

financial assistance with care home charges 2014 – 2015

social work ... putting people first



Falkirk Council
Social Work Services

financial assistance with care home charges

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part 1 introduction

This booklet aims to provide detailed information on how you can meet the cost of living in a care home, and what happens to your money.

You may be living in your own home, with relatives, or be in hospital waiting for a place in a care home. In most cases, Social Work Services will have carried out an assessment, and the type of care needed – residential or nursing will have been decided.

Every care home resident is responsible for paying their own care home charges. However your care manager will explain that you may apply for financial help from Falkirk Council towards the cost of your care. If you wish to apply they will ask for a financial assessment to be carried out. Normally this is completed before you enter care. However, in emergency situations there may be a delay.

There are two types of financial assistance available to help towards your care costs. How much you are entitled to depends on how much income and capital you have.

If you have savings of over £26,000 you may only qualify for Free Personal and/or Nursing Care Payments.

If your savings are less than £26,000 you may qualify for both Free Personal or Nursing Care plus additional financial assistance.

part 2 who pays the cost of living in a care home?

Free Personal and Nursing Care

Free Personal and Nursing Care Payments were introduced on 1st July 2002. Payments for Free Personal and Nursing Care are made regardless of your income and capital.

In order to qualify for payment, you must be at least 18 and have been assessed by Social Work Services as requiring either residential or nursing care.

- Free Personal Care:-
£169 each week (only available if aged 65 or over)
 - Free Nursing Care:-
£77 each week (aged 18 or over)
- Eligibility for Free Personal and Nursing Care is as follows:-
- 65 or over in nursing care - Free Personal and Nursing Care, £169+£77=£246 weekly
 - 65 or over in residential care - Free Personal Care only, £169 weekly
 - Aged 18 to 64 in nursing care - Free Nursing Care only, £77 weekly
 - Under 65 in residential care - no entitlement to Free Personal or Nursing Care

how is it paid?

Falkirk Council makes payment directly to the care home on your behalf. If you qualify for extra financial help with your care home charges, Falkirk Council will make the payment together with Social Work Services' contribution to the home.

If you are paying your care home charges from your own income and capital you must make a separate application for Free Personal and Nursing Care. Your local Social Work office will give you an application form on request.

does anything affect it?

If you are admitted to hospital from a care home, payment of Free Personal and Nursing Care will stop after two weeks.

how much will i have to pay?

The charges start on the first day you enter the care home. The amount you will be asked to contribute towards your accommodation in a care home is based on your income and savings. The income and savings rules are decided by the government. A financial assessment will be carried out to establish how much Social Work Services will pay towards your accommodation costs, leaving you with the balance to pay. A financial assessment is carried out for both temporary and permanent stays in a care home.

If your weekly income, after the deduction of a personal allowance, plus your Free Personal and/or Nursing Care Payments is greater than the weekly charge made by the home, you must pay the whole cost. e.g. You have income of £370 each week after deductions. The nursing home charges £587.00 per week. After Falkirk Council has paid the £246 Free Personal and Nursing Care, you have enough income to meet the balance of £341.00 per week.

If your savings are over £26,000 you must also pay the whole cost, after payment of Free Personal and/or Nursing Care, until your savings fall below £26,000.

[if you pay the whole cost of the home you are self funding and should read part 4]

the financial assessment

When the decision is made that you will be going into a care home, your care manager can ask for a financial assessment to be carried out. The cost of going into a care home can be high. For example the current weekly approved cost for nursing care is £587.00 for people over 65 years (it can be more if you are under 65). After the payment of Free Personal and Nursing Care (£246) is deducted, the balance left to pay is £341.00 per week. If your income is below this, and your capital is less than £26,000, you may qualify for extra help. The financial assessment will determine how much additional financial assistance you will qualify for.

You do not need to have a financial assessment if you do not wish to. If you choose not to be financially assessed, you

will be responsible for meeting the full balance of the care home charge after any payment of Free Personal and/or Nursing Care is made by Falkirk Council.

A Financial Assessment Officer will contact you and arrange to meet you or your representative to carry out the assessment. The Financial Assessment Officer will verify your income and capital, confirm your home commitments, and establish whether you are a tenant or home owner. Any welfare benefits advice you require will be given, plus advice and assistance to claim any additional benefit entitlement identified. If you will have repeated respite, only one financial assessment will be carried out for each financial year. If your financial circumstances change, you should let us know.

