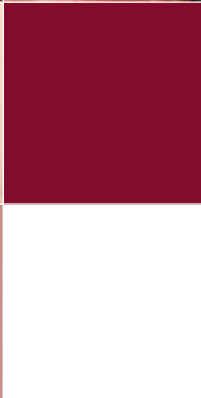
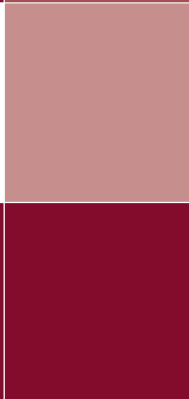
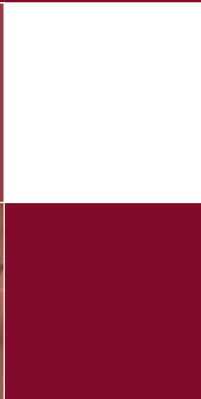
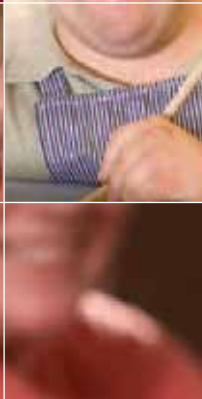
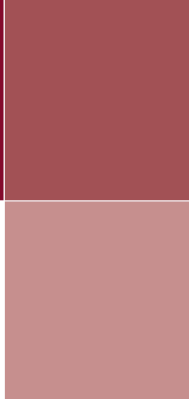
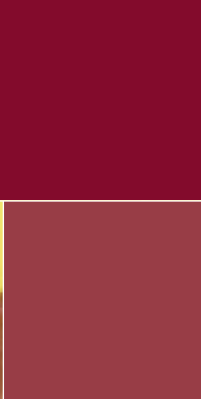


Financial help with care-home fees

April 2010/2011



SOCIAL WORK and HEALTH



Introduction



We provide a range of services designed to support people to live in their own homes. This includes supporting people so they have every possible choice to decide how they lead their lives. Sometimes, the best way to meet these needs is through residential care.

We realise that moving into a care home can raise many questions and concerns. We have written this booklet to help explain what this means financially for you and your family. The booklet provides detailed information on:

- how you can meet the cost of living in a care home; and
- what happens to your money.

You may be living in your own home, living with relatives, or be in hospital waiting for a place in a care home. Normally, social work will have already assessed you and agreed the type of care-home placement you need. Your care manager will explain how to apply for financial help from us towards the cost of your care. If you want to apply, we will carry out a financial assessment. We normally do this before you move into the care home, but this may not be possible in an emergency.

There are three types of financial help available towards your care costs.

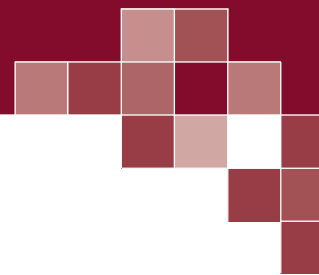
- Free personal care
- Free nursing care
- Financial help from Angus Council, depending on your financial circumstances



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How much will I have to pay?



The amount you will have to pay towards your care-home costs is based on your financial circumstances. The Government decides the rules and limits that apply.

We will carry out a financial assessment to find out how much financial help you will be entitled to from us and how much you will have to pay towards the cost of your care-home fees. We will assess your financial circumstances before you go to live in the care home.

If you have more than £22,750 (at current rates) in savings or property, you will not qualify for financial help from us and you will have to pay the whole cost of your care, less any entitlement to free personal care or nursing care (or both). If you are in this position, please read 'What if my capital is worth more than the upper limit for financial help?' on page 20.

You do not need to have a financial assessment if you do not want to. If you choose not to have the assessment, you will not qualify for financial help. Please see 'What if my capital is worth more than the upper limit for financial help?' on page 20 for more information about the care you may receive.

What do you take into account in the financial assessment?

A financial assessor from social work and health will contact you and arrange to meet you or your representative or both of you to carry out the financial assessment.

They will:

- check your income and capital;
- find out about your commitments; and
- find out whether you are a tenant or homeowner.

We will give you any advice you need about benefits and help you claim the benefits you are entitled to.

How is my income worked out?

We will take most of your income into account as being available to meet the cost of the care home. Your income includes most state benefits and any other pensions you receive. However, we do not take certain types of income into account. The following are some examples of income, which we do not take into account.

- £10 a week of armed forces compensation payments, war disablement, war widow's or war widower's pensions
- War widow's special payment
- Disability Living Allowance (mobility component)

How much will I have to pay? continued

For temporary care, we also ignore the following.

