



# St. Helens Council

## Charges for Residential and Nursing Care

Adult Social Care and Health

## **Residential and Nursing Care**

If we arrange for you to go into Residential or Nursing Home care you will be required to contribute to the cost. This leaflet explains how your contribution will be calculated.

### **Why do we charge for services?**

The Government have set down very detailed regulations and guidance for calculating the charges for Residential and Nursing Home care, which St.Helens Council must follow. They are the National Assistance Act 1948, the National Assistance (Assessment of Resources) Regulations 1992 and the Department of Health's Charging for Residential Accommodation Guide (CRAG).

You will be exempt from charges if you are receiving care provided under Section 117 of the Mental Health Act 1983.

If you meet the criteria for continuing health care the Health Authority will pay your care fees.

### **Financial Assessment**

If you go into Residential or Nursing Home care arranged by St.Helens Council under the National Assistance Act a financial assessment will be carried out to work out how much you can afford to pay.

A Customer Finance Officer will contact you to arrange a visit to complete a financial assessment. To calculate how much you will be required to pay we will need to see information about your income and savings. Any information given will be treated in the strictest confidence. You may have a member of your family or friend or an advocate present if you would like. Please do not hesitate to ask the Customer Finance Officer any questions you may have, as they are there to help you.

**All our staff carry identification badges showing their photograph so please check this before allowing anyone into your home.**

### **What we will need to see**

It would be helpful if you could have the following information available for the Customer Finance Officer:

#### **Income**

- Details of Benefits (Retirement Pension, Pension Credit, Income Support)
- Your award letter from DWP or Job Centre Plus will show these details
- Details of Private (Occupational) Pension
- Details of any other income

## **Savings**

- Building Society books
- Bank Statements
- Details of shares
- Bonds (Premium, Pensions, Savings, Income)
- Any other financial investment e.g. TESSA, PEP, ISA etc

## **How much will I pay?**

You will be required to pay towards the cost of your care from your income or capital. Capital includes savings and investments. If you are admitted to a home permanently, the value of your home may be included (see below for further information regarding property).

## **Income**

You must tell the Customer Finance Officer about any income you receive. Most income counts towards the cost of your residential care, but you will be left with a personal allowance to spend as you like.

## **Savings**

If you have savings that you hold jointly with your partner, we will assume you have equal shares. If you have...

### **Under £14,250 (Lower Capital Limit)**

We will ignore your savings when we are assessing your finances

### **Between £14,250 and £23,250**

You will have to pay £1 a week for every £250 or part thereof of your savings. This is called Tariff Income.

**Example:** If you have £15,000 capital, £14,250 is disregarded and tariff income of £3 per week is taken into account as income

Tariff Income is meant to represent an amount that a resident with capital over a certain limit should be able to contribute towards accommodation costs, not the interest earning capacity of that capital.

### **Over £23,250 (Upper Capital Limit)**

This is the limit to qualify for Council funding. You will be required to pay the full cost of your accommodation charges until your savings reach this amount. Once your savings approach this limit you need to contact our Customer Finance Team.

## Property

If you need temporary (respite/short term) care, the value of your home is disregarded.

If you need permanent care and your property and other capital is valued at £23,250 or more you will be required to pay the full cost of your care. If you do not want to sell the property in your lifetime we will assess a provisional contribution based on your income/savings and you can request that the balance of the charge be deferred until the property has been sold. When the property is sold, the Council will claim back any payments made from the sale proceeds.

We can disregard the value of your property for 12 weeks, starting from the date you enter the home permanently. We can disregard the value of your property indefinitely if one of the following people lives in it:

- Your partner
- A member of your family who:
  - Is aged 60 or over
  - Is ill or disabled (this means they are receiving or could be receiving a disability benefit)
  - Is aged under 16 and is a child for whom you have responsibility to care for

## The Deferred Payment Scheme

In October 2001, the Government introduced a new scheme that allows you to defer selling your home during your lifetime if you are in permanent care. This scheme is called the 'Deferred Payment Scheme'.

### Who qualifies?

- Residents who are in permanent care
- Residents who do not have income or assets, other than the value of their property to meet the full costs of care
- Residents who do not wish to sell their property or are unable to sell it quickly enough to meet the full cost of care
- The property is registered with the Land Registry
- The value of the property is sufficient, together with other savings and assets, to meet the criteria for self-funding
- There is no outstanding mortgage on the property or the outstanding amount leaves sufficient value to meet the criteria for self-funding

### Who does not qualify?

- Residents who are not sole owners of the property
  - Residents who do not meet the qualifying criteria above
- It is still possible to take action to meet the criteria, e.g. registering unregistered properties. A Customer Finance Officer can offer you advice on this.

- Residents who have sufficient income or other savings to meet the full cost of their care. The scheme will become available when the upper capital limit is reached.

