

Appendix 2 – Example of Sufficient Equity to Cover Care Costs

Value of Property	£150,000.00
Less 10% (selling fees)	£15,000.00
Less Lower Capital Threshold	£14,250.00
Equity to be considered	£120,750.00

Proposed cost of weekly care package	£489.00
Less an average Client Contribution	£131.00
Weekly amount to be loaned	£358.00
Annual cost of loan	£18,616.00
Administration Fees	

Total Equity of £120,750.00 is divided by the annual cost of the loan which is £18,616.00; this gives the Council an idea of how long the equity would cover the proposed weekly care costs. In this case it would cover just over 6 years. Please note that this is an example of how equity is calculated for the Deferred Payment Scheme, the figures mentioned above are an example only and do not reflect the available funding for care packages. For further information about Worcestershire County Council's 'banding rates' for long term care, please speak to your Social Worker. Information about how the client contribution is assessed please refer to the 'Financial Assessment Leaflet', which should have been supplied to you by your social worker.

This document can be made available in other formats (large print, audio tape, computer disk and Braille) on request from Care Contribution Assessment Team on telephone number 01905 765761 or by emailing CCAdmin@worcestershire.gov.uk

**To the best of our knowledge all information was correct at the time of printing:
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