

Accessing services in Sutton

# PAYING FOR A PLACE IN A CARE HOME

**A Guide for People needing financial help  
for Permanent Care in a Care Home**

take part, take pride





# PAYING FOR A PLACE IN A CARE HOME

**A Guide for People  
needing financial help  
for Permanent Care  
in a Care Home**

## Who should read this leaflet?

You should read this leaflet if you are a London Borough of Sutton resident who is going to live permanently in a Residential or Nursing Care Home, or if you are managing the finances of somebody who is.

You should also read this leaflet if you are currently living in a care home, paying your own fees, and may need our financial support.

## About this leaflet

This leaflet gives you advice on how to decide if you are liable for the full cost of residential or nursing accommodation. If you are not responsible for the full cost, this leaflet explains the financial arrangements made to support you.

If you wish to move into a care home outside the Borough, the same rules apply. If, at the time of going to live in the care home you qualify for financial assistance with the home's fees, this council (Sutton) will be responsible for your funding arrangements.

We will only be able to support you financially in residential or nursing care if your Care Needs Assessment demonstrates that you need care that can only be provided in a care home.

This leaflet provides general guidance only and cannot cover all circumstances or eventualities.

If you need more in-depth advice, particularly if you own property, you should read our leaflet, Moving into a Care Home – The Financial Assessment Process.

Please contact your care manager (social worker) or the Finance Team directly if you have any queries, or would like more advice. This leaflet also provides information regarding other organisations that maybe able to assist you.

## Who pays for residential care?

If you need to move into a residential care home there will be a charge for your accommodation and care. You may be asked to pay these fees in full or in part depending on your resources (income and capital).

If you are able to pay the full fees yourself, because you have savings over £23,000, you should agree this directly with the home of your choice. We can give you advice about a suitable home and about benefits that may be available to you but we cannot arrange your stay unless you cannot do this yourself and have no one to help you.

If you are unable to pay the full fees yourself, we will arrange a contract with the care home to pay either the full fees or a proportion of it. To find out how much you will need to pay towards the cost we have agreed to pay to the care home, we will need to carry out a financial assessment.

If we feel that the care home charge is too high, and you still wish to move there, then someone else, a family member or a friend or perhaps a charity, will need to pay the difference. The person who has agreed to pay the extra money (the top up) will need to enter into a contractual arrangement with the local authority agreeing to pay the additional monies for the care home that you want to go and live in.

## What if I own my own home?

If you own your own home the value of your property will be included in our assessment of the finances available to you to pay your fees in permanent care. We will ignore the value of your home for up to the first twelve weeks of your permanent stay. This gives you time to decide how you wish to fund your care, and to take advice regarding possible funding options.

Also, if you opt for a deferred payment we can continue to set to one side the value of your property after the initial twelve weeks. A deferred payment is a type of loan which attracts no interest during your life time, and the loan is repaid to the Council once your property is sold. Our leaflet, Moving into a Care Home – The Financial Assessment Process, provides more information about the twelve week disregard and deferred payments.

## Will I have to pay the full fees or a contribution?

### Responsibility for Paying the full fees

You will be responsible for the full fees (self funding) from the date of your move into a care home if:

- Your weekly income is greater than the weekly fee
- You have more than £23,000 in savings or other assets, not including the property where you live as your home
- You have less than £23,000 in savings, but total assets of more than £23,000 if you include the value of the property where you live as your home even if your total capital, including the value of your home exceeds £23,000

However, the Council will support you financially for up to twelve weeks whilst you decide how best to use the value of your home to help pay your fees.

You will still be responsible for the full fees from the thirteenth week after the date of your move into care. There may be circumstances where we can support you for more than twelve weeks if you decide not to sell, or are unable to sell your property.

## Responsibility for Paying a Contribution

You will not be responsible for the full fees but will pay a contribution if:

- Your total savings and assets are valued at less than £23,000 and your income is less than the weekly care fees

In this case, the Council will support you financially from the date of your move but you must make a contribution towards the cost of the care home.

### If you are unsure which situation applies to you

Please contact the Finance Team and tell them about your financial situation, and they will be able to advise you accordingly.

## How do we work out what you have to pay?

We follow a set of rules that are laid down in law and we also follow guidance given to us by the Department of Health. A copy of the guidance can be found on the Department of Health website, **[www.doh.gov.uk](http://www.doh.gov.uk)** or you can ask for a copy from our Finance Team.

## First you will need to complete a Financial Assessment Form

Before we can work out how much of your care fees you will have to pay we need to find out about your financial situation. To do this we ask you to complete a confidential Financial Assessment Form, giving details of your income and your capital such as savings and other assets.

