

This is your guide to...

Paying for social care and support while living in your own home

The guide tells you how we assess your weekly income, and any savings or investments that you have. It also explains how we work out how much you will have to pay towards your care and support, and whether or not the Council will help with the cost.

The information in this guide relates to care and support services that you receive while you are living in your own home. This includes:

- Community care and support (also known as care at home, home care or domiciliary care)
- Care and support provided in extra care or supported housing
- Care and support arranged through a direct payment
- Day services



The rules for funding permanent or short term residential care (including respite care) are different. Information about paying for residential care is available in our separate which is available at www.redcar-cleveland.gov.uk/adultcare.

Paying for your care and support

Care and support services are not free. Most people have to pay something towards their own care and some will have to pay for all of the costs. The Council may help towards the cost of your care, but this help is 'means-tested'. This means that the amount you have to pay will depend on the type of care and support that you need and how much you can afford to pay towards your care each week.

This guide will help you if you have had your needs assessed and it has been agreed that you need care and support, but will continue to live in your own home. It explains:

- the financial assessment process that we go through to determine how much you can afford to contribute towards your care and support
- how your benefits will affect your financial assessment
- How we assess your savings, investments, property and income, and what happens if you are part of a couple
- What household and disability related costs we will allow for
- How much you money will be left with each week
- How to pay your contribution and what happens if you do not pay
- What happens if you give away your money or property to avoid paying care costs
- What to do if you are not happy about your financial assessment

NHS funded care

In some situations the NHS is responsible for funding some or all of your care. This could be because you need care from a registered nurse, or you have been assessed by a team of health and social care professionals and they have agreed that you have a "primary health need." For more information visit www.nhs.uk and click on care and support. Alternatively, you can speak to your health or social care worker.

What is a financial assessment?

A financial assessment is the process that we go through to work out:

- how much you can afford to pay towards your care and support
- whether the Council will help with the cost.

If you have had your needs assessed and are eligible for support from Adult Social Care, we will ask you to complete a financial assessment form that asks for information about how much money you receive each week, and how much you have to pay out for living

expenses. It also asks for information about things like savings, investments and any property you might own.

You will also be asked to provide documents as evidence of your income and expenditure. This could include bank statements, building society books, bond or share certificates, utility bills, invoices and so on.

Once you return your financial assessment form with any supporting documents, we will work out how much you will have to pay towards your care and support.

If you choose to not complete your financial assessment, you will automatically be charged the full cost of your care

How your benefits will affect your financial assessment

When we receive your financial assessment, we will check to make sure that you are receiving all of the benefits that you are entitled to. We will contact you if we think that you may be able to claim additional benefits, and we can help you with any claims. If your claim is successful, some of the additional money you receive will go towards paying for your care, but you will still be financially better off each week.

If you go into hospital or residential care for more than 28 days, your benefits may be affected. You must contact the Department for Work and Pensions (DWP) to let them know so that they can make sure you continue to receive the correct entitlement.

What isn't included in your financial assessment?

Government rules tell us what we **must not include** when we work out how much you can afford to pay towards your care and support. The following list gives examples of the types of income, savings and capital that we do not include:

- The value of your main home
- Your earnings received from your paid employment (including self-employment)
- The mobility component of disability living allowance (DLA) or Personal Independence Payment (PIP)
- The night rates of DLA and attendance allowance (AA), if support is only provided during the day
- Carers Premium (paid as an element of Income Support, Jobseekers Allowance, Employment and Support Allowance or Pension Credit)

- Any benefit or payment in respect of a child
- Any War pension, War Widows pension, mobility supplement, Armed Forces Independence Payments, gallantry awards or guaranteed payments to veterans
- Payments from charities or Social Fund (including winter fuel payments)
- Payments from health or personal injury related funds
- Personal possessions, such as jewellery, antiques or artwork
- Savings credit
- Any grants, loans or payments for education or training for employment
- Income from Direct Payments

What happens if you are living as part of a couple?

If you are living as part of a couple, we will only take your income, savings and capital into account. Government rules tell us that if you have any income, savings or capital in joint names, or if a private pension is paid into a joint account, we will take 50% of the value into account.

If both of you need care and support, your finances will be assessed separately, and you will be charged separately.

