

Community Care Services

Residential care financial assessments and payment handbook

A detailed guide for people
who need financial help for
respite and permanent
residential and nursing care



About this handbook

Who should read this handbook?

You should read this handbook if:

- you live in the London Borough of Merton and intend to live permanently in a residential or nursing care home; or
- you are managing the finances of somebody who is.

What information does this handbook contain?

This handbook gives you advice on how to decide whether you have to pay the full cost of residential or nursing accommodation. It explains the financial arrangements we can make to support you if you are not able to pay the full cost of your care. This handbook also explains what happens if you need our financial support and you are already living in a care home or receiving respite care and are paying your own fees.

It also contains detailed information on our financial scheme to help people with the costs of permanent residential or nursing accommodation. It explains how we carry out financial assessments and explains the options available.

If you want to move into a care home outside this borough, the same rules apply. If you qualify for help with paying fees, we will be responsible for your funding arrangements. We can give you financial support in residential or nursing care only if your care needs assessment says you need care that can only be provided in a home.

This handbook does not cover all circumstances so you should only use it for guidance. It is not a statement of the law. If you have any questions, or would like more specific advice on any point, please contact your care manager (social worker) or the financial assessment team. If you would like further recommendation or support, you will find the contact details for other agencies at the back of this handbook. Or, you could ask for independent advice.

There are two sections to this booklet:

Section 1: Understanding residential care financial assessments

Section 2: Paying for residential care

Section 1: Understanding residential care financial assessments

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Definitions

Capital

This means any savings or investments you have. We may treat property (buildings or land) you own differently.

Capital limit

This is the upper limit of capital we take into account and assess.

CRAG

This is the 'Charging for Residential Accommodation Guide.' It supports the National Assistance (Assessment of Resources) Regulations 1992.

Deferred payments agreement

This means you are responsible for paying the full amount of your residential or nursing home fees but only have to pay us a contribution based on income and savings during your lifetime. After you die, or if you decide to end the agreement, the total difference between the contribution and the full fees will be repaid to us.

Income

This is any money you have coming in from any source, for example, pensions, benefits, maintenance or any other payments you receive.

Interim placements

We treat interim placements as permanent from the date you are admitted into the home. This is because you are unlikely to be returning to your own home.

Intermediate placements

Intermediate placements are an NHS service and so you do not have to pay for them.

Linking rule

If you go into temporary care regularly and your breaks at home are for 28 days or less, we add your stays in the care home together. This is called the linking rule. When the days in care add up to 28 days, your Attendance Allowance or Disability Living Allowance (care component) will end.

Property

This is any building, parts of a building and land you own (either the freehold or leasehold). It also means any individual building, parts of a building and land you own abroad. This applies whether you are the only owner or whether you own the property with other people.

Self-funding

If you pay your own fees in nursing or residential care, you are 'self-funding'. This happens if:

- your weekly income is more than the weekly care home fees; or
- your total assessed capital is above the current financial year's capital limit.

Tariff income

This is a set weekly amount you pay us as part of your contribution if you have capital between the minimum and maximum capital limits.

Top-up or third-party payments

These are payments someone other than us makes if we cannot agree to pay the full amount the care home charges but you still want to move there. This would happen if we feel the amount charged is more than what we think is a fair price for the services provided.

1 Payments

Who pays for residential care

If you need to move into a residential or nursing home permanently or temporarily, there will be a fee for your accommodation and care. We may ask you to pay these fees in full or in part (depending on your income and capital).

Unless you are able to pay the full fees yourself, we must carry out a financial assessment to see how much you should pay towards your care fees. The rules about how we work out your contribution are set by Parliament, and this section explains the assessment.

If your income is less than the fees for the care home and you have less than this financial year's capital limit in savings or other investments, you will need to pay towards the fees. We will then pay the rest of the agreed fees. The amount you pay will depend on how much money you have.

To work out how much you should pay, we will ask you to give us details of your income such as any pensions, benefits, maintenance or other payments you receive. We will also ask you for details of your capital (that is, any savings, stocks, shares, investments and so on). This also includes any property you own. There are detailed rules about how we use the value of any property when working out how much you would pay. We explain these later in this section.

