



Doncaster
Council

Fact Sheet

Financial Assessments

This Fact sheet has been written to help you understand how we work out if you may be entitled to any financial assistance from Doncaster Council towards the cost of your social care and how much you will be expected to contribute from your own money. This is called a Financial Assessment. If you do not understand anything within this document, please contact us. Details of how to contact us are at the end of this. The Fact Sheet covers:

1. Financial Assessments for Residential Care
2. Financial Assessments for Non-Residential Care/Personal Budgets
3. Financial Assessments for temporary respite care
4. Paying for your care
5. How to contact us

What information must be provided for the financial assessment?

We need details of your income, savings and capital assets in order to work out if you qualify for any financial help from the Council. If you choose not to tell the Council about your finances, it will be assumed that you can afford to pay the full cost of your care and support from your own means and you will not be entitled to any financial support from Doncaster Council.

How much capital can I have and how will it affect what I have to pay?

For the year 1 April 2019 to 31 March 2020, the capital limit set by the Government is **£23,250**. If you have savings and capital, of £23,250 or more, you will have to pay the full cost of your care. As well as capital held in a bank account, the following assets will be included on your financial assessment:

- The value of a former home (but see further information about 'How are properties treated?')
- The value of any second property that you own
- Any other investments such as stocks, shares and premium bonds

Please note that the above list is not exhaustive.

Any capital you have up to £14,250 is not taken into account in your financial assessment.

If you have capital between £14,250 and £23,250 we have to include a set weekly amount as part of your income when we are looking at whether you qualify for any financial assistance from the Council towards your care and support. This is called tariff income. Tariff income is set at £1 per week for every £250, or part of £250 that you have over £14,250. For example, if you have capital of £15,000, we include £3 a week tariff income.

Funeral Plans

Up to £5,000 of the value of a funeral plan, taken out with companies regulated by the FCA or registered with the Funeral Planning Authority, will be ignored on the financial assessment. If a funeral plan has a value that is higher than £5,000, the difference will be included, as capital, on the financial assessment.

Deprivation of assets

This is where a person has intentionally given away or reduced their assets in order to reduce the amount they have to pay towards their care. Although it is recognised that people should be able to spend the money they have saved as they wish, it is important that people pay the contribution to their care costs that they are responsible for, based on their means. This is important to the overall affordability of the care and support system because income collected from social care charges is reinvested in services.

Doncaster Council will investigate the circumstances that have led to someone's capital or income being reduced and will consider:

1. Whether avoiding or reducing the care and support charge was a significant motivation for reducing overall assets (capital, property, income).
2. The timing of the reduction.
3. Whether, at the time assets were reduced or disposed of, there was a reasonable expectation that someone would ask for financial assistance towards care and support needs.

Councils have the power, under the Care Act 2014, to treat people who have given away assets, as still owning them. This means that if the above criteria apply, Doncaster Council will still include these assets on the financial assessment. Councils also have the power to recover any unpaid care charges from the recipient of gifts.

Pension flexibilities

Government reforms to defined contribution pensions came into effect in April 2015 and mean that individuals will be allowed to access their pension savings from age 55. We will need to see evidence of the value of any pension and whether any has been cashed in or whether an income is drawn from it. We can include income, which has been given up in exchange for a cash sum, on the financial assessment. It is also possible for us to include income that can be claimed but is not yet in payment. The circumstances of each case will be investigated and further information can be provided on this matter if necessary.

1. Financial Assessments for Residential Care

Except in the case of an emergency placement, we will normally provide a pre-placement estimate to you or your representative before your placement in a home is authorised. This will advise you how much you will have to pay towards your care home fees.

Income

Some income is not taken into account in a financial assessment for Residential Care. The following income is ignored:

- The mobility component of Disability Living Allowance or Personal Independence Payment
- Certain compensation payments such as criminal injuries
- A Personal Expenses Allowance (this amount is set by the Government and is reviewed each April). It is intended to be used for things like clothes, stamps, toiletries, etc. It is currently set at **£24.90** per week
- Up to £5.75 of Pension Savings Credit (subject to annual uprating)
- Certain parts of some war pensions

We take into account all other income you receive and also any income you could get but choose not to apply for. The financial assessment process includes helping you claim any extra benefits you may be entitled to.