How your savings, investments, property and other capital will affect your financial assessment

When we work out how much you can afford to pay towards your care and support, our first step is to look at how much your savings and capital are worth. This includes:

- Any investments, savings or bonds
- The value of any properties and land (but not your main home)
- Trust funds

How the value of your savings and capital affects your financial assessment

The government has set an upper capital limit of £23,250 and a lower capital limit of £14,250. These are the thresholds that determine whether or not your savings and capital are included in your financial assessment:

- If your savings and capital are worth **more than £23,250**, you are expected to pay the full cost of your care and support. This means that you will be a 'self-funder.' If you are a self-funder, the Council can still arrange your care and support services. We will pay the agency on your behalf, and send you a bill to cover the full cost of the service.
- If your capital and savings are worth **between £14,250 and £23,250**, we will take this into account, along with your regular income when working out what you can afford to pay.
- If your savings and capital are **worth less than £14,250**, we will not include them in your financial assessment. We will only take into account your regular income.

How your regular income will affect your financial assessment

Our next step in working out what you can afford to pay is to look at how much money you receive each week. This includes:

- most benefits, including disability related benefits
- annuities and pensions
- mortgage protection insurance policies
- 'tariff income' from your capital and savings (you can find an explanation of tariff income on the next page)

What is tariff income?

If your capital and savings are worth between £14,250 and £23,250, we will add a "tariff income" to your weekly income. This is extra income that we assume you have from your savings and investments. It is calculated as £1 per week for every £250 or part of £250 that you have saved or invested

Example of tariff income:

Mrs Smith has £15,000 in savings. She will not be charged any tariff income on the first £14,250, but tariff income will be charged on the remaining £750.

As there are 3 lots of £250 in £750, her tariff income would be £3 per week.

What household and disability-related costs we allow for

In order to work out how much you can afford to pay towards your care and support, we will allow for household costs such as mortgage payments, rent and council tax.

If you are receiving a disability related benefit, we will also allow you to keep enough money to pay for any reasonable expenses that are related to your disability. This could include things like:

- Additional care or support that is not arranged by the Council
- Specialist items, equipment or diets
- Adaptations to your home
- Medical costs that are not met by the NHS, for example chiropody, podiatry, physiotherapy or alternative therapy
- Reasonable cleaning or gardening costs.
- Transport costs that exceed your weekly mobility payment
- Continence products not paid for by the NHS
- Costs of special bedding, clothing or regular replacements
- Above average heating bills

We cannot allow for debt repayments in your financial assessment. But if paying for care and support would cause extreme hardship, we can make extra allowances so that you have enough money to live on.

How much money will you be left with every week?

Government rules tell us that we must make sure that you have a certain amount of money left over every week. This is called your minimum income guarantee:

Minimum income guarantee

The government has set a minimum income guarantee - this is the amount of money that you must be left with each week after you have paid your contribution towards your care and support, and any reasonable household and disability related expenses. This is to make sure that you are able to pay for basic costs such as food, clothing, household bills and social activities.

The minimum income that you should be left with is equivalent to the basic welfare benefits (Income Support, Employment and Support Allowance or Pension Credit) plus an additional 25%.

How we work out what you can afford to pay towards your care

Once we have worked out your how much money you have available after all of your household and disability related expenses, will work out the amount of money that you can afford to pay towards your care and support.

The maximum amount that you will be expected to pay towards your care and support is the amount of money that is left over from your weekly income once we have allowed for any reasonable household costs, disability related costs and your minimum income guarantee.

How we will tell you what you have to pay towards your care and support

When we have completed your financial assessment, we will write to tell you how much you are expected to contribute towards your care and support. We will explain exactly how we have worked out what you can afford to pay.

We will also tell you how much the services that you are receiving will cost. If they cost less than your maximum contribution, you will only pay the cost of the service. If the services cost more than your maximum contribution, the Council will make up the difference.

Unless your financial circumstances change, your maximum contribution will stay the same until the following April. This means that you will not be charged more than this, even if the cost of your services increases.

If your financial circumstances change, you must contact the Financial Assessment Team to ask for a reassessment

How often do we review the amount you have to contribute?

Your financial assessment will be reviewed every April. This is when most pensions and state benefits change. We will write to you in February or March to tell you how we think that government changes have affected your maximum contribution. If you disagree with this, or if your circumstances have changed, you can contact the financial assessment team and ask for a reassessment.

How to pay your contribution

The easiest way to pay your contribution is by Direct Debit. Your contribution will be collected from your bank account every 4 weeks, in arrears.

