

THE FINANCIAL ASSESSMENT

FOR CARE AT HOME SERVICES

INTRODUCTION

- This summary is to help you understand how the financial assessment works.
- It is **NOT** meant to cover all circumstances or to enable you to calculate your charge (or deducted contribution if you are using direct payments).
- In this leaflet 'you' refers to the person who is receiving services/help.

- What people pay for care at home depends on their financial circumstances, and everyone's charge (or deducted contribution for direct payments users) is worked out individually after a financial assessment.
- We only take into account the income and expenses of the person getting care, not those of their husband, wife, partner, son, daughter, or carer. The value of any jointly held funds is split equally between holders.

- Whenever an assessment is carried out a family member, friend or other representative can be present.

HOW THE FINANCIAL ASSESSMENT WORKS

- We ask you for details of your weekly **income** and **outgoings**.
- The income left after all outgoings and expenses have been met is called your '**disposable income**'.
- We base any **weekly charge** (or **deducted contribution** if you are using direct payments) on a percentage of this disposable income.

WHAT COUNTS AS INCOME?

- any pensions
- any income support
- some benefits (for example, attendance allowance or disability living allowance, excluding mobility allowance)
- some income from other sources, such as actual interest from building society accounts or other investments (this changes on 1 January 2007: see page 4)

Income does NOT include any earnings from paid employment.

OUTGOINGS

Allowances to cover living expenses

- **An allowance for general living expenses**

The government sets standard allowances for us to use, which are linked to benefit levels. An individual's allowance varies according to age, disability, and circumstances, and when it is worked out, a further 25% is added.

- **The actual cost of rent or mortgage payments**
- **Actual council tax payments**

Disability related expenses (DREs)

If you have extra expenses because you are frail, ill or disabled, we deduct amounts from your income to take these extra outgoings into account.

We ask for general proof of the amounts that you are spending on these items, and need is checked against the care plan agreed by the care manager.

Disability related expenses are allowed for

- special clothing or footwear / costs of wear and tear
- domestic help (for example, cleaning, shopping etc)
- maintenance of equipment not supplied and maintained by Adult Services (powered bed, hoist, powered reclining chair, stairlift, wheelchairs)
- special diet for medical reasons
- gardening
- extra heating for medical reasons
- home maintenance (work to maintain a user's home in good order that they can't do because of age or disability – but not work that would normally be done by a professional, such as roof repairs)

- incontinence aids / laundry / replacement bedding
- privately bought lifeline/alarm system
- medication not provided by the NHS
- personal care arranged privately
- transport costs if not covered by the mobility component of DLA or available from Adult Services
- metered water if extra water is used for medical reasons
- disability related equipment bought privately
- other extra costs (for example, costs incurred when going on holiday that are directly attributable to disability or illness)

CALCULATING A WEEKLY CHARGE

We ask for proof of the figures you give us, including receipts for things claimed as disability related expenses (for example, the cost of domestic help).

Outgoings are set against income to give your weekly disposable income.

- **If you are assessed as having NO disposable income**, you are NOT asked to make a contribution to the cost of your care.

People who get services arranged by the County Council get free services.

People who get direct payments from the County Council to buy their own care are paid the gross hourly rate for the care they buy.

- **If you are assessed as having SOME disposable income**, you are asked to make a contribution to the cost of your care.

People who get services arranged by the County Council have a weekly charge. Their weekly charge is worked out as the current hourly rate for care up to a maximum of 75% of their weekly disposable income. From 31 July 2006 this will rise to a maximum of 95% of their weekly disposable income.

People who get direct payments from the County Council to buy their own care have a weekly contribution deducted from their payment. This deduction is currently up to a maximum of 75% of their weekly disposable income. From 31 July 2006 this deduction will rise to a maximum of 95% of their weekly disposable income.

‘A maximum of 95% of disposable income’ does not mean that your charge (or deducted contribution if you are using direct payments) would necessarily be 95% of your disposable income. If you get only a small amount of care each week, the weekly charge (or deducted contribution) may be less than 95% of your weekly disposable income.

CHANGE TO BE IMPLEMENTED ON 1 JANUARY 2007

The way we take savings, capital and investments into account in the financial assessment will change on 1 January 2007

- Savings/capital/investments below £12,750 will be ignored.
- If you have over £21,000 in savings, capital and/or investments you will be expected to pay your assessed weekly charge in full (calculated at £13.32 for each hour of care you receive) OR if you are using direct payments, no longer receive funding to employ an assistant.
- The weekly income from savings, capital and/or investments between £12,750 and £21,000 will be calculated as a notional (tariff) income of £1 per £250, rather than as the actual income received.

Examples of what is counted as savings, capital and investments

- Money in the bank, building society or national savings accounts
- Cash over £250
- Stocks and shares
- Premium bonds
- National savings certificates and bonds
- TESSAs PEPs, ISAs etc
- Certain types of other capital, such as capital held abroad
- The value of second properties
The value of anything that is jointly held (for example, bank or building society accounts) would be split equally between all holders.

NOT HAVING A FINANCIAL ASSESSMENT

You can choose not to have a financial assessment, but

- if you are receiving services, this would mean that you would pay your assessed weekly charge for your care in full

OR

- if you are using direct payments, this would mean that you would not receive a payment from the County Council for your care.