- Attendance Allowance
- Disability Living Allowance (care component)

Personal expenses allowance

Everyone in a care home must be left with an amount of money for their personal expenses.

The personal expenses allowance is there so you can have money to spend as you like (for example, on toiletries and other minor items). Each year the Government decides the amount. You must not use it as part of your contribution towards fees.

- The personal allowance for 2010/2011 is £22.30 a week.

We may also be able to include up to another £5.75 a week (for single people) and £8.60 a week (for couples) in your personal allowance. The financial assessor can give you advice about this.

What counts as capital?

Capital includes money held in:

- bank or building-society accounts, including current accounts;
- cash;
- investment bonds and investment accounts;
- stocks and shares;
- trust funds;
- Premium Bonds;
- National Savings Certificates; and
- property.

Whose capital do you take into account?

We only count the capital owned by the person going into care. If you have any joint capital, (for example, a joint bank account or investment with your husband, wife or partner) we will treat you as owning half of the capital or investment. If you have a joint account with someone who is not your husband, wife or partner, we may need to see evidence of who owns the capital.

What are the capital limits?

The government set 'capital limits' which are reviewed every year.

The lower capital limit is currently £14,000 and the upper capital limit is currently £22,750.

The capital limits apply whether you are a temporary or permanent resident in a care home.

What is tariff income?

If you have capital between the capital limits (between £14,000 and £22,750) we say this capital produces a 'tariff income'. This means we take into account £1 for every £250 (or part of £250), between these limits to pay towards your care costs. We then add this amount to your normal weekly income.

Example 1 – if you have £16,500 in capital, we will assess you as having a tariff income of £10 a week. We do not take the first £14,000 into account. This leaves a balance of £2,500. To take account of £1 for every £250 in this balance, we divide £2,500 by £250, which is £10.

Example 2 – if you have £16,200 in capital, your tariff income will be £9 a week. Ignoring the first £14,000 leaves a balance of £2,200. We divide this by £250, which is £8 with £200 left over. We treat this £200 as 'part of £250, so your tariff income will be £9.

What about my ongoing financial commitments?

When we do the assessment, we may allow for ongoing financial commitments (for example, life assurance payments) you have to pay and add an amount for these to your personal expenses allowance. The financial assessor can give you advice about this.

Will I have to sell my home when I move into a care home?

Whether or not you have to sell your home depends on your circumstances. The information below is about the home you normally live in. If you own any other property, we will count it as capital.

If you are in temporary care, we do not count the value of the home you normally live in as capital. However, we may count the value of your normal home as capital if you are going into a care home permanently.

We also ignore the value of the house you normally live in, if any of the following people live in it.

- Your partner, unless you are separated or divorced from them.
- A relative who is over 60.
- A relative under 16 who you are responsible for.
- A lone (single) parent who you are separated or divorced from.
- A relative who is incapacitated.

(By 'incapacitated' we mean someone who qualifies for a state benefit because of a medical condition or someone who has been assessed by a doctor as incapacitated but does not qualify for a state benefit.)

A relative means:

- a parent or parent-in-law;
 - a son or son-in-law;
 - a daughter or daughter-in-law;
 - a step-parent;
 - a stepson or stepdaughter;
 - a brother or sister;
 - a grandparent or grandchild;
 - an uncle or aunt;
 - a nephew or niece; or
- the partner of any of the relatives listed above.

The '12-week disregard'

If you move into a care home permanently, the care home becomes your normal home. If we are not going to ignore (disregard) the value of your house because none of the circumstances set out above apply to you, we still ignore the value of your home for the first 12 weeks. This is to allow you time to consider the options available to you for paying the costs of your care.

If you expect your stay in a care home to be temporary and it then becomes permanent, we ignore the value of your home during the temporary period and then for 12 weeks from the date you become a permanent resident. After this 12-week period ends, we will count the value of your home as capital, less any debt secured on it (such as a mortgage) and less the costs of selling your home.

Can I put off making payments?

After the 12 week period, you can apply to us for 'deferred payments'. This means you can put off (defer) making part of your payments if you cannot (or do not want to) sell your home immediately and:

- we have assessed that your other capital is at or less than the lower capital limit, the limit is £14,000 for 2010/2011;
- you cannot meet the full cost of the payments from your income;
- you are prepared to grant a standard security (see the note below) against your home; and
- the value of your interest in your home is enough to meet our reasonable estimate of the total deferred payment; and
- we think you will still be able to pay your mortgage (if you have one) as well as any care-home fees.

