



Fact Sheet SHC02 January 2013

Paying for a care home place

If you are considering moving into a care home, you will also need to think about how you will pay for a place in a care home.



If you are in a financial position to do so, you can make your own arrangements to move into the home of your choice. The Care Quality Commission can give you information on homes in your preferred area.

It is important to remember, that if you later find that you can no longer afford the fees, the Council can only assist if you qualify for support under the governments rules, and if the care home where you are a resident is registered and prepared to enter into a contract with the Council.

My Care My Home can offer some advice about your support and funding options if you are funding your own care.

Our factsheet on '*Choosing a care home*' and '*Checklist for choosing a care home*' tells you all about care homes and what to look for.

If you cannot afford to move into a care home, but find that you can no longer manage to look after yourself at home, you may be able to get support from the Council.

Getting help from the Council

Barnet Council aims to promote peoples independence, and will only recommend a place in a care home where there are no other support options available to enable you to live in your own home. If this is the case, for you and your family

member and your capital and savings are less than £23,250, you should qualify for financial assistance from Barnet Council.

You will need to complete a Financial Assessment form so we can work out how much you must pay and how much the Council should contribute.

How is the Financial Assessment carried out?



Your social worker or care manager will give you a financial declaration form. If you do not receive a form, please contact the Financial Assessment Team at Barnet Council who will send one to

you. You can also contact this team if you would like to arrange a visit to help you complete the form. They will also help you to claim any additional benefits that you may be entitled to.

Your charges will start from the first date of your placement, so it is important that you complete the Financial Declaration form as soon as possible to prevent receiving a large initial invoice. You will need to provide bank and building society statements to confirm your savings and income, and payslips to confirm any occupational or private pensions.

Financial Assessment Team

Tel: 020 8359 2238

Website: www.barnet.gov.uk/

The Financial Assessment Team will send you a letter confirming how much you will have to pay towards the cost of your care and it will include a breakdown of the charges you will have to pay.

The Council reassesses the amount you have to pay every year in April, therefore it is important to tell us of any changes in circumstances.

How much will you have to pay?

The amount you pay will depend on:

- Your capital (including for example your savings, and the value of any share you have in your home)
- Your income (including certain benefits that you receive).



How are payments calculated?

If you have **more than £23,250** in capital, you must pay your care home charges in full.

If your **capital is between £14,250 and £23,250**, you will be charged based on the income you receive (minus some elements which you are allowed to keep).

In addition, you will have to pay a 'tariff income' (a small weekly sum to reflect the amount of capital above £14,250 which you have). We will assume you have a 'tariff-income' of £1 per week for every £250 of savings over £14,250, and you will have to pay this 'tariff income' towards the cost of your care. So, for example, if you have £15,250 in savings we assume an income of £4 per week which will be taken into account when working out your charge.

If your **capital is £14,250 or less**, you will be charged based on the income you receive (minus some elements which you are allowed to keep), but you will **not** be charged a tariff income.

Income that you can keep

If you have £23,250 or less in capital, we will work out your contribution towards residential after assessing your weekly income. You will always be allowed to keep part of your income for personal use, this is your personal expenses allowance. A

personal expenses allowance is designed to give you money to spend as you choose, for example on personal items. This amount is set each year and is currently £23.50 per week.

In some circumstances we can allow you extra money, either because you get certain benefits (for example, a war widow's pension) or because of the Government's rules about Savings Credit. Also in some circumstances we may be able to vary your personal expense allowance for other reasons, such as you are passing half of your occupational pension or private pension to your spouse or partner. It may be that you are considered "less dependent" and need more money to live independently.

It is important that you provide as much detail as possible to the council about the source of all the money which you receive, and keep us updated about any changes to your different kinds of income, so that we can calculate exactly how much you are entitled to keep, otherwise you may lose out.

What if your savings or capital is jointly owned?

If you are a joint beneficial owner of assets, such as if you have a joint savings account, or you jointly own your home (whether or not you are registered as the legal owner), we will only take your share into account when calculating your capital level.

Sometimes, we may ask for details of the finances of your friends and relatives in order to find out more about your financial circumstances. For example, if you say that your home is jointly-owned, but it is registered in your name, you may have to provide evidence of the proportion of a relative's claimed share in the ownership of the home.