Only the person going into a care home is financially assessed. The contribution you are asked to pay is based on your income and capital alone. If you have a spouse/partner the Financial Assessment Officer will normally enquire about their income. The reason for this is to make sure that they have enough money while you are in the care home. Depending on whether you will go into a home for respite or long term, we can either disregard some of your income, or make sure any additional benefit entitlement is claimed for your partner.

how is my income worked out?

Most of your income is taken into account as being available to meet the cost of the care home. This includes most social security payments and any other pensions you receive.

The following income is ignored:

- £10 weekly from Armed Forces Compensation Payments, War Disablement, War Widow's and War Widowers' Pensions
- The War Widows' Special Payment is disregarded in full
- Attendance Allowance (AA) and Disability Living Allowance (DLA) care component are disregarded for temporary residents
- DLA mobility component is disregarded in full

For temporary residents only

For the period you are in a care home, Social Work Services will also disregard from your income any amounts you are liable to pay for rent, council tax, buildings and contents insurance, mortgage payments including any insurance payments, plus small fixed amounts to cover fuel and telephone standing charges. Where you have joint liability for these expenses, for example with your husband or wife, only your share of the amounts due will be disregarded.

For temporary and permanent residents

- £24.55 *personal allowance weekly*
- *A possible additional disregard of up to a weekly maximum of £5.95 for single residents and £8.95 for couples*

couples

temporary residents

Only the income and capital of the person going into a care home are taken into account. However, if you have a partner who only has a small income, Social Work Services can sometimes disregard a further amount from your income to ensure that your partner is left with a basic minimum amount (currently £148.35 each week). Your partner would be asked to provide details of their income and capital so that the exact amount to be disregarded can be worked out.

permanent residents

If you have an occupational or private pension, Social Work Services can disregard up to 50% where you choose to give it to your partner. This may not always benefit your partner, depending on their own income, as it can affect their entitlement to other social security benefits. It is always best to ask the Financial Assessment Officer to check this for you.

how are my savings worked out?

Savings or capital includes money held in bank or building society accounts; cash; investment bonds; ISA's; shares; property.

whose capital counts?

Only capital owned by the person going into care counts. If you have any joint capital, for example a joint bank account or investment with your spouse or partner then you are treated as owning half of the capital or investment. If you have a joint account with someone who is not your husband, wife or partner we will need to see some further evidence regarding ownership of the capital.

what are the capital limits?

The upper limit above which additional financial assistance is not available is £26,000.

The lower limit below which capital is ignored is £16,000.

Any capital you have between the lower and upper capital limits is treated as producing an assumed income called a "tariff income".

These capital limits apply whether you are a temporary or permanent resident in a care home.

what is tariff income?

If you have capital between £16,000 and £26,000, a tariff income of £1 for every £250 (or part £250) between the upper and lower limits is assumed. This tariff income is added to your normal weekly income for your financial assessment.

e.g. for £17,200 capital you would be assessed as having a tariff income of £5 a week. The first £16,000 is ignored. This leaves a balance of £1,200. (1,200 divided by 250 = 4.8 which is rounded up to produce a weekly tariff income figure of £5.00).

couples moving into a care home

If both you and your partner need to go into a care home, you may each be entitled to financial assistance from Social Work Services in your own right. Your entitlement to Free Personal and/or Nursing Care payments will be assessed individually. Any additional financial assistance towards your accommodation costs will be assessed separately, based on your own income and savings (including your share of any joint savings). If you sell your house, the proceeds from the sale will be assessed equally between you both.

The Department for Work and Pensions (DWP) will also treat you as two separate customers, and assess your income and capital separately, even if you are sharing the same room. There are a few limited exceptions to this rule. The Financial Assessment Officer will be able to advise you.

will i have to sell my house?

(The information below is about your normal home. If you own any other property its value will be counted as capital.)

The value of your home may be counted as capital for financial assessment purposes.

Social Work Services ignores the value of the house you normally reside in if you are only temporarily in care e.g. respite and assessment periods.

We also ignore the value of the house you normally reside in indefinitely if it is normally occupied by any of the following people:-

- *your husband, wife, civil or unmarried partner*
- *a relative who is over 60*
- *a relative who is incapacitated*
- *a relative under 16, whom you are liable to maintain*
- *a divorced or estranged partner who is a single parent with a dependent child*

(A relative is defined as:- parent, parent-in-law, son, son-in-law, daughter, daughter-in-law, step-parent, step-son, step-daughter, brother, sister, grandparent, grandchild, uncle, aunt, nephew, niece, or the spouse, civil or unmarried partner of any of these).