If we accept your application, we will provide financial help to pay for your care-home fees, which you must agree to repay either when your house is sold, or from your estate when you die.

If you defer making part of your payments, we will still expect you to contribute an amount from your income towards your care-home fees.

Note: A standard security is also known as a mortgage deed. Granting a standard security means that, when you do sell your home, the council can reclaim from you the payments you deferred.

Example

The current approved standard rate for nursing care for people over 65 in Angus is £550.90 a week. We will pay the first £227.00 a week (using the free personal and nursing care payment). This leaves £323.90 a week to pay for your accommodation costs. You would normally have to pay this whole balance from your own income and capital. However, if you apply to defer making the payments, we work out how much we expect you to pay as follows.

- First, we work out your weekly income. We count your pensions and any income you receive from renting out your house is taken into account in the financial assessment. For example, if you get £139.45 a week from your State Pension and £69.23 a week from renting out your house, your income will be £208.68. We will ignore £28.05 from this amount for your personal expenses. This leaves £180.63, which we call your 'available income'.

Weekly income

£139.45	State and work pension
+ £69.23	Income from rent
<u>£208.68</u>	
-£28.05	Personal expenses allowance
<u>£180.63</u>	Available income

- We expect you to put your available income towards paying for your care-home fees. So, we take your available income (£180.63) from the accommodation costs (£328.90) which leaves a balance of £148.27 a week to pay (£7,710.04 a year). We will pay this for you and treat it as a debt.

Can I put off making payments? continued

Before we accept your application to defer making your care-home payments, you must show us proof that you own your home and proof of any debts secured on it.

If you are acting on behalf of someone going into a care home, you must provide proof that you have full legal authority to act on their behalf.

We will treat the deferred payment as a debt and secure it on your home using a 'standard security'. You will also need to appoint a solicitor and there will be costs involved in this, which you will need to pay.

We will decide whether or not you are entitled to defer making your payments. When considering your application to defer payment, we take into account all your circumstances, including:

- your age and health;
- how long you want to defer making payments for;
- the value of your home; and
- whether there are any other debts secured on your home.

We must also take into account the funds available to us for making deferred payments. We do not charge interest on the deferred payments until you end the agreement or until 56 days after you die. We will then charge interest at a reasonable rate, which we will decide.

The free personal care and nursing-care payments we make do not count as deferred payments and we will not ask you to pay these back.

If you want to talk to us because you want to put off (defer) your payments, please phone the Senior Financial Assessor on 01241 435155 or write to her at:

Bruce House
Wellgate
Arbroath
DD11 3TS

Can I transfer the title of my house to someone else?

If you are going into a care home permanently, as part of the financial assessment we will ask you if you own (or have ever owned) the house you live in or recently lived in. If you previously owned a house but no longer do so, we must look at why the change of ownership happened. We must find out whether you gave away or transferred ownership of your home (or any other capital) to avoid paying the care-home fees. We will consider each case in detail, and will get an opinion from our lawyers. For more information, please read 'Reducing your capital to avoid paying care-home fees' on page 23.

Temporary financial help while you sell your home.

We can offer you temporary financial help towards your care-home fees if the 12 week period has ended and:

- your home is on the market but has not been sold yet;
- we have assessed that your other capital is less than the upper capital limit; and
- you cannot meet the full cost of the care home from your income.

You must agree to pay us back when you sell your home. We will place a security over your home called a 'charging order'. This means that when your house is eventually sold we can make sure you pay back our temporary financial help.

We will still expect you to contribute an amount from your income towards your care-home fees while we are providing temporary financial help. We will work out how much we expect you to pay in the same way as if you had applied to defer your care-home payments. Please read the example on page 9.



Couples

How will you assess my financial circumstances if I am moving into a care home for temporary care and my partner is staying at home?

If you have a partner and you are going into a care home for temporary care, we will only assess your financial circumstances – not your partner's. This means that the contribution we ask you to pay will be based on your income and capital alone.

If you are going into care and your partner is staying at home, the financial assessor will normally ask about their income. This is to make sure that they are left with enough money to live on while you are in the care home. Currently, we make sure that your partner is left with at least £132.60 a week.

How will you assess my financial circumstances if I am moving into a care home permanently and my partner is staying at home?

Pensions

If you are moving into a care home permanently and you have an occupational pension or a private pension or you receive a payment from a retirement annuity contract, we can ignore 50% of this if you choose to give this amount to your partner at home. This may not always benefit your partner, as it can affect other state benefits they may get.

