

Paying for your care and support in a residential or nursing home

This factsheet tells you how we work out what you will pay for your care and support in a residential or nursing care home, and how to pay.

‘Care and support’ is the help some people need to live as well as possible with their illness, disability or impairment. It can include help with things like washing and dressing yourself, preparing and eating meals, getting out and about, and keeping in touch with friends and family.

This is one of a range of factsheets about care and support in Sheffield (details on page 7).

Introduction

Unlike NHS healthcare, residential care is not free. Most people pay for some or all of their care and support in a residential care home.

If we’ve agreed that you need residential or nursing care, we’ll talk to you about your finances. We’ll ask about your income, including any benefits, pensions or earnings, and any savings or investments you have.

We’ll use information about your finances and national rules based on the Care Act 2014 to work out what you can afford to pay and what, if anything, we’ll contribute towards the cost of your residential or nursing home. This is called a financial assessment.

We won’t ask you to pay more towards the cost of your residential home than your financial assessment shows you can afford. If your home costs more than you can afford to pay, we’ll pay the difference between what you can afford to pay and the total cost.

If you choose not to tell us about your finances, you will have to pay the total cost of your residential care.

The cost of residential and nursing care

Each year we agree the maximum weekly amount we'll pay towards your care in a residential or nursing home.

For residential care, we call this the Purchaser's Standard Fee and for nursing care, we call it the Purchaser's Personal Care Rate.

Price per week for residential and nursing care in Sheffield from April 2019

Residential & Nursing Care Homes	Purchases Standard Fee
Standard	£481

If you choose to live in a care home that costs more than we would pay for this type of care, you'll need a relative, a friend or a charity to pay the difference while you live there. This is called a 'top up'. They'll have to sign an agreement to pay the additional cost of your care. If at any time they are not able to pay this amount, we may ask you to move to another home.

If a nursing assessor decides you need nursing care in the home, NHS Sheffield will pay for the nursing part of your care. Unless you pay the full fee for your care yourself, this won't affect the amount you pay towards your care.

Assessing how much you'll pay

After we've assessed your care and support needs, if you're eligible to receive care and support from us, we'll arrange for an officer from our Financial Assessment and Advice Team to talk to you about your finances.

We'll ask you to give us evidence of your income and capital. Your income is any money you regularly receive from a pension, charity or other organisation. Capital is the value of any cash or savings you have, together with anything you own that could be sold – apart from personal possessions.

We may count your home as capital, but sometimes we can ignore the value of the property that you live in before entering permanent residential care.

For instance, when someone is still living in the property who is

- your spouse or partner
- a relative aged 60 or over
- a relative who is substantially disabled.

If someone is still living in the property and doesn't meet one of these categories, we may still be able to ignore the value of the property if the person has cared for you and has been living with you for the last five years, but we look at each case separately.

If your capital includes the value of property that we can't ignore under one of the categories above, we will not include its value as capital for the first 12 weeks of your residential or nursing care. This is called the 12-week disregard. You will have until the end of week 12 to decide if you wish to become a permanent resident or return home. If you choose to remain in the care home, we'll add the value of your property to your capital, and your fees will increase to the total cost.

The government rules on assessing what you pay from your capital have different levels that change the amount you have to pay.

If you have capital worth less than £14,250 we ignore it, and we assess the amount that you pay on just your income. You may qualify for Pension Credit/Universal Credit/Income Support, and we'll pay the rest of the cost of your residential care up to the Purchaser's Standard Fee.

If you have capital over £14,250 but under £23,250, we'll assess the amount you pay on your income and capital. In most cases, you'll qualify for Pension Credit/Universal Credit/Income Support, and we'll pay the rest of the cost of your residential care up to the Purchaser's Standard Fee. As your capital reduces towards £14,250 you'll qualify for more Pension Credit/Universal Credit/Income Support.

If you have capital over £23,250, you must pay the total cost of your care. To help you pay the fees you may be able to get Attendance Allowance/Disability Living Allowance Care Component/Personal Independence Payment (Daily Living). If a nurse assessor decides you need nursing care you'll also qualify for a payment from NHS Sheffield.

If you do not pay the full amount but you pay towards your care and support costs, government rules mean that you will have a weekly amount for your own use, called your Personal Allowance. The Personal Allowance is £24.90 every week.

We'll also do a check to make sure you're receiving all the benefits you're entitled to. If we think you're entitled to other benefits, we'll put you in touch with the appropriate organisation or tell you how you can contact them directly.

It is important you tell us, and the Department for Work and Pensions (DWP), of all changes in your capital and income so that you get the right help with paying your fees.

How much will you pay?

If your capital is between £14,250 and £23,249, we'll ask you to pay £1 per week for any £250 (or part of £250) of capital you have, above £14,250.

Examples

- If you have £17,800 capital we'll ask you to contribute an extra £15 per week towards your care and support ($(£17,800 - £14,250) \div £250 = £15$).
- If you have £14,500 capital we'll ask you to contribute an extra £1 per week towards your care and support ($(£14,500 - £14,250) \div £250 = £1$).

If the value of your capital, without the value of your property, is more than £23,250 then you will pay the full fee from the day you enter the home.

Different ways to pay for your care

You can pay for residential care from a combination of

- income, including pension income
- savings or other assets you may have access to, including contributions from someone else
- a financial product designed to pay for long-term care, or
- a deferred payment agreement.

A deferred payment agreement is an agreement between you and the Council to 'defer' or delay paying the costs of your care and support until a later date.

Payment is deferred, not 'written off'. You, or someone on your behalf, will have to repay the costs of your care and support at a later date. A deferral can last until your death, but many people choose to use a deferred payment agreement as a 'bridging loan' to give them time and flexibility to sell their home when they choose to do so.

