

# Charging for adult social care services



This leaflet provides information about:

- How will my residential or nursing home charges be paid?
- Paying for short stays at The Adelaide, Ryde, or The Gouldings, Freshwater
- Charges for non-residential services



## How will my residential or nursing home charges be paid?

**If you need financial help to go into a residential care or nursing home, the council will discuss with you the most suitable type of care and help you choose a place in a home. We will then pay the home's fees up to the maximum agreed and will then work out how much you can afford to contribute. A council financial assessment officer will advise you.**

### **Why do I have to pay towards the cost of my care?**

Under the Care Act 2014, residents must pay for their accommodation in full unless they can show the council they don't have enough money to pay the whole amount. That is why we will ask you to give us information about your finances.

So the contribution you make towards the fees will depend on your circumstances and how the national regulations say it will be worked out.

### **Is there a limit to how much capital I can have?**

Yes. If you have more than £23,250 you are liable to pay the fees in full in a private or voluntary home and the council will not ask for information on your ability to pay.

Capital of £14,250 or less is fully disregarded. Capital over £14,250 and up to £23,250 is converted into an 'assumed' weekly income using a simple formula. This is often called a tariff income.

**Please note that if the council thinks you have given money away to reduce both your capital and the charge, then your contribution will be calculated as if you had not given any money away.**

If you have sold your property but intend to buy and live in another one that is more suitable, the money raised from the sale will not be taken into account for the purpose of paying your care fees for 26 weeks. But you must tell both your care manager and the financial assessment officer what you intend to do.

## **Can I still claim pension credit (or income support if you are under 60)?**

Yes. If you are already receiving pension credit or income support when you go into a home you will still be able to receive these but the amount you get may vary.

If you are not getting pension credit/income support, you may be entitled to claim it. The financial assessment officer will give you advice about this. If you are entitled to claim, you will be given help to apply either before or at the time you go into the home.

This extra money from pension credit/income support must be included as part of your contributions. If you are entitled to pension credit/income support, your contribution will include the amount we think you are entitled to claim and will be based on the information about your finances that you have given us.

**It is very important that you make a prompt and complete claim for pension credit/income support as you will need this money to meet your contribution towards the cost of your care.**

If the amount of pension credit or income support you get is different from the figure we have predicted, you must tell us.

Unless you have been assessed to pay the full cost of your care, payment of attendance allowance/disability living allowance care component must stop if your stay in a residential or nursing home is longer than 28 days, which includes any days spent in hospital before going into the home.

You must tell the Disability Benefits Unit at Blackpool (tel: 08457 123456) that you are staying at a residential or nursing home.

## **How is my contribution worked out?**

We work out how much you should pay towards the cost of the home's weekly fee by adding together income from all sources and taking away the value of your various allowances. That figure will be the charge for your accommodation.

Residential care is charged for by the day and you will be told how much you must pay per day. The financial assessment officer should be able to tell you roughly how much you will be expected to pay, unless your finances are very complicated.

### **What is counted as income?**

Income is:

- **All state benefits** – except disability living allowance (mobility component).
- **Personal independence payment/attendance allowance/disability living allowance** (care component) will be included for the first four weeks if you are a permanent resident. After that it will be withdrawn.
- **Occupational, superannuation or private pension** – where a resident has a spouse *who is not living in a resource centre or a residential/nursing home* – 50 per cent of any occupational, superannuation or private pension will be ignored where the resident is passing that amount to his/her spouse for the spouse's maintenance.
- **Other money income.**
- **Tariff income on capital** – capital between £14,250 and £23,250 is converted into an "assumed" weekly income using a simple formula – £1 a week for every complete £250 or part of £250.

### **Are there any allowances made for housing expenses I may still have?**

Yes, allowances may be made against the housing costs of residents which will include rent/mortgage payments, council tax, water charges, buildings/contents insurance.

### **Do I have an allowance for personal expenses?**

Yes, you will have a personal allowance (fixed by the government). This is £24.90 per week (April 2016).

## Third party top-up payments

The council agrees to pay a standard price to residential and nursing homes for their care, but occasionally some homes will want to charge more than this price.

There are government rules about who can pay this difference in price – the ‘top-up payment’. A third party, eg, a relative, friend or charity, can pay this difference in price for you. You are not allowed to pay the difference yourself (unless you have signed a *deferred payment agreement*).