12 week disregard

Once you become a permanent resident the care home becomes your normal residence. If the value of your home is not disregarded in any of the circumstances above, and you enter care on a permanent basis, then the value of your home is fully disregarded for 12 weeks. If your stay in a care home is initially expected to be temporary and then becomes permanent, the value of your home is disregarded during the temporary period and then for a further 12 weeks from the date you become a permanent resident. After this disregard period has expired, you are treated as having capital to the value of your home, minus any debt secured on it, minus a further 10% or the actual selling costs.

The value of any property is then added to the value of any actual capital which you hold. If the total assessed capital is in excess of £26,000, you will qualify for your Free Personal and Nursing Care Payments which Falkirk Council will pay direct to the care home on your behalf. You will not qualify for any additional financial assistance until your assessed capital has reduced to £26,000.

deferred payment / front funding

This information is important if you have savings under £16,000 and you own a house which is not disregarded in the financial assessment. **(Remember, any house you own which is occupied by your spouse or partner is disregarded).**

After 12 weeks in a care home, the value of your property is counted in full and, in most cases, will result in a self funding decision. Self funding is where Social Work pay any Free Personal and Nursing Care entitlement but you are responsible for paying the rest of the cost of living in the care home. You must make these payments directly to the care home.

Social Work Services may continue to provide extra money to meet your costs if:

- *You do not wish to sell the house - Deferred Payment or*
- *You need extra time to sell the house - Front Funding*

In each of these situations the debt must be paid back to the Council either when the house is sold or after the resident dies. In addition you must pay your assessed charge towards your care home costs – we will continue to issue monthly invoices for this payment. Any rental income from the property belongs to the resident and must also be paid towards the care home charges. Social Work will continue to pay the balance of the care home charge but it will accrue as a debt to the Council.

Example:

In deferred payment and front funding cases Social Work will pay the full weekly cost of the care home. The deferred or front funding element is calculated as follows:

Weekly cost of care home	587.00
Less free personal and nursing care	<u>246.00</u>
your weekly care home costs	341.00

Your weekly income:	
state and work pensions	186.45
Less personal allowance disregard	<u>24.55</u>
your weekly assessed charge	161.90

The amount of deferment or front funding is calculated as follows:

Your care home costs	341.00
Less your weekly assessed charge	<u>161.90</u>
your weekly debt	£179.10

If you are considering making an application, we recommend that you seek legal advice. If you are selling the house we recommend that you tell your solicitor that you have entered into an agreement with the Council and that we will be placing a charge on the property.

entitlement

Entitlement to defer payment or front funding is at the discretion of Falkirk Council. When considering an application, all the facts and circumstances are taken into account, for example factors such as the resident's age and health, provision of all the requested information, the value of the property and whether there are any other debts secured on the property. Funds available to the Council must also be taken into account.

The following information must be provided:

- *Power of Attorney where appropriate*
- *Valuation of property*
- *Evidence of any loans secured on the property*
- *Evidence that the building is insured*
- *Evidence of any rental agreement*
- *Whether the resident has a will and details of the executor*

cost

The deferred payment and front funding are interest free. In deferred payment cases, if the debt is not repaid within 56 days of the death of the resident, Falkirk Council may apply interest to the outstanding amount.

The debt is secured by a Charging Order on the property. The cost of the Charging Order is approximately £60 and is paid by Falkirk Council. This is included in the debt to be paid back when the house is sold.

N.B. Free Personal and Nursing Care payments do not count as part of the deferred payment and front funding and do not have to be paid back.

termination of funding

The funding will cease, and immediate re-payment requested, in the following circumstances:

1. The property is sold. If we have a Charge on it, your solicitor will contact our legal section and make payment of the amount due from the sale proceeds before releasing the balance to you. If we do not yet have a Charge secured, social work will issue a bill to you for payment.

Once the sale has been finalised, we will ask you to provide a copy of the notification of free proceeds from the sale. This will enable us to determine whether the resident will qualify for social work funding. If the residents remaining capital is above the capital threshold (£26,000 in 2014) then they will be self funding. We will agree a termination date, and from that point social work will only pay the free personal and nursing care entitlement, and the resident will be responsible for the remainder of the care home charge from their income and capital.

2. Failure to provide requested information, to disclose that the property is rented out, to insure the building, to market the property for sale, or non-payment of ongoing assessed charge.
3. The resident dies. The Council will issue a bill to the executor of the estate.

contact

If you have any questions regarding this information or wish to apply to defer payment or for front funding, please contact:
Financial Assessment Service

can i transfer title to my house?