Alternatively, you can choose to pay by BACs payment (bank transfer); over the internet at www.redcar-cleveland.gov.uk; over the phone using a debit or credit card or in person at the post office of pay point outlets. Full details of payment methods are on the back of your invoice.

If you receive a direct payment, you must pay your contribution into your direct payment account, unless you have agreed an alternative arrangement with the direct payment team.

You will be sent an invoice for the cost of your care every 6 months, in October and April. This will include all details of all the charges that you owe for services that you have received during the previous 6 months. It will also include a payment plan that lists your recommended 4 weekly payments.

Paying your contributions while you are in hospital, on holiday or have a short stay in residential care

If you are going to be away from your home for a period of time, for example because you are going into hospital, on holiday or having a short stay in residential care, you must let your care provider know. They will contact us to make sure that you are not charged for services while you are away from your home.

If you are having a short stay in residential care we will use the information that you have already provided to assess how much you will have to contribute towards it. This is likely to be different to the amount that you have to pay for the support you receive in your own home. For more information, please read our Guide to Paying for Residential Care which is available at www.redcar-cleveland.gov.uk/adultcare.

What happens if you do not pay your contribution?

If you do not pay your contribution, we will contact you, or the person who is looking after your money for you. We will talk about the reasons why you are not paying and about any support that you might need to help you manage your finances. We will also help you to make arrangements for your future contributions to be paid.

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finances. We will also support you to make arrangements for your future contributions to be paid.

If you have built up a debt to the Council, we will try to reach an agreement for you to make affordable repayments.

If you are living in extra care housing, but still own your own property, we may be able to offer you a deferred payment agreement. This is where we place a charge on your property so that when you sell your home, the debt will be repaid from the proceeds of the sale. More information about deferred payment agreements can be found in our separate guide to deferred payment agreements at www.redcar-cleveland.gov.uk/adultcare.

If we have taken all reasonable steps to support you to repay your debt, but it remains unpaid, we may take steps to recover the debt through County Court.

What happens if you give away your money or property to avoid paying care costs?

Your money is your own and you are able to spend it as you wish. However, if you need care and support services, it is important that you pay the contribution that you are responsible for.

Deprivation of assets occurs when someone knows that they need, or are likely to need care and support, and reduces or transfers any assets to avoid being charged for care and support. There are many ways that people can deprive themselves of assets. Examples include:

- Making a lump-sum payment to someone else, for example as a gift
- Large, unaccounted for cash withdrawals
- Buying an expensive item that cannot be taken into account for the financial assessment, for example a painting, jewellery or a car
- Title deeds of a property being transferred to someone else
- A property or money being put into a trust
- Extravagant living

We may ask you to prove that you no longer have an asset. If we think that deprivation of assets has occurred, you may be charged as if you still owned the income or capital. Alternatively, if you have transferred the asset to someone else, we may seek to recover the debt from that person.

What to do if you are not happy about your financial assessment

If you're not happy with the service we have provided or a decision we have made about your contribution, the first thing you should do is speak to the Financial Assessment Team and attempt to resolve the issue informally. If we cannot resolve the issue informally, you can contact the People Services Complaints and Information Officer by email, telephone or in writing. Contact details can be found at the back of this guide. More information about our complaints and appeals procedure can be found in our separate guide to "What to do if you are unhappy with adult social care services." This guide is available along with other useful guides about adult social care at www.redcar-cleveland.gov.uk/adultcare

Other useful guides

We have produced a number of guides that explain adult social care. They are available at www.redcar-cleveland.gov.uk/adultcare. The other guides that will help you to understand more about how care and support is funded are:

- Guide to Paying for Your Care and Support
- Guide to Deferred Payment Agreements

For more information about your financial assessment, you can contact the Financial Assessment Team on 01642 771659

If you need help to read or understand this guide, please speak to your health or social care worker, or contact adult social care

Adult Social Care contact details:

Address:

People Services,
Redcar and Cleveland Borough Council
Seafield House
Kirkleatham Street
Redcar
Yorkshire TS10 1SP

Contact numbers, email and website

Telephone: 01642 771500

Typetalk: 18001 01642 771500

Email: contactus@redcar-cleveland.gov.uk

Website: www.redcar-cleveland.gov.uk

Our normal office hours are: **Monday to Thursday: 8.30 am - 5.00 pm**
Friday: 8.30 am - 4.30 pm

If you need help in emergency when our offices are closed, you can contact the **Emergency Duty Team:**

Telephone: 08702 402994

Minicom: 01642 602346