How are properties treated?

If your stay in residential care is permanent, any properties you own (including your former home) are treated as a capital asset. In most cases, this means you will have to pay the full cost of your care, if the property is worth more than the upper capital limit of £23,250. If we ask you to provide a valuation of your property we will accept a valuation provided by a local estate agent who has visited your property.

The value of your property will **not** be taken into account for the first 12 weeks of your stay in residential care. Also, the value of the property may not be taken into account at all if it was occupied before you moved into care by:

- Your partner
- A lone parent who is your estranged or divorced partner
- A member of your family who is
 - Aged 60 or over
 - Is your child and is under 18 years of age
 - Is incapacitated and receiving disability benefits

The value of your property will be included in your Financial Assessment from week 13 of your stay at the care home. If your other assets are below £23,250, the Council will only contract with the Care Home on your behalf for the first 12 weeks of your stay unless you enter into a Deferred Payment Agreement (see below).

The Deferred Payments Scheme

The Deferred Payments Scheme is designed to help you if you have been assessed as having to pay the full cost of your residential care but cannot afford to pay the full weekly charge immediately because most of your capital is tied up in your home. Signing up to a Deferred Payment Agreement enables Doncaster Council to effectively offer a loan to pay towards your care fees using the value of your home as security. The Council will either pay an agreed part of your weekly care and support costs for as long as is necessary or loan you the money needed to meet the shortfall. This means you do not have to sell your property to pay for your care during your lifetime if you do not want to.

Eligibility for the Deferred Payment Scheme

You will be able to apply for the scheme if you:

- Have capital (excluding the property) of less than £23,250.
- Have been professionally assessed as having eligible care needs that will be met through the provision of permanent residential /nursing care in a registered care home.
- Own or have part legal ownership of a property, which is taken into account in your financial assessment and for which there are no other beneficial interests registered, for example outstanding mortgages or equity release schemes, unless this is approved by Doncaster Council.
- Have your property registered with the Land Registry. (If the property is not registered, you must arrange for it to be registered at your own expense to be eligible.)
- Have mental capacity to agree to a deferred payment agreement or have a legally appointed agent willing to agree to this.

As part of a Deferred Payment Agreement, you will also need to:

- Have a responsible person willing and able to ensure that necessary maintenance is carried out on the property to retain its value. (You are liable for any such expenses.)
- Insure the property at your expense.

- Pay any regular contribution you have been assessed as able to afford from your weekly income (see below) in a timely manner. If you fail to pay this contribution on a regular basis the Council reserves the right to add this debt to the loan amount.

Please also see our separate Fact Sheet about the Deferred Payment Scheme.

PLEASE NOTE:

A deferred payment agreement is only one way to pay for care. To find out about other options available you should take independent financial and legal advice to help you decide which course of action will be financially better for you. Acceptance of any application under the scheme is subject to you meeting the criteria for entering the scheme and the local authority being able to obtain security in your property. If you are unwilling or unable to enter into the deferred payment agreement, Doncaster Council will expect the full cost invoices that it raises to be paid in full and on time.

The following websites contain useful information, including how to find independent financial advice:

www.payingforcare.org

www.societyoflaterlifeadvisers.co.uk

Third Party top-up arrangements

Every year, the Council negotiates care fees with the care homes and agrees a maximum amount that it will pay for someone's care. Some independent care homes in Doncaster charge more than the maximum amount set by the Council. In such cases, a third party would normally have to agree to top up the difference between the care home charge and the limit set by the Council before the placement could be agreed. In most cases, the person being placed in the home cannot agree to pay the top up themselves, but there are some exceptions. **We cannot include the top-up fee in the financial assessment.** Please get in touch with us if you would like more information about Third Party top-up arrangements.