For permanent residents it is part of the financial assessment process to determine if you own or have ever owned the house you live or recently lived in. If it transpires that you previously owned the house but no longer do so, we are required to look at the circumstances surrounding the change of ownership. We have a duty to determine whether an individual has given away or transferred title to a capital asset in order to avoid paying for their care costs. The

common term for this is 'Deprivation of Capital', and it can apply to any type of savings or capital including property. We have to look at each of these cases very carefully, and will normally seek legal opinion, even if the transfer took place several years ago. (see part 5 on 'Deprivation of Capital')

can i choose a more expensive home?

Social Work Services will normally pay a standard amount (the approved rate) when people move into a care home. The amount depends on whether you will receive respite care, residential, or nursing care. The approved rates are normally increased each year. If you wish to move to a more expensive home, you or someone else – a 'third party' – can make up the difference between the approved rate and the actual charge. This is called a 'top-up'. If you are going to receive additional help from relatives to pay a 'top up', you must make sure that the arrangement is realistic and will last. The care home will normally ask you or the 'third party' to sign a separate contract for the 'top-up'. If there are difficulties in meeting the top up payments, Social Work Services cannot take responsibility for payment, and your place or room may be at risk.

can i choose a home outside falkirk?

If you normally reside in Falkirk you may be considering moving to a care home in another part of the UK, perhaps to be closer to your family. In this situation, any entitlement to Free Personal and Nursing Care Payments and any additional financial assistance with your accommodation costs continues to be paid by Falkirk Council.

part 3 what happens to my benefits?

retirement pension and incapacity benefit

Retirement Pension and Incapacity Benefit is usually paid at the full rate when you are living in a care home.

attendance allowance (AA)

If you receive financial help from Social Work Services with your accommodation costs in care, payment of Attendance Allowance will stop after 28 days. You may lose it sooner if you were in hospital or respite, before moving to a care home. **You should notify the DWP office that issued your payments of Attendance Allowance, when you are admitted to and discharged from hospital or a care home.**

disability living allowance (DLA)

Care – The care component of DLA is treated in the same way as AA.

Mobility – You will continue to receive the mobility component of DLA when you move into a care home. If you were in hospital for more than 28 days before moving into a care home, your mobility component may have stopped. **You should notify the DWP office that issued your payments of DLA when you are discharged from hospital so that they can start paying you the benefit again.**

carers allowance

Entitlement or underlying entitlement to Carers Allowance stops at the same time as the AA or DLA care component stops. Any entitlement to the carers premium as part of Income Support or Pension Credit or Housing Benefit or Council Tax Benefit, will continue for an additional 8 weeks and then stop.

income support

If you are under state pension age you may be entitled to Income Support when you stay in a residential care or nursing home. If you already receive Income Support, you should notify the office that issues your payment. If you do not receive Income Support, you should check whether you would be entitled while you stay in a residential or nursing home. The Financial Assessment Officer will normally advise you of this when they carry out the assessment for additional financial assistance from the Council.

pension credit

If you are over state pension age you may be entitled to Pension Credit when you stay in a residential care or nursing home. If you already receive Pension Credit, you should notify the office that issues your payment. If you do not receive Pension Credit, you should check whether you would be entitled while you stay in a residential or nursing home. The Financial Assessment Officer will advise you about this when they carry out the assessment.

housing benefit

You can continue to qualify for Housing Benefit during any temporary periods in a care home, (although you should always remember to notify Falkirk Council Revenues Service of any changes to your income as this may affect your entitlement). You cannot receive Housing Benefit once you become a permanent resident in a care home.

If you are a single tenant and you are going into permanent care, you or your representative should discuss the best time to give up your tenancy, either with your care manager/Social Worker, or with medical staff if you are in hospital waiting to go into a care home.

council tax benefit

You can continue to qualify for Council Tax Benefit during any temporary periods in a care home, (although you should always remember to notify Falkirk Council Revenues Service of any changes to your income as this may affect your entitlement).

council tax exemption

If you go into a care home long term, or are in hospital waiting for a place in a care home, your home in the community may be exempt from Council Tax. An exemption is where a property is not liable for any council tax payments. This includes water and sewerage rates which you would normally have to pay even when you qualify for full council tax benefit.

