

Charges for residential and nursing care

This factsheet explains how you are asked to pay towards residential and nursing care services in Camden. It details what you may have to pay if you go into a care or nursing home and gives information on how to make any payments.

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Why do I have to pay towards residential or nursing care?

We will arrange your stay with the residential home and pay for your stay but we ask for a contribution towards the cost of this. The charge for these services is set down in law and the Government issues guidelines about what we can charge and how we do this.

Before you move to a care home, your care manager will have explained that you will have to pay a charge.

You will have to pay a charge in:

- a residential home provided by a local authority, or by private and voluntary sector providers
- a nursing home if you have nursing needs that a residential home cannot meet.

You will have to pay a charge whether your stay is temporary or permanent.

You have to pay a charge in every type of care home, unless the following circumstances apply to you:

- if you have an emergency placement for less than seven days
- your stay is completely funded by the health services under continuing nursing care arrangements
- if you are getting aftercare services under Section 117 of the Mental Health Act 1983. Section 117 places a duty on local authorities to provide aftercare for all patients detained under sections (3) (37) (47) (45A) and (48) of the Act.

The law about financial assessments

The Department of Health has rules about how the Council should carry out your financial assessment and we must follow them. These rules are set out in the Care Act 2014 Statutory Guidance, published on the Department for Health website (www.dh.gov.uk). The guidance states that we should only complete the financial assessment after we have decided what sort of care you need. The guidance also tells us how we must calculate your contributions.

What is a financial assessment and how will it be carried out?

We have to do an assessment to decide what you can afford to pay towards the care services you receive.

To do this we will ask you for details of your income and savings and then calculate how much you can afford to contribute.

Many people do not claim all the welfare benefits they are entitled to, so as part of your assessment, we will also look at what other benefits you should have and help you claim any benefits that you are due.

This assessment will be done by our Awards and Contributions Team (ACT), which is part of the council's revenues and benefits department.

Temporary stays

If your stay is temporary and you will be returning home we may ask you to pay a standard amount for a limited period to cover your accommodation costs. This can apply in the following circumstances.

Emergency stays: if something unexpected and unplanned happens, for example if your carer has to go into hospital, you may have to go into a residential home temporarily.

If your stay is under 7 days you will not be asked to pay towards your stay.

If you stay beyond 7 days you will have to pay a standard contribution of **£91.05** a week if your stay is between seven and 28 days. If you have to stay longer than 28 days then we will assess your charge as if your stay were permanent. This means we will ask you to complete a financial assessment form and we may ask you to pay the full cost.

Respite stays: respite stays are pre planned short breaks to let you and your carer have a rest.

If you have savings or other assets (not counting the home you live in) of over £23,250 you will have to pay the full cost of any residential or nursing care Camden agree to arrange. In some cases we may help you find somewhere to stay but you may be asked to contract and arrange this privately.

If you have savings under £23,250 you will pay a standard contribution of £91.05 a week. This rate applies for stays of up to eight weeks. The amount you have to pay alters each year.

Customers under the pension age have a lower standard contribution of £84.80 a week.

If you are unable to afford the standard amount we will complete a more detailed assessment of your financial circumstances.

Reablement Stays

If you are provided with a reablement service in a care home you will not be asked to pay a contribution for the first six weeks. If you stay longer than this we will ask you to complete a financial assessment form and we may ask you to pay a contribution up to the full cost.

For temporary stays we do not base our financial assessment on all your income as we know that you may have to pay for some household bills. The rules regarding using your former home as an asset do not normally apply unless you will not be returning there. If property is involved you will need to get independent financial advice.

Permanent stays

Before agreeing to arrange a residential care stay you have to complete a financial assessment which looks at your income, savings and other assets.

If your stay in a home is permanent, we will ask you to pay the full cost from day one of your placement, unless you cannot afford it. If you cannot afford to pay for your care, we will complete a financial assessment to work out exactly how much you should pay towards the cost.

