

Saga Care Funding Advice Service - Essential Facts 3

State support when funding care

This factsheet aims to explain the main state support available if you require residential care, and whether the state will help fund your care costs. You should, however, obtain professional advice and not rely solely on the information in this factsheet. Whether or not you are ultimately responsible for funding your care will usually depend on the outcome of the local authority financial assessment.

The local authority financial assessment

If you are assessed as needing permanent residential care, then in most instances you would be expected to fund your care privately if you have assets over the upper means test level. This includes most savings and investments, 50% of any joint savings and can also include property. Only the assets of the person needing care can be means tested.

With regards to your main residence, whilst a spouse or a relative over 60 is still living in your property then this is automatically excluded from the means test, so only other savings and investments would be taken into account. Any personal possessions would be disregarded. At present the means test levels in the UK are as follows:

	England	Scotland	Wales	N.Ireland
Upper Level	£23,000	£22,500	£22,500	£23,000
Lower Level	£14,000	£13,750	£20,750	£14,000
Personal Expenses	£21.90	£21.90	£22.00	£21.90

2009/2010 figures

State funding

If your assets are beneath the upper means test level, then the amount the local authority will agree to fund will depend on your care needs, your income and your assets.

If your assets are beneath the lower means test level and you have been assessed as needing permanent residential care, then all capital is disregarded and you will receive maximum funding from the local authority. The level of funding is based on their standard cost of care, which is set depending on how much it would cost to provide the assessed level of care in their area. This would not necessarily cover the full cost of your care home if you choose a home where fees are higher than this standard rate.

You will be expected to contribute your income towards your care and this will be deducted from the amount the local authority agrees to pay. You will be allowed to retain a personal expenses allowance each week, as outlined in the table opposite, for your own personal spending. Also, your spouse would be entitled to keep 50% of any private pensions.

If your savings are between the two means test levels, then you will also be expected to contribute some of your capital towards your care. This is known as a tariff income and is calculated at a rate of £1 per week for every £250 or part thereof over the lower means test level. This tariff income is then added to your other income and taken off the amount paid by the local authority.

Saga Care Funding Advice Service - Essential Facts 3

Third party top-ups

You are entitled to choose your own care home and, so long as it can provide your assessed level of care and has a vacancy, the local authority is obliged to make their payments to your chosen home. However, they need only make payments up to their standard level and should your chosen home cost more, then it would be necessary to find a third party, such as your family, to top-up the difference. You are not able to top-up your care from your own assets.

This is the only instance when the local authority can ask for third party payments to be made. If the local authority has placed you in a home or if there are no vacancies available at the local authority funded rate then they must pay the extra.

State benefits for self-payers

If the financial assessment finds that your assets are over the upper means test level, you will be expected to meet your care home fees in full. However, there are some state benefits available that might help. The main benefits are outlined below:

Attendance Allowance / Disability Living Allowance

Attendance Allowance is a tax-free, non-means tested benefit that is paid to those over 65 years old who have a care need. The amount is paid on one of two levels depending on whether care is required during the day **or** night or during the day **and** night. The lower level is currently £47.10* per week and the higher level is £70.35* per week. If you feel that you would be

eligible for this benefit then contact the Benefits Enquiry Line on 0800 882200 or visit www.direct.gov.uk in order to apply.

Please note that if you are under 65, you would be eligible for Disability Living Allowance rather than the Attendance Allowance. With the Disability Living Allowance, the support is paid in two segments; care and mobility. The care component is similar to the Attendance Allowance, but there is also an even lower level available of £18.65* per week. The mobility component is paid if you require help getting around, with two levels available – £18.65 and £49.10* a week depending on your needs. If you are receiving Disability Living Allowance before the age of 65, you will continue to receive this after your 65th birthday.

Personal Care Allowance (Scotland)

If you are assessed as requiring personal care in Scotland, you should receive a Personal Care Allowance of £153* a week. If this is received, your Attendance Allowance would be stopped.

12 week property disregard

If you have been assessed as requiring permanent residential care, under the current rules the value of the main residence should be excluded from the means test for 12 weeks.

Effectively, this means that if your other assets are beneath the upper means test level, the local authority should be helping to pay towards care during this period. At the end of the twelve weeks, you would be responsible for fully funding your own care. Please note that your Attendance Allowance or Disability Living Allowance would be stopped during this period.

*2009/2010 figures

Saga Care Funding Advice Service - Essential Facts 3

If you have savings that fall beneath the upper means limit after 12 weeks of care and still own a property then you should qualify for this support at this point.

NHS funded nursing care

If you are assessed as requiring nursing rather than residential care, you should also be eligible for NHS funded nursing care.

This is a fixed amount per week that is paid directly to the nursing home to be set against the fees. The current weekly rates are as follows:

England	Scotland	Wales	N.Ireland
£106.30	£69	£119.66	£100

If you are receiving local authority funded care, you would still be eligible for this support but this contribution would be deducted from the local authority part of the fees rather than your own.

NHS continuing nursing care

If your health needs are of a sufficiently complex and unstable nature, it is possible that you may be eligible for continuing nursing care. This means that the NHS will pay for your stay in a nursing home, without carrying out a financial assessment.

Historically it has been very difficult to assess who was eligible and this would vary from county to county, but from 1 October 2007 the Department of Health issued new eligibility criteria that has to be used by all Primary Care Trusts in the hope of making entitlement fairer. This assessment is carried out using a decision support tool that must be used by all English counties. The decision support tool can be viewed at www.dh.gov.uk.

Section 117 aftercare

Section 117 of the Mental Health Act 1983 states that the local authority is responsible for arranging continuing care and support for anyone who has been detained under sections 3, 37, 47 or 48 of the act. This support will finish when the local authority is satisfied that the person concerned is no longer in need of these services.

If permanent residential care is required and you are still deemed to require this continuing aftercare, the local authority should still be responsible for meeting the costs of care, regardless of means.

Thank you for contacting
Saga Care Funding Advice
Service. If you have any
further queries on paying
for long term care,
call us on

0800 056 6101
saga.co.uk/ltc

Saga has made every effort to ensure that the information contained in this factsheet is correct. However, we cannot be held responsible for any omissions or inaccuracies. You should always seek professional help and advice, such as that offered by the Saga Care Funding Advice Service, when considering your options.

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