Your home may be exempt from council tax if it was previously your normal residence and it is unoccupied (whether it is furnished or not) because you are:

- *resident in a hospital, a care home or a hostel where personal care is provided or*
- *resident elsewhere for the purpose of receiving or providing personal care due to old age, disablement, illness, past or present alcohol or drug dependence or past or present mental disorder.*

You should contact Falkirk Council Revenues Service or your local One Stop Shop to make an application.

couples' benefits

If you are a couple, and one person goes into a care home on a permanent basis, your benefit entitlements are based on you being two single people. This can sometimes mean complicated adjustments to your benefits, including notifying different benefit offices of your changes of circumstances, and making fresh claims. The Financial Assessment Officer will give any advice or assistance you may need.

appointees for social security benefits

People living in a residential care or nursing home may need someone to help manage their financial affairs. If they suffer from a mental incapacity they may need someone to help ensure they get all the benefits they are entitled to.

If you are 18 or over and have regular contact with someone unable to deal with their own benefits, you may be able to become an Appointee. An Appointee is a person authorised by the Secretary of State to act on a person's behalf in relation to their benefits.

If you wish to apply, simply contact the DWP and explain that you wish to be the person's Appointee. The DWP will normally meet with you and the person you wish to act for. Following this you will be notified if your application has been successful or not. If you are turned down there is no right of appeal but you can ask for the decision to be reconsidered.

Appointees' responsibilities are:

- *claiming benefits or pensions on the person's behalf and completing all relevant application forms.*
- *ensuring that the person's benefits or pensions are used for their intended purpose.*
- *ensuring that the benefits or pensions are used to the best advantage of the person.*
- *reporting any changes in the person's circumstances, which may affect payment to the DWP.*
- *making any payments due on behalf of the person, including paying residential/nursing home fees.*
- *ensuring that the person receives their personal allowance.*

If you fail to fulfil these responsibilities, Falkirk Council reserves the right to request that the DWP cancels your Appointeeship.

who manages my money?

You or your representative will continue to receive your income as normal. If no one is willing or able to be your Appointee, Falkirk Council may be able to become your Appointee for any social security benefits in payment which will then be paid directly to us on your behalf. Falkirk Council is unable to manage or access any other income or capital you may have, e.g. works pension or bank accounts. We will still have to issue a bill for this part of your income.

accessing residents' funds

Some people living in a residential or nursing home may need someone to help manage their financial affairs. They may suffer from a physical or a mental incapacity.

Becoming an Appointee, as explained above, only allows you to deal with benefit income. If the resident has other income or bank accounts for example, separate authorisation is needed to allow you to access these funds.

Where the resident does not have a mental incapacity they may be able to agree to you having a 'third party mandate' which is arranged through the bank and allows you to

access their account to set up standing orders, or withdraw and deposit money on their behalf. Alternatively, they may grant a Power Of Attorney, which can allow you greater authority to deal with their finances. Someone may need help to manage their financial affairs because they suffer from a mental incapacity or are unable to communicate their wishes. They are called "Adults With Incapacity". They may have granted a Power Of Attorney before becoming incapacitated, in which case their attorney can now manage their finances. However, if they have not previously granted Power Of Attorney they may no longer be able to do so. This can be a very complicated situation and you may need to seek legal advice.

The Office of the Public Guardian can authorise an individual or organisation to access funds, on behalf of an Adult With Incapacity, held with an individual or organisation, e.g. Bank or Building Society. Applications should be made to the Office of the Public Guardian who can authorise payments from accounts for a time-limited period. The Office of the Public Guardian will also be able to carry out checks on authorised individuals and investigate complaints about any abuse of funds against them.

- The Office of the Public Guardian
Hadrian House, Callander Business Park
Falkirk FK1 1XR Tel: 01324 678300
www.publicguardian-scotland.gov.uk

how is the care home paid?

Your entitlement to financial assistance for your stay in care is calculated from the financial information supplied by you or your representative to Falkirk Council. It is based on the income you are anticipated to receive when you move into the home. This may be different from the amount you receive prior to your admission to care.

during the assessment or respite period

You will be liable to pay a contribution from when your assessment or respite starts. The bill will be sent to you or your named representative after the assessment or respite

period ends. The bill will be for your contribution towards your accommodation costs for the whole of the assessment or respite period. It is important to save towards this during the respite or assessment period.

local authority residential care home

When you become a permanent resident in a Local Authority residential care home, you will pay your accommodation fees directly to Falkirk Council.

independent sector care home

You will normally have a choice of how you pay your contribution towards your accommodation costs. There are two options:-

a) directly to the home – You make arrangements with the home to pay your contribution directly to them. You, or your representative, should contact the home to find out the most suitable way of making payment, for example, directly from your bank. We will contact you and the home to let you know the weekly rate and from what date you will be liable to pay.

b) directly to Falkirk Council – Falkirk Council will pay the agreed amount directly to the home. A bill will be sent to you or your representative on the 15th of each month for your contribution towards your accommodation costs. The bill can be paid at any One Stop Shop, or by post to Falkirk Council, Sundry Accounts, PO Box 141926, Willow House, Newhouse Business Park, Grangemouth FK3 8YP. Cheques should be crossed and made payable to 'Falkirk Council'. Permanent residents can choose to pay their contribution to Falkirk Council by monthly standing order. Details will be sent out with the initial invoices.

