A Charity providing Exceptional Residential, Nursing, Respite & Day Care

Paying for Care

Paying for long-term care is a complex subject and many people don't know where to start. Lilian Faithfull Care is a charity working solely to care for older people, we can offer helpful advice and information about all our care services.

Unlike healthcare delivered in the NHS, residential and nursing care for older people is not free for everyone. Exactly how much you might be asked to pay and how you will be funded will depend on your individual circumstances.

So when it comes to funding care it's a good idea to talk to a specialist Care Fees financial adviser about your care options and choices – especially if you're keen to stay financially independent.

This guide will give you general advice and guidelines and we will do all we can to help you through the process.

How much does Residential & Nursing Care cost?

Factors that impact on care costs include:

- ✔ Which one of our homes you are at.
- ✔ The level of care that you require.
- ✔ Overall inflation and market conditions.

For an independent view of average weekly care fees by region visit: www.payingforcare.org

How does care home funding work?

Generally, there are three ways to meet the costs of your care. Both NHS and Local Authority state funding is means tested, based on nationally set guidelines, unlike medical care on the NHS that is free at the point of need. For many people, funding their care is often from a mix of Local Authority funded, personal savings and assets.

1. NHS funded nursing care

In some cases the NHS may be responsible for funding all or part of your care. An assessment will be carried out, under national guidelines, to decide whether this is the case. Even if you are not eligible for fully funded continuing care, you may still get a contribution from the NHS if you need nursing care. This is called Funded Nursing Care (FNC).

FNC is weekly payment made by the NHS to cover nursing care from a Registered Nurse. FNC is only provided if you need nursing care – and if you're in a care home that can provide nursing care.

To find out more visit the Department of Health website www.dh.gov.uk

2. Local Authority funding

If your care is not considered to be the responsibility of the NHS, then your local authority will assess your care needs as well as your ability to fund them. Every Local Authority will have helpful information on **health and social care** on their websites:

Gloucestershire; www.gloucestershire.gov.uk

You can contact the Adult Social Care helpdesk on 01452 426868**.**

Many local authorities will be able to signpost you to other sources of helpful advice on funding for care. Contact the Adult Social Care Financial Assessment team in your area.

In England, your local authority will follow these national guidelines on assessing your total capital* if you have been assessed as needing care in a residential setting:

Total capital below £14,250	Total capital above £14,250 but below £23,250	Total capital above £23,250
You will be entitled to the maximum funding support for your care.	The local authority will carry out a financial assessment and assess your specific care needs, working closely with social services, and determine how much financial support you are entitled to. They will also help with the first 12 weeks of care costs.	The Local Authority will not offer financial support with care costs if your capital exceeds £23,250 subject to the note below. The Local Authority will expect you to meet the full cost of your care home placement. This is generally called being a 'self-funder'.

*** YOUR CAPITAL** – if you own your own home then the Local Authority will regard this as an 'asset' as part of their means test. This is an assessment of all income and assets, including property, to determine a person's eligibility for financial support.

The Local Authority may disregard the value of the property in its calculation if any of the following conditions apply:

- ✔ Your spouse, partner or civil partner still lives at the property
- ✔ A relative of yours or a member of your family who is:
  a) Aged 60 or over living at the property
  b) Incapacitated or disabled living at the property
  c) A child of yours under the age of 18 living at the property
- ✔ You are in the first 12 weeks of needing permanent care
- ✔ The care is being provided on a temporary basis

3. Self-funding

If you're deemed as being not eligible for NHS fully funded care or Local Authority funding, then you'll need to pay for your care yourself. There are several funding options to consider from your income and personal assets.

Income in the form of:

- ✔ Pension income and welfare benefits (for example Attendance Allowance, Pension Credit, Winter Fuel Payment and other age related benefits)
- ✔ Annuity income
- ✔ Rental income
- ✔ Investment income

Personal Capital in the form of:

- ✔ Savings including ISAs and National Savings Certificates or Savings Bonds
- ✔ Stocks and shares
- ✔ Property (Note that where your home is your only capital asset and your income is insufficient to fund the care fees, you will need to contact your Local Authority to discuss deferred payment/home loan arrangements until the property is sold)
- ✔ Immediate need care fee payment plans and some types of equity release schemes, specifically designed for self-funded care

Ideally, you should seek specialist advice on all of these options.

