

# **Wrexham Council Finance Department**

## **Paying for Social Care Services: Residential/Nursing**



# Financial Information Guide for people going into a care home, or care home with nursing

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## **1. About this information**

This information is based on Wrexham Council's "Charging Policy" for social care services, as approved by the Council's Executive Board on 11th October 2016. It is for people who are going into a care home, or care home with nursing. It explains about the costs of moving into a Home and how you may be eligible to get help towards the costs. It explains the differing financial assessment processes involved, depending on whether a permanent arrangement or temporary. We realise that this can be a difficult time for you and your relatives and hope that the information will be of assistance.

Please note that the rules on financial assessments, charges payable and capital limits are subject to change. This leaflet is current for April 2017 to March 2018. To find out if any amendments have taken place since its publication you should speak to the Financial Assessment Section in the Council.

Both the UK and Welsh Governments continue to look at whether the current system regarding “paying for care” should remain as it is or be changed. This is often raised and reported in the media. It may be the case that capital limits and treatment of property are further reviewed in the near future. Any changes made in England will not necessarily apply to Wales and vice-versa. If and when the rules change, Wrexham Council will notify all relevant parties in good time. For now, the information in this guide remains current and valid but it is **intended as a guide only and is not an authoritative statement of law.**

This information has been written to answer the most common financial questions we get asked about residential and nursing homes. After reading the information, if you feel you would like any points explained further, please do not hesitate to contact our Income Maximisation Unit’s (IMU) Financial Assessment Team on 01978 298220.

If you require information regarding your care needs assessment, please speak to the Initial Response Team on **01978 292066**, or your Care Manager (Social Worker).

## **2. Domiciliary/Non-residential care**

For financial rules relating to services provided in community settings (Day Centres, people’s usual homes etc), please see the leaflet “Paying for Social Care Services: Domiciliary/Respite”

## **3. Respite and temporary care**

If you are going into a residential or nursing home for respite and some other types of short-term temporary care, then the rules are as per 2 above. Some temporary Home/Nursing care placements are, however, treated in the same way as permanent placements in the financial assessment process and the rules as per the rest of this leaflet apply. This includes any temporary placement that is re-designated as permanent during the first 8 weeks being charged at up to full cost of service from

the date of that decision. Also, if the period of stay in the Care Home is likely to exceed 8 continuous weeks and cannot be estimated, the service-user will be subject to up to full costs for service from the outset and NOT the £70 maximum as per 2 above.

## 4. The Financial Assessment

The amount you will have to pay towards the cost of your stay in a residential or nursing home depends on your income and capital. Some examples of these are provided below, but please note that there may be other types that we have to consider. For all income, capital or savings, we must see evidence of up to date balances of accounts; for example, bank statements.

### What is counted as income?

Income means regular payments that you receive and includes State Retirement Pension, Pension Credit, Attendance Allowance; Occupational Pensions and any annuities, trust funds, rental income and so on.

### What is counted as capital?

Capital is your savings and property. Savings include bank, post office or building society accounts, National Savings Certificates, bonds, ISAs and shares. It could be in your sole name or jointly owned. You should be aware that there are certain kinds of capital which would not necessarily take you over the threshold above which you would be charged

the full cost of services provided. If you need more information regarding which types of capital / investments are fully or partly taken into account or fully or partly disregarded, please contact the Financial Assessment Team on **01978 298220**.

A Financial Assessment Officer will contact you to assist with the completion of the Financial Assessment Form. The purpose of the form is to ensure that we are provided with accurate financial information to assist us to work out the correct contribution you are required to make toward your care costs.

## **Will I have to pay towards my placement?**

Apart from those service users subject to Section 117 of the Mental Health Act 1983, all adults have to pay something towards his or her residential/nursing care. If you have been assessed by the Social Care Department as needing long term residential or nursing care, we will carry out a financial assessment.