Personal Expenses Allowance

Someone in residential care must be allowed to keep a minimum amount each week from their income for personal expenses such as toiletries, hairdressing, etc. This is called a Personal Expenses Allowance and the amount is set by the Government each year. When we complete a financial assessment, we deduct the Personal Expenses Allowance from the resident's income so that this amount is not taken into account when working out how much they have to contribute towards their care. It is the responsibility of the resident (or the person managing their finances) to ensure that this money is available at the care home for the resident's use.

2. Financial Assessments for Non-Residential Care/Personal Budgets

If you are eligible to receive non-residential social care services or a Personal Budget from the Council, you will be offered a financial assessment, which will include a check to make sure you are receiving all the benefits you are entitled to. The financial assessment will determine how much, if any, financial support you may be entitled to from the Council and how much you should contribute from your own money towards your care charges.

Income

Some income is not taken into account in the financial assessment. The following income is ignored:

- Earnings
- Child tax credits
- Working tax credit
- Pension Savings Credit

- The mobility component of Disability Living Allowance or Personal Independence Payment
- Night rate of Attendance Allowance or the care component of Disability Living Allowance or Personal Independence Payment (unless you receive care at night)
- Mobility supplement of War Disablement Pension
- War Widows special payments and £10 of other war widows pensions
- Certain compensation payments such as criminal injuries

We take into account all other income you receive and also any income you could get but choose not to apply for. The financial assessment process includes helping you claim any extra benefits you may be entitled to.

Allowances and Disregards

We also take extra amounts off the income we use to determine how much you should contribute towards your care and support charges:

- A Personal Disregard to ensure you still have the minimum prescribed amount left to live on after you have paid towards your care costs (this is worked out by adding the basic income support/pension credit allowance plus premiums (except for the severe disability premium) plus 25%)
- A Housing Allowance for any housing costs (net of any Housing Benefit or Council Tax Support you receive)
- Disability Related Expenses. If you receive a disability benefit, we will consider making an allowance for any of your disability expenses unless these are included in your care and support plan or are funded by other government agencies. Every person's expenses are considered on an individual basis. Only additional expenses, which are necessary, will be taken into account. Things you pay for by choice may not be considered as a disability related expense.

Working out your contribution

- Income:** Your total weekly income including income from savings (see earlier information) but net of any income we do not take into account such as Earnings
- Allowances:** **Less** your Personal Disregard and any Housing Allowance and/or Disability Related Expenses
- Disposable Income:** Equals the most you can afford to pay towards your care charges

The amount you have to contribute towards your care charges will either be your Disposable Income or the cost of your care whichever is lower.

Indicative Financial Assessment

The Financial Assessment Team can work out the maximum you may be asked to contribute towards your Personal Budget even if the amount of your Personal Budget has not yet been agreed. Once your Personal Budget has been finalised and your support plan has been agreed, you will receive confirmation of how much you will need to contribute towards your care and support.

3. Financial Assessments for temporary respite care

Respite care that is taken as part of a personal budget and is intended to give a carer a break from their caring duties will be financially assessed using the charging rules for non-residential care.

4. Paying for your care

By law, we can ask people that receive adult social care services to contribute to the cost of the services they receive. These contributions help us to continue to provide adult social care services to the growing number of people who need them. Please note that any assessed contribution applies from the start of care. This is either the date of admission to residential/nursing care or the date that non-residential care starts.

Paying your contribution towards Non-Residential Care/Personal Budget

If the Council arranges all of the care on your behalf, we will send you a bill for your contribution. If you decide to arrange all of your care yourself using a Direct Payment, your contribution will be taken off the Direct Payment and the difference will be paid out to you. However, if your contribution is more than the amount of the Direct Payment, you will not receive a payment from the Council towards your care.

If you decide to arrange some of your care yourself but have some arranged by the Council, your contribution will be taken off the Direct Payment provided your contribution is less than the amount of your Direct Payment. If your contribution is more than the value of your direct payment, we will send you a bill for the difference.

Paying your contribution towards Residential Care

We will send you an invoice for your contribution. If you have signed up to a Deferred Payment Agreement, we will only ask you to pay the amount that you have been assessed as being able to pay from your income and any accessible savings.