Top-up payments are in addition to the financially assessed contribution you are required to make yourself.

Your care manager must be aware of a third party top-up payment at the time of your placement, and they will be able to discuss this with you and the third party.

## Will I have to sell my property?

The value of your property will be taken into account 12 weeks after it has been agreed you will be staying permanently in residential care.

If the value of your property, plus any other savings you may have, is more than £23,250 you will have to meet the full cost of your care home fees. If you don't have enough income or other savings/assets, apart from your property, to meet the full cost of your care then you may have to sell your home in order to pay the fees. In certain circumstances you may be eligible to apply to join the deferred payment scheme. The visiting financial assessment officer will discuss this with you at their visit if applicable.

More information about the scheme can be found in the deferred payment scheme information leaflet which can be found on [iwight.com](http://iwight.com)

In exceptional circumstances, and if the council has funded your placement whilst you are unable to access your funds, the council will seek to fully recover from your assets any monies paid on your behalf.

You can re-apply for financial help from us when your capital falls below £23,250 - **but please note that you cannot give money away to reduce it to this level.**

## **Are there any exceptions to this?**

Yes, where a resident no longer lives at home, its value will be disregarded where it is occupied by the resident's spouse or a relative of the resident who:

- is aged 60 or over; or
- is aged under 18 and is a child whom the resident is liable to maintain; or
- is incapacitated. 'Incapacitated' usually means that the person is receiving disability related benefits, or, if the person isn't actually receiving one of these benefits, they would qualify if they applied. Medical or other evidence may be needed to support this.

In addition, the council can also decide to disregard the value of premises but only where a third party continued to live on those premises, eg, where it is the sole residence of someone who has given up their home to care for the resident or someone who is an elderly companion of the resident. Where we have decided to disregard the value of the property, we can also decide whether to reconsider our decision.

If your property is rented and someone else still lives there, any allowance made for rent, insurance, and so on, will stop once it has been decided that you are now living permanently in the residential care or nursing home.

If the ownership of the property is complicated, for example, if you jointly own the property with someone who doesn't fit into any of the categories mentioned so far, you must ask for advice from the financial assessment officer.

## **How will my contribution be collected?**

The council will collect the contributions from the resident. Payment will be collected by direct debit, but if this is a problem please talk to your financial assessment officer.

If you are admitted to hospital and the residential or nursing home place is kept open for your return, you will have to pay your contribution towards the residential fees during the hospital stay.

Your finances will be reviewed every April but it is important that you tell us about any changes as soon as possible so that we can quickly check how much you pay.

If you do not pay the amount you have been assessed to pay towards your services, the council will contact you to discuss this and always try to arrange an agreement with you so that you can pay the amount outstanding. However, if you do not pay, the council can recover the amount owing by taking the matter to court. The court can then order you to pay the amount you owe.

## **Additional information**

All our staff carry identification cards with them so please check this before allowing anyone into your home.

All the questions in the financial statement form should be answered – if none, please write 'none'.

You must tell us about any change in your finances so that we can work out what you should be paying.

If you, your family or anyone acting for you needs further advice or information about the costs of living in a home, they should contact the relevant key worker or adult services duty team on 821000, if appropriate. They will refer you to a visiting financial assessment officer.

Further information, help and advice

You can contact the financial assessment and charging team on 01983 823340.

You can get further independent information, help and advice about your own particular circumstances (including paying for your care, deferred payment scheme, court of protection procedure, or lasting power of attorney procedure) from the following:

- **Money Advice Service**  
[www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)
- **Society of Later Life Advisers (SOLLA)**  
[www.societyoflaterlifeadvisers.co.uk](http://www.societyoflaterlifeadvisers.co.uk)



They can help you find a specialist adviser in your area.

The Isle Help Advice Hub – located at 7 High Street, Newport, Isle of Wight PO30 1SS – also provides a central contact point for Citizens Advice Bureau and Age UK. The hub can be contacted on 03444 111 444 (advice line for landlines) or 0300 3300 650 (advice line for mobiles) or [www.islehelp.org.uk](http://www.islehelp.org.uk)

## **If you are dissatisfied**

If you feel that your assessed charge is unreasonable, you have the right to ask for this to be looked at again. The details of your financial assessment will first be checked by the financial assessment and charging team manager.