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

Under the current legislation anyone who has more than £30,000 in capital or savings must pay the full cost of the placement in the Home. This excludes the registered nursing care payment for nursing placements. See Section 8, Nursing Care.

## **Residential / Nursing care home costs**

To find out the current amount that the Adult Social Care Department will contribute to the cost of a residential/nursing placement in a private home, please contact the Financial Assessment Section on **01978 298220**.

## **How we calculate your contribution**

When calculating your contribution, the Council ignores any capital you have up to the value of £30,000. If you are assessed as having over £30,000, the Local Authority will not pay anything towards the cost of your care home stay and you are treated as a 'self-funder'.

In general, most of your income, including Social Security Benefits, counts towards the cost of your care.

The Financial Assessment Form is extremely important as it gives us details of your income and capital/savings. Please make sure that the form is completed and returned accurately. If it is not, we will not be able to correctly calculate your contribution to the cost of your stay, and you may have to pay the full cost.

If someone else is completing the form on your behalf, they should have appropriate legal authority to do so. Evidence of their authority must be enclosed with the form, e.g. DWP benefits appointee, Lasting Power of Attorney and so on...

## **Once I have gone into residential/nursing care how much will I be able to keep for my personal expenses?**

From April 2017 the amount that you are allowed to keep for your own personal needs is £27.50 over and above the costs of your care that have been agreed by the local authority. If eligible, you can also retain up to a further £5.75 per single person or £8.60 per couple of Pension Credit.

## **What if the fees of the Home that I have chosen are more expensive than the Social Care Department regard as reasonable?**

Wrexham Adult Social Care Department has a maximum price for categories of residential and nursing care. If the cost of the home that you have chosen exceeds the maximum for this authority, someone will be required to cover the shortfall, often known as a "Top-up Payment."

It can be possible for residents to pay this themselves but only under the 12 week property disregard rules (by utilising the Deferred Payments Scheme). See Section 7, the Deferred Payment Scheme and the leaflet, "Paying for Social Care Services; Deferred Payments Scheme".

Therefore those residents who do not receive help under the 12 week property disregard or Deferred Payments Scheme cannot pay a Top-up payment from their own resources. Instead you must ensure that a relative or friend is able to pay the difference and be in a position to make this top up for the length of your stay. They must also enter into a formal agreement with the Social Care Department and be able to maintain this agreement (the "Third Party" Agreement) throughout the period of the placement (see below). The Home will provide the Third Party Contract Form to you or the person acting as your Third Party.

## **How am I told the amount I have to pay ?**

When you have completed your Financial Assessment Form the Financial Assessment Team will notify you in writing of the amount that we require you to pay. If you have any questions about the amount, please contact the Financial Assessment Team on **01978 298220**.

## **How payments are made**

You will pay your contribution towards the total directly to the Home where you have moved to. The Financial Assessment team will pay the Social Care Department amount directly to the Home and where applicable, collect the Local Health Board contribution and pay that to the Home as well.

## **Third party top-up payments**

These are subject to agreement between the person making the payment on your behalf and the Home. Wrexham Adult Social Care Department require details of who is making the third party payments. We will provide the third party with a letter advising them of their responsibility to pay the Care Home directly and the third party will sign a form for our records to this effect. Please be reminded that it is not permitted for the resident to use their weekly personal allowance (also known as “Pocket Money”) to pay any top-up.

## **5. Benefits**

### **Will I be able to claim Pension Credit?**

State Pension Credit is a means-tested benefit for people of pension age. We can assist you with a claim for Pension Credit if you wish, please contact the Welfare Rights Team on **01978 298255** for further advice.

Please note that if you decide not to claim Pension Credit when you are entitled to do so, you will nevertheless be financially assessed as though you are receiving the benefit.

### **Will going into permanent care affect any benefits that I claim now?**

Attendance Allowance / Disability Living Allowance (Care Component) / Personal Independence Payment (Daily Living Component) will stop after 28 days of being continuously away from your own home if you are receiving financial help towards the cost of your stay from the local authority. If the local authority is not paying any contribution, you remain fully entitled to these benefits. If you receive any other benefits and have any queries regarding continuing entitlement (including what happens to benefits when in hospital), please contact Welfare Rights as above.

