

## FINANCIAL MATTERS FACTSHEET 1

### Financial implications of receiving care services at home

**This factsheet sets out the financial implications of receiving care services at home. If another person is dealing with your financial affairs on your behalf, please pass this leaflet to that person after you have had the opportunity to consider the contents.**

#### 1. What services do I have to pay for?

If you receive any of the following services, you may be charged following a financial assessment:

- Home Care
- Day Care
- Supported Living
- Shared Lives Schemes
- Direct Payments
- Extra Care Living Schemes

You will not have to pay if you receive:

- A reablement care service. You may have to pay if you require ongoing care once the reablement service ends.
- Any service provided under Section 117 of The Mental Health Act 1983.
- Care which is funded by NHS Continuing Health Care. You may be charged if you receive joint Health and Social Care funding, or if Continuing Health Care funding ceases and care services continue.

The following services have a fixed rate charge and are not financially assessed:

- Meals received at day care
- Transport to and from day care
- Lifeline and Telecare

#### 2. Financial Assessment

If you are assessed as needing care services at home, your Social Care practitioner will refer you for a financial assessment. This will determine how much you will contribute towards the cost of your care.

A Financial Assessment Officer will:

- Calculate your maximum contribution towards the services based on your income, capital, essential living expenses and disability related expenditure, and provide a written breakdown of how this has been calculated. You will be asked to provide evidence of this such as bank statements and receipts.

- Ensure you are receiving all benefits that you are entitled to and help you to claim for these. The benefits you are entitled to will be included in your financial assessment even if you do not claim them.
- Provide information on how to pay your charge.

If the cost of your services are less than your assessed maximum contribution then you will only be charged the actual cost of your services. If you receive additional care above what is planned, then you could be charged the cost of this additional care.

If you do not wish to have a financial assessment or you do not provide details of your income and capital, then you will be charged the full cost of care services.

You will usually be charged from the Monday following your financial assessment, unless you have unreasonably delayed the financial assessment, in which case you will be charged from the Monday after we first contacted you.

## **How does my income or capital affect how much I have to pay?**

The Financial Assessment Officer will require information about all your income and capital to calculate your charge.

### **Income**

- Your income includes the benefits that you receive such as your state pension, and any private pensions or regular income that you have.
- Not all income is included in the financial assessment. For example, earnings are not included, and some benefits such as the mobility component of Disability Living Allowance or Personal Independence Payments.

### **Capital**

Most forms of capital are included in the financial assessment:

- Savings held in cash, banks or post office accounts.
- Premium bonds, stocks and shares.
- Property and land that you own or partially own.

In the case of capital held in joint accounts, the money held will be divided equally by the number of people named on the account.

#### **Savings or capital below £14,250**

This does not affect your financial assessment.

#### **Savings or capital between £14,250 - £23,250**

When we carry out the financial assessment, we assume that you receive £1.00 income for every £250 between these figures, this is called tariff income and will be included as part of your income.

For example: if you have £15,000 in savings, we deduct £14,250 = £750, we then divide the £750 by £250 = £3 tariff income.

## **Savings or capital over £23,250 - Self funder**

If your capital is more than £23,250 or you do not want to disclose your financial information, then you will be liable for the full cost of your services. You can either enter into a private arrangement with your care provider and pay them directly, or request that Sefton Council arrange care on your behalf then invoice you for the full cost of the services.

When your capital falls below £23,250 it may be possible for Sefton Council to provide financial assistance towards the cost of your care services. This may require an assessment of your care needs by a social worker and a financial assessment to determine if you are eligible for financial assistance. If your capital does drop below £23,250 and you wish to apply for assistance with your fees, then please ring Sefton Council on 0345 140 0845.

If you are eligible for financial assistance from Sefton Council, it can only start from the date you make your formal request.

## **Is the value of my home taken into account?**

If you own and live in your own home, this will not be included in your financial assessment. If you own any property or land which you do not live in, then the value of this will be included in your financial assessment.

