



# Saga Care Funding Advice Service **Essential Facts**



**Care Funding Advice Service**  
provided by HUB Financial Solutions Limited

## Contents

Choosing the right type of care .....	3
Finding the right care home.....	5
State support when funding care .....	7
When do you qualify for financial help?.....	10
Private funding – how much money do you need and for how long? ....	11

## Choosing the right type of care

How and where you receive the care that's best for you will mainly depend on the type of help you need, and how much. You might only need assistance with your personal care, such as washing, bathing, dressing or preparing meals. On the other hand, perhaps you have a medical condition that means you need a little more specialist help or a degree of nursing care.

For advice on the type of care most suited to your circumstances, the first port of call should be your Local Authority. Phone your local Adult Services office for an initial conversation about your care needs and advice about what services may help you. If your needs are extensive, they should arrange for a Care Manager to have an in-depth look at your situation. This is referred to as an assessment of your needs. You might want to ask a friend or relative to be involved in these discussions, which will undoubtedly involve the following questions:

- What do you need help with?
- How much do you need?
- Is the need likely to increase or is it only temporary?

In answering these questions, try to be objective while taking into account your personal feelings and preferences when you consider the care options available.

### Care in your own home

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In common with many other people, care in your own home may well be your preferred option. Here you will be in familiar surroundings, but practical and safety issues such as stairs or a remote location could make it unfeasible. However, if a few home adaptations and aids

are enough to make things easier, you might be able to manage perfectly at home with help for a couple of hours a day.

If you only require a minimal amount of care, receiving it at home could be a cost-effective option.

### Sheltered housing

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If you are still relatively independent, but like the idea of being able to call for assistance when you need it, sheltered housing may be a suitable option. This provides private accommodation, purpose-built for older people, with your own bedroom, lounge, kitchen and bathroom. Communal areas such as stairs and gardens are maintained for you, and additional facilities - such as a shared lounge or visitors suite - are sometimes included.

Although you live independently, usually an on-site warden can be summoned 24 hours a day via an emergency call system. They can help with any difficulties you experience, from a simple saucepan boiling over to a medical emergency.

Sheltered housing is available to buy or rent, but both will involve a charge to cover the cost of the warden and communal services such as gardening, property maintenance and window cleaning. The price depends on the location and the level of service provided.

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## Care villages

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Although care villages are relatively new in the UK, they are increasing in popularity. They are usually purpose-built sites that combine the independence of sheltered housing with a wider range of services (and possibly a care home) on the same site. This means that you can live independently, while being able to take advantage of the extra support, facilities and social activities available.

## Care homes without nursing care

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Residential homes are now known as 'care homes without nursing care'. As the name suggests, these homes provide accommodation, meals and extra help, such as assistance with bathing and dressing. While they will always have care assistance available, they do not generally provide nursing care for medical conditions. Instead, they have access to a local GP and some of the staff might have elementary training in first aid.

Accommodation is usually provided in a single (or sometimes twin) bedroom, with bathroom and WC facilities shared with other residents. As meals and drinks are provided, access to kitchen facilities is not usually possible - although facilities do vary from home to home. Further benefits may include the services of visiting chiropodists and hairdressers, and even opticians or hearing aid technicians.

Care home fees depend on the level of care required and the facilities and services available, and vary across the country. As an indication, the national average is £31,200 per year\*.

\* Laing & Buisson Care of Elderly People UK Market Survey 2016-17. Figures represent weighted average (single and sharing) fees.

## Care homes with nursing care

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These care homes were previously referred to as 'nursing homes' and, in most respects, they provide the same services as care homes without nursing care - except that they have professional registered nurses in attendance. So, in addition to providing accommodation, meals and personal attention from care assistants, they can also cater for a much wider variety of nursing needs. Some might even specialise in nursing specific illnesses.

These care homes are generally more expensive than care homes without nursing care. The average annual cost of care across the UK is £43,732\*, although this varies by region.

## A second opinion

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When considering the right kind of care, you might find it reassuring to have a second opinion that you value. So even if you already have a preference, it's a good idea to discuss the options with your family and friends as well.

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## Finding the right care home

It's a big decision to go into residential or nursing care, and not one that's always easily made. There will be lots of issues to consider, but the whole process will be easier if you can try to keep viewing it as a positive step.

The most important thing to keep in mind is what you are looking for - the care you need, at a price you can afford, in a home that's right for you.