Benefits

If you are one of a couple and you are going into a care home permanently, we will treat you and your partner as two single people for the purpose of working out your benefits. This can sometimes mean complicated changes to your benefits. This may involve telling different benefit offices about your change of circumstances, and making new benefit claims. The financial assessor can help you to do this.

Should I split joint capital?

We assess joint capital (capital that you and your partner own together) as being equally owned between you. It may be worth separating your capital if:

- your share of joint capital is £22,750 or over;
- you are entering a care home permanently and
- your partner is staying at home.

For example, you and your partner have joint capital worth £53,500. We assess your share as half of this (£26,750), which is £4,000 above the upper capital limit to qualify for financial help. If you then use £4,000 of your capital to pay for your care, you still may not qualify for financial help because your share of the capital that is left may still be higher than the upper capital limit.

Capital (not separated):	£53,500
Less	<u>£ 4,000</u>
	£49,500

Your half share of the £49,500 would be £24,750, which is still £2,000 above the limit to qualify for financial help.

If you separated the capital, your share of the joint capital would still be £26,750 (half of £53,500), which would still be £4,000 above the upper limit to qualify for financial help. However, if you then use £4,000 of your capital to pay for your care, your capital will reduce to £22,500 because we do not take your partner's share into account.

Capital (separated):	£26,750
Less	<u>£ 4,000</u>
	£22,750

Because we only assess your share of the capital, your capital has reduced to the upper limit (£22,750) and you qualify for financial help.

This example shows that if you do not separate your capital, you may have to use some of your partner's share of your capital to pay for your care before you qualify for financial help. It may not be easy to separate joint capital, depending upon the type of investment. You should get advice about this from an independent person, such as a solicitor or the citizens advice bureau.

How will you assess our financial circumstances if my partner and I are both moving into a care home permanently?

If you and your partner both need to go into a care home, we will treat you as two separate service users even if you will be living together in the same room. You may each be entitled to financial help from us and we will assess each of you separately to decide whether you qualify for free personal-care or nursing-care payments (or both) and any extra financial help. Our assessment will be based on your individual income and capital, including your share of any joint capital. If you sell your jointly owned home, we will share the money from the sale equally between you for the financial assessment.

Benefits

The Department for Work and Pensions will also treat you as two separate customers. They will assess your income and capital separately, even if you are sharing the same room in the care home. You will need to claim benefits separately. The financial assessor can help you claim the benefits you are entitled to.



What happens to my benefits when I move into a care home?

State Pension and Incapacity Benefit

Your State Pension and Incapacity Benefit will continue to be paid at your normal rate when you are living in a care home.

Attendance Allowance

If you receive any financial help from us with your care-home fees, your Attendance Allowance will stop 28 days after you move into the care home. You may lose it sooner if you were in hospital or temporary care before you moved to the care home.

If you are admitted to hospital, discharged from hospital or you move into a care home, you should tell the Disability Benefit Unit. You can phone them on 08457 123456.

Disability Living Allowance

Care component – the care component of Disability Living Allowance is treated in the same way as Attendance Allowance. Please read the section above.

Mobility component – you will continue to receive the mobility component of Disability Living Allowance when you move into a care home. If you were in hospital for more than 28 days before moving into a care home, your mobility component payment should have stopped.

If this is the case, when you are discharged from hospital you should tell the Disability Benefit Unit by phoning 08457 123456. They will then start paying the mobility component payment again.

Carer's Allowance

Any Carer's Allowance you are entitled to (even if you are not paid it because of another benefit you receive) stops at the same time as the Attendance Allowance or Disability Living Allowance (care component).

If you receive the carer's premium as part of Income Support, Pension Credit, Housing Benefit or Council Tax Benefit, this will continue for eight weeks after your Carer's Allowance stops.

Income Support

You may be entitled to Income Support if you move into a care home permanently, but this depends on your age. You should speak to the Financial Assessment Team about this.

If you are moving into a care home permanently and you already receive Income Support, you should tell the office, which issues your payment that your circumstances have changed.

Pension Credit

You may be entitled to Pension Credit if you move into a care home permanently, but this depends on your age. You should speak to the Financial Assessment Team about this.

If you are moving into a care home permanently and you already receive Pension Credit, you should tell the Department for Work and Pensions that your circumstances have changed. You can phone them on 0845 6060265.

Housing Benefit

You can continue to qualify for Housing Benefit during any temporary periods in a care home.

If you are in temporary care for more than 28 days, you must tell your local Housing Benefit office because this may affect your entitlement.

You cannot continue to receive Housing Benefit once you move permanently into a care home. You must tell your local Housing Benefit office when you become a permanent resident.