If you feel the decision is still unreasonable, the matter will be dealt with through our complaints procedure, which can be found on [www.iwight.com](http://www.iwight.com)

You can telephone or email us using the details shown in ‘How to contact us’.

## **How to contact us**

You can contact the financial assessment and charging team on 01983 823340 or email: [fac.team@iow.gov.uk](mailto:fac.team@iow.gov.uk)

# Paying for short stays at The Adelaide, Ryde, or The Gouldings, Freshwater

## **Do I have to pay towards the cost of my stay?**

Yes. The Care Act 2014 says you must pay in full unless the council believes you do not have enough money. That is why we will ask you to give us information about your finances. The amount you pay towards the cost of your stay will depend on your finances and will be worked out according to what the law says.

## **Is there a capital limit?**

Yes. If you have more than £23,250 capital you will have to pay the full amount of the fees in either The Adelaide or The Gouldings. Please note that you cannot reduce how much you have to pay by deliberately giving money away or by not telling us about your property or part of your savings or income. If you do this, you will have to pay us as if you still had them.

## **Can I still claim pension credit (or income support if you are under 60)?**

While you are staying at The Adelaide or The Gouldings, you will be entitled to receive pension credit/income support but the amount you get may vary. This must be used to pay towards your stay.

Unless you have been assessed to pay the full cost of your care, payment of attendance allowance/disability living allowance care component must stop if your stay exceeds 28 days (which includes any days spent in hospital before going to The Adelaide or The Gouldings).

You must tell the Disability Benefits Unit at Blackpool (tel: 0845 7123456) that you are staying at The Adelaide or The Gouldings for a while.

## How do you work out how much I have to pay?

We work this out by adding together all your income and taking away the value of your allowances. The remainder is the weekly amount you pay towards your stay. You will be told what the amount will be but if you stay for only part of a week, you will only pay for each night you have stayed. However, should you be admitted to hospital during a stay, you will be charged as if you were still there, for as long as the room is kept available. The financial assessment officer should be able to tell you roughly how much you will be expected to pay. You will be given a copy of how it was worked out.

## What counts as income?

- **All state benefits** – except disability living allowance and attendance allowance.
- **Occupational, superannuation or private pension** – If your spouse is not staying in either The Adelaide or The Gouldings, or in a residential or nursing home, then we will ignore half of any occupational, superannuation or private pension as long as you are giving that amount to your spouse for his or her keep.
- **Other money income**
- **Tariff income on capital** - capital below £14,250 is ignored, but any capital between £14,250 and £23,250 is converted into an “assumed” weekly income using a simple formula – £1 per week for every £250 or part of £250 over £14,250. This is known as tariff income.

## Do I have money for my own use?

Yes. The amount is fixed by the government. It is £24.90 per week (April 2016).

## Will I have to sell my property?

When we are working out how much you have to pay, we don't include the value of your property. This is because neither The Adelaide nor The Gouldings offer permanent places for people to stay.

## **How will my contribution be collected?**

At both The Adelaide and The Gouldings we will send you a bill when you return home.

We will look at your finances in April each year but it is important you tell us about any changes as soon as possible so that we can quickly check how much you should be paying.

If you do not pay the amount you have been assessed to pay towards your services, the council will contact you to discuss this and always try to arrange an agreement with you so that you can pay the amount outstanding. However, if you do not pay, the council can recover the amount owing by taking the matter to court. The court can then order you to pay the amount you owe.

## **More information**

All our staff carry identification cards with them so please check this before allowing anyone into your home.

All the questions on the financial statement form should be answered – if the answer to a question is none, please write 'none'.

You must tell us about any change in your finances so that we can work out what the new charge should be.

If you, your family or anyone acting for you needs further advice or information about the costs of staying at The Adelaide or The Gouldings, they should contact the relevant key worker or the adult services duty team on 821000, if appropriate. They will refer you to a visiting financial assessment officer.

## **Further information, help and advice**

You can contact the financial assessment and charging team on 01983 823340.