### Care standards to reassure you

It's natural to be concerned about how well you will be looked after in any particular home, but you can rest assured that there are defined guidelines about the standards of care you can expect and these are strictly monitored.

Whether a care home is run by the Local Authority, a voluntary organisation or a private company, it has to be registered and regularly inspected to ensure it meets the standards defined by the Government.

There are five essential standards, which cover all aspects of living in a care home:

- How people are looked after
- How their money and medicines are handled
- Their right to privacy and dignity
- The physical environment, such as heating and lighting
- Standards of meals, activities and staff.

There also has to be a complaints procedure so that, if anything is wrong, it can be put right. You can obtain a copy of the inspection report for any particular home from the Care Quality Commission ([www.cqc.org.uk/content/care-homes](http://www.cqc.org.uk/content/care-homes)).

### Your choice of home

You can choose which home you go into, even if your care will be funded by the Local Authority and is in a different part of the country, as long as:

- A place is available
- The home is suitable for your assessed needs
- It is run according to the Local Authority's conditions
- It does not charge more to care for your needs than the Local Authority would expect to pay, unless you are able to pay the difference (known as topping up/a top up fee).

### Further information

Care Quality Commission

Telephone: 03000 616161

Website: [www.cqc.org.uk](http://www.cqc.org.uk)

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## Simple steps to help you find the home that's right for you

### Step 1 – Research

Your Social Services department should be able to give you a list of care homes in your area with information about them. If you are moving further afield, you will be able to get information from your care standards authority, or your local library may have directories of care homes nationally. The internet is a good source of information if you, or someone you know, has access to it. You could also try asking around, as your doctor, social worker, friends or relatives may be aware of some good homes. Personal recommendation can be very valuable, but don't forget that it's your needs that matter, and what suits someone else isn't necessarily right for you.

If you are eligible for Local Authority funding, you can still choose a care home whose fees are above the levels that the Local Authority will pay but only if there is a third party (such as your family) willing to pay the extra.

If you are required to pay for your own care, the Saga Care Funding Advice Service team of specialist advisers can assess the long-term affordability of your chosen home by helping to determine your total income and expenditure, including applicable state benefits, and the various options available to ensure you make best use of your assets.

### Step 2 – Getting down to detail

Ask for brochures from the homes you might be interested in. These should make it clear what level of help is provided and how they meet residents' care needs. Reading them will give you an idea of what the home is like,

and help you make a shortlist of those you'd like to visit. It will also help you identify the considerations that are most important to you.

Once you've decided which ones you'd like to visit, make an appointment and try to take along a friend or relative for a second opinion. Before you go, think about any questions you'd like to ask and try to visit a few before making up your mind. If you are planning to give up your house and move into a care home, don't make a hasty decision. When you have found what you think is the right home, consider arranging a trial period there. You could possibly book a short stay of a few weeks and then return home to consider your decision.

Alternatively, arrange to move into the home on the understanding that the first four weeks are to be a trial period and that, if you are not happy at the end of this time, you can leave giving a week's notice.

Once you are confident that you will be comfortable with the home you have chosen, ensure that you have a written agreement about the terms of care you are buying. If you make your own arrangements, obtain a contract or resident's agreement before you make a commitment to stay. This should confirm exactly what you will be paying and what that charge covers. You will also need to be clear about any extra costs and how and when the price will be reviewed.

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## State support when funding care

Here we aim 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 this information. 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, and you have assets over the upper means test level, then in most instances you would be expected to fund your care privately.

At present the means test levels in the UK are as follows:

	England	Scotland	Wales	N.Ireland
Upper means test level	£23,250	£26,250	£30,000	£23,250
Lower means test level	£14,250	£16,250		£14,250

2017/2018 figures

This includes most savings and investments, 50% of any joint savings and can also include property.

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.

Only the assets of the person needing care can be means tested. There are other circumstances where property and savings may be disregarded, so seek specialist advice if you are unsure.

### State funding

If your assets are beneath the upper means test level (see table in previous column), 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 should be entitled to 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.

Whatever your assessment, 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 below, for your own personal spending. Also, your spouse would be entitled to keep 50% of any private pensions payable to you.

	England	Scotland	Wales	N.Ireland
Personal Expenses	£24.90	£26.40	£26.50	£24.90

2017/2018 figures

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If your savings are between the upper and lower 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.