Council Tax Benefit

If you are going into a care home for temporary care, you can continue to qualify for Council Tax Benefit. You must tell your local Housing Benefit office if your income changes, as this may affect your entitlement.

If you go into a care home permanently, your home may be exempt from Council Tax (you may not have to pay any Council Tax on it). This includes water and sewerage rates, which you would normally have to pay even when you qualify for full Council Tax Benefit.

You should contact your local Housing Benefit enquiry office to find out if your home is exempt from Council Tax.



Who manages my money?

If you are able to, you can continue to manage your own money.

Can someone else deal with state benefits on my behalf?

If you are not able to act for yourself, you can authorise someone else to act as your 'appointee'. An appointee is a person authorised by the Secretary of State to act on your behalf in relation to your benefits.

The appointee is usually a relative, friend or solicitor. However, if you cannot name an appointee, you can ask us to act as your appointee.

The appointee is responsible for:

- claiming benefits on your behalf and filling in all the relevant application forms;
- making sure your benefits are used for the things they are meant to be used for;
- making sure you get the most out of your benefits;
- telling the Department for Work and Pensions about any changes in your circumstances which may affect the benefits you get;
- making any payments for you, including paying your care-home fees; and
- making sure you receive your personal expenses allowance.

If you want to arrange for an appointee to act on your behalf, phone the Department for Work and Pensions on 0845 6060265.

If your appointee fails to meet their responsibilities, we may ask the Department for Work and Pensions to cancel the arrangement.

An appointee can only deal with your benefits. If you have other income (for example, a works pension), you will need to get a separate authorisation for somebody to deal with this income. This authorisation is called a continuing (financial) power of attorney.

If you have given someone continuing (financial) power of attorney, that person can manage your finances even if you still have the mental ability to do so, but prefer the person named on the power of attorney to act for you.

You can only give power of attorney if you have the mental ability to grant it. Your mental ability will be assessed through a solicitor, in line with the guidance given in the Adults with Incapacity (Scotland) Act 2000. This makes sure your interests are protected and that people do not take advantage of you financially.

Who manages my money? continued

It is our responsibility to make sure that the person named on your power of attorney acts in your best interests. If we think they are not acting in your best interests, we will ask for their power of attorney to be withdrawn as soon as possible.

If you are not able to manage your finances and you do not have the mental ability to arrange for someone else to act on your behalf, the Office of the Public Guardian can authorise somebody (a relative, friend or solicitor) to deal with your funds. This authorisation is called 'guardianship'.

To apply for guardianship, phone the Office of the Public Guardian on

01324 678300. They can authorise payments from accounts for a limited time. They will also be able to carry out checks on people they authorise and investigate any claims that they are misusing your funds.

Authorising someone to manage your finances can be a very complicated area and you should get legal advice.



How is the care home paid?

We work out how much financial help we can give you by using the financial information you give us. Your contribution is based on your capital and the income you expect to receive when you move into the care home. Your income in the care home may be different from the amount you received before going into care.

You will have to pay towards your care-home fees from the date you move into the care home.

If you go into hospital, your room at the care home will be kept and you will still have to pay your contribution during your time in hospital.

Care homes we run

If you move into a care home run by us, you must pay your contribution direct to us.

Every 28 days, we will send you an invoice for your contribution towards your care-home fees. You will need to fill in an 'Authority to send invoices for the social care you receive to your nominee' (CCM8) form if you want your representative to receive and deal with your bill. You can get one from the Financial Assessment Team.

You can pay these invoices at any access office, at the bank or by post. You should make your cheque payable to 'Angus Council'. There is a list of access offices on page 28.

If you are moving into a care home permanently, you can choose to pay us by monthly Direct Debit. We will send you details of how to do this once you have filled in the financial assessment form.

Independent care homes in Angus

If you move into an independent care home in Angus, we will pay the agreed cost direct to the home. You must pay your contribution direct to us.

Every 28 days, we will send you an invoice for your contribution towards your care-home fees. You will need to fill in an 'Authority to send invoices for the social care you receive to your nominee' (CCM8) form if you want your representative to receive and deal with your bill. You can get one from the Financial Assessment Team.

You can pay these invoices at any access office, at the bank or by post. You should make your cheque payable to 'Angus Council'. There is a list of access offices on page 28.

If you are moving into a care home permanently, you can choose to pay us by monthly Direct Debit. We will send you details of how to do this once you have filled in the financial assessment form.

Independent care homes outwith Angus

If you move into a care home outwith Angus, you will pay your contribution to the care home direct. We also make our contribution direct to the care home.