Will your home (or your share in it) always be taken into account when assessing contributions?



There are a range of situations where the value of your own home will **not** be taken into account when assessing how much you must contribute to the costs of your care.

If your stay in a residential home is a temporary one, then the value of your home is ignored as long as you:

- Intend to return home, and your home is still available to you
- Are taking reasonable steps to sell your home to allow you to move into a more suitable place on your return.

If your stay is permanent, the value of your home is **ignored for the first 12 weeks**. After that time, the value of your home is taken into account, unless it is still occupied by:

- Your partner or spouse (including a civil partner)
- A child under 16 years of age who is dependent on you
- A relative or family member who is over 60 years of age
- A relative or family member who is disabled - this could be a son or daughter with a physical or learning disability
- Your estranged or divorced former partner or spouse (including a former civil partner), if they are a lone parent of a child under 16 years of age.

Barnet Council also has discretion to disregard the value of your house and review the decision later if a person other than those listed above lives in your property. The Council may decide to exercise this discretion, for example:

- If when you lived at home, you had a carer and they gave up their home in order to live with you and care for you
- When you lived at home, you had an elderly companion and they gave up their home in order to live with you.

If my home counts as capital, but I do not have enough income or other capital to pay the care home fees, what can I do?

The Council suggests that you should either put your home on the market for sale, or rent out your home - but you must make sure you get enough money to cover the full cost of your placement. In some limited circumstances, you may be able to enter into a Deferred Payments Agreement with the Council. Contact the Financial Assessment Team for more information.

What happens if I give my money, assets or other capital away?



If you have given away money, assets or property in order to avoid paying care home charges, those sums may continue to be treated as your income or capital when assessing how much you can and must pay. The

Council may take action against the recipient(s) of the assets you have given away or ask them to pay some of your costs.

When your capital is falling

Paying or contributing to your care home charges is likely to reduce the amount of capital (including savings) that you have. If your capital is falling, you should always keep Barnet Council informed when it is about to reach £23,250, and regularly thereafter, so that we can take this into account when re-assessing the amount you have to pay for your care home charges.

For more information about how we work out charges, please contact the Financial Assessment Team at Barnet Council.

For independent financial advice, contact My Care My Home on **0800 731 8470**. Alternatively visit their website at www.mycaremyhome.co.uk for more information.



Choosing a care home if the Council is helping to pay the fees

To offer you a real choice, Barnet Council and NHS Barnet have standard contracts with a range of independent and voluntary sector homes including homes that meet both cultural and religious needs.

However, you do not have to move to one of these homes, for example, if you wish to move to a home in a different part of the country to be near to relatives.

If the Council is contributing towards the cost of your care home fees, you can usually still stay in the home of your choice, provided that:

- the home where you are or will be a resident is registered with the Care Quality Commission
- the home is suitable for your assessed needs, and is prepared to enter into a contract with the Council
- the care home does not charge more than Barnet Council would usually expect to pay for residential accommodation which is suitable to your assessed needs.

If the care home charges more than Barnet Council would usually expect to pay, Barnet will only contribute to the cost of your care at that particular home if there is no other available home which is suitable for your assessed needs, or if a third-party sponsor (such as a relative or voluntary organisation) reaches an agreement with the Council to contribute towards the cost of the care home as well.

We will ask for financial information from the person applying to enter into the agreement with the Council. Failure to keep up with top up payments may result in you being asked to move to a suitable alternative home available at a cost the Council would usually expect to pay.

Reviewing your place in a care home

If the Council helped to place you in a care home, your social care professional will keep in touch for the first four weeks to ensure you are being cared for in a satisfactory way. A review of your situation will be carried out after four weeks to check with you, your family and friends, and the home's staff that the home is suitable for you.

If you are happy with the home, your placement becomes permanent. We will then review your placement once a year unless you or your family or the home feel that your needs have changed. In this case an earlier review can be arranged.



The Relatives and Residents Association

Provides support and help to residents, potential residents and relatives and friends of people in residential and nursing homes. This can range from setting up relatives' support groups to providing information for relatives who need support.

Tel: 020 7359 8136 (helpline)

Email: info@relres.org

If you need this factsheet in a different format, please contact the Communications Officer for Adult and Communities on:

Tel: 020 8359 7150

Email: adultsocialservices@barnet.gov.uk