

Will I be able to afford residential care when the time comes?

One of the most difficult questions facing an elderly person or members of their immediate family is whether or not the time has come for that person to go into residential care.

If the answer is 'Yes, it's time,' the next consideration is: 'Can I afford it?'

A recent article in WHICH magazine that looked into this question in the UK stated: 'Many people have grown up with the idea that the welfare state will be there as a safety net from the cradle to the grave.'

'However, children starting school now will grow up with no such illusions. The safety net is still there but over the years it has been drawing in so that fewer people now qualify for help. And you may not realise the safety net has gone until you look down.'

A frequently asked question at the Citizens Advice Bureau is: What is the position in Jersey?

A person having problems coping at home should first contact their doctor for advice. The case would then be referred on to an adult social worker, employed by the Health and Social Services Department, who would be able to give the person advice and information about the range of options available.

If the preference is staying at home, the following support is available for care in the home:

- District Nurses
- Home Care Assistants
- Private Help
- Equipment and alterations to your home, such as sit-in showers
- Day Care Centres.

If the decision is to go into a care home, the choices are a residential home or a nursing home. Under Jersey law, all homes providing residential care are required to be registered by the Health and Social Services Committee and are regularly inspected.

If you need to go into care,

the social worker will carry out a financial assessment to see whether you have to pay the full cost of the care or whether the parish (if locally born) or the Treasury (if non-local), will contribute.

The financial assessment takes into account all your assets (which may include the value of your home), as well as your total income from pensions, investments and savings. As a guide, a single person who has more than £6,016 of capital must pay the full fees. If married, the capital limit is £9,987.

There is no automatic right to assistance and the parish Constable has discretion in all cases. The cost of subsidising residential or nursing care for locally-born persons comes out of the parish rates. For non-natives, the cost is paid by the Treasury out of taxes. A non-native must have been a resident of Jersey for five years to qualify for assistance. If over 55 years of age when they arrived, they must have been resident for ten years before qualifying.

If financial assistance is agreed, the applicant's total income will be paid direct to the parish or the home. However, the parishes or Treasury will only make the fees up to £318.20 per week and this may only cover the cost of a shared room.

The current scale of charges for private residential homes range from £318 per week to £650 per week per room.

Parish owned and charity-run homes are cheaper.

Nursing homes are considerably more expensive, as they provide nursing care 24 hours a day. Residents in nursing homes will usually qualify for a Social Security Attendance Allowance, currently £348.99 per month, provided their annual income does not exceed £43,547. Private nursing home fees range from £525 per week to £1,000 per week.

The question of whether or not to sell the home to help finance the care that you may need is a question that often occupies the mind of the person needing care or their family. The value of the home is included in the financial assessment. If your income, or other assets, excluding the value of your home, isn't enough to meet your care home fees, the parish can grant an interest-free loan, secured by a legal charge over the property.

The parish will then top up any care costs and reclaim this amount from the value of your property after your death or when the property is sold.

If you have a spouse or relative occupying the home, they would be expected to pay rent, which would then become part of the income available to go to your home care costs.

It is possible for a person to plan for their future care in old age as there are a number of insurance plans available to provide cover for this. But it is crucial to get proper financial advice. You will also need a specialist's help with the legal implications of any planning you may do, especially the disposal of assets.

The Law Officers Department has expressed the view that there is no legal bar to the parish seeking information of the disposal of assets over £500 given away in the five years prior to applying for financial assistance for residential care.

The Jersey Citizens Advice Bureau handled a number of cases last year where close relatives found out too late just how much residential care could cost. 'If this problem is likely to arise in a family soon, it is better to be well prepared for when it happens. We are happy to advise on any problems that people may be having in this tricky and sensitive area,' said Mr Le Gresley.