More information about deferred payments is available in our Deferred payments factsheet (details on page 7).

You should carefully consider the different ways that you might pay for your care fees until your capital becomes available, and then decide which is best for you and your family. Here are some things you might want to consider

- Who could you ask to help with paying your fees (the Council, friends, the home, a bank, a charity)?
- Would you eventually have to pay back any money that you have been given?
- Would you have to pay interest on any money borrowed, or give any security for the loan?
- Which benefits will be available for you to use towards paying for your fees?
- How much of your own resources will you need to pay towards your fees?

Independent financial information and advice

We want to help support you to make informed, affordable and long-term financial decisions about your care. We can provide some financial information and advice ourselves. We will also help you get information and advice from other organisations.

There are organisations that can help with a range of money matters that will not charge you for information and advice. For example, you may need help with dealing with debt, benefits and tax credits, or better budgeting.

In some circumstances (such as choosing how to pay for your long-term care or entering into a legal agreement like a deferred payment agreement) you may also benefit from paying to see a Financial Advisor (who should be regulated by the Financial Conduct Authority).

You can find out more about getting independent financial information and advice in our Managing your finances factsheet (details on page 7).

Paying your contribution

After your financial assessment, we'll send you a letter that explains how we've worked out the amount you need to pay, how much you'll pay, how you can pay and the date your payments will start. You will pay the residential care home directly.

Questioning the amount you need to pay

If you don't agree with the amount you need to pay, you can appeal.

You can contact our Financial Assessment and Advice Team to ask them to look at your financial assessment, saying why you think the amount is not right.

If you're still unhappy with the decision you can ask our Decision Making Panel to review your case. The Financial Assessment and Advice Team will advise you on how to contact them. This panel is made up of managers from financial, social work and legal areas.

If you're not satisfied with the decision of this panel, you can make a complaint.

Difficulty paying

If you're having difficulty paying, please contact our Financial Assessment and Advice Team and they will help you.

Reviewing your contribution

The amount you pay will usually increase every April in line with the increase in state benefits. We'll review what you pay each year in line with these increases, and during the year to see if your financial situation has changed.

If your financial situation does change, you will need to tell us so we can work out what you'll pay again.

If your needs change, what you pay may change, but you will not have to pay more than your financial assessment shows you can afford

Tell us what you think

You can contact our **Financial Assessment and Advice Team** with any questions about paying for your care.

- Email: financial.assessments@sheffield.gov.uk
- Telephone: 0114 2734440.

If you have a suggestion, comment or complaint about any Council service you can tell us what you think.

- Telephone: (0114) 2734567.
- Website: www.sheffield.gov.uk/tellus
- Write to: Customer Services, Sheffield City Council, Howden House, 1 Union Street, Sheffield, S1 2SH

Where can I get more information?

If you have a question about this factsheet, want a printed copy to be sent to you, or want to speak to someone you can contact us.

You can download factsheets from our website: www.sheffield.gov.uk.

We can also provide information in alternative formats and other languages on request.

- Prevention and enablement
- Getting care and support
- Help for carers
- Children's transition to Adult Social Care
- Independent Advocacy
- Planning and organising your care and support
- Help with travel
- Paying for your care and support at home
- Managing your finances
- Managing your Direct Payment
- Disability Related Expenditure
- Deferred Payments
- Personal Assistant Handbook
- Reviewing your care and support

Contact us

- Email: adultaccess@sheffield.gov.uk
- Telephone: 0114 2734908
- Write to: First Contact, Howden House, Union Street, Sheffield, S1 2SH

Examples of how we work out what people pay

Example 1

Tom is 47 and is going to live in a care home. He gets Employment and Support Allowance and Disability Living Allowance mobility. The care home Tom has chosen doesn't have a top up fee.

Tom's income each week

Employment Support Allowance	£109.30
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Disability Living Allowance (mobility component)	£61.20
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Total income	£170.50
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We ignore

Disability Living Allowance (mobility component)	-£61.20
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Personal Expenses Allowance	-£24.90
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Total amount ignored	£86.10
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Tom's assessed income (total income less total amount ignored)	£84.40
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Tom will contribute £84.40 per week towards his care in the care home.

Example 2

Mabel is 76 and is moving into a care home. She has a State Pension, private pension and Pension Credit, and receives Attendance Allowance. The care home Mabel has chosen charges a £30 top up fee.

Mabel's income for the first 4 weeks

State pension	£115.10
Private pension	£26.10
Pension Credit (Guarantee Credit)	£26.05
Pension Credit (Saving Credit)	£8.82
Severe Disability Premium (Paid with Pension Credit)	£65.85
Attendance Allowance	£87.65
Total income	£329.57

We ignore

Savings Credit	-£5.75
Personal Expenses Allowance	-£24.90
Total amount ignored	£30.65

Mabel's assessed income for the first 4 weeks (total income less total amount ignored)	£298.92
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Mabel's income after 4 weeks in care

State Pension	£115.10
Private pension	£26.10
Pension Credit (Guarantee Credit)	£26.05
Pension Credit (Saving Credit)	£8.82
Total income	£176.07

We ignore

Savings Credit	-£5.75
Personal Expenses Allowance	-£24.90
Total amount ignored	£30.65

Mabel's assessed income after 4 weeks in care (total income less total amount ignored)	£145.42
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Mabel will contribute £298.92 per week for the first 4 weeks of care and then £145.42 per week after this, because her attendance allowance entitlement ends after 4 weeks in residential care. If Mabel was paying the full cost of her care, she would still lose her attendance allowance after 4 weeks due to the 12 week disregard explained on page 3, but she would be able to claim again from week 13.