### 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, it may be necessary to find a third party, such as your family, to top-up the difference.

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 (the Local Authority) must pay the extra.

### State benefits for self-funders

If the financial assessment finds that your assets are over the upper means test level, you will normally be expected to meet your care home fees in full until your assets fall to or are equal to this upper means test level. However, there are some state benefits available that might help.

### **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 £55.65\* per week and the higher level is £83.10\* per week. If you feel that you would be eligible for this benefit you should contact the Benefits Enquiry Line on 0800 882200 or apply online at [www.direct.gov.uk](http://www.direct.gov.uk)

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 £22.00\* per week. The mobility component is paid if you require help getting around, with two levels available – £22.00 and £58.00\* 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 £171\* a week. If this is received, your Attendance Allowance would normally be stopped.

### 12 week property disregard

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

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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 (care component) would be stopped during this period.

If you have savings that fall beneath the upper means test limit after 12 weeks of care and still own a property then you should qualify for this disregard 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
£155.05 <sup>†</sup>	£78	£148.01	£100

Figures correct at June 2017.

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.

<sup>†</sup> £213.32 for those who were on higher rate NHS funded nursing care when changed to single band in October 2007.

### NHS continuing healthcare

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

To ensure fairness across England, all Primary Care Trusts must use the Department of Health's eligibility criteria and decision support tool when assessing who is eligible for continuing healthcare.

### 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.

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# When do you qualify for financial help?

Do you have more than £23,250\* in assets or savings?

'Assets' may include the value of your home and any savings. (Do not include your home if it is lived in by your partner; a relative who is over 60 or incapacitated; or a dependent child under 18.)

**NO**

Ask your Local Authority's Social Services department for an assessment of your care needs.

The Local Authority should pay towards your care costs as long as the care home you choose is able to meet your assessed needs and does not cost more than they would normally pay for such care.

However you are still likely to be expected to contribute from your income. You can opt for a more expensive care home if there is a third party who can top-up the Local Authority's funding on a long-term basis. You are not allowed to pay the difference yourself if your assets are below £23,250\*.

**Seek specialist advice.** To make sure you get all the financial help you are entitled to, it is important to take specialist advice.

## Allowances and contributions

Attendance Allowance and Care Contribution are available to all eligible claimants regardless of assets.

**Attendance Allowance** is a non-means tested benefit that pays differing amounts

depending on whether you need care during the day, night or both.

**NHS Nursing Care Contribution** is paid if you move into a nursing home. It is paid direct to the home.

**YES**

Ask your Local Authority's Social Services department for an assessment of your care needs.

The Local Authority can help you with the first twelve weeks' care costs if you are assessed as needing care in a care home and your assets, minus your home, are less than £23,250\*.

**Seek advice.** To make sure you get all the financial help you are entitled to and to find out the best way to pay for your care, it is important to take specialist advice. Call the Saga Care Funding Advice Service, provided by HUB Financial Solutions, on 0800 015 0991.

\*England/Northern Ireland only

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## Private funding – how much money do you need and for how long?

Using the ‘Additional income calculator’ below, firstly calculate your annual income and the annual cost of the care you need. The difference between the two is the additional income you need to generate.

Next look at your assets, including your savings and investments, and the equity in your home if it is included in the means test. The challenge you face is how best to use those assets to generate the extra income you need for as long as it is required – and how to do so whilst trying to protect as much of the capital as possible at the same time.

Just as everyone’s situation is different, there is no ‘one-size-fits-all’ solution. What is important is to know what the possibilities are, so you can identify those that might be appropriate for you. The Saga Care Funding Advice Service has a team of specialist care funding advisers who would be able to explain the issues in full and discuss the most appropriate options to suit your individual needs.

By completing the form below, you can use it as an ‘at a glance’ guide to the potential additional income required, should you need to speak to an adviser.

### Additional income calculator

	Example	Your details
Annual cost of care	£43,732	£
Personal spending	£2,600	
Total spending	£46,332	
Annual income	£20,000	£
Additional income required (shortfall) (Total spending minus Annual income)	£26,332	£
<b>Assets</b>		
Savings/Investments	£15,000	£
Equity in your home	£85,000	£
Total assets	£100,000	£

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Lines are open 9am-5pm Monday to Friday.  
Calls may be monitored or recorded.

**[saga.co.uk/ltc](https://www.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 for paying for care.

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