Respite care

We class respite care as a temporary stay. We assess these stays under the same regulations as residential care, as set out in the 'Charging for Residential Accommodation Guide' (CRAG). We take account of most income as with permanent residential care. However, as the stay is temporary, we ignore certain things. For example, we do not take account of any property you own. We also ignore Attendance Allowance and Disability Living Allowance (care component). In the assessment, we may make allowances for housing costs such as rent and Council Tax.

How will you support me?

Unless you are 'self-funding', we will arrange a contract with the residential or nursing home to pay either the full fee or a part of it.

If we cannot agree to pay the full amount the home charges because its fees are higher than our upper funding limit, someone else will have to pay the difference if you still want to move there. (Please see '**Top-up payments**' for more information.)

We then have a duty to assess how much you can afford to pay towards the cost we have agreed to pay the home (the home does not have to be within this borough). We will ask you to fill in a confidential financial assessment form, which tells us about your financial circumstances. When you have done this, we will contact you if we need more information.

Once we have worked out how much your contribution will be, we will tell you in writing. You will then receive a monthly invoice for the charge.

Self-funding

If your weekly income is more than the weekly care-home fees, or if your total assessed capital is above the capital limit, you must pay your own fees.

We can offer you advice about whether the home you want to move into is suitable for your needs, but we will not enter into a contract with the home to provide your care.

If you decide to move to a home outside the borough and your funds later drop below the capital limit, we may not be responsible for your funding. The council in the area you have moved to may be responsible for your funding instead. This depends on the circumstances of your case, including whether we were involved in moving you into the home or if your main home is still in the Merton area.

If your capital is only just above the capital limit, your savings will soon start to go down as you pay your fees. At some stage, your savings may be below this limit and you will need to contact us to assess your entitlement to help with the fees. We will ask you to fill in a financial assessment form giving up-to-date details of your savings and income, and we will assess how much you should pay towards the fees.

If we do not think the fees the home charges are a fair price for the services provided, or if you are paying for a level of service which we consider is more than your assessed needs, we may limit the amount we can pay towards your fees. As a result, please talk to your care manager (social worker) about what you plan to do before you move into the home to avoid problems later.

Free nursing care

If you are paying your own fees in nursing care (self-funding), you no longer have to pay for the nursing part of the care fees you are charged.

The National Health Service (NHS) pays your nursing home one of three set amounts, depending on how much nursing care you have been assessed as needing. These amounts are set out by Parliament and will be revised regularly.

This should mean that the fees your nursing home charges are less than they would be if you were charged for the nursing care you receive. You will still have to pay for your non-nursing care and your accommodation fees.

2 Top-up payments

What are top-up payments?

If we cannot agree to pay the full amount the care home charges because this is more than we feel is a fair price to meet your needs, and you still want to move there, someone will have to pay the difference. This is known as a **top-up** or **third-party payment**.

Most care homes increase their fees each year in line with inflation. Any top-up payment will also increase as care-home fees go up.

Who can pay the top-up?

By law, you are not allowed to pay the top-up yourself unless there are special circumstances. If these circumstances do not apply to you, someone else will have to pay. This could be a friend, relative (not your husband or wife), a charity, a trade union or any other person or organisation.

You can pay the top-up yourself if we are paying your fees for 12 weeks because you own a property and have less than the capital limit. You will also be allowed to pay the top-up yourself if you decide not to sell your property and enter into a legal agreement with us to delay paying your fees. Please see '**Deferred payments**' (page [11]) for more information.

If you are thinking of paying the top-up yourself

If you are thinking of paying the top-up yourself, you will need to remember that you will have to use your savings. This is because we will ask you to pay most of your income towards the cost of your care. This means you will need to work out if you have enough savings to pay the top-up fee for the length of your stay. If you think your savings may not be enough, you will need to arrange for someone to pay the top-up when your savings run out.

3 Income

If we are paying towards your care fees, we will need to work out how much income you have. By income, we mean any money you have coming in from any source, for example, pensions, benefits, maintenance or any other payments you receive.

Income includes things like:

- State Pension and Widow's Pension;
- occupational and private pensions from former employment;
- state benefits and allowances;
- earnings;
- charitable and voluntary payments;
- maintenance payments and money from friends or family;
- pension payments;
- money from certain types of trust;
- payments from abroad; and
- other payments made to you, for example, other income you may get from subletting your property or garage.