You can get further independent information, help and advice about your own particular circumstances (including paying for your care, deferred payment scheme, court of protection procedure, or lasting power of attorney procedure) from the following:

- **Money Advice Service**  
[www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)
- **Society of Later Life Advisers (SOLLA)**  
[www.societyoflaterlifeadvisers.co.uk](http://www.societyoflaterlifeadvisers.co.uk)

They can help you find a specialist adviser in your area.

The Isle Help Advice Hub – located at 7 High Street, Newport, Isle of Wight PO30 1SS – also provides a central contact point for Citizens Advice Bureau and Age UK. The hub can be contacted on 03444 111 444 (advice line for landlines) or 0300 3300 650 (advice line for mobiles) or [www.islehelp.org.uk](http://www.islehelp.org.uk)

## **If you are dissatisfied**

If you feel that your assessed charge is unreasonable, you have the right to ask for this to be looked at again. The details of your financial assessment will first be checked by the financial assessment and charging team manager.

If you feel the decision is still unreasonable, the matter will be dealt with through our complaints procedure, which can be found on [www.iwight.com](http://www.iwight.com)

You can telephone or email us using the details shown in ‘How to contact us’.

## **How to contact us**

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## Charges for non-residential services

If you need help to live independently, you may be able to receive care and support from the Isle of Wight Council.

This information leaflet explains how we calculate the charges for non-residential care services. The council charges for most social care services and operates under the charging for non-residential services policy. A copy of this can be obtained from [www.iwight.com](http://www.iwight.com)

The amount you are required to pay depends upon your financial position. You will be asked to complete an assessment form giving full details of your savings, investments, income and expenditure. The visiting financial assessment officer (VFAO) will usually complete the form, but if you would prefer you can complete the form yourself. You may have a member of your family or a friend with you at the time if you wish. If you prefer, you can complete a financial statement form online by visiting the adult services page at [www.iwight.com](http://www.iwight.com). A member of the financial assessment and charging team will contact you afterwards to confirm the amount you have been assessed to pay towards your services. A person will only be required to pay what they can afford, and this will be worked out by a means test.

Anyone can choose not to complete a financial assessment but they will be required to sign a part of the form that says they agree to pay the actual cost of the service they receive.

Our staff will be happy to answer any questions and explain the council's charging policy if there is anything you do not understand.

### **Is there a limit to how much capital I can have?**

Yes. If you have more than £23,250 you will have to pay the full cost of the services yourself. The council will not ask for information on your ability to pay, but you may still choose to disclose your financial details for a benefit check.

If the financial assessment establishes that you have more than £23,250, you will be charged the full cost of your services from the date your services started and charges will be backdated.

If you are required to pay the full cost of your services because you have more than £23,250 and you still want the council to arrange your care for you, we will charge you a fee to arrange the services and an annual fee ongoing. The amount we will charge you for this is in the council's fees and charges document, which is available at [www.iwight.com](http://www.iwight.com)

**All our staff carry identification cards with them so please check this before allowing anyone into your home.**

## **General information**

The services included in the financial assessment described are:

- home care;
- direct payment;
- day care;
- Lifeline alarm;
- Telecare;
- sitting service.

## **Financial assessment**

It is the council's normal practice to assess charges on income, expenditure and savings. Any savings held in your name and half of any joint savings will usually be taken into account. If you own a property, the value of your main residence will not be taken into account, but if you own or have a share in any other property this would be taken into account.

We will include savings over £14,250. This is calculated as income at the rate of £1 per week for every £250 or part of. The outcome of this calculation will be added to your income.

We will disregard disability living allowance mobility components, personal independence payment - mobility component, pension savings credit, child benefit, child tax credits, working tax credits and wages/earnings – **all other** income is taken into account.

It would be helpful if you could have the following information available:

### **Income**

- Benefit rates, eg, pensions, income support, ESA, etc.
- Notification of any private/occupational pension.
- Notification of annuity income.
- Any other income.

### **Savings**

- Building society books.
- Current bank statements.
- Details of stocks and shares, eg, TESSA, PEP, ISA, etc.
- Any other financial investment.

### **Expenditure**

- Rent card/statement.
- Council tax.
- Mortgage details.
- Any extra costs related to your disability, called disability related expenditure (DRE).