The billing process based on care delivered each week

We will normally send the first invoice after your care has started and this will be backdated to the date your care started. Charges are calculated weekly, based on care received between Monday and Sunday each week. Invoices to collect the weekly charge are issued 4-weekly in arrears.

How to pay

You must pay your invoice within two weeks of receiving it. If you are unable to do this for some reason, you must get in touch with the Financial Assessment Team straight away. Details of how to get in touch with us are at the end of this FACT sheet.

The most convenient way for you to pay your invoices is by direct debit. The Officer that visits you to complete your financial assessment will ask you to sign a direct debit form. Once this is signed, we will send the form to your bank and they will automatically pay your invoice every four weeks from your bank account. This means you do not have to worry about remembering to pay us and your invoice will be paid even if, for example, you are unable to get out. If your social care ends and you have paid us too much, we will refund any overpaid money to you.

If you do not have a bank account or do not wish to pay by direct debit, you can pay for your care using a range of alternative payment options. These include:

- Internet payments using Doncaster Councils website
- Telephone payments using a debit card
- At any PayPoint outlet
- By cheque

What happens if you do not pay your invoice?

Most people pay their invoices for the care they have received on time. If your invoice has not been paid within two weeks and you have not contacted us to explain why, we will contact you by telephone to find out the reasons. We will try and help in any way we can, for example, by allowing you a little more time, but we must be satisfied that you will pay the invoice within a reasonable period of time. If we think you do not have a good reason for not paying the invoice straight away, or we agree to allow you more time but you still do not pay, we will take further action.

We will continue to contact you about any unpaid invoices including a home visit if necessary. We may also take any of the following actions to recover the debt:

- Applying to the Courts to place a legal charge on your property, if we have not already done this, so that any money you owe in social care charges is paid when your property is sold
- Referring the debt to a Debt Collection Agency
- Taking legal action against you through the Courts
- Asking the Council's Adult Services Department to investigate whether someone is spending your money inappropriately and not acting in your best interests. This is called financial abuse. The Council may also contact the Police in serious financial abuse cases
- Asking the Office of the Public Guardian to investigate someone who is acting for you such as a Deputy if we think they are not acting in your best interests.

The action we take will depend on your circumstances and the reasons why you are not paying your invoices for the care you have received.

It is very important that you get in touch with us straight away if you are unable to pay your invoices for your social care charges.

5. How to contact us

If you have any questions about Financial Assessments, please contact the Financial Assessment Team directly.

Phone us: 01302 735336

Write to us: Doncaster Council
Financial Assessment Team
Civic Office
Waterdale
Doncaster
DN1 3BU

In person: Civic Office Customer Service
Centre
Waterdale
Doncaster
DN1 3BU
Opening hours: Monday to Friday
08:30am – 17:00pm

By email: FinAssess1@doncaster.gov.uk

On line: www.doncaster.gov.uk

Complaints and appeals

Doncaster Council

Complaints Officer, Customer Services, The Civic Building, Waterdale, Doncaster, DN1 3BU

Email: complaints@doncaster.gov.uk **Telephone:** 01302 736000

Privacy Notice

Doncaster Council is required by law to protect the public funds it administers. It may share information provided to it with other bodies responsible for auditing or administering public funds, or where undertaking a public function in order to prevent and detect fraud and error and may match your data internally for the same purpose. Doncaster Council participates in the National Fraud Initiative (NFI) which is a data matching exercise carried out by the Cabinet Office. Please note that your personal data may be shared with the Cabinet Office as part of NFI exercises. Data is only currently shared for NFI purposes for people admitted to private residential care homes where the Council has placed them and/or makes a contribution to their care. The data shared with the Cabinet Office includes your name, National Insurance number, Address, Date of Birth and the date of admission to the care home. For more detail, follow this link to the Council's NFI webpage: <http://www.doncaster.gov.uk/services/the-council-democracy/the-national-fraud-initiative-and-data-matching>

Information contained in this form can be made available in other languages, or other formats such as Braille or Audio Tape on request. Please ask a member of our team for more information, or if you need any other help or advice. They can arrange to speak to you in your own language if you need them to.