

Charging for adult social care services



This leaflet provides information about:

- Your financial assessment
- Charges for non-residential services including personal budgets
- Charges for residential / nursing care

**The Financial Assessment and Charging Team
can be contacted on the following details:**

FACTeam
Floor 2
County Hall
Newport
PO30 1UD
Tel 01983 823479

Email fac.team@iow.gov.uk

You can complete a financial assessment online
by visiting www.iow.bettercare.org.uk

Receiving care and support services from the Isle of Wight Council

If you have been assessed as needing care and support, you will have to pay the cost of your care, unless you qualify for financial assistance.

Unlike national health services, national rules mean that adult social care and support services are not free and most people will need to pay something towards the cost of their care.

We appreciate this time can be difficult for those involved. This leaflet will help to explain the charging aspect of the help and support you are receiving.

If you have savings and investments over £23,250.00 you will be expected to pay for the full cost of any services you receive.

If you have less than £23,250.00 in savings and investments, you may be entitled to financial support from the Isle of Wight Council. To determine if you qualify for financial assistance, you will need to complete a financial assessment.

Choosing to decline the financial assessment will result in you being charged for the full cost of any care and support services you receive.

You will be contacted by someone from the Financial Assessment and Charging Team to arrange completing a financial assessment. However, if you would like to complete an online financial assessment which will provide you with an instant, estimated, client contribution please visit www.iow.bettercare.org.uk

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

Your financial assessment

The amount you are required to pay depends upon your financial situation.

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) can assist you to complete this form if required. You may have someone there to support you at the time if you wish, this could be a family member, friend or legal representative.

You will only be required to pay what you have been assessed as able to afford; this will be worked out by a means test using the government's set figures.

Anyone can choose not to complete a financial assessment but you will then be expected to pay for the full cost of any care and support you 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 £23,250.00 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 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 weekly administration fee ongoing. This is currently set at £10 per week (on top of the cost of the services you receive) - this fee is subject to change and this service is only available for non-residential care and support.

You can re-apply for financial help from us when your capital falls below **£23,250.00** - please note that you cannot give money or assets away to reduce it to this level.

Completing the financial assessment

The Isle of Wight Council will assess you based on income, expenditure and savings. Any savings held in your name and half of any joint savings will be taken into account in your financial assessment.

If you own or have a beneficial interest/share in a property, the value of your main residence will not be included as capital in your financial assessment for non-residential services or whilst you are in temporary residential care. However, if you own or have a beneficial interest/share in any other property this will be taken into account.

National charging regulations also stipulate that you will be charged for savings between £14,250 and £23,250 This is known as tariff income.

This is calculated at the rate of £1 per week for every £250 over £14,250.00. The outcome of this calculation will be added to your income.

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

We will disregard certain benefits as shown below;

- Disability Living Allowance (DLA) - mobility component only.
- Personal Independence Payment (PIP) - mobility component only.
- Child Benefit.
- Child Tax Credits.
- Wages / Earnings.
- War Disablement Pension.

All other income is included in your financial assessment.

Information required for the financial assessment

Income

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

Savings

- Building society books / post office accounts.
- Current bank statements.
- ISA's.
- Details of stocks and shares, eg, TESSA, PEP, etc.
- Any other financial investment.

Expenditure

- Rent.
- Council tax.
- Mortgage details.
- Any extra costs related to your disability, called disability related expenditure (DRE). – Non-Residential assessments only.
- Housing costs i.e. water / insurance – Residential assessments only.

Benefit check

Some people do not claim all the benefits they are entitled to.

The council is committed to helping people claim what they are entitled to and will therefore complete a full benefit check for you.

Please note, the increase in benefit amount could affect your financial assessment.

All financial assessments will be reviewed annually.

Charges for non-residential services including direct payment personal budgets

General information

The services included in the non-residential financial assessment described are:

- home care;
- direct payment personal budget / pre-paid card;
- day care;
- Lifeline alarm;
- Telecare.

The calculation will be carried out as follows:

Add all income together (don't forget the savings tariff).

Take away the appropriate allowances / disregards.

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 as identified in your financial assessment.

Notifying you of your contribution

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

Special circumstances – Disability Related Expenditure (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 cleaners;
- excessive fuel and heating costs;
- disability related equipment.

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

These 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 debt;
- any other debts including credit card repayments;
- normal fuel bills;
- window cleaning.

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.

Charges for residential or nursing home stays

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

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.

The contribution you make towards the cost of your residential / nursing care will depend on your circumstances and how the national regulations say it will be worked out.

Can I still claim pension credit (or universal credit if you are under 60)?

Yes. If you are already receiving pension credit or ESA / universal credit when you go into a residential or nursing home you will still be able to receive these benefits but the amount you get may vary.

If you are not getting pension credit / universal credit, 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 / universal credit must be included as part of your contributions.

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

You must tell the relevant benefit agency that you are staying at a residential or nursing home.

AA 0800 731 0122

DLA 0800 121 4600

PIP 0800 121 4433

How is my contribution worked out?

We work out how much you should pay towards the cost of your stay by adding together all of your income 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 advised of your contribution in writing. This charge will be effective from the date of your admission. Your client contribution will be backdated to the date of admission once it has been calculated.

What is counted as income?