The calculation will be carried out as follows:

- Add all the income – including income from savings as detailed above.
- Take away the fixed living allowance (set by the government) +25% of this as a general allowance.
- Take away assessed disability related expenditure (DRE).
- Take away set housing costs.
- The amount left over will be the maximum weekly charge for services.



$$\begin{array}{c} \boxed{\text{INCOME}} \\ \textit{minus} \\ \boxed{\text{ALLOWANCES/DISREGARDS}} \\ \textit{equals} \\ \boxed{\text{MAXIMUM WEEKLY CHARGE}} \end{array}$$

When the financial assessment is complete, we can tell you how much you are required to pay.

The amount you pay will be:

- your maximum weekly charge; **or**
- The actual cost of your services – **whichever amount of money is the least.**

NB – If you have been assessed as needing more than one carer, you will be charged for both carers' time, but the amount you pay will not be more than your maximum weekly charge calculated by your financial assesment.

## **Notifying you of your contribution**

You will not be charged until you have been informed of your maximum weekly charge. You will be verbally informed by a VFAO and you will be sent a letter along with a copy of the financial assessment showing how your contribution has been calculated.

## **Special circumstances – DRE**

The Isle of Wight Council may consider extra allowances within your financial assessment if you have higher expenses as a direct result of your disability.

**We will require evidence of any increased expenditure.**

The types of expenses that could be considered are:

- privately paid for cleaning;
- special dietary needs;
- excessive fuel and heating costs;
- disability related equipment.

This list is not exhaustive, individual circumstances will be considered.

**All of the above are subject to maximum weekly allowances as detailed in our DRE guidelines.**

There will be no allowances made for the following items:

- loans including hire purchase and catalogue debts;
- pets;
- normal fuel bills;
- water charges;
- property insurance.

All requests for extra allowances for disability-related expenditure must be evidenced by receipts, supported by a GPs letter and your care plan (where applicable) before we can consider this cost in your financial assessment.

**Collection of contribution procedures**

Statements will be sent to you by the council each month in arrears, which you can pay at any post office, a local PayPoint outlet, by telephone/internet banking or online.

If you are having a direct payment and pay a contribution, this must be paid using your own income, **not** the direct payment account money. The easiest way to pay for your services is by direct debit. If you want to pay by direct debit please call customer accounts at the council on (01983) 823931.

If you do not pay the amount you have been assessed to pay towards your services, the council will contact you to discuss this and always try to arrange an agreement with you so that you can pay the amount outstanding. However, if you do not pay, the council can recover the amount owing by taking the matter to court. The court can then order you to pay the amount you owe.

**If you are dissatisfied**

If you feel that your assessed charge is unreasonable, you have the right to ask for this to be looked at again. The details of your financial assessment will first be checked by the financial assessment and charging team manager.

If you feel the decision is still unreasonable, the matter will be dealt with through our complaints procedure, which can be found on [www.iwight.com](http://www.iwight.com)

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## **Review of charges**

We will review your charge annually to take into account increases in income and any changes in your financial situation. However, you must inform us immediately if your financial circumstances change at any time, as this could affect the calculation of your contribution.

## **Refusal to pay**

The government has said that once we have established that someone needs a service, that service should not be withdrawn if the client refuses to pay the charge. The government also says that if a client refuses to pay charges the debt can be pursued, if necessary through the county courts. Please talk to your care manager dealing with your case before this happens.

If you do not pay the amount you have been assessed to pay towards your services, the council will contact you to discuss this and always try to arrange an agreement with you so that you can pay the amount outstanding. However, if you do not pay, the council can recover the amount owing by taking the matter to court. The court can then order you to pay the amount you owe.

## **Welfare benefits**

Many people do not claim all the benefits they are entitled to. The council is committed to helping people get their full rights and will offer you a welfare benefits check. It is likely that your charges will increase if you get certain extra benefits. For most people, the extra charge will be much less than the amount of extra benefit money they receive.

## Confidentiality

Everyone working with you has a legal duty to keep your information confidential to the organisation and to only share it with other agencies when it is necessary to provide you with the appropriate services or to enable us to carry out statutory duties. There may also be exceptional cases where the law or public interest will override your right to confidentiality.

## Further information, help and advice

You can contact the financial assessment and charging team on 01983 823340.

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## How to contact us

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**If you have difficulty understanding this document, please contact us on 01983 823340 and we will do our best to help you.**