You, or your representative, should contact the home to find out the most suitable way of making payments (for example, direct from your bank). We will contact you and the home to let you know the weekly rate and from what date you will have to pay your contribution.

Can I choose a more expensive care home?

We will normally pay up to a standard amount (called an 'approved rate') when you move into a care home. The amount of the approved rate depends on whether you will receive residential or nursing care. We normally increase the approved rates each April.

If you choose a care home, which is more expensive than the approved rate, your family will have to make up the difference between the approved rate and the actual charge. If you are going to receive help from your family to pay the extra cost, it is vital that they can afford this arrangement and that it will last. The care home will ask your family to sign a separate contract agreeing to pay the extra amount. If your family cannot make the extra payments for any reason, we cannot take responsibility for this amount. You may then need to move to a less expensive care home (or a less expensive room in the care home you are already in).

Can I choose a care home outside Angus?

If you normally live in Angus and we have assessed that you need care, you can ask us to help you move to a care home in another part of the UK, perhaps to be closer to your family. In this situation, we will continue to pay your entitlement to free personal care or nursing care (or both) and any extra financial help we have offered you.

What if my capital is worth more than the upper limit for financial help?

If our assessment shows you have more capital than the upper limit (currently £22,750), you will not qualify for financial help from us. This will not affect any entitlement you have to free personal care or nursing care. If you have more capital than the upper limit, you will have to pay your care-home fees until your capital falls below the upper limit. Once this happens, you will qualify for financial help from us.

What counts as capital?

Capital includes money held in:

- bank or building society accounts including current accounts;
- cash;
- investment bonds and investment accounts;
- stocks and shares;
- trust funds;
- Premium Bonds;
- National Savings Certificates; and
- property.

Whose capital do you take into account?

We only count the capital owned by the person going into care. If you have any joint capital, (for example, a joint bank account or investment with your husband, wife or partner) we will treat you as owning half of the capital or investment. If you have a joint account with someone who is not your husband, wife or partner, we may need to see evidence of who owns the capital.

Free personal-care and nursing-care payments

Free personal-care and nursing-care payments were introduced in 2002.

To qualify for free personal care, you must be:

- 65 or over; and
- assessed by us as needing personal care (for example, you have difficulty bathing, dressing, eating or getting to the toilet).

To qualify for free nursing care you must be:

- 18 or over; and
- assessed by us as needing nursing care (for example, you need a qualified nurse to monitor your condition).

What if my capital is worth more than the upper limit for financial help?

continued

We provide:

- £156.00 a week for personal care.
- £71.00 a week for nursing care.

You may qualify for free personal care and free nursing care.

Payments for free personal and nursing care do not depend on your financial circumstances. We will make them no matter what income and capital you have.

How are payments for free personal-care and nursing-care paid?

We pay the care home direct on your behalf.

Does anything affect these payments?

If you are admitted to hospital from a care home, we will stop free personal-care and nursing care payments after 14 days and you will have to pay the full cost of your care-home fees.

If you return to hospital again within 52 weeks, we will stop your free personal-care or nursing-care payments immediately.

What will my care-home fees be if my capital is worth more than the upper limit for financial assistance?

If you are only receiving free personal care and nursing care payments from us to assist with your care-home fees, you should always ask the home how much the fees would be. Some homes have different fees for people who are meeting the cost of the care home themselves. In these care homes, you will often have to pay a much higher amount than our 'approved rate', which is the most we will pay for a place in a care home.

It is important to find out whether the care home will reduce their charge to our approved rate once your capital falls to below £22,750.

Once your capital falls to below £22,750, we will normally only provide financial help up to our approved rate for care homes. Our approved placement standard rates are currently:

- £474.20, £475.70 or £476.70 for a placement in a residential home depending on the most recent Quality Grading awarded to the home by the Scottish Commission for the Regulation of Care.
- £550.90, £552.90 or £553.90 for a placement in a nursing home depending on the most recent Quality Grading awarded to the home by the Scottish Commission for the Regulation of Care.

Please read 'Should I split joint capital?' on page 12

What if my capital is worth more than the upper limit for financial help?

continued

What can I spend my money on?

When you live permanently in a care home, your greatest expense will be your care-home fees. You may want to buy items for your room, such as furniture, carpets, a TV and a phone. If you do spend money on this type of thing, you should keep the receipts so we can take them into account if we assess your finances again. You may also have to regularly spend money on things like clothes, toiletries, sweets, drinks, trips, and hairdressing.

If you later apply for financial help from us, we will need to make sure your capital has reduced at a reasonable rate and that you are not trying to avoid having to pay care-home fees.