Capital Assets – your questions answered

Local Authorities take home ownership into account as part of their financial assessment of all income and assets.

Q. Will I have to sell my home?

A. It's true that people who are not able to afford their care from their income do sell their homes to fund living in a care home. That's why we always suggest seeking specialist independent financial advice on all options open to you; for example renting the property may be a possible option worth considering.

Q. How is my income assessed?

A. The Local Authority look at the income only of the person going into care not the income of a spouse, partner or other members of the family.

Q. What gets disregarded in a means test?

A. The most common disregards include Disability Living Allowance, interest from savings, War Widows' special payments, Christmas Bonus, Child Tax Credit or Guardian's Allowance and charitable payments. The values of any personal possessions are also excluded. Your Local Authority will have more information on disregards. AgeUK have a helpful factsheet 10 'Paying for permanent residential care' with more detailed information.

Q. My home is jointly owned - how is this assessed?

A. For jointly owned property, the Local Authority will calculate its present sale value. This means the part you own that could be sold will be taken as the proceeds that will be treated as your assets.

Q. What is deprivation of assets?

A. If your partner or spouse deliberately deprives themselves of their assets, capital or income in order to reduce their standing for the means test, the Local Authority can still step in and make a determination you still have those assets.

Q. What happens if the money to fund my care runs out?

A. If you no longer have the income or capital assets to fund your care, you will most likely need to be reassessed by the Local Authority. If you drop below the threshold of £23,250 you will begin to receive state funded support, subject to the Local Authority having assessed that your care needs should be met in a residential setting.

As it takes time to put new funding arrangements in place in these circumstances, Lilian Faithfull ask that you commence discussions with your Local Authority when your assets reach a £30,000 threshold. This will help make the transition from self funding to Local Authority funding as smooth as possible. We will do all we can to help.

A Home for Life with the Charity and what that means?

A "Home for Life" is a pledge that the Charity will never ask a Resident to leave our Group of Homes for financial reasons. Current legislation prescribes that when an individual reaches the point where their capital has dropped to the level of £23,250 they are entitled to become Local Authority funded. This means part of their care fee is paid by the County Council less a calculated proportion from the residents income called the 'client contribution'.

At this point the Charity then receives, on average, a third less income, this generally does not cover our costs of care and in essence the Charity starts to subsidise the shortfall between the cost of care and the fee received from the Local Authority.

Some providers may decide this responsibility is too great and request that at the point the Local Authority step in the resident find alternative accommodation.

At Lilian Faithfull, we stand by our promise that a resident should stay with us and not be asked to leave due to a financial reason. It is our aim to work with residents, families, friends and the Local Authority as best we can to ensure that all those within the Lilian Faithfull Family are treated with the dignity and respect they deserve and have a Home for Life with us.

Using the Charity's Deferred Payment Scheme

If you need to move into care quickly and you have a property to sell, the Charity can take a charge on your property (rather than the local authority) and defer the care fees until the property is sold.

We don't charge interest, but you will need to take independent legal advice and we'll be signing a binding agreement to pay us when the property is sold.

Please let us know if you want to discuss this option and we will do all we can to help.

Making sure you are getting all your benefits

Attendance Allowance

When you are self-funding you should be entitled to Attendance Allowance. This is like disability allowance and is paid based on care needs if you are self-funding.

You can claim Attendance Allowance if you meet all the following criteria: are 65 or over (if you're under 65, you may be eligible for Personal Independence Payment instead) could benefit from help with personal care, such as getting washed or dressed, or supervision to keep you safe during the day or night.

You could get:

- £61.85 a week if you need help either in the day or at night.
- £92.40 a week if you need help both day and at night.

We can assist with the application process if you are not already in receipt of Attendance Allowance.

Pension Credit

Guarantee Credit tops up your weekly income to a guaranteed minimum level:

- £182.60 if you're single
- or £278.70 if you're a couple.

Savings Credit

Is extra money if you've got some savings or your income is higher than the basic State Pension. It's only available to people who reached State Pension age before 6 April 2016.

You could get up to:

- £14.48 extra per week if you're single
- or £16.20 if you're a couple.