If you want to take advantage of the scheme, you will need to agree to the Council placing a legal charge on your property (this is like a mortgage). The Council will loan you the money to pay your care charges. The money you borrow must be repaid when you sell your property or from your estate after your death. There will be no interest charges if the debt is repaid within 56 days of your death.

There are some things that you may want to think about before considering the scheme.

- The Council will have the right to reclaim the loan when your property is sold.
- You will need to maintain the empty property. This includes paying for insurance on the building and contents and paying heating bills to save the property from damp and frost.
- If you rent out the property, the rent you receive will have to be used to contribute towards the cost of your care, but will reduce the amount of the loan.
- By not selling your property you will probably not qualify for Pension Credit/Income Support and this will increase the amount of the loan but you may qualify for Attendance Allowance/DLA (Care) which would reduce the loan.
- When the Council places a legal charge on your property, you will not be able to sell your home or transfer ownership until the loan has been repaid.

The Council has limited funds to give these loans but will always try to help if you want to use this scheme.

It is an important decision for you to take, so you should talk to your family or get independent financial advice.

### **Will my family have to pay anything towards my care in the Home?**

In certain circumstances, the Council can make placements in more expensive accommodation than they would usually expect to pay for, provided a resident or a third party is able and willing to make up the difference (to 'top up'). A third party might be a relative, a friend, or any other source.

It cannot be paid out of the resident's own money, except in the following circumstances:

- Residents who are subject to the 12 weeks property disregard
- Residents who have signed a deferred payment agreement

These are the only situations where residents may make a 'top up' payment themselves.

## **What happens if I transfer some of my assets before I go into a Home?**

If you have given away or transferred a capital asset (property, savings etc.) the Council may feel that you have deprived yourself of a capital asset in order to reduce accommodation charges. If this is the case the Council may treat you as still possessing the asset and charge you accordingly. You are advised to contact us to discuss before transferring any capital asset. There is no time limit on disposing of assets and we consider each case individually.

## **Self-Funding Residents**

If you have savings above the upper capital limit and are able to make your own care arrangements or have relatives or advocates who can make the arrangements for you, the Council will provide help and support, if required, but will not be involved in making any contractual agreement with the home.

When your capital is about to reach the ceiling for Council funding (£23,250) you should contact the Council where you live to request financial support. A financial assessment will be completed and you will need to provide evidence of your capital backdated to before you were admitted to the home.

The Upper and Lower capital limits and the personal allowance are set by the Government and are usually increased each April. The home will be able to advise you of the new capital limits each year.

Residents who do not receive any Council funding are entitled to claim Attendance Allowance or Disability Living Allowance (Care Component). If you are already in receipt of the lower rate you may be entitled to a higher rate and you can request a review by contacting the Pension Service on **0845 606 0265** and ask to be put through to Local Services.

## **Couples**

**Permanent Care** – If you or your partner is living in a residential home you are treated as single people for charging and benefit purposes.

**Temporary (respite) care** – Your charges will be assessed solely on your own income and assets and not those of your husband/wife. However, where Income Support/Pension Credit is being paid for a couple we will decide how much to charge for your care, taking into account the needs of the partner who is still living at home.

## **How will I pay my charges?**

We will inform you and the home of your weekly charge and they will make arrangements with you on how to pay it.

If you want someone else to collect your pension you will have to contact the Pension Service to make the arrangements. Whoever collects your pension is responsible for ensuring your charges are paid and for giving you your personal allowance.

## **Benefit Check**

As part of our financial assessment process we will provide you with information to ensure you are claiming all the benefits to which you could be entitled. If we think you could make a claim for additional benefits, we can assist you with this.

## **What if I disagree with the assessed charge?**

If you do not agree with the amount of charges you have been asked to pay, you can ask the Customer Finance Section to review your charge. You also have the right to complain through the Council's Complaints Procedure.

## **Advice and Information**

You can also obtain advice and information from the contacts below:

DASH (Disability Advice and Information St Helens)  
(01744) 456053

[www.informationsthelens.org](http://www.informationsthelens.org)

Citizens Advice Bureau  
(01744) 737866 – Appointment Line  
08701 212027 – Advice Line between 10am-1pm

St Helens Carers' Centre  
(01744) 675615  
[www.sthelenscarers.org.uk](http://www.sthelenscarers.org.uk)

Age UK (Age Concern and Help the Aged have now merged)  
0800 009966  
[www.ageuk.org.uk](http://www.ageuk.org.uk)

The Pension Service  
0845 606 0265  
[www.thepensionsservice.gov.uk](http://www.thepensionsservice.gov.uk)

**Attendance Allowance/Disability Living Allowance  
Benefit Enquiry Line  
0800 882200**

Counsel and Care  
0845 300 7585  
[www.counselandcare.org.uk](http://www.counselandcare.org.uk)

Nursing Home Fees Agency (NHFA)  
0800 99 88 33  
[www.nhfa.co.uk](http://www.nhfa.co.uk)

Quality Care Commission (CQC)  
[www.cqc.org.uk](http://www.cqc.org.uk)