## **Then we work out your weekly income**

From the information you give us, we will calculate your weekly income. We add together all the types of income you are receiving including your state benefits, and a nominal tariff income from any savings or assets you have that total over £14,000, but under £23,000.

If we think you are entitled to any other state benefits we will advise you to claim them. We will add the amount we expect you to get from these benefits to your total income.

## **Then we work out your allowances**

Everybody is entitled to a standard Personal Expenses Allowance, which is for you to buy personal things you may need. This allowance is set by parliament and is reviewed each April. It is currently £21.90 weekly.

If you have a spouse or partner, we make an allowance of half the total value of any occupational or private pensions you receive, with your agreement.

There are other allowances depending on the type of income. More information regarding these can be found in the section “Moving into a Care Home – the Financial Assessment Process”.

## **The amount you pay**

This is simply your total income minus your total allowances. We will review the amount you have to pay in April each year. You will generally be left with at least £21.90 per week, the standard Personal Expenses Allowance.



## What should I do now?

List all your sources of income, and list all your savings and any other assets including any property you own but do not live in as your home.

We have to tell you that it is against the law to dispose of or give away your assets or income with the intention of reducing your assessed charge for residential or nursing care costs.

## If you have property

Consider carefully whether you wish to sell your property to pay for your care fees or whether you wish to defer the payment. Talk to your relatives or a close friend about the options you have.

If you jointly own your home with someone else, talk to them. Contact our Finance Team to see how your share of the value of your home is likely to affect how much you will have to pay towards your care fees.

Seek independent financial advice if necessary. Make sure you have all the information you need to enable you to make the right decision for you.

## If you have capital over £23,000

### How long will my savings last?

It is very difficult to say exactly how long it will take for your savings to reduce to the limit at which we can begin to help you financially. This is because there is a wide variety of investment options available to you for your savings, and further options available for your property. We are unable to identify which option, or mix of options will be best for you. We would always recommend that you seek independent advice on which options are right for you. We can not advise you about how your money should be spent, although we need to tell you that it is against the law to give away or dispose of your assets in order to reduce your liability for care fees.

### Seeking Independent Financial Advice

If you are responsible for the full amount of your fees, we would always recommend that you get independent financial advice regarding all your options. Financial Advisers are regulated by the Financial Services Authority (FSA). The FSA only allows those advisers with the industry's "CF8" qualification to provide advice on care funding. We would strongly recommend that the financial adviser you have chosen has this qualification. Please note that most Independent Financial Advisers will charge for their services.

## What happens to my benefits?

When you move to live in a care home, your entitlement to benefits may be affected. This is because your needs will be different. Some things you might pay for at home will be provided by the care home and will be covered by there weekly fee.

You should notify the Department of Works and Pensions (the Benefits Agency) and the Housing Benefit section promptly of all stays in residential or nursing care.

If you are self-funding you will be able to keep any Attendance Allowance or Disability Living Allowance (Care Component) you receive. If you are getting help from the Council with your fees, these benefits will stop after 28 days, unless you have to repay the Council under a deferred payment agreement. They will stop sooner if you go straight from hospital into a care home.

Your stay in residential or nursing care will not affect the Mobility component of your Disability Living Allowance.

When you go into permanent residential care you will usually be entitled to your normal rate of Income Support but without any housing costs. However you may get a reduced rate if your disability related benefits stop after 28 days.

Your Housing Benefit and Council Tax Benefit will stop immediately you enter permanent care, or if it is decided that you will not be returning home following a temporary admission. On occasions, payment of Housing Benefit can

continue during the notice period required by your contract or tenancy agreement.

After the decision that you will not be returning home you will need to give notice to your landlord of your intention to end your tenancy. Some landlords may be willing to accept a reduced period of notice in these circumstances.

Our London Borough of Sutton Finance Team jointly with the Department of Works and Pensions Visiting Service offers a free, confidential welfare benefits check to the citizens of the Borough. If you have any queries regarding your benefit entitlement you can contact the joint team or one of the advice agencies listed on the back page.

## What happens next?

If you think that you may need financial help paying the fees for the care home, please ask your care manager (social worker) for a Financial Assessment Form to complete. We can only provide you with financial help if your care needs assessment says that you need residential or nursing care.

When your form is returned to us, we may contact you if we need any further information. All the information you give us is treated in the strictest confidence.

When we have worked out your contribution we will write to tell you how much you have to pay and send you an invoice every four weeks for the charge. We believe the easiest

way to pay is Direct Debit and therefore we will send you the forms to arrange this. There are other ways to pay each invoice if you are unable to arrange to pay by Direct Debit.

