

Factsheet

Information for people paying their own care home fees



Information for people paying the full cost of their care home fees.

Choosing a Care Home

Choosing a care home to live in is an important decision and we want to give you as much help as possible. This factsheet provides information which will help you make suitable decisions for your long term care needs.

As a self-funder you can purchase your own care without any involvement from Durham County Council. You are however entitled to advice and support to find a suitable care home which provides the right level of care. A care and support assessment by a social worker or Care Co-ordinator can be requested and will identify the level of care you require. Information will be shared with you about the type of care home you require and a list of suitable care homes will be provided.

Information for Self Funding Residents

The regulations around Council funding for people who are considering living in a care home can be extremely complex. However you will be a self funder if the following applies:-

If you have enough income to pay for your care home fees yourself, you will be a self-funder.

And/or

If you have capital, savings or assets above the capital limit (£23250) you will be a self funder. This limit is reviewed in April each year by the Department of Health.

In both cases you will usually need to arrange your own contract with the care home. Some types of savings or assets (including property) may be disregarded and it could be in your interests to ask for a financial assessment to be undertaken by the Council to determine whether you are a self funder or not. During the financial assessment we will advise you on the treatment of your particular savings/investments/assets for the purposes of determining whether you are a self funder or whether you qualify for support through the Council arranging your care for you.

If you require a financial assessment, you will need to contact the Financial Assessment Team on the number at the bottom of this factsheet. The financial assessment can be done over the telephone and we will write to you to arrange an appointment, advising you of the information you will need to have available. We would advise you to be accompanied by your carer or a family member.

Assessment of need

You have the right to an assessment of your care needs, no matter how much money you have. This assessment will help clarify the type of care that is needed and the options to meet your needs. Some care homes provide nursing care. The need for nursing care would be assessed by a registered nurse and if this was required the NHS would provide funding for this element of your care needs, even if you are a self-funder.

Some people may qualify for NHS Continuing Health Care if they meet specific specialist criteria. A joint assessment with Health is required to decide whether the criteria is met. Eligibility for CHC is not dependant upon financial circumstances.

What will it Cost?

For people who are self funding, it will be a private arrangement between you and the care home and we cannot interfere. It is very important that you find out the following from any care home that you are thinking about living in:-

- What are the weekly fees?
- Are the fees payable weekly or monthly?
- Are the fees payable in advance or in arrears?
- What extras might you have to pay for?
- How often is a fee increase is likely?

Self funder rates can vary from home to home and could be different from the rates paid by the Council for people who are placed on the Council's contract with the provider.

Please note that as a self funder you will be eligible to make a claim for Attendance Allowance/Disability Living Allowance/Personal Independence Payment(PIP), ally at the higher rate, if you haven't already done so. You should inform the Department for Works & Pensions immediately of your move into residential care and that you are fully funding your care. You should make a request that they forward you an application form if you are not already receiving one of these benefits.

When is financial support available to you?

If you are a self funder, in most cases, you must contact the care home directly to arrange to pay your care home fees.

There are exceptions to this, for example if you lack the mental capacity to take decisions and if you do not have a family member or someone else with legal authority (Deputy) to make these decisions for you and no one knows if you have over the upper capital limit (currently £23250) in capital and assets. If this is the case, the Council will pay the fees to the care home on your behalf and recover any outstanding contribution towards your charges from your Deputy once they have been registered and your financial situation becomes known.

Once private/panel deputyship is registered, if it is clear that you have over the upper capital limit (currently £23250) in capital and assets you would no longer remain on the Council's contract and the Deputy will be required to pay any outstanding fees to us and contact the care home to make private arrangements with them on your behalf. The care home fees may be higher than the Council's contracted rate and the care home may pursue you for the difference between the Council's contracted rate and their self funder rate. We cannot interfere with this as it is a matter between you and your care home provider.

Once your savings are close to the Council's £23250 capital limit, you may wish to apply for assistance from the Council towards the cost of your care. An assessment of need will be necessary to ensure that your needs are being met appropriately by the care home placement. It is important that you inform us three months in advance of your savings, capital and assets falling below the capital limit.

You must be aware that when the threshold is met for taking over the payments the Council will not guarantee funding the same arrangements. You may have to move to a different room, a different part of the care home (e.g. from a nursing unit to a residential unit) if you have been assessed as not having nursing needs or even to a different care home. You may need to consider a top up fee, which has to be paid by a third party

and not from your remaining savings or income. In line with statutory duties the Council will always ensure that your care needs are met and consider individual circumstances before making a decision.

Please be aware that if, at the time of your application for council funding, the actual capital held is significantly less than we would expect, we may seek evidence of any expenditure incurred. This is because we must ensure that the reduction in capital was not for the purpose of avoiding care charges.

Will I have to sell my house?

If you are assessed as eligible for permanent residential care and you have a property and your other capital is valued at less than £23,250 the value of your property will usually be taken into account in the financial assessment.

If you have capital valued at more than £23,250 you will not be required to sell your house whilst your capital is still above this limit. You will be a self funder.

Sometimes the value of a person's home is not taken into account, for example when a partner or dependent relative continues to live there.

The council also has discretion to ignore the value of the property where someone continues to live there and does not meet the criteria above.

The value of your property will be ignored if your stay in a care home is only temporary and it is expected that you will return home. A temporary stay is usually expected to be less than 52 weeks.

If the value of your property is taken into account in the financial assessment it will be ignored for the first 12 weeks of your permanent stay in the care home. This will only apply if you do not have enough weekly income to pay the fees or other assets/savings sufficient to qualify as a self-funder.

During the 12 weeks property disregard the council will only ask you to pay a contribution based on your income and other assets/savings and will meet any difference between that amount and the fee that the council has agreed to pay for your care. After the 12 week period the value of your home will be taken into account in working out how much you should pay.

If your property is taken into account in the financial assessment you have a number of options:-

- ☐ If you do not wish to sell your property during your lifetime you may choose to apply to sign up to a Deferred Payment Agreement. Effectively this agreement offers you a loan from Durham County Council, from which you would be required to pay your care home fees. A legal charge would be placed on the property. If you do not sign the relevant legal agreement you will not be able to access this support.
- ☐ You may choose to rent out your property, which together with your other income and savings could give you enough income to cover the full cost of your care.
- ☐ There are various equity release products which may be suitable for your personal circumstances. You would need to discuss this with a financial advisor.
- ☐ A family member may choose to pay some of the costs of your care for you.
- ☐ You may decide you wish to put your house up for sale in which case you will need to either apply for a loan under a Deferred Payment Agreement or contact the care home to make private arrangements. Please note that the care home fees may be higher than the council's contracted rate.

You should take independent financial and legal advice to help you decide which course of action will be financially better for you.

You can obtain further information and advice from our Factsheet “Information for people moving into Residential or Nursing Care” which can be accessed from our website www.durham.gov.uk.

Will I have a contract with the Care Home?

You will be given a contract to cover your stay at your chosen care home. The Citizens Advice Service can provide you with help with the wording of your contract or if you are not sure about any of the terms including terms which:

- ☒ Seek to exclude the care homes legal liabilities
- ☒ Impose unfair penalties, restrictions or obligations on you, or if you are unclear about what you have to pay

You can contact the Citizens Advice Service on either of the following:

Telephone Number 03454 040506

Website www.citizensadvice.org.uk

Financial Assessment Team

Resources

PO Box 257

Stanley

DH8 1GL

Tel: 03000 268232

www.durham.gov.uk

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Please ask us if you would like this document summarised in another language or format.

03000 268232