This list does not cover all the possible types of income and is a guide only. We do not include things like interest on savings or share dividends as part of your income, but we will treat the amount of money invested as capital.

We only need to know about money you receive, not about money your partner receives if the payment is only in their name. You should always tell us about money you hold with your partner. Most income is included in your financial assessment in full. We ignore part or all of some income - for example, we ignore 50% of any occupational or private pension if you pay at least this amount to your husband or wife if they stay at home.

We also make an allowance for the mobility component of any Disability Living Allowance you receive. We also ignore other money depending on the type of income. You should tell us about all your income on the financial assessment form.

If you are living in a care home temporarily, we will ignore any Attendance Allowance or Disability Living Allowance (care component) you receive. We will also ignore any payments made for your usual home (for example, Housing Benefit).

4 Capital

What we mean by capital

By capital, we mean any savings, shares, stocks or other investments you have. We may treat any property (buildings or land) you own differently. If we are paying towards your fees, we will need to work out how much capital you have. We count some types of capital, but not all (see below).

What we count as capital

We count things like:

- bank and building society accounts;
- National Savings Certificates;
- Premium Bonds and income bonds;
- stocks, shares and other investments;
- individual savings accounts (ISAs);
- unit trusts;
- cash;
- property or land;
- money that is yours which someone else holds for you;
- funds held by the Court of Protection or your receiver; and
- any capital or property held abroad.

This list is only a guide and does not cover all possible types of capital.

We do not count some types of capital when we assess your total capital.

For example, we ignore:

- personal belongings;
- Social Fund payments;
- backdated payments of certain benefits; and
- payments made for people who were prisoners of war in Japan In the second world war.

We are not able to ignore the value of items such as personal belongings if you have bought them to reduce or avoid your responsibility for paying residential or nursing fees.

If you hold capital abroad

If you hold capital abroad, we will make a reasonable allowance for the cost of transferring it to the United Kingdom, if necessary. We will take account of any restrictions on the amount of capital you can transfer out of some countries at one time.

If some or all of your capital is held jointly

If some or all of your capital is held jointly with another person or other people, you should value your share by dividing the total value by the number of people who own it.

If some or all of your capital is held in a trust fund

If some or all of your capital is held in a trust fund, the terms of the trust deed will decide whether or not we should count it as capital. Please send us a copy of the trust deed. It will help us decide how we should treat it.

If you give away any of your capital

It is against the law to sell or give away your capital to reduce your responsibility for paying residential or nursing fees. If this happens, we may work out your responsibility for care fees as if you still have the capital.

[In some circumstances we may also take steps to have the assets returned to you.] If you sold or gave away your capital in the six months before you moved into residential care, we may try to claim the fees from the person you have given the capital to. If the transfer took place more than six months before you moved into residential care, we may consider whether it is possible to recover the fees from you. This means you can still use your capital to buy items you need or want, or to buy presents for people. However, you must not do this to reduce your responsibility for paying your care fees.

Important

If you are a homeowner, please see **'Property'** (page 9).

How we treat capital

If you have capital equal to or more than the maximum capital limit, you will be responsible for paying the full care fees. In other words, you will be 'self-funding' (see the appendix for the current figures based on this financial year's capital limit).

If you have capital between the minimum and maximum capital limit, we have to ask you to pay us a set weekly amount as part of your contribution. We call this a 'tariff income' (see the appendix for the current figures based on this financial year's capital limit). If your capital is less than the minimum capital limit, we will not ask you to pay anything from your capital towards your fees, but you will have to pay from your income.

If you have any questions about capital

If you have any questions about capital, please contact the financial assessment team. The contact details are on the last page of this booklet.

5 Property

What we mean by property

By property, we mean any buildings, parts of buildings and land you own (either the freehold or leasehold). We also mean any buildings, parts of buildings and land you own abroad. This applies whether you are the only owner or if you own the property with other people.

Why property is important

The law says that if you have capital worth more than the capital limit you are expected to use the value of that capital to pay your fees. As a result, property is important because most of it is valued at much more than this amount.

However, not everybody is expected to use the value of their property to pay for their care fees. You may not need to sell your home to pay for your care fees. There may be other options available to you. Please see below for more information about this.

