

Paying for Long Term Residential Care

Part of the care home series:

Fact sheet 10a, **Is a Care Home right for me?**

Fact sheet 10b, **Choosing a care home – what should I ask?**

Fact sheet 10c, **I've chosen a Care Home – what happens next?**

Fact sheet 10d, **Paying for Short Term/Respite Residential Care**

Are you eligible for our help?

Every person's situation is unique, and we carefully consider each request for support. For more information about Fair Access to Care (FACS) - in other words our eligibility criteria, the guidelines used to assess people's needs, please read our **Factsheet 1, Assessment and Fair Access to Care** or telephone **Care Direct 0845 1551 007** for a personal explanation. If you think you may need financial support from us we will arrange for someone to talk to you about your needs, and recommend the care and support that is most suitable for you. There is no charge for this. You can have a relative or friend present if you want.

If you have savings over the capital threshold (currently £23,250) excluding the value of your home then you will not be eligible for financial assistance. If you are not eligible for our financial assistance you may find it helpful to consult an independent financial adviser for further guidance.

When your support/care needs have been established you will usually fall into one of the following banded rates for funding purposes:

Residential:	Nursing:
Band 1 - £295 per week *	Standard £416.30 per week * (excluding Funded Nursing Care)
Band 2 - £309 per week *	High £427.30 per week * (excluding Funded Nursing Care)
Band 3 - £330 per week *	
Band 4 - £391 per week *	

*** It is important to realise this is not the actual amount we will pay towards your care because you will be required to make a contribution towards your banded rate. Your contribution will be determined by a financial assessment being undertaken.**

For Mental Health, Learning Disabilities and Physical Disabilities (aged under 65) people the banded rates do not apply as your fees will be individually negotiated.

Funded Nursing Care

If you are in a Nursing Home the Health Authority will pay for the nursing care element of the homes weekly fee, currently £108.70 per week. This is over and above the banded nursing rates quoted above.

Nursing:

Standard £525.00 per week (including Funded Nursing Care)
High £536.00 per week (including Funded Nursing Care)

What if the Home of your choice is charging more than the Banded Rate?

If the home fees exceed your banded rate you may not be able to go to the home of your choice unless someone else can pay the difference. **This is known as a Third Party Contribution and will need to be paid over and above your own assessed contribution:**

- You will have to find a Third Party, for example a family member to pay the difference. This is known as a Third Party Contribution and cannot be made from your own weekly income or capital assets.

- The Third Party must agree to make the payments for the whole of your stay. If at any time they are unable to pay this amount you may be asked to move to another home.
- If your former home is subject to a 12 week property disregard or you have been accepted for a Deferred Payment Agreement you may be able to pay a First Party Contribution.
- If there is no willing Third Party or you do not own your own property then you may have to find an alternative residential home willing to accept the Banded Rate.

How much will I have to pay?

You are required to make a contribution towards the banded rate quoted above which will be determined following the outcome of a financial assessment of your weekly income and capital resources.

- Income is the money that you receive such as State Retirement Pension, War Pensions, State Benefits, Occupational Pensions, Trust Fund income etc.
- Capital is the value of any savings, investments, property and land that you have/own.

Devon County Council will review the amount that you will have to pay from April each year following the increases in all State Benefits and Statutory Personal Allowances.

Will all my Income and Capital be taken into Account? No

- From your weekly income we will automatically disregard a Personal Expense Allowance (PEA) of currently £22.30 which is our statutory requirement. This is to cover items such as newspapers, toiletries etc
- Additionally if your weekly income exceeds £132.60 per week an additional weekly sum of up to £5.75 (savings disregard) will be allowed.
- If you are in receipt of an occupational pension and your spouse/partner remains at home 50% of this pension will be disregarded unless it will have a detrimental effect on the benefits claimable by the spouse/partner remaining at home.
- Capital held in joint accounts will be automatically halved.
- See below with regards to the treatment of property and land.
- The first £14,250 of your capital will be fully disregarded.

What if my capital assets are above £14,250 but are below £23,250?

You will be required to pay a notional tariff income on your capital charged at £1.00 per week for every £250.00 (or part thereof) between £14,250 and £23,250 for example:

You have capital of	£17,580.51	
We disregard	£14,250.00	
Assessable capital	£ 3,330.51	(Divided by £250)
Notional Tariff Income *	£ 14.00	To be added to your weekly income for assessment purposes

* Notional tariff income is a formula set by Central Government and does not represent the income earning capacity of that capital.

Treatment of Property and Land

Your home:

The value of your home which was your main place of residence prior to admission to residential care will be ignored if it continues to be occupied by:

- Spouse or partner
- Relative aged over 60
- A relative who is registered disabled
- Someone aged under 16 who you are financially responsible for

12 Week Property Disregard Period

If your home does not qualify for an automatic disregard (as above) then its value will still be disregarded for up to a maximum of 12 weeks, thereafter its value will be taken into account. This is known as the 12 week property disregard

During this 12 week property disregard period **you will still have to pay an assessed contribution based on your weekly income and other capital.**

At the end of the 12 week property disregard period the value of your home will then be included as part of your capital assets and therefore your accommodation contribution will increase to the full weekly fee charged by the residential home.

Deferred Payment Agreements (DPA)

If you do not wish to sell your home or if a sale is likely to take sometime you may wish to apply for a DPA.

A DPA is only available to people who, in addition to the value of their home, have other capital assets of less than £23,250. Once completed a DPA allows for a proportion of the residential home fee to be deferred. The amount to be deferred will vary depending on your financial circumstances. The deferred sum becomes repayable to the Council upon either the sale of your property or when you leave residential accommodation (usually upon your death). No interest charges are payable on the amount deferred unless it is still outstanding 56 days after it has become due.

Whilst a DPA is in place you will be required to contribute your available weekly income.

A DPA only becomes effective from the date it is completed therefore it is essential you apply as soon as possible. All fees due prior to that date are payable in the usual manner. See payment options below.

Other Property/Land

Any other property or land owned is **not** subject to a disregard and will form part of your capital assets. If these assets exceed £23,250 then you will be required to pay the full weekly fee charged by the residential home effective from your admission.

How do I pay my assessed weekly accommodation charge?

Client Finance Services will advise you of your weekly contribution and if your payments will be made **Net or Gross**:

Net Agreement

This is when you pay your assessed accommodation charge directly to the residential home, this is the preferred choice adopted by Devon County Council (DCC).

Gross Agreement

This is when you pay your assessed accommodation charge directly to DCC. You will be sent an account through the post every four weeks by Client Finance Services which will explain the different payment methods available.

You should not receive any additional requests for payment in relation to your care requirements other than those notified to you by Client Finance Services. This does not include payments for sundry items such as toiletries etc.

The latest version of this factsheet and additional factsheets can be found online at www.devon.gov.uk/factsheets

A large print version of this factsheet is available on www.devon.gov.uk/largeprintfactsheets but if you would like it in a different format such as Braille or audio, or in a different language, please contact our Customer Service Centre on 0845 155 1015 or email customer@devon.gov.uk.

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