



## ***CARERS FACT SHEET 6***

### **Financial and Money Matters**

Remember that, if you care for an adult, the cost of the care is not your responsibility, and that, if you care for your own child with special needs, your financial responsibility should not go beyond that of any other parent.

However there is rarely enough money provided to meet all your caring costs! Often you will have joint incomes, savings and investments and if you use that money to pay for all your needs, it will feel as if you do have to pay. National Insurance provides a whole range of financial benefits for which we all pay and therefore can claim when needed.

The main benefits are:

- Attendance Allowance - a weekly benefit for people over 65 who need help with the tasks of daily living.
- Carers Allowance - a weekly allowance for carers of working age. The Carer's Allowance (CA) is paid to people who are regularly caring for a severely disabled person who is at home. Before April 2003, this benefit was called Invalid Care Allowance.
- Carer Premium – for people with an underlying entitlement to the Carers Allowance (CA).
- Disability Living Allowance - a benefit for adults under 65 who have an illness or disability and who need help with personal care and daily living.
- Minimum Income Guarantee - a weekly benefit for those whose income is below a set limit, this provides important access to other benefits such as free eye and dental treatment.
- Tax Credits

There are two tax credits: the working tax credit and the child tax credit

- Child Tax Credit is for people who look after a child under the age of 16 (or 19 if in education) Tax credit may be available for disabled child
- Working Tax Credit is for people who are working and it is dependent on level of income and personal circumstances

To claim tax credits: telephone 0845 300 3100

The benefits situation is constantly changing so make sure you get hold of the up to date range of leaflets from the Department of Work and Pensions. The A to Z Guide and useful Guide to Benefits Helplines with this Pack gives all the telephone numbers you need. The Department of Work and Pensions have staff to assist you or you may contact your Citizens Advice Bureau for advice and assistance.



### **Other sources of financial help**

It is worth checking to see whether the person you care for is entitled to help from any of the following:

- Company, trades union or HM Forces benevolent schemes.
- Insurance claims, in the event of a traumatic accident.
- Charities and trust funds, details of which are found in the Charities Digest, available from the library.
- The Inland Revenue, as the law changes and more help for carers is promised.
- Council Tax exemptions and benefits.
- Housing Benefit.

Your local Citizens Advice Bureau can usually offer help with any of these options.

### **Management of finances**

You need to think about what will happen if the person you care for becomes unable to manage his or her own financial affairs. You should always obtain legal advice before trying to sort this out, particularly if there are large sums of money involved (including property value) or the action you are planning may be contested.

Every solicitor has certain areas of law in which they have a special expertise - you should look for one who specialises in wills, probate and trusts. Details of solicitors can be found in the Solicitors Regional Directory available at your local Citizens Advice Bureau or library, or you can contact the Public Trust Office in relation to the powers set out below.

You may be able to apply for Legal Aid to help with the cost of any of these actions.

Your local Benefits Agency can advise on Appointeeship, where someone takes charge of things like collecting pensions and paying bills.

Power of Attorney, where someone is nominated to handle the affairs of the person you care for, ends when the person becomes mentally incapable, but Enduring Power of Attorney stays effective. The arrangements must be sorted out while the person is still mentally capable and the Public Trust Office can help with this. (See Legal Issues Fact Sheet).

The Court of Protection is only used when a person becomes mentally incapable and has not previously assigned someone to act on his/her behalf – again the Public Trust Office can offer advice about this.



## **Budget for Care**

Services to help people at home have to meet the needs of the client, and, if appropriate, those of the carer, and stay within the budget for care. The amount of money available for care services is different depending on the level of needs assessed.

If someone is being discharged from hospital, and is going home, there should be a nursing assessment by the nursing staff at the hospital. This determines how many nursing care needs a person has and whether they would need residential or nursing home placement, if they were not going home.

Social Services has a fixed rate for residential or nursing home equivalent care and this can be different from area to area to take account of variations in cost, availability of care and budget availability.

## **Care Package**

The agreed care package states what is being provided and the care manager will be able to adjust this within the agreed budget to meet changing needs or in special circumstances.

## **Community Care Charges of Adults**

A person's financial position needs to be assessed to determine how much is charged for their services. The level of charges for each individual is notified to them in writing when services are being provided. Charges are adjusted each year in April to take account of changes in the law or inflation.

A member of the Financial and Benefits Team (FAB) will undertake the financial assessment which will take into account pensions, savings, and health care needs. The financial assessment will be based on individual income. However it can be a joint financial assessment when both incomes are added together and then divided into two. Some benefits may be available – see Benefits Fact Sheet.