If another person lives in your property

You are not expected to use the value of your property to pay your care fees if someone lives there who is:

- your husband, wife or partner;
- aged over 60 and your close relative;
- aged under 16 and you have a legal responsibility to look after them; or
- disabled.

If someone living in your property looks after you

Under some circumstances, you may not be expected to use the value of your property to pay for your care fees. This applies if someone living in your property looks after you but does not fall into one of the four categories listed above. If you want us to consider this, we may need to ask you questions on how long your carer has looked after you. We may also need to ask about your carer's personal financial situation. We may not be able to agree to this option in all circumstances or be able to ignore the value of your property.

If your property is jointly owned

If your property is jointly owned with another person or other people, we have to value your share. This applies whether you own the property as joint tenants or tenants in common. Valuing your share in these circumstances can be difficult. If we cannot agree with you what your share is worth, we may ask for an independent valuation from a professional. You should get independent advice if you jointly own your property with someone who does not fall into any of the four categories above.

If you have property abroad

If you have property abroad, we always make a reasonable allowance for the cost of transferring any income from it, or the money from the sale, to the United Kingdom if this is necessary. We know that some countries sometimes have limits on the amount of money you can transfer out of them at one time. Please let us know if you think this applies to your property. We will take any relevant limits into account.

If you give away any of your property

It is against the law to sell or give away your property to reduce your responsibility for paying residential or nursing fees. If this happens, we may work out your responsibility for care fees as if you still have the property. In some circumstances, we may also take steps to have the property returned to your ownership.

If you cannot use the value of your property

If for some reason you find you cannot use the value of your property to pay for your care fees, please contact the financial assessment team. Under some circumstances, we may be able to pay towards your fees until you are able to arrange to pay your fees yourself. This may work in a similar way to the deferred payment agreements. You will still have to pay us back for fees you are responsible for paying but which we have paid to you. We may also have to put a 'legal charge' on your property.

About legal charges

If we have a financial claim against the value of your property (for example, because we have a deferred payment agreement with you), we may put a legal charge against your property.

This means recording our financial interest in the property at HM Land Registry. Anyone who wants to buy the property can then see that we have a financial interest. The exact amount of our financial interest is not available to the public. Mortgage companies register their financial interest in your property in the same way. When you sell the property, we can release our financial interest only once you have paid us the amount you owe. The sale cannot go through before this happens.

If you have any questions about this process please speak to our financial assessment team. If you need any more information, you will need to get independent advice.

Using your property to pay for your full care fees

You may not need to sell your house to pay for your care fees. We cannot give you advice on the best way for you to use the value of your property to pay for your fees if you do not want to sell it.

However, you may want to consider options such as renting, home income plans or deferred payment agreements. These may not be the only options available to you. An independent financial adviser may be able to give you more advice.

This is a complicated area and there may be serious financial implications. For this reason, we strongly advise you to get independent financial advice if you are in this situation. Some advisers may charge for their services. You will find a list of agencies that can advise you at the end of this booklet.

How we treat property

We ignore the value of your home for the first 12 weeks of your stay in a residential or nursing home. This means that we will assess how much you should pay towards your care fees as if you did not own your property. If you have other money over the capital limit, we will still count this towards your assessment. This means you will have to pay your full fees yourself, no matter what your income is.

Capital over the capital limit

If you have capital over the capital limit, as well as the value of your property, you will have to pay the full amount of your care fees from the date you move into the care home. You will be 'self-funding'.

If your capital falls below the capital limit during the first 12 weeks because, for example, you are paying your care fees, we may pay some of your fees from the date your capital falls to below the capital limit until the end of the 12-week period.

If you have any questions about property

If you have any questions about property, please contact the financial assessment team. The contact details are at the end of this booklet.

Deferred payments

If you are a homeowner and are either unable to sell it or do not want to sell it, you may be able to delay ('defer') paying some of your fees so that you don't need to sell your former home when you go into residential care. You may choose to delay your payments if the value of your property is expected to cover all your likely fees.

The deferred payment agreement means you are responsible for paying the full amount of your fees but only have to pay us a contribution based on income and savings during your lifetime. After you die, or if you decide to end the agreement (for example, by selling your property), the total difference between your contribution and the full fees will be repaid to us.