If you do not complete a financial assessment when requested you will be asked to pay the full cost of your care.

Top Ups

If the cost of the home you choose costs more than the Council will agree to pay, and you do not want to accept another home, we might be able to enter an agreement where someone else – a relative, friend or charity – pays the rest. We call this a 'third party top up'. An application must be made for a third party agreement and full financial details of the third party must be disclosed. We will also complete financial checks on the person who has agreed to pay the extra cost, before approving the agreement.

Money for personal needs

After paying your charge you will keep at least **£24.80** per week from your income to meet personal needs. If you get the mobility component of disability living allowance, you will be able to keep it as well. You may get other allowances if you have dependants. You will also keep up to **£5.75** a week of any savings credit if you are over 65.

Welfare benefits

You may gain or lose entitlement to benefits when you move into or out of a care home so you should always tell the office dealing with your benefits that you have moved.

If you go into a care home either temporarily (including the trial period) or permanently, the following benefits may be affected:

- income support or income-based jobseeker's allowance or income-related employment and support allowance
- housing benefit
- council tax reduction scheme
- social fund payment
- disability living allowance (DLA) care component, personal independence payment (PIP) and attendance allowance (AA) including constant attendance allowance and exceptionally severe disablement allowance payable with industrial injury disablement benefit or war disablement benefit.

The way these benefits are affected depends on whether or not you are:

- a temporary or permanent resident
- a single person or one of a couple

and how your stay is being paid for.

If you are paying for the full cost of your care home yourself and you get AA, DLA or PIP this benefit will continue. If you are not paying for your care home your AA, DLA or PIP (care component) should stop after four weeks. You need to tell the Department for Work and Pensions about your move so that they can stop this benefit.

You can continue getting housing benefit (HB) and assistance under the council tax reduction scheme (CTRS) for up to 13 weeks during the trial period in the care home so long as you:

- intend to return to your normal home if the care home is unsuitable
- do not sublet during the period of absence
- continue to pay rent and council tax.

If you go into a care home for a trial period and decide to stay permanently, you can get HB and CTRS for a maximum of four more weeks if you have to give your landlord notice that you are moving out. You cannot get these benefits for more than 13 weeks.

You must inform the housing benefit office of any stays you have in a residential care or nursing home.

How we assess your finances

The financial assessment will look at your income, savings and capital, if you have any. It will help us to work out how much you can afford to pay for your care. Your care manager will help you fill in the financial assessment form.

If you have insufficient income you may need to claim:

- employment and support allowance if you are under pension age
- pension credit if you are over pension age.

You may also be entitled to savings credit if you are over 65.

To prove how much savings and capital you have you will need to show us:

- all bank account statements and building society pass books
- payslips to confirm any occupational or private pensions
- property deeds
- share certificates
- trust fund information.

If we do not have all the information we need, we will send you a provisional assessment whilst we await the further information. Once we have the information, we will send you the final assessment, which will tell you the amount that you have to pay. The financial assessment will be backdated to the start of your placement.

We will review your financial assessment each year in April when welfare benefits change. We will also do an assessment if the rates change at other times during the year, or if your circumstances change during the year.

What if I have savings?

If you have savings or other assets of more than **£23,250**, you will pay the full cost of your stay. Assets may include any property or land you own.

If you have savings or other assets between **£14,250** and **£23,250** we will assume you have an income of **£1** per week for every **£250** over **£14,250**. For example if you have savings of **£15,250**, we will assume you have weekly income of **£4**. If you have savings or other assets of more than **£23,250**, you will pay the full cost of your stay at the home.

If your savings and capital fall below the threshold of £23,250, you must tell the local authority that you live in. Even if you made your own arrangement with the care home, you can still get help with the fees if your savings and capital are near the capital limit.

You should contact your local authority to ask for funding a few months before your capital reaches the threshold. The local authority's financial assessment team will do an assessment to work out how much you can contribute towards your care.