## 6. Property

### Does owning my own property affect my charges?

This depends on whether anyone else lives in the property or not. If it is solely you, the value of your property does not count for the first 12 weeks of a permanent placement but it will be included after 12 weeks (if it is sold within the first 12 weeks the proceeds will be taken into account as part of the financial assessment). This is called the 12 week disregard period (see Section 6 on page 6 for further detail).

During this 12 week disregard period, payment of any Attendance Allowance, Care Component of Disability Living Allowance or Daily Living Component of Personal Independence Payment should stop after a maximum of 28 days for as long as the local authority is 'disregarding' the property. If you receive one of these benefits you should contact the Disability Benefits Centre, Warbeck House, Warbeck Hill Road, Blackpool, FY2 0YE, Tel: **08457 123456** to advise them of the arrangements. Again this does not apply if you are wholly funding the placement yourself. Any further queries regarding benefits in general should be addressed to Welfare Rights as above.

### If I own a house, will I be expected to sell it?

The local authority does not have the power to enforce a sale of your property, but whilst the value of your property does not count for the first 12 weeks of your permanent placement, it will be included after 12 weeks (or its cash value, if it is sold before 12 weeks).

The value of a house or any other property or land you own will be taken into account in working out your contribution towards your care. However, in the following circumstances, your property will not be taken into account in calculating your weekly contribution:

- Your partner (provided you are not divorced or separated) remains in the property.
- A relative aged 60 or over remains in the property.
- A relative aged 16 or under (who is your responsibility) remains in the property.
- A relative who is incapacitated in some way remains in the property.



The local authority has discretion, in certain other circumstances, to disregard the value of the property. For example, if your long-term carer continues to live there, or if selling the house would cause hardship for someone who has been sharing your home on a permanent basis.

In such circumstances, you will need to provide a written request for a disregard to be made and give the facts in support of your request. To do this, write to your Care Manager (Social Worker) or the Financial Assessment Officer. We will notify you in writing of the outcome of the local authority decision. The authority is entitled to register an interest (legal charge) in your property if necessary.

Pension Credit entitlement considers the value of a persons property when calculating their capital (if you are resident in a Care Home), but your property can be disregarded once it has been put on the market. If you take steps to sell the property then it might be worth considering an application for Pension Credit. You should contact the Department for Work and Pensions to make a claim. Differing benefits rules and processes apply to people of working-age. For further advice, speak to Welfare Rights on **01978 298255**.

### **What happens if I have trouble selling my house?**

If you have not sold your property after the initial 12 weeks, the value of your home will be taken into account in your financial assessment.

The Financial Assessment Team will then obtain a valuation figure and use it to work out your charge as if it were an amount of savings available to you. Assuming you will not be in a position to pay the full weekly Care Home fee, a debt will build up but does not have to be repaid until the property is sold or the placement ends, whichever occurs first. In the meantime, the Council will pay the fees, less the contribution you make from your income.

The Local Authority will place an interest, or legal charge, on the property with the Land Registry, which means that the outstanding balance has to be paid when the house is sold. This protects the amount of money owed to the Local Authority.

When the house is later sold, your Solicitor should send details of the net proceeds of sale to the Council's Solicitor. The Financial Assessment Officer will then be able to ensure that the correct figure has been used in calculating the arrears that are due at that time. The Council cannot charge interest on the balance outstanding until the property is sold or the placement ends, whichever occurs first. In these circumstances, interest will be charged on the balance outstanding from the day after the date of death. These rules differ under the Deferred Payments Scheme.

### **What if I own a former Council house purchased under the “Right to Buy” scheme?**

If the house which you own is a former Council house purchased under the “Right to Buy” scheme and somebody else has helped you with the purchase, it may be possible to disregard the value (or proportion of its value). The person who helped with the purchase needs to provide acceptable evidence of their contribution.