If you choose deferred payments, we will work out how much you should pay towards your fees based just on your income and any savings you have between the minimum and maximum capital limits. We will ignore the value of your home. You will then pay a reduced contribution based on your income rather than the full fees.

In return, we will put a legal charge on your property for the value of the difference in funding between this contribution and the full fees you would have been charged if we had taken the property into account. We may ask you to pay us our legal costs for arranging these deferred payments (for example, Land Registry expenses). We will ask you to pay these costs when your property is eventually sold, whenever that may be. If your payments are delayed in this way, you will not be forced to sell your home and no interest will be added while you are in residential care.

In certain circumstances, we may not be able to agree a deferred payment agreement. We will tell you as to why we cannot do this. If you delay your payments in this way and do not receive Income Support or Pension Credit, you may still receive Attendance Allowance and Disability Living Allowance (care component). You will not be eligible to receive Income Support if your property is not up for sale. If you think you may want to delay your payments, you should get independent financial advice.

6 Benefits

When you go into a residential or nursing home, your entitlement to benefits may be affected. This is because your needs will be different. Some items you might pay for at home will be provided by the care home and will be covered by the fees.

You should tell the Department for Work and Pensions (Benefits Agency) and the Housing Benefit Section immediately about any stays in residential or nursing care.

Attendance Allowance and Disability Living Allowance (care component)

If you are paying for all fees yourself, your Attendance Allowance or Disability Living Allowance (care component) will not be affected. You can continue to receive this for as long as you meet the conditions for receiving the benefit and continue to pay all your fees yourself.

If we are paying towards your fees, your Attendance Allowance or Disability Living Allowance (care component) will end after 28 days in residential care. However, if you intend to repay us from the money from selling your home (deferred payment), you will still receive these benefits.

For more information, please see the '**deferred payments**' section.

If you go into temporary care regularly (for example, respite care) and your breaks at home are for 28 days or less, your stays in the care home are added together. This is called the linking rule. When the days in care add up to 28 days, your Attendance Allowance or Disability Living Allowance (care component) will stop. If your pattern of stays in temporary care means that you may be at home between stays for 28 days or less, please discuss this with your care manager (social worker) or contact the welfare benefits officer.

A stay in residential care does not affect Disability Living Allowance (mobility component).

You can find out more about Attendance Allowance and Disability Living Allowance by phoning the **Benefits Enquiry Line on 08457 123 456**.

Income Support and Pension Credit

If you go into temporary residential care (for example, respite care), your Income Support and Pension Credit will usually be paid at the same rate as when you are living at home. If you go into permanent residential care, you will usually be entitled to your normal rate of Income Support but without any housing costs.

However, if you are receiving Attendance Allowance or Disability Living Allowance (care component) and this stops after 28 days (see above), your Income Support will be assessed again and may go down. This is because some people receive extra Income Support because they also receive Attendance Allowance or Disability Living Allowance (care component). This extra Income Support ends when the other allowances end. You can find out more about Income Support by phoning the **Benefits Enquiry Line on 020 8710 5600**.

Housing Benefit

If you move into permanent residential care, your Housing Benefit will end immediately. You will not receive Housing Benefit for any period of notice you may have to give to your landlord if you are not living in your home. If you move into residential care to see if the home suits you, you will continue to receive Housing Benefit for up to 13 weeks. However, your Housing Benefit will end the moment you decide to stay permanently, or decide you will not be returning home.

If you move into temporary residential care, you will continue to receive Housing Benefit for up to 52 weeks (longer if there are exceptional circumstances and you will soon be returning to your home). However, your Housing Benefit will end the moment you decide to stay permanently or decide you will not be returning home.

You will not receive Housing Benefit if:

- your stay in residential care becomes permanent;
- you do not plan to return home; or
- you sublet your home while you are in residential care.

These rules are the same for Council Tax Benefit.

For more information on Housing Benefit and Council Tax Benefit, call 020 8274 4901. Ask for the Housing Benefit or Council Tax Department.

7 Examples of assessments

See the appendix for examples based on the current financial year's capital limit figures.

Legislation we use

By legislation, we mean Acts of Parliament, regulations and guidance issued by Parliament or the Department of Health. See the appendix for a list of the most relevant documents.