Can I give my capital away?

If you give gifts of money, we may decide you have done so to avoid having to pay care-home fees. There is no specific amount that you are allowed to give away. However, if you apply for financial help from us and your total yearly spending (after taking off care-home fees) is more than £2,500 we will ask you what you spent the money on and decide whether you had spent it to avoid or reduce your contribution to care-home fees. We will look carefully at each case, taking account of all your circumstances. In particular, we will look at:

- the amounts spent or given away;
- the reasons for the spending or gift; and
- how often any gifts were given.

What do I do when my capital falls to the upper limit?

When your capital has almost fallen to the upper limit for financial help, you should apply to us for financial help. Although you will not be entitled to help until your capital reduces to the upper limit, claiming early makes sure you get the financial help you are entitled to as soon as possible. You should contact the financial assessment team to ask them to assess your financial circumstances.

As part of the assessment, we will decide whether your capital has reduced at a reasonable rate. We will need to see proof of the capital you had when you moved into the care home as well as your current capital balance. You should keep a record of your capital, income and spending, for example:

- details of the proceeds from selling your home;
- copies of bank statements; and
- any bills or debts which you used your capital to pay.

Reducing your capital to avoid having to pay care home fees



This section gives a brief summary of the rules on what we consider to be reducing your capital to avoid paying care-home fees and how this may affect whether you qualify for financial help from us.

Deliberately reducing your capital to avoid paying your contribution to care-home fees is called 'deprivation of capital'. It is a complicated area, so if you are affected by these rules you should get independent advice from a solicitor.

The following are examples of deprivation of capital.

- Giving away a large lump sum of money as a gift
- Giving away property by transferring the title deeds to someone without receiving any money in return
- Putting money into a trust

Why do you ask about my capital?

Whether or not you qualify for financial help from us depends on your financial circumstances. By law, we must consider whether you have deliberately reduced your capital to qualify for this financial help.

How does deprivation of capital affect my application for financial help?

If we decide that you have deliberately reduced your capital to qualify for financial help from us, we may reduce or refuse financial help towards the cost of your care-home fees.

What if I used to own a house or flat?

If your name was on the title deed of a house or flat, we must find out why your name has been removed from the title deed.

We will pass this information to our solicitors. They will tell us whether they think we should include the value of the house or flat in our financial assessment.

What if someone else paid for the house or flat?

If someone else paid for the house or flat but the title deeds were registered in your name, we will have to consider the reasons why someone else paid for the house so that we can decide whether we need to include its value in our assessment. You will have to provide proof that someone else paid for the house or flat.

If you decide that deprivation of capital has happened, how do you assess the value of the capital involved?

If the deprivation of capital involves a property, we work out its value using its value on the open market at the time it was transferred less 10%.

Example

You gave away a property valued at £75,000 one year before you went into a care-home, and you did not receive any money in return. We assess that you should have received £67,500, which is £75,000 less 10%.

Value of the property at the time it was transferred

	£75,000
Less 10%	- £7,500
Assessed value =	<u>£67,500</u>

We call the assessed value of capital you have given away 'notional capital'.

What is notional capital?

Notional capital is capital you are treated as still having even though you no longer actually have it. 'Notional capital' includes deprivation of capital through selling your property.

For example, if your house was valued at £100,000 and you have sold it for £10,000, we would treat you as having £90,000 in notional capital and £10,000 in actual capital.

If your actual capital and notional capital added together are more than the upper capital limit, you will not be able to receive financial help from us.

Will I be able to get financial help in the future?

As long as you give us the information we need, we will be able to work out how long it will take for your capital to fall to below the upper limit (currently £22,750.)

Reducing your capital to avoid having to pay care home fees continued

Your 'assessed capital' is how much 'actual' and 'notional' capital you have over the upper limit. We work out how much of your assessed capital you will use to pay your care-home fees. To work out the time we think you will qualify for financial help, the amount you have above the upper limit is divided by the amount of capital you will use to pay your care-home fees.

Assessed capital	£72,750 (£67,750 notional, £5,000 actual)
Upper capital limit	<u>-£22,750</u>
Capital above the upper limit	£50,000

Your capital for care-home fees:

Your income

Retirement pension	£ 105.00
Work pension	<u>£ 81.20</u>
Total	£ 186.20
Less personal allowance	<u>-£ 22.30</u>
Available income	£ 163.90

Cost of care homes (each week)	£ 550.90
Less free personal-care payment	<u>- £ 227.00</u>
	£ 323.90
Less available income	<u>-£ 163.90</u>
Amount of capital for care-home fees	£ 160.00

Capital above the upper limit (£50,000) ÷ by amount of capital for care-home fees (£160) = 312 weeks.