This is not an automatic disregard and each case has to be judged on its individual merits. Evidence should, therefore, be submitted with your Financial Assessment Form and you will be notified of the outcome of the Social Care Department's decision in writing.

### **What happens if I give away my home or other assets, or transfer them into somebody else's name?**

If a person gives away their home, savings or other assets before going into residential / nursing care or when already living there, we will investigate the circumstances in detail. We will also examine the sale of any other asset at less than its true market value.

As we have a duty to protect public funds, we must look to see if a significant reason for the disposal was a desire to avoid paying for, or towards, residential/ nursing care costs.

If we decide that a factor in the decision to give away, transfer or sell an asset at less than its market value was to avoid paying fees or reduce the amount payable, the law allows us to take action. Depending upon the circumstances, we can either assess you as still owning the asset(s), or require the person to whom you gave the property to contribute towards your fees.

Any large gifts or transfer of ownership will be investigated and appropriate legal action taken to recover these sums.

These cases are considered by a panel of senior officers and their decision can be challenged by you via the Council's standard Complaints Procedure if you disagree with it.

## **What happens if I go into Residential Care and my partner stays at home?**

The financial assessment is based only on your income and assets. You will also be assessed on your share of any jointly owned assets (except the "family home" if your partner remains there).

## **7. The Deferred Payments Scheme**

If a person is a home owner and is moving to residential care this scheme is designed to assist them with the payment of their care home fees. In return for a legal charge being placed on their property, the Council will pay agreed care costs, which will be repaid when the property is sold. There are fees and other costs associated with Deferred Payments.

Please contact the Financial Assessment Team for further information and see our separate leaflet, "Paying for Social Care Services: Deferred Payment Scheme".

## **8. Nursing Care**

### **What are Registered Nursing Care payments?**

All residents in a nursing placement have their care assessed by a registered nurse, and a set amount is then paid for by the Local Health Board. As of 1st April 2017 this is £149.67 per week in Wales (different rates apply in England).

This amount will be paid directly to the nursing home. This will not affect the contribution from the resident unless they are paying the full cost of their own placement. In such cases the resident should check that their weekly fees have been reduced accordingly.

A booklet entitled “NHS Funded Nursing Care in Nursing Homes – What it means for you” is available from the Department of Health.

## **9. What happens if any of my circumstances change?**

If you think your circumstances have changed and you require advice, please contact the Financial Assessment Team on **01978 298220**. If necessary, a new Financial Assessment Form will be completed.

Changes include:

- Increase/decrease in income or capital.
- A property that was previously disregarded no longer falls within the disregard criteria, e.g. a relative aged 60 or over moves out

### **What happens if I am initially self-funding and the capital I have falls below £30,000?**

The local authority may now be able to pay for part of the cost of your placement. This, however, depends upon what income you receive from other sources, e.g. occupational pensions. You will need to get in touch with the Initial Response Team on **01978 292066**.

The Social Care Department only becomes aware of changes of this nature if you advise us of them.

## **10. What happens to the financial and personal information given?**

The Social Care Department will deal with all information with complete confidentiality.

The information will not be used for any purpose other than calculating the expected contribution towards the charges.

It will not be made available to any person who is not connected with the calculation and billing.

## **11. Queries and Challenging the Assessment outcome**

Should you have any questions regarding the outcome of the financial assessment, please contact the Financial Assessment Officer (as per details in letter sent to you). The Officer will check the calculations again and advise you of any revised figures.

If you remain unhappy with the explanation, you should advise the Officer who will then refer the case to the Departmental Manager for further investigation.

This will take the form of inviting you to formally apply for a review of charges. You will be provided with a form to complete (or given assistance to do this if you wish) stating why you disagree with the outcome of the assessment. Your case will then be re-considered and a prompt decision will be issued to you. Should you further remain dissatisfied at this stage then the matter can be taken up via the Adult Social Care Departments Comments & Complaints process.

