



A Guide to Paying for Care Home Fees 2011/12



**Housing &
Community Care**



Introduction

Housing & Community Care focus on helping people to retain their independence and to enable them to live at home for as long as possible. However, for those who are unable to safely remain at home, a move to a Care Home may be the most suitable option.

All homes offering residential or nursing care are commonly known as Care Homes and these guidelines apply to all types of residential and nursing care accommodation.

Everyone has to make a contribution to the cost of their Care Home fees. It is the responsibility of the Council to work out how much this personal contribution is by carrying out a Financial Assessment.

The Financial Assessment is carried out in accordance with Perth & Kinross Council's Housing & Community Care Charging Statement. This method ensures fairness and consistency in the calculation. It is carried out by a member of the Welfare Rights Team (*contact details are on the last page of this leaflet*).






Income Details Required for the Financial Assessment

The amount a person is required to pay takes into account both individual circumstances and personal income.

Examples of the information needed to calculate the contribution towards Care Home fees include:

- *State benefits*
- *Private and occupational pensions*
- *Capital such as:*
 - *Savings, eg current bank balances and proof of balances (1 and 2 years ago if the Care Home placement is permanent). Where savings are held jointly with a partner, 50% of this is disregarded in the calculation;*
 - *Investments including stocks and shares, ISA's etc;*
 - *Ownership of property if the placement is permanent.*

In most cases, all of the above income will be used to contribute to Care Home fees.





How Savings and Capital Affect the Charge for Care

If a person's total savings and capital are **less than £14,500** they are not taken into account. It is permissible to keep this for personal use and it will not affect the amount paid towards Care Home fees.

If the savings and capital are **more than £14,500 and up to £23,500**, the Council follows Scottish Government guidance. This supposes that these savings generate an income. To calculate this income, an assumption is made that for every £250 there is £1 earned from this per week.

These are the figures for 2011/12. The Scottish Government usually revises these amounts annually. This calculation formula is not related to interest rates, it is an assumed amount.

For example:

- *£14,750 generates an income of £1 per week*
- *£16,000 = £6 per week*
- *£21,000 = £26 per week*

If the savings and capital total **more than £23,500** the person will have to pay the full charge for the Care Home minus any Free Personal Care and/or Free Nursing Care payment. This is the rule until savings fall below £23,500. When savings do fall below £23,500, the person must contact the Financial Assessment Officer so that Council funding can be arranged.





Property Ownership

The value of a person's home will be disregarded and therefore left out of the calculation if a spouse or partner continues to live there, or if the person intends to return home after a temporary residence in a Care Home. Otherwise, the value of the property will be taken into account when calculating the contribution towards the cost of care.

The Financial Assessment Officer will fully explain these property ownership rules in detail during the completion of the Financial Assessment.

Capital Deprivation Rule

This means that if the Council considers that a person has disposed of a capital asset (*eg savings or property*) in order to reduce their liability for Care Home charges, the Financial Assessment may be completed on the basis that the person is still in possession of that asset.

What Happens if Financial Details are Withheld?

If a person chooses not to reveal their financial details, a Financial Assessment cannot be completed, therefore they will be charged the full cost of the care. However, they may still be assessed as entitled to receive a Free Personal Care and/or Nursing Care payment.





Free Personal Care and Free Nursing Care

Entitlement to Free Personal Care payments (*for over 65's*) amounts to £159 per week and an additional entitlement of a Free Nursing Care payment of £72 per week may be available dependent on the result of a care assessment. Personal and Nursing Care payments are made directly to the Care Home and are shown as a deduction on the invoice.

If the person is under 65 years they are not eligible to receive the Free Personal Care payments of £159 per week. However, they may still be eligible for the Free Nursing Care payment of £72 per week dependent on the result of the care assessment.

The person will be notified of the date from which any such payment will commence.

Personal Allowance

This allowance is set aside to allow the person to purchase personal items such as clothes or toiletries. The exact amount is decided by the Scottish Government and is revised annually to take account of inflation. At 2011/12 this is £22.60 per week and this allowance is the amount the person is left with after paying their weekly fees.





Change of Circumstances

If the person moves to another Care Home or their financial circumstances change, the Charging Team should be advised as soon as possible, as this may affect charges.

Income Maximisation

The Financial Assessment Officer is responsible for ensuring that the person being offered a Care Home place and their immediate family have applied for, or are receiving all the benefits to which they are entitled. Assistance with making benefit claims is also provided.

List of Care Homes

A list of all Care Homes within the Perth & Kinross Council area can be found at www.pkc.gov.uk

A paper copy of this list is also available from the Commissioning & Contracts Team, tel 01738 476764.





Further Information and Contact Details

Advice and further information is available from the:

Charging Team
Housing & Community Care
Perth & Kinross Council
Pullar House
35 Kinnoull Street
PERTH
PH1 5GD

Tel 01738 476888
Fax 01738 476710
Email HCCResidentialFinance@pkc.gov.uk

Welfare Rights Team
Housing & Community Care
Perth & Kinross Council
Pullar House
35 Kinnoull Street
PERTH
PH1 5GD

Tel 01738 476901
Email CCFinAssessment@pkc.gov.uk

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Number 01738 442573

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