So, you would have to pay the full cost of your care-home fees for 312 weeks (six years).

When your capital is getting near the upper limit, you can apply to us for financial help. You should contact the financial assessment team who will assess your finances and let you know if you qualify for help.

Can I challenge your decision about deprivation?

You, or a person acting on your behalf, may disagree with our decision that you have reduced your capital to reduce your contribution to your care-home fees.

If this is the case, you or your representative can ask us to review our decision by sending your reasons to:

Welfare Rights Manager
Carseview Office
Carseview Road
Forfar
DD8 3BT.



Complaints

You have the right to make a complaint if you are unhappy about any part of our service, and to have your complaint investigated. You can do this in person, by phone or by letter, or someone else can complain on your behalf.

For more information you should read our 'What to do if you are not happy with social work services' leaflet. You can get this from any social work office or by phoning the ACCESS Line on 08452 777 778.

You can also phone the Clients' Rights Service on 01307 474848. The Clients' Rights Service promotes the rights and responsibilities of people who receive services direct from social work or services that social work has arranged.

Useful addresses and phone numbers

Financial assessment team

Angus Council
Bruce House
Wellgate
Arbroath
DD11 3TS

Phone: 01241 435100

Housing and Council Tax Benefit

Invertay House
Maule Street
Monifieth
DD5 4JG

Phone: 01382 535333

Clients' Rights Service

Angus Council
St Margaret's House
Orchard Loan
Forfar
DD8 1WS

Phone: 01307 474848

Department for Work and Pensions

Pension Service
PO Box 3
Edinburgh
EH91 5AF

Phone: 0845 6060265

Disability Benefit Unit

Government Buildings
Warbreck Hill Road
Blackpool
Lancashire
FY2 0YE

Phone: 08457 123456

Office of the Public Guardian

Hadrian House
Callendar Business Park
Callendar Road
Falkirk
FK1 1XR

Phone: 01324 678300

You can get more information about the services in this booklet on our website, www.angus.gov.uk under 'A-Z of services'.

The Care Commission

The Care Commission is a national organisation set up to regulate certain care services.

If you are not happy with the procedures in the 'What to do if you are not happy with social work services' leaflet, or you cannot use them, and you have a complaint about services provided by social work, you can contact them at:

The Scottish Commission for the Regulation of Care

Compass House
11 Riverside Drive
Dundee
DD1 4NY.

Phone: 01382 207100

Fax: 01382 207289

Website: www.carecommission.com

The Scottish Social Services Council

The Scottish Social Services Council is the regulatory body for the Scottish social work force. They can deal with complaints about registered social services workers. You can contact them at:

Scottish Social Services Council

Compass House, Discovery Quay

11 Riverside Drive

Dundee

DD1 4NY.

Lo-call: 0845 60 30 891

Phone: 01382 207101

Fax: 01382 207215

Email: enquiries@sssc.uk.com

Website: www.sssc.uk.com

ACCESS Line and offices

ACCESS Line Phone: 08452 777 778

The ACCESS Line deals with all general questions, requests for services and complaints. Calls are charged at a low rate, and the line is open from 8am to 6pm, Monday to Friday.

Arbroath ACCESS Office

Old Parish Church

Kirk Square

Arbroath

DD11 1DX

Brechin ACCESS Office

36 Bank Street

Brechin

DD9 6AX

Carnoustie ACCESS Office

26 High Street

Carnoustie

DD7 6AP

Forfar ACCESS Office

Municipal Buildings

Castle Street

Forfar

DD8 3AF

Kirriemuir ACCESS Office

5 Bank Street

Kirriemuir

DD8 4BE

Monifieth ACCESS Office

81 High Street

Monifieth

DD5 4AA

Montrose ACCESS Office

Town House

High Street

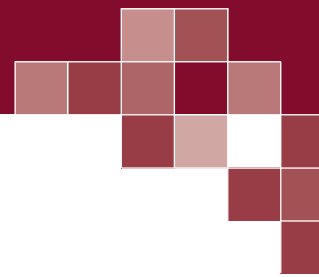
Montrose

DD10 8 QW

ACCESS offices are a single point of contact for all council services and the staff there can give you help and advice with all general questions, requests for services, payments and complaints.

NOTES

NOTES





We would like to thank Falkirk Council for their help in developing this guide. We will regularly review this guide. It is a guide only and is not a complete statement of the law.