It only takes one phone call and you won't have to fill in a form. Call the Pension Credit claim line on 0800 99 1234 (textphone: 0800 169 0133). They will fill in the application for you over the phone.

Getting good financial advice

It's a good idea to seek specialist financial advice on the funding of your care given the substantial investment and commitment you will be making. We recommend you contact an independent, accredited Society of Later Life Advisers (SOLLA) financial adviser or we can give you a list of local solicitors who will be able to give you advice.

Organise a Lasting Power of Attorney (LPA)

We strongly recommend that you make arrangements to appoint a Lasting Power of Attorney (LPA).

The Government website www.gov.uk has helpful information on how to make and register a Lasting Power of Attorney: www.gov.uk/power-of-attorney/overview. You can apply online to register your LPA with the Office of the Public Guardian.

In England and Wales there are two types of LPA:

- Health and welfare
- Property and financial affairs

You can choose to make one type or both.

Health and welfare lasting power of attorney

Use this LPA to give an attorney the power to make decisions about things like:

- Your daily routine, e.g. washing, dressing, eating
- Medical care
- Moving into a care home
- Life-sustaining treatment

It can only be used when you're unable to make your own decisions.

Property and financial affairs lasting power of attorney

Use this LPA to give an attorney the power to make decisions about money and property for you at any time, for example:

- Managing a bank or building society account
- Paying bills
- Collecting benefits or a pension
- Selling your home
- Signing contracts

We always recommend appointing a Lasting Power of Attorney within three months of moving into Lilian Faithfull Care. This will enable the people you choose to appoint to make decisions on your behalf (if you become incapable of making them yourself) either about your health and welfare or financial and property matters at any time.

Our home managers can provide further information and a list of local solicitors who will be able to give you advice.

If you don't have an LPA, then the courts will appoint a 'deputy' to act on your behalf or make decisions for you.

Understand our Resident's Contract

It's important to study and understand the contractual terms and conditions of living in one of our care homes before moving in. Make sure you are clear about the fees that you or your relatives will have to pay and the care package you will receive. We require everyone to have a signed contract before coming to live in one of our homes.

Our contracts are approved the Plain English Campaign.

Health Literature Line

For helpful Department of Health leaflets, including 'NHS Funding Care in Nursing Homes'.

Call 020 7210 4850

Web www.dh.gov.uk

A Charity providing Exceptional Residential, Nursing, Respite & Day Care

ASTELL HOUSE

Overton Park Road, Cheltenham
Gloucestershire, GL50 3BT
01242 529 012 / astell@lilianfaithfull.co.uk

FAITHFULL HOUSE

Suffolk Square, Cheltenham
Gloucestershire, GL50 2DT
01242 514 319 / faithfull@lilianfaithfull.co.uk

RESTHAVEN

Pitchcombe, Stroud
Gloucestershire, GL6 6LS
01452 812 682 / resthaven@lilianfaithfull.co.uk

ROYAL COURT

Fiddlers Green Lane, Cheltenham
Gloucestershire, GL51 0SF
01242 221 853 / royalcourt@lilianfaithfull.co.uk

ST FAITH'S

Malvern Road, Cheltenham,
Gloucestershire, GL50 2NR
01242 240 240 / stfaiths@lilianfaithfull.co.uk

UPLANDS

All Saints Centre, Upper Springfield Road
Stroud, GL5 1TF
01453 759 388 / uplands@lilianfaithfull.co.uk

SECRET GARDEN HUB

Faithfull House, Suffolk Square
Cheltenham, Gloucestershire, GL50 2DT
01242 506 121 / secretgarden@lilianfaithfull.co.uk

CATHERINE BALL HOUSE

Catharine Ball House, 24 Shurdington Road,
Cheltenham, GL53 0JB
01242 500 414 / mailbox@lilianfaithfull.co.uk

HEAD OFFICE

Lilian Faithfull Care, Head Office, Ground Floor West,
Festival House, Jessop Avenue, Cheltenham, GL50 3SH
mailbox@lilianfaithfull.co.uk

LILIAN FAITHFULL CARE

If you have any questions about our care homes or day hubs please do not hesitate to contact us or find out more on our website:

www.lilianfaithfull.co.uk