Where to get copies of the legislation

Please contact our financial assessment team. We will be able to give you with copies of some of the documents immediately, or within a few days. Your local library will also be able to find any legislation you may want to see.

Section 2: Paying for residential care

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1 Payments

Who pays for residential care?

If you need to move into a residential or nursing home either permanently or temporarily, you will have to pay for your accommodation and care. We may ask you to pay these fees in full or in part (depending on your income and capital). If you are able to pay the fees in full because, for example, you have savings over this financial year's capital limit, you need to agree this with the home. We can give you advice about a suitable home and any benefits that may be available to you, but your social worker will arrange your stay.

If you are not able to pay the full fees yourself, we will arrange a contract with the care home to pay either the full fee or a part of it. To work out how much you should pay towards the cost we have agreed to pay the care home, we have to carry out a financial assessment. If the care home charges an amount that is above our upper funding limit and you still want to move there, someone will need to pay a top-up payment. However, we do have agreements with most homes in the borough and top-ups are usually not needed.

What if I own my own home?

If you are a homeowner, we will count the value of your property when assessing how much you should pay towards your fees in permanent care. However, we will ignore the value of your home for up to 12 weeks. This gives you time to sell your home or to consider other options. If you choose to delay your payments, we can continue to ignore the value of your home after 12 weeks. (See 'How we treat property' on page [10] for more information.)

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

Responsibility for paying the full fees

You will be responsible for paying the full fees ('self-funding') from the date you move into a residential or nursing home if:

- your weekly income minus your personal allowance and expenses is more than the weekly fees;
- you have more than this financial year's capital limit in savings or other investments, not including the property you live in as your home; or
- you have less than this financial year's capital limit in savings, but total capital of more than this year's capital limit if you include the value of your property.

You may be responsible for paying the full fees because your total capital, including the value of your home, is more than the capital limit. However, we will pay your fees for up to 12 weeks while you decide how best to use the value of your home to help you pay your fees. You will still be responsible for paying the full fees from the 13th week after the date you move into care. There may be circumstances where we can support you for more than 12 weeks if you decide not to sell your property or if you are not able to sell it.

Responsibility for paying a contribution

You will not be responsible for paying the full fees but will pay a contribution if your total capital is valued at less than this financial year's capital limit and your income is less than the weekly care fees. In this case, we pay your fees from the date you move into the care home but you will need to pay towards your fees.

Please see below for details of how we will support you.

If you are not sure which situation applies to you, please contact your care manager (social worker) or the financial assessment team and explain your financial situation. If we are not able to give you advice immediately, we may ask you to fill in a form with details of your finances. We will then give you advice as soon as we can.

How do you work out what I have to pay?

We follow a set of rules that are set by Parliament. The Department of Health also gives us guidance.

Step 1: you fill in a financial assessment form

We need to find out about your financial situation before we can work out how much you will need to pay towards your care fees. To do this, we ask you to fill in a confidential financial assessment form setting out your income and capital. You will also need to show us proof of income and savings. If someone signs the financial assessment form on your behalf, they will need to enclose proof of the 'power of attorney' or 'appointeeship' they hold on your behalf.

Step 2: we work out your weekly income

We will work out your weekly income from the information you give us. We do this by adding together all your current sources of income (including state benefits) and a tariff income from any capital you have over this financial year's **minimum** capital limit but under this year's **maximum** capital limit (see the appendix for the current figures based on this financial year's capital limit).

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 receive from these benefits to your total income.

Step 3: we work out your allowances

Everybody is entitled to a standard personal expenses allowance, which entitles you to buy any personal items you may need. This allowance is set by Parliament and is reviewed each April (see the appendix for the current figures based on this financial year's capital limit).

If you have a husband, wife or partner, we may (with your permission) make an allowance for them to receive half the total value of any occupational or private pensions you receive. Depending on the type of income, there are other types of allowances.

Step 4: 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 the standard personal expenses allowance.

What should I do now?

Make a list of all your finances

List all your sources of income as well as your savings and any other investments - this includes any property you own but do not live in, as well as your own home. It is against the law to sell or give away your savings or income to reduce your responsibility for paying residential or nursing fees.