If a third party, e.g. a relative, has agreed to meet any 'top-up' costs, (see page 8), they must do so directly to the home.

absences from the care home

If you are a permanent resident in a care home, and you are temporarily absent, for example you have been admitted to hospital, you will continue to be liable to pay your contribution.

part 4 what happens if my savings are high?

If you are assessed as having savings of over £26,000 you may only qualify for Free Personal and/or Nursing Care Payments (see part 2), and you will be liable to pay the balance of the care charges. This can take effect from either the day you enter a care home or from a later date, where for example, your property is disregarded due to the 12 week rule (see page 7).

Where your capital is verified at the financial assessment, it may be possible to advise you of approximately how long it will be before you may qualify for additional financial assistance. This may be appropriate where your capital is not substantially above the limit or it is likely to reduce fairly quickly (see example below). The Financial Assessment Officer will be able to advise you about this.

care home charges

When you are meeting the balance of your care home fees yourself, the amount you pay will depend on the type of care home and whether you are a temporary or permanent resident.

temporary residents

Respite and/or assessment in a private or Local Authority residential care home:- the current maximum weekly charge, before payment of free personal care (£169), is £505.46 for people over 65 years.

Respite and/or assessment in a nursing home:- the current maximum weekly charge, before payment of Free Personal and Nursing Care (£246), is £587.00 for people over 65 years.

permanent residents

Where you enter a care home on a self-funding basis you should always ask the home what the fees will be. Some homes have different charges for residents who are meeting the cost of the care home themselves. In homes which do vary their fees, self-funding residents normally pay a higher amount. It is also important to

establish whether, once your capital has reduced to below £26,000, the care home will reduce their charge to the Social Work Service's 'approved rate'. Additional financial assistance from Social Work Service's is only provided up to a maximum of the 'approved rate' for private care homes, currently £505.46 weekly for residential care and £587.00 weekly for nursing care for people over 65. If the home does not reduce its charge or they request a 'top-up', you will have to meet this from your own funds.

should i split joint savings?

If your share of jointly held savings is over £26,000, you are entering a care home on a permanent basis and your partner is remaining at home, it may be worth separating your savings depending on their type. This is because we assess jointly held capital as being equally owned.

For example, you and your spouse have joint savings of £58,000 – we assess your half share as £29,000 which is £3,000 above the capital limit to qualify for additional financial assistance. If you then use £3,000 of your capital paying for your care, unless you have separated your savings you still may not qualify for additional financial assistance.

i) savings not separated:- £58,000
less £ 3,000
£55,000

we assess your half share as £27,500 which is still £1,500 above the limit to qualify for assistance.

ii) savings separated:- £29,000
less £ 3,000
£26,000

your capital has reduced to £26,000 and you are eligible to apply for additional financial assistance.

This example illustrates that if you do not separate your savings, you may use some of your partner's share of your savings to pay for your care before qualifying for additional financial assistance. It may not be easy to separate joint savings, depending upon the type of investment. We recommend you seek independent advice.

what can i spend my money on?

When you live permanently in a care home, your greatest expenditure will be your care home fees. You may wish to provide items for your room, eg furniture, carpets, television, telephone etc. If you do have this type of expenditure, it is advisable to keep receipts for any future financial assessment. You may also have additional regular expenditure, eg. clothing, toiletries, sweets, drinks, trips, hairdressing etc. When you are self-funding, you do not need permission from Social Work Services to spend your savings. When you come to apply for additional financial assistance we need to establish that your savings have reduced at a reasonable rate. It is estimated that approximately £2,500 per year is a reasonable amount to meet any additional requirements you may have.

can i give my savings away?

If you give gifts of money this may be considered as 'deprivation'. There is no specified amount which you are allowed to give away. If your total additional annual expenditure (after payment of care home fees), is above £2,500 we will ask what the money was spent on. The question of deprivation may have to be considered. Each case is considered carefully on its merits, including the amounts, reasons and frequency of any gifts given.

what do i do when my savings reduce?