- **All state benefits.**
- **Occupational or private pension** – If you have a spouse who is not living in a residential / nursing home, 50 per cent of it will be disregarded.
- **Rental income.**
- **Any other form of regular income which you receive.**
- **Tariff income on capital** - 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.

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

Yes, allowances may be made for housing costs, which include rent/ mortgage payments, council tax, water charges, buildings and contents insurance. We also allow the standing daily charge for gas and electric.

Do I have an allowance for personal expenses?

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

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.

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

Your care manager must be made 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 who is agreeing to make these payments on your behalf.

Will I have to sell my property?

Whilst you are a **temporary resident** in residential / nursing care, the value of your property will not be included in your financial assessment. If you have more than one property, the value of any subsequent properties will be included in your financial assessment and it is likely that you will therefore need to self-fund the cost of any services you receive.

If you have been agreed as a **permanent resident** in residential / nursing care, the value of your property will be taken into account 12 weeks after this date. - If the value of your property, plus any other savings you have, is more than £23,250 you will have to meet the full cost of your 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 these circumstances you may be eligible to apply for the deferred payment scheme.

The visiting financial assessment officer will discuss this with you when required.

More information about the scheme can be found in the deferred payment scheme information leaflet which is available on [iwight.com](http://www.iwight.com) – your visiting officer can provide you with a paper copy on request.

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.

Are there any exceptions to this?

Yes, the value of your property may be disregarded if it is occupied by your spouse or someone who is;

- aged 60 or over; or
- aged under 18 and is a child whom you are liable to maintain; or
- incapacitated. 'Incapacitated' usually means that the person is receiving disability related benefits.

In addition to the above, the council can also decide to disregard the value a property if a third party continued to live on those premises, e.g, where it is the sole residence of someone who has given up their home to care for you.

Any 'disregarded properties' will be reviewed on a 6 monthly basis and we reserve the right to amend our decision regarding the disregarding of a property.

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.

The Isle of Wight Council will not apply disregards to any additional properties and therefore these will be taken into account in your financial assessment.

What happens to my rented property?

If you are in rented accommodation 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 you lived there by yourself, the Isle of Wight Council will continue to allow for the outgoings on your property for 4 weeks. This covers things such as rent, council tax, insurance etc. After this 4 week period, no further allowances will be made for the property. It is important that you give notice and clear your property as soon as you know that you have been made a permanent resident in a residential / nursing home.

Additional information

Your finances will be reviewed annually but it is important that you tell us about any changes in your circumstances as soon as possible so that we can revise your financial assessment if necessary.

If you, your family or anyone acting for you needs further advice or information about the cost of the services you receive, you should contact the relevant key worker or adult services **Initial Adult Social Care Team** on **01983 823340**.

How will my contribution be collected?

The council will send you an invoice for your client contributions at the end of each month.

Payments can be collected by direct debit or can be paid online or by telephone. The easiest way to pay for your services is by direct debit. If you want to pay by direct debit please call customer accounts on 01983 823931 and they can arrange to set one up for you.

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.

If you continue to miss payments, the Isle of Wight Council will refer the matter to its debt recovery team for commencement of the council's standard debt recovery procedure. This will result in enforcement action before the County Court where interest and court fees will be added to the debt being accrued.

Non-residential direct debit collection date – 7th of the month

Residential direct debit collection date – 20th of the month

If you are in residential / nursing care and are admitted to hospital you will still have to pay your contribution, during your hospital stay, for as long as they keep the room available for you.

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.

If you continue to miss payments, the Isle of Wight Council will refer the matter to its debt recovery team for commencement of the council's standard debt recovery procedure. This will result in enforcement action before the County Court where interest and court fees will be added to the debt being accrued.

If you are dissatisfied

If you feel that your assessed charge is unreasonable, you have the right to ask for it 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.gov.uk**](http://www.iwight.gov.uk)

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

The Isle of Wight Council does not endorse or recommend any financial services. We highly recommend that you seek independent financial advice and it is your responsibility to ensure any financial adviser you instruct is appropriately experienced and qualified. Further information in relation to independent financial advice about your own particular circumstances (including paying for your care, deferred payment scheme, court of protection procedure, lasting power of attorney procedure) can be found at:

The Money Advice Service – offering information on paying for care

[**moneyadvice.service.org.uk/en**](http://moneyadvice.service.org.uk/en)

0300 500 5000

The Society of Later Life Advisers - help you find advice on how to make financial plans for care in retirement years

[**societyoflaterlifeadvisers.co.uk**](http://societyoflaterlifeadvisers.co.uk)

Isle Help - offers free impartial, independent advice to anyone requiring help and support

islehelp.me

NHS Choices – a comprehensive guide to choosing and arranging care and support

nhs.uk/conditions/social-care-and-support-guide

Which? Elderly Care - provides information on the funding options you can explore for care homes and home care.

which.co.uk/elderly-care/financing-care

Court of Protection - Offers advice on people who have capacity issues.

courtribunalfinder.service.gov.uk/courts/court-of-protection

0300 456 4600

courtofprotectionenquiries@hmcts.gsi.gov.uk

Department of Work and Pensions – Provides advice on Appointeeship (the authority needed to manage the benefits of someone who is mentally incapable of doing so themselves)

gov.uk/government/organisations/department-for-work-pensions

How to contact us

You can contact the financial assessment and charging team on

01983 823479 or email *fac.team@iow.gov.uk*

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