have less than £23,250 in capital and are unable to meet the full cost of your accommodation either now or in the future, the Adult and Community Directorate will be able to help.

The Adult and Community Services Directorate may contribute towards the cost of accommodation providing you are assessed as needing residential or nursing care and a financial assessment confirms you have less than £23,250. All residents are required to pay towards their accommodation, but only what the law says you can afford to pay.

In order to decide your weekly contribution, a financial assessment will have to be completed. Precise details of your capital, properties, pensions, benefits and any income as applicable will be taken into account. All contributions are assessed according to procedures issued by the Department of Health.

Contents

1. What are the rules about savings and capital?	Page 3
2. Summary of Rules on Capital	Page 3
3. What else will be taken into account?	Page 3
4. What about property?	Page 4
5. Which forms do I need to complete?	Page 4
6. Personal allowances	Page 4
7. When will I know how much to pay?	Page 5
8. How do I pay my contribution?	Page 5
9. What if the cost of the home is more than Adult and Community Services is willing to pay?	Page 5
10. Free Nursing Care	Page 5
11. What if I do not want to give information about my finances?	Page 5
12. What if I was living in a home before 1st April 1993?	Page 5
13. And what if I want more information?	Page 5

1. What are the rules about savings and capital?

Capital includes:

- Any properties or land owned by you. (Although in certain circumstances these can be disregarded.)
- Any cash held.
- Any investments held. This includes savings in building societies and banks, bonds, shares, PEPS, ISA's and TESSAS etc.

If the capital includes an Investment Bond linked to a Life Assurance policy the value of the Bond will be disregarded. Any income received will be taken into consideration.

If you have less than £23,250 in capital you may be entitled to receive financial assistance from the Adult and Community Services Directorate.

Should you have capital of £14,250 or less, this is not taken into account. However, if you possess capital assets between £14,250 and £23,250 there is a weekly charge levied on the amount.

2. Summary of Rules on Capital

Capital	Remarks
Over £23,250	You will pay the full cost
Between £23,250 and £14,250	Adult and Community Care financial assistance possible with charge levied on amount held
Under £14,250	Capital disregarded

3. What else will be taken into account?

When a financial assessment is completed the Adult and Community Services Directorate will take into account:

- most payments from the Benefits Agency.
- earnings (after deductions).
- occupational pensions, personal pensions, and pension annuities (you may pass 50% to your spouse).
- income from trusts.
- bonds (maybe income or capital).
- annuity income.
- other income as appropriate.

4. What about property?

If your stay in residential care is temporary or for respite care, the value of your property will not be taken into account when calculating how much you can pay.

If you are assessed as needing permanent care and have less than £23,250 in available capital, your property will be disregarded for 12 weeks from the admission date. During that period, you will have to make a weekly contribution towards the accommodation.

Adult and Community Care funding will continue after this initial 12 week period if you so wish. However, from that point onwards the property will be viewed as a capital asset and the provided funding will be repayable. If you do not want to sell the property you can sign the deferred payment agreement. This ensures Adult and Community funding, although this does have to be eventually repaid.

The value of the property you own will not be taken into account if it is occupied by:

- your partner.
- a relative who is 60 years of age or over.
- a relative who is in receipt of an incapacity benefit.
- a child under 16 that is liable to be maintained by you.

In certain circumstances the Adult and Community Services Directorate has the discretionary power to disregard the value of occupied properties that do not fall within the above categories.

Once the property is sold and the proceeds received you will pay the full cost of your accommodation until such time as your capital falls to £23,250. You may then be entitled to financial assistance from the Adult and Community Services Directorate.

5. Which forms do I need to complete?

For financial assistance from the Adult and Community Services Directorate you will need to complete and submit a Financial Assessment Form.

For information on Pension Credits, please telephone the Pension Service on 0800 99 1234 or visit their website: www.thepensionservice.gov.uk

To claim Attendance Allowance or Disability Living Allowance you will need to complete form DS2(A). This is not applicable if you are funded by the Adult and Community Services Directorate unless you have a property to sell.

6. Personal allowances

You will retain the weekly statutory Personal Needs Allowance of £22.30 per week and it is your decision as to how and when you spend it. However, this cannot be used to top up your residential fees.

7. When will I know how much to pay?

You will be notified, as soon as possible, of your assessed contribution.

If full precise details of your financial circumstances are not easily available, a provisional assessment may be necessary. Once full information is available, a revised financial assessment will be issued.

8. How do I pay my contribution?

Normally you will pay your contribution directly to the home concerned.

9. What if the cost of the home is more than Adult and Community Services is willing to pay?

You cannot use savings or capital to meet the extra cost of a home that charges higher fees. A relative or another organisation can agree to meet the additional costs. This is payable directly to the home. Property owners who use the 12 week disregard period or sign the deferred payment agreement, may use their own capital to pay a third party top up.

Any extra cost must be agreed at the time of the move to residential care. If the additional cost ceases to be paid, the Adult and Community Services Directorate cannot guarantee to continue funding the placement. It may become necessary to find more affordable accommodation unless the Proprietor agrees to reduce the charge to the Council's agreed rates.

10. Free Nursing Care

The National Health Service is now responsible for funding the nursing care administered by registered nurses in nursing homes. Generally you will only benefit financially if you are funding the total cost of your placement in a nursing home.

11. What if I do not want to give information about my finances?

If you are not prepared to submit information about your finances, you will pay the full cost of your accommodation.

12. What if I was living in a home before 1st April 1993?

If you were living in residential care before 1st April 1993 and have to move from one home to another, or if you run out of funds to pay for a placement, you should contact the Adult and Community Services Directorate.

13. And what if I want more information?

This information is only a summary of very detailed regulations. Should you require further assistance please contact:

Central Accounting Agency, Adult and Community Services,
Worcestershire County Council County Hall, Worcester, WR5 2NP

Telephone: Worcester 01905 72 8533

www.worcestershire.gov.uk/socialcare