If you have property

Consider carefully whether you want to sell your property to pay for your care fees, or whether you want to delay paying. Consider talking to your relatives or a close friend as well as consulting the financial assessments team about your options.

If you jointly own your home with someone else, talk to them. Contact our financial assessment 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. Get independent financial advice if necessary. Make sure you have all the information you need.

2 If your capital goes over this financial year's limit

How long will my savings last?

It is difficult to say exactly how long it will take for your savings to go down to the limit at which we can begin to pay towards your fees. We cannot tell you how you should spend your money, although we have to let you know that it is against the law to give away or sell capital to reduce your responsibility for paying care fees.

However, you can get a rough estimate of how long your money will last by using the following calculation.

- 1 Work out your total capital (savings and other investments) and take off the amount of the savings limit. This gives you your 'excess capital'.
- 2 Work out your total weekly income and take off a reasonable weekly amount for items you will need such as hairdressing, clothes, newspapers, toiletries, outings, chiropody and so on. Take this figure from your weekly care home fees to work out your weekly 'shortfall'.
- 3 Divide your 'excess capital' by your 'shortfall'. This gives you the estimated number of weeks your savings will take to drop to the limit where we can help you.

See the appendix for an example based on the current financial year's capital limit figures.)

What happens to my benefits?

When you go into a residential or nursing home, your entitlement to benefits may be affected as your needs will be different. Some of the items you pay for at home might be provided by the care home and will be covered by the fees they charge. You should tell the Department for Work and Pensions (Benefits Agency) and the Housing Benefit Section immediately about all stays in residential or nursing care.

Generally, if you are paying all your fees yourself, you will be able to keep any Attendance Allowance or Disability Living Allowance (care component) you receive. If we are helping to pay your fees, these benefits will stop after 28 days unless you will have to repay us 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 receive a reduced rate if your Attendance Allowance or Disability Living Allowance (care component) ends after 28 days. Your Housing Benefit and Council Tax Benefit will end immediately when you move into permanent care, or if you decide that you will not be returning home.

After you decide you will not be returning home, you will need to give your landlord notice that you want to end your tenancy. You are not entitled to Housing Benefit for this period of notice and must pay your full rent. Some landlords may be willing to accept a reduced period of notice in these circumstances. If you do have to pay full rent during your period of notice, we may be able to make an allowance for it when working out your care fees. Please speak to your care manager (social worker) if this applies to you.

Our welfare benefits officer can give you a free, confidential welfare benefits check. If you have any questions about your benefit entitlement, you can contact the welfare benefits officer or the other advice agencies listed on the inside back cover.

General information

What happens next?

If you think 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 fill in. We can only help you pay your fees if your care needs assessment says you need residential or nursing care.

Once we have received your form, we may contact you for more information. We treat any information you give us as strictly confidential. When we have worked out how much you need to pay, we will tell you in writing. We will send you a monthly invoice for the fees. After a time, if you and the home agree, we may ask you to pay the fees straight to the home. When you have paid your assessed contribution you will generally have a minimum weekly allowance left for your personal expenses.

When will my contribution change?

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

If your financial circumstances change (for example, because you win a Premium Bond prize or inherit money), we may need to review your contribution. Please contact the financial assessment team if your circumstances change. Our contact details are at the end of this booklet.

Sharing information

As we work with the NHS and other agencies to provide services, we often need to share your personal information with other organisations involved in your care.

If necessary, we may ask you to sign a form giving us permission to share your personal information with other organisations. For your own protection or for the protection of other people, very rarely we may share information without your permission. In these circumstances, we will tell you and explain why this has happened.

Our housing and social services departments have a policy on seeing information we hold about you in your file. There is normally an administration charge for this service unless you are receiving certain state benefits. Please contact the Customer Service Officer if you wish to see your file.

If you would like to see this information, you can write to:

**The Customer Services Officer
Housing and Social Services
Merton Civic Centre
London Road
Morden
SM4 5DX.
Phone: 020 8545 3509**

Useful contacts

Help the Aged Care Fees Advisory Services

St Leonard's House
Mill Street
Eynsham
Oxford
OX29 4JX

Phone: 0500 76 74 76 (this call is free)

Help the Aged can provide free, confidential independent advice on paying for care fees.