## **Extra Care supported living scheme**

If you move into an extra care supported living scheme, then the value of any property which you own and lived in will be disregarded for the first 12 weeks. After this, it will be treated as capital and included in your financial assessment. If you do own property, then you should request a new financial assessment prior to moving into extra care supported living.

We will ignore the value of your former home if it is still occupied by:

- your partner or, in some circumstances, your former partner, or
- a relative or a member of your family who
  - is aged 60 or older, or
  - is incapacitated, or
  - is a child under 18

There are other discretionary circumstances where the value of your former home may be disregarded.

If your property is not disregarded and you are not able to meet the cost of your care, then you can apply for Sefton Council's Deferred Payment Scheme – see Financial Matters Factsheet 3-Deferred Payment Scheme.

## **Disability Related Expenses**

If you receive any of the following disability benefits:

- Attendance Allowance
- Disability Living Allowance care component (middle/high rate)
- Personal Independence Payment daily living component

We will make a standard allowance of £11.00 per week to cover your disability related expenses.

If you have expenses above £11.00 per week related to your disability you will be asked to provide evidence for us to consider if a higher allowance can be agreed.

## **Essential household expenditure**

If you have essential expenditure (rent, mortgage, council tax payments) these can be allowed as part of the financial assessment. Some other expenses such as excessive fuel costs may also be considered.

## **General living allowance**

As part of the financial assessment, we will make an allowance from the income which you receive to ensure you have sufficient funds to meet your basic living costs. This amount is determined by the Department of Health.

## **How much will I have to contribute?**

This is how we work out how much you need to contribute towards the cost of your care services:

1. We will work out your weekly income.
2. We then add together your allowances: -
  - Essential Household expenditure.
  - If applicable, disability related expenses.
  - General living allowance.
3. Your weekly income, less your allowances, leaves the maximum charge you will pay towards your care services.

## **How do I pay my charge?**

You will be sent an invoice every four weeks.

You can pay your invoice by the following means:

- By setting up a standing order with your bank
- At any post office
- Via Sefton Council's website
- Using Cash, Cheque, Debit or Credit Card at the Council's One Stop Shops, by post or telephone.

If you receive a Direct Payment then your charge will be deducted from your Direct Payment, and you will be responsible for paying this into your Direct Payment account.

## **What happens if I dispose of my savings or capital?**

If you give away savings or capital (including property) in order to avoid or reduce your charge you will still be charged. This includes transferring title deeds of a property to another person or making large gifts.

## What if I disagree with the outcome?

If you disagree with the outcome of your financial assessment, please contact the Financial Assessment Officer who visited you. They will be able to explain your contribution. If you still disagree and wish to challenge the decision you should write to the Senior Financial Assessment Officer at the following address. You will need to clearly state why you disagree with the charge and provide supporting evidence.

Sefton Council  
Financial Assessment Team  
1<sup>st</sup> Floor  
Magdalen House  
Trinity Road  
Bootle  
L20 3NJ

If you are still unhappy after following this process and disagree with the outcome then you can complete a complaint form on Sefton Council's website [www.sefton.gov.uk](http://www.sefton.gov.uk), or by making a telephone complaint by calling 0345 140 0845.

### EXAMPLE

Here is an example to show you how a client charge for care services at home is calculated.

Mrs A is aged 77 and lives on her own. She receives the lower rate of attendance allowance as well as a retirement pension and a work's pension. She has £15,000 in savings and pays council tax.

She receives 14 hours per week home care service which cost £327.88 per week.

### This is how we work out Mrs A's Charge: -

WEEKLY INCOME		LESS ALLOWANCES	
Retirement Pension	£203.85	Council Tax	£1.49
Occupational Pension	£87.00	Mortgage	£45.00
Attendance Allowance	£72.65	Disability Expenses	£11.00
Tariff income from savings	£3.00	General Living Allowance	£228.70
<b>Total Income</b>	<b>£366.50</b>	<b>Total Allowances</b>	<b>£286.19</b>

### Calculation

Income	£366.50
Less Allowances	<u>£286.19</u>
	£80.31

**Maximum Weekly charge =        £80.31**

In this example Mrs A will contribute £80.31 per week towards the cost of her home care services.