Once your capital has reduced to £26,000 you can apply to Falkirk Council for additional financial assistance. You should contact Social Work Services when your capital is approaching £26,000 and a financial assessment will be carried out. Part of the assessment will establish whether your capital has reduced at a reasonable rate. We will need verification of your original savings when you entered care as well as your current capital balance. You should maintain a record of your capital, income and expenditure, for example details of proceeds from any house sale, copies of bank statements and any bills or debts which may fall to be paid from the capital.

part 5 deprivation of capital

This section provides a summary of the rules on deprivation of capital and how it may affect a financial assessment for help with paying for the cost of residential or nursing home care.

NOTE This is a matter of considerable legal complexity. People affected by these rules are encouraged to seek their own legal advice.

what does deprivation of capital mean?

If you disposed of capital (e.g. a house) to avoid it being included in the financial assessment, this will be considered deprivation.

why do we ask about your past capital or assets?

The law states that we have a duty to consider deprivation of capital where an application for financial assistance is received. We must consider capital or assets held for a period before admission to a residential or nursing home.

why does this affect my request for financial assistance?

If it is decided that deprivation has occurred, we may reduce or refuse financial assistance towards the cost of the residential or nursing home.

what if i used to own a house?

If your name was on the title deed at any time, we are required to look into why your name has been removed from the title deed. The information gathered is passed to Falkirk Council's solicitors. They will give an opinion on whether the value of the property should be included in the financial assessment.

what if someone else paid for the house?

If the title deeds were registered in your name, we will have to consider the question

of deprivation. The reasons why someone else paid for the house may be taken into account by the Council's solicitors.

if deprivation is deemed to have occurred, how is the value of the house assessed?

If the deprivation involves a house, we will establish its value on the open market. We will then disregard 10% of the value, and the balance will be deemed notional capital.

what is notional capital?

Notional capital is capital you are treated as having even though you no longer have the actual capital asset.

how does capital affect financial assistance?

We cannot offer financial assistance, over and above Free Personal and Nursing Care Payments, if you have capital of over £26,000.

will i be able to get financial assistance in the future?

Given the necessary information, we will be able to calculate how long it will take for your assessed capital to fall to £26,000. This calculation is based on the difference between your assessed capital and £26,000 divided between your income (less a personal allowance) and the cost of accommodation.

example

Assessed capital	£29,750
less	£26,000
Excess Capital	£3,750
Weekly Income	£172.06
Weekly Care Home Cost	£587.00
less	£246.00 (Free Personal & Nursing Care Payment)
=	£341.00
less	£172.06 (income)
	<u>£168.94</u>

£3,750 divided by £168.94 = 22.19

In this example you would have to pay the full costs for 22 weeks.

Financial assistance will be considered from when your capital is assessed to have fallen to £26,000. At that time we will reassess your application ignoring the first £16,000 of assessed capital, but a weekly tariff income will be calculated on the balance between £16,000.01 and £26,000.

can i challenge the decision on deprivation?

You, or a person acting on your behalf, may disagree with the decision that you have deprived yourself of capital in order to get or increase financial assistance with the cost of residential or nursing home care. In this case you or your representative can request a review of the decision by sending written reasons to the:

Director of Social Work Services
 Charging Review Panel
 Falkirk Council
 Denny Town House
 Glasgow Road
 Denny
 FK6 5DL

Useful Contacts

Please contact your local Social Work office if you need advice or assistance. (see page 19 for details). You may also find the following contacts useful:

community advice service

Community Advice Services provides advice, information and assistance with benefits, debt, illness and disability issues. The service is free, confidential and independent. Advisors can be contacted through your local Social Work office. Additional contact can be made as follows:

- *Welfare Benefits Helpline: 01324 501404,
E-mail: cas@falkirk.gov.uk*
- *Disability Information Service: 01324 504304 (phone or minicom),
E-mail: dis@falkirk.gov.uk*
- *Debt Helpline: 01324 506735,
E-mail: cas@falkirk.gov.uk*
- *For people who are homeless or threatened by homelessness: 01324 501400*

Callendar Square One Stop Shop

Falkirk FK1 1ZF
T: 01324 506868

Carers Centre

Princess Royal Trust
1a Bank Street
Falkirk FK1 1JQ
T: 01324 611510
W: www.carersfalkirk.org

Department for Work & Pensions

Heron House
10B Wellside Place
Falkirk FK1 5SE
T: 01324 505000
W: www.dwp.gov.uk

Disability Benefit Centre (Attendance Allowance)

Palatine House
Lancaster Road
Preston PR1 1HB
T: 0345 605 6055
W: www.dwp.gov.uk

Disability Benefit Centre (Disability Living Allowance)