Age Concern England

Astral House
1268 London Road
London
SW16 4ER

Phone: 0800 00 99 66 (this call is free)

Age Concern can provide advice on welfare benefits and provide services for carers. They can also help you get access to services.

Citizens Advice Bureau

Kellaway House
326 London Road
Mitcham
CR4 3ND

Phone: 020 8648 1910

The Citizens Advice Bureau can give you advice on welfare benefits and debt. They can also give you advice on your consumer rights as a customer.

The Welfare Benefits Unit

Guildhall 1 (Room 216)
Kingston-upon-Thames
Surrey
KT1 1EU
Phone: 020 8547 6009

For advice about your benefit entitlement, you can also contact our Welfare Benefits Officer, **Suzie Rollins, on 020 8545 4178 or e-mail suzie.rollins@merton.gov.uk**

How to contact

The Financial Assessment Team

Merton Civic Centre
5th Floor Financial Assessments
London Road
Morden
SM4 SDA

Phone: 020 8545 3605 or 020 8545 4047

Fax: 020 8545 4004

Please contact the financial assessment team if you have any questions. Our office hours are 9am to 5pm Monday to Friday.

Pension Credit application line

Phone: 0800 99 1234 (this call is free)

Department for Work and Pensions

Phone: 0845 6060265

If you would like more information in your own language, please contact us at the address shown in the box below.

Albanian

Nese deshironi me shume informacion ne gjuhen tuaj, ju lutemi te na kontaktoni ne adresen e dhene ne kutine me poshte.

Arabic

إذا أردت معلومات إضافية بلغتك الأصلية الرجاء الاتصال بنا في العنوان المدون ضمن الإطار أدناه.

Bengali

যদি আপনার নিজের ভাষায় লেখা আরও তথ্য চান তাহলে দয়া করে আমাদের সঙ্গে যোগাযোগ করুন, তলার বক্‌সে আমাদের ঠিকানা রয়েছে।

Chinese

如果你需要用中文印成的資料，請按低端方格內提供的地址與我們聯系。

Farsi

اگر مایل به اطلاعات بیشتر به زبان خود هستید، لطفاً با ما از طریق آدرس زیر تماس بگیرید.

French

Pour tout renseignement complémentaire dans votre propre langue, veuillez nous contacter à l'adresse figurant dans l'encadré du bas.

Gujarati

જો તમને તમારી પોતાની ભાષામાં વધારે માહિતી જોઈતી હોય, તો કૃપા કરીને નીચે અંતમાં આપેલા ખાનામાં દર્શાવેલા સરનામે અમારો સંપર્ક કરો.

Punjabi

ਜੇਕਰ ਤੁਸੀਂ ਪੰਜਾਬੀ ਵਿਚ ਹੋਰ ਜਾਣਕਾਰੀ ਲੈਣੀ ਚਾਹੁੰਦੇ ਹੋ ਤਾਂ ਹਿੱਸਾ ਵਰਕੇ ਹੇਠ ਲਿਖੇ ਖਾਨੇ ਵਿਚ ਦਿੱਤੇ ਪਤੇ 'ਤੇ ਸਾਡੇ ਨਾਲ ਸੰਪਰਕ ਕਰੋ।

Somali

Hadii aad u baahan tahay faahfaahin intaa kabadan oo ku soobsan afkaaka hooyo ama Af Somali fadlan lana soo xiira cinwaanka hoos ku qoran.

Spanish

Si usted desea más información en su propia lengua, por favor contáctenos en la dirección al pie del formato.

Tamil

உங்கள் மொழியில் மேலதிக தகவலைப் பெற விரும்பினால், அடியிலுள்ள பெட்டிக் குள் தரப்பட்டுள்ள விலாசத்தில் எம்முடன் தொடர்பு கொள்ளுங்கள்.

Urdu

اگر آپ اپنی زبان میں مزید معلومات حاصل کرنا چاہتے ہیں تو براہ کرم ہم سے اس پتہ پر رابطہ قائم کریں جو کہ نیچے کے بکس میں درج ہے۔

You can also get this information in large print, in Braille and on tape.

Public Information Officer
3rd Floor, Merton Civic Centre,
Morden SM4 5DX Tel: 020 8545 3475