## **12. Questions, suggestions, complaints, compliments and comments**

Wrexham Adult Social Care Department welcomes feedback as we use this information to learn lessons and improve the services we provide. If you wish to ask a question, make a suggestion, compliment or comment about services, these can be made to the staff member you are involved with or to their Manager.

Any complaint can also be raised with the member of staff or Manager. Alternatively, you can refer this directly to the Complaints Tea. Their contact details are:

**Complaints Team**  
**Wrexham County Borough Council**  
**Guildhall**  
**Wrexham**  
**LL11 1AY**  
**E-mail: [complaints@wrexham.gov.uk](mailto:complaints@wrexham.gov.uk)**  
**Online: [www.wrexham.gov.uk/complaints](http://www.wrexham.gov.uk/complaints)**  
**Telephone: 01978 292087**

## 13. Useful Contacts

If you are considering going into a residential or nursing home, or act on behalf of someone in that situation and you would like further information, please contact:

### Wrexham County Borough Council Social Care Department

1. **Initial Response Team** on **01978 292066**. deal with initial referrals to the Department.
2. **Income Maximisation Unit** on **01978 298255**. Includes the Financial Assessment and Welfare Rights Teams.

**Welsh Government (WG)** produce a document entitled 'Thinking About a Care Home' that covers similar information to this guide. For a copy contact WG on **03000 603300** or visit <http://gov.wales/topics/health/publications/socialcare/guidance1/carehome/?lang=en>

**The Department of Health** have produced a useful booklet called "Care Home Handbook." Contact **020 7210 4850** for more information.

**Citizens Advice Bureau** – able to provide independent generic advice and can provide details of other organisations, some of which are listed below. 35 Grosvenor Road, Wrexham, Tel: **0345 404 0506**.

**Counsel and Care** – National Charity providing a range of information on care issues. See [www.counselandcare.org.uk](http://www.counselandcare.org.uk) or phone **0800 319 6789**.

**Age UK** – National Charity promoting well-being of all older people and to help make later life a fulfilling and enjoyable experience. See [www.ageuk.org.uk](http://www.ageuk.org.uk) or phone **0800 678 1174**.

**The Pension Service** – This is the part of the Department for Work and Pensions (formerly DHSS, DSS and Benefits Agency) that deals with claims and payments of benefits for people aged over pension age. See [www.dwp.gov.uk](http://www.dwp.gov.uk) or phone **0345 606 0265**

**Care and Social Services Inspectorate for Wales (CSSIW)** – CSSIW has a North East Wales Regional Office based at Llandudno. It is responsible for the inspection of all care homes in the Wrexham County Borough Council area. Their contact address is CSSIW North Wales Region, Welsh Government Office, Sarn Mynach, Llandudno Junction LL31 9RZ, Tel: **0300 790 0126**. In England, there is the Care Quality Commission.

## **14. Other ways of paying for residential/nursing care**

There are an increasing range of other options that could be considered.

These tend to be insurance-type policies that people buy/pay-into over a number of years; they come into effect when/if someone needs to enter a care home. It is not for Wrexham Council to comment on any particular financial product or insurance plan but advice/ information can be sought from some of the above-listed organisations. Registered Independent Financial Advisors may be able to guide you through the schemes that are on offer to families of elderly people about to enter or already in residential or nursing care. Such schemes may offer you the opportunity to manage your care home payments differently, and secure an inheritance for your family.

You can arrange for a free quotation for an immediate care plan that on investment of a lump sum, will guarantee to pay the shortfall in care fees for as long as necessary. You can also receive advice on alternative investments and strategies to pay for the care fees.

Both the UK and Welsh Governments are constantly reviewing how care should be paid for, and by whom. All service users will be advised if or when there are any changes to how Local Authorities are required to financially assess people.

**This leaflet is available in other media formats.  
For more details please contact Adult Social Care.  
Telephone: 01978 292066**