Warbreck House
Warbreck Hill Road
Blackpool FY2 0ZE
T: 08457 123 456
W: www.dwp.gov.uk

Personal independent Payment Helpline

T: 0845 850 3322

Pension Service

Mail Handling Site A
Wolverhampton
WY98 1AF
T: 0845 606 0265
W: www.thepensionservice.gov.uk

The Care Inspectorate

Compass House
11 Riverside Drive
Dundee DD1 4NY
T: 0845 600 9527
W: enquiries@careinspectorate.com

Social Work offices

Please contact your local Social Work office if you need advice or assistance. The offices are open **Monday to Friday 9.00am-5.00pm**.

Please note that sending e-mails is not secure as there is a risk that they could be intercepted and read by someone else. Please bear this in mind when sending personal information by e-mail.

Social Work Headquarters

Denny Town House
Glasgow Road
Denny
FK6 5DL
T: 01324 506400

Hospital Social Work team (for facilitating hospital discharge)

Falkirk Community Hospital
Social Work Unit
Majors Loan
Falkirk FK1 5QE
T: 01324 616039

Financial Assessment Service

Carronbank House
Carronbank Crescent
Denny FK6 6GA
T: 01324 506400
E: fasr@falkirk.gov.uk

Meadowbank Office (Community Care Service only)

1 Salmon Inn Road
Polmont
FK2 0XF
T: 01324 506400
E: meadowbank.swk@falkirk.gov.uk

Falkirk Office

Brockville
Hope Street
Falkirk FK1 5RW
T: 01324 506400
E: brockville.swk@falkirk.gov.uk

Denny Office

Carronbank House
Carronbank Crescent
Denny FK6 6GA
T: 01324 506400
E: denny.swk@falkirk.gov.uk

Grangemouth Office

Oxgang Road
Grangemouth
FK3 9EF
T: 01324 506400
E: grangemouth.swk@falkirk.gov.uk

Stenhousemuir Office

130 King Street
Stenhousemuir
FK5 4HS
T: 01324 506400
E: larbert.swk@falkirk.gov.uk

Bo'ness Office

Kinglass Centre
Gauze Road
Bo'ness EH51 9UE
T: 01324 506400
E: boness.swk@falkirk.gov.uk

Camelon Office

108b Glasgow Road
Camelon
FK1 4HS
T: 01324 506400
E: camelon.swk@falkirk.gov.uk

Emergency Duty Team If you need an urgent Social Work Service outwith normal working hours, please phone **01786 470500**.

If you would like this information in another language, Braille, LARGE PRINT or audio, please contact your local Social Work office.

Polish

Jeżeli chciałbyś/chciałabyś uzyskać owe informacje w języku innym aniżeli język angielski, w języku Braille'a, w DUŻYM FORMACIE lub zapisane na kasetach audio skontaktuj się z lokalnym biurem Opieki Społecznej (Social Work office).

Lithuanian

Jeigu jūs norėtumėte gauti šią informaciją kita kalba, Brailio šriftu, stambiu šriftu ar įgarsintą, prašome susisieki su jūsų vietiniu socialinės rūpybos ofisu.

Arabic

إذا كنت بحاجة الى هذه المعلومات بلغة اخرى، بلي، حروفية
وا مسجلة صوتيا جوا منك لأصل بتب الخدمات لاجميلة المحلي.

Urdu

اگر آپ یہ معلومات دوسری زبان، بریل، بڑے حروف کی چھپائی یا آڈیو میں چاہتے ہیں تو برائے مہربانی اپنے لوکل سوشل ورک آفس سے
رابطہ کریں۔

Chinese

如果你希望獲得此份資料的其他語言、凸字、大號字印刷或者錄音格式，
請與你附近的社會工作辦公室聯絡。

Punjabi

ਜੇਕਰ ਤੁਸੀਂ ਇਹ ਜਾਣਕਾਰੀ ਕਿਸੇ ਹੋਰ ਜ਼ਬਾਨ, ਬਰੇਲ, ਵੱਡੀ ਛਪਾਈ ਜਾਂ ਆਡਿਓ ਤੇ ਲੈਣਾ ਚਾਹੁੰਦੇ ਹੋ ਤਾਂ ਕ੍ਰਿਪਾ ਕਰਕੇ ਆਪਣੇ ਸਥਾਨਕ ਸੋਸ਼ਲ ਵਰਕ ਆਫਿਸ ਨਾਲ ਸੰਪਰਕ ਕਰੋ