Self-funders

Self-funders are those who are paying the full cost of their care. They usually organise and pay for their care homes themselves. You will normally be a self-funder if you have savings and assets (including property) over £23,250 or your weekly income is enough to pay all the fees.

If you are a self-funder but cannot manage your finances and someone has applied to manage your finances for you, the Council may agree to fund your placement for a short period. You will have to repay the full cost later. Our funding will normally be for a short time and will only be agreed if there is no other option. We will require a legal undertaking from you before we agree this.

Even if you have income and capital over the threshold and would otherwise be a self-funder, the Council may still arrange your placement if:

- Camden Council manages your finances
- if you are unable to manage your finances and are waiting for a deputy to be appointed.

What if I have property?

If your savings are less than £23,250 and you have a property (such as a house), for the first 12 weeks of your permanent stay, your financial assessment will not include the value of your property.

If you first stay in a care home as a temporary resident and your stay becomes permanent, the value of your property will not be counted for 12 weeks from the date your placement becomes permanent.

At the end of the 12 weeks, we will assess what you have to pay, based on the value of your property. The financial assessment team will need to know the following about your property:

- its address
- details of any mortgage and recent mortgage statements
- details of loans you have taken out against the value of the property
- who else lives there and how they are related to you.

If you do not want to sell your property to pay for your care, you could be eligible for the **deferred payment scheme**. For further details, including an application form contact the Awards and Contributions Team.

For a temporary stay the value of your home will normally be ignored in the financial assessment, if you will be returning to live in it within 52 weeks of when you last stayed there. If you are away for longer or will not be returning home its value may be included in the financial assessment.

You must not give away or move any of your financial assets, such as cash or property. If you do we may include them in the assessment or take action against the person you gave them to. The Department for Work and Pensions may also decide not to give you pension credit. If you are in any doubt about your position,

you should get independent legal advice from a solicitor or your citizens' advice bureau.

If you don't want a financial assessment

If you want the council to assist in arranging or finding any residential or nursing care you are required to have a financial assessment and disclose full details of your income, savings and any other assets.

When you get the assessment

When we have completed your assessment, we will write to you telling you what your contribution is and how it was calculated.

You have a legal right to see information we keep about you. If the information we have about you is wrong you can ask us to correct or remove it. We will not give information about you or your financial affairs to anyone without getting your written permission.

If you think there is a mistake in the assessment or that it has not taken all your circumstances into account, you can ask us to do another assessment.

If you have any questions about your charge, please speak to the person who has written to you about them or your care manager. If you want to talk about your financial assessment in more detail, please speak to the awards and contributions team.

How do I pay?

Private or voluntary sector homes: most private or voluntary sector homes will collect your contribution from you. We will tell them the amount you pay them when we complete your financial assessment.

In other circumstances we will send you an invoice every month. This can be paid in a number of ways:

Cheque: Send your cheque, made out to: 'London Borough of Camden' and the invoice, to the Cash Office, Camden Town Hall, Judd Street, London, WC1H 9JE.

Direct debit: if you choose this method, your payments will be made by your bank every month. We will still send you an invoice each month confirming the amounts being paid. The awards and contributions team can give you the form you need to complete to set up the direct debit. If you choose this way of paying you will be responsible for making arrangements to receive your pension and other benefits.

Through a third party: this is when someone pays on your behalf. In this case, we send an invoice to them, not to you. We suggest that you do not do this without taking advice from your solicitor or legal adviser first.

By debit or credit card over the phone: our payment line is open from Monday to Friday, 8am to 8pm, phone 020 7974 6104.

What if I don't pay?

If you can't pay because of money problems, please talk to us straight away. If you do not pay, we will send reminders. If you ignore their reminders without good reason, the Camden will take action to collect the arrears. This may include taking legal action against you.

Further Questions?

If you would like further information or have any questions please contact the Awards and Contributions Team.