When you have paid your assessed charge you will generally have a minimum of £21.90 per week left for your personal expenses.

## When your contribution will change

Your contribution will change in April each year because your state benefits will change. We will write to you in March each year about this.

If your financial circumstances change – for example because you win a premium bond prize or inherit money – then we may need to review your contribution. If your circumstances change, please contact the finance team and we will tell you what you need to do.



**If you would like this document in another language or format please tick the box and fill in your name and address below.**

إذا كنت تريد الحصول على نسخة من هذه الوثيقة بلغة أخرى أو بشكل آخر ،  
فيرجى وضع إشارة في الخانة وتقديم اسمك وعنوانك أدناه.

Arabic

আপনি যদি এই নথিটিকে অন্য ভাষা বা ফরম্যাটে পেতে চান, বক্সে টিক দিন  
এবং নীচে আপনার নাম ও ঠিকানা পূরণ করুন।

Bengali

倘若你需要本檔以另一種語言或格式提供，  
請在所需要的語言或格式上打✓ 並在下面填寫你的姓名和住址

Cantonese

اگر این سند را به زبان دیگر یا شکل و فرمت دیگر می خواهید، شکل  
کنار را نشانی نموده نام و آدرس خویش را در زیر بیان دارید.

Dari

Si vous voulez ce document dans une autre langue ou un autre format,  
veuillez cocher la case et indiquer vos nom et adresse ci-dessous

French

이 문서를 다른 언어나 양식으로 원하실 경우, 네모 칸에 “✓” 표시를  
하고 아래에 이름과 주소를 적어 주십시오.

Korean

Heke vê mijarê bi zimanekî din yan şiklekî din dixwazin,  
li baska rûbirû da nîşan bikin û nav û nîşana xwe li jêr da binvîsin.

Kurdish  
Kurmanji

ئەگەر ئەم بابەتەتان بە زمان یان فۆرماتیکی تر دەوێت، لەو باکسە ی  
رووبەر وودا نیشانە ی تک لێدەن و ناو و ناو نیشانەتان لەو بەشە ی خوارەودا بنوسن.

Kurdish  
Sorani

如果你需要本文件以另一种语言或格式提供，  
请在所需要的语言或格式上打✓ 并在下面填写你的姓名和住址

Mandarin

که دا سند په کوم بله ژبه او فارمټ غورائ، شکل ته نشانی و اچوئ  
او خپل نوم او پته په لاندي ډول وليکئ.

Pashto

Jeżeli chciałbyś otrzymać ten dokument w innym języku lub formacie  
zaznacz kwadrat i wpisz swoje nazwisko oraz adres poniżej

Polish

நீங்கள் இந்த ஆவணத்தை வேறொரு மொழியில் அல்லது  
வடிவில் விரும்பினால் தயவு செய்து பெட்டியில் டிக் செய்து  
உங்கள் பெயர் மற்றும் முகவரியை கீழே நிரப்பவும்.

Tamil

اگر آپ کو یہ دستاویز کسی دوسری زبان یا شکل میں درکار ہو تو اس باکس پر  
نشان لگائیں اور ذیل میں اپنا نام اور پتہ درج کریں۔

Urdu

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London Borough of Sutton

.....

Civic Offices

Postcode: .....

St Nicholas Way

Telephone No: .....

SUTTON SM1 1EA

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## Useful Contacts

### **Help the Aged Care Fees Advisory Services**

St Leonard's House  
Mill Street, Eynsham  
Oxford OX 29 4JX  
0500 76 74 76 (freephone)

### **Age Concern England**

Astral House  
1268 London Road  
London SW16 4ER  
0800 00 99 66 (freephone)

### **Age Concern Sutton Borough**

1/2 Lower Square  
Civic Centre  
St Nicholas Way  
Sutton SM1 1EA  
0208 770 4092

### **Citizens Advice Bureau**

Sutton Central Library  
St Nicholas Way  
Sutton SM1 1EA  
0208 405 3552

### **Sutton Carers Centre**

Benhill House  
12/14 Benhill Avenue  
Sutton SM1 4DA  
0208 296 5611

### **Sutton Mencap**

8 Stanley Park Road  
Wallington SM6 0EU  
0208 647 8600

### **The LB Sutton / Pension Service Joint Team**

0208 687 3621

### **Financial Services Authority**

0845 6061234  
Minicom: 08457 300104

### **The Finance Team**

Civic Offices  
St Nicholas Way  
Sutton  
0208 770 5180

[www.sutton.gov.uk](http://www.sutton.gov.uk)

LBS112

