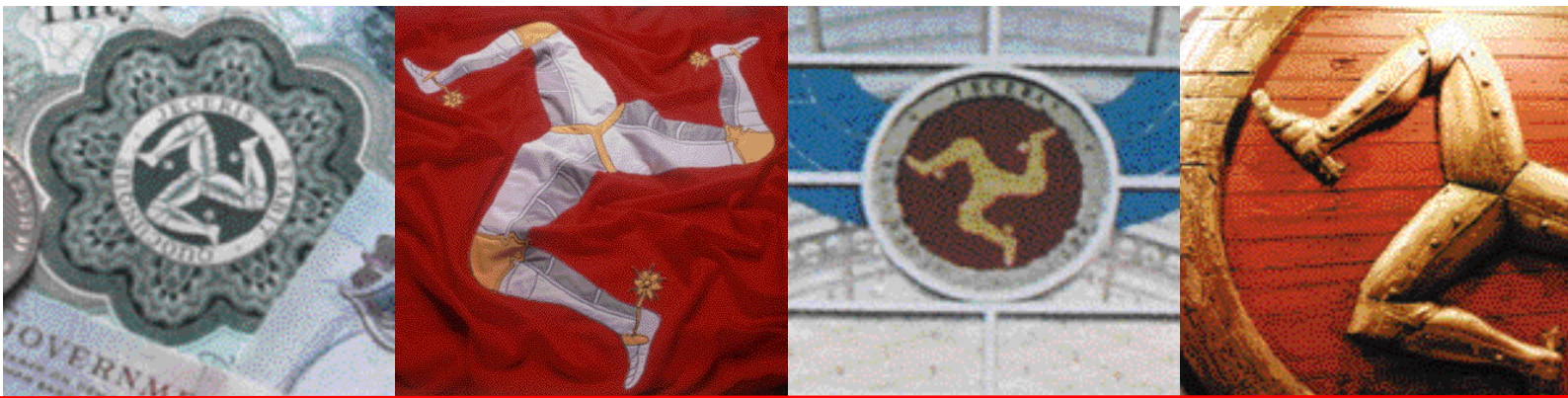




**Isle of Man**  
**Government**

*Reilys Ellan Vannin*



## Social Security

# Income Support for people entering Nursing or Residential Homes

## **Introduction**

**Income Support** is a means-tested Social Security benefit which may be paid to a person who lives in a **care home** and who doesn't have enough money to pay their care home fees and other expenses.

This leaflet explains who may be entitled to Income Support and how much can be paid.

A person's entitlement to Income Support is assessed by comparing how much money the law states that they need to live on - known as their "applicable amount" - with the amount of income they have, or are treated as having. If there is a shortfall between their income and their applicable amount, they may be entitled to Income Support of an amount equal to the shortfall.

A claim for Income Support may be made by a person in a care home or by someone else on their behalf.

**Claims for Income Support should be made as soon as possible, as awards can't usually be backdated.**

**Any delay in claiming Income Support may result in you losing out on money you would otherwise have been entitled to.**

Once your claim has been received, we'll consider whether you are entitled to Income Support. We'll normally write to you within 5 working days of receiving your claim to let you know our decision.

---

Note: This leaflet gives general guidance only. It doesn't cover the rules for every situation and isn't a complete and authoritative statement of the law. Every effort has been made to ensure that it's correct at the date shown on the cover, however it's possible that some of the information is oversimplified or becomes inaccurate over time, for example because of changes to the law.

If you're unsure you should check at a social security office.

More information about social security benefits and pensions in the Isle of Man is available at [www.gov.im/socialsecurity](http://www.gov.im/socialsecurity).

## Part 1

### Calculation of applicable amount

This is usually the total of -

- an amount towards the care home fees you have to pay, and
- a set amount for your personal expenses - intended to be spent on toiletries, newspapers, etc.

If you have moved into a care home on a temporary basis, for example for respite care, your applicable amount may be increased by the amount of any housing costs you have to pay (for example, rent) for the property you'll be returning to, but only for a maximum of 4 weeks.

Other income (for example, a State Pension or an occupational pension), as well as any income you're treated as getting from your savings, investments or other property you own, will reduce the amount of Income Support payable to you. This is explained in more detail below.

If your actual income (together with any income you're treated as having) is less than your applicable amount, you'll be paid the difference as Income Support.

The allowances for care home fees are subject to maxima, so they may not cover all the fees actually charged.

The maximum allowances towards care home fees from 8 April 2024 are:

	<b>£ per week</b>
Private Nursing Home	1,006.56
Private Residential Care Home - general	586.25
Manx Care Residential Care Home - general	**586.25

\*\*Other allowances apply in some cases

In addition to the above, an allowance is made for personal expenses of £43.85.

The rates of allowances will be reviewed again in April 2025.

The following is ignored – either in full or up to a certain amount - when we work out your entitlement to Income Support:

- Attendance Allowance and Disability Living Allowance are completely ignored.
- Up to £15 a week of any additional state pension, graduated retirement benefit or any occupational pension or personal pension income you have.  
(Note: If you get both Additional State Pension and occupational pension or personal pension income, only £15 of the total is ignored).
- Up to £30 a week of a War Disablement Pension or a War Widow's Pension
- Up to £30 a week of an Industrial Disablement Benefit or an Industrial Injuries Death Benefit.
- Up to £40 a week of any regular income received from a charity or part time earnings.

If you live in a nursing home, any Nursing Care Contribution you receive is taken fully into account as income.

## How savings and other assets affect Income Support

Any income you get from your savings, investments, land or property - collectively referred to as your "capital" - is completely ignored when assessing your entitlement to Income Support.

However, you'll normally be treated as having an income of £1 per week for every complete £250 of capital you have over £14,000. So, for example, if you have total capital of £20,000 you'll be treated as having a weekly income of £24 from your capital.

The amount of income you are treated as having from your capital is set in law and isn't expected to reflect the amount of income you might actually receive from your savings and investments.

Please note that whilst the first £14,000 of your capital is ignored for the purposes of calculating entitlement to Income Support, it doesn't mean that the £14,000 is protected in any way. So if, for example, there's a shortfall between the amount you have to pay for your care home fees and the total amount of benefits you receive (including any Income Support you're entitled to), you may have to draw on your capital.

### If a person owns the property they used to live in

If you have moved into a care home on a **temporary** basis – for example for a short period of respite care – the value of your permanent home is ignored for Income Support purposes.

If you own the property you occupied as your home immediately before you moved into a care home on a **permanent** basis, the value of your former home is ignored for as long as any of the following people continue to live in it -

- your spouse, civil partner or partner (by "partner" we mean someone you used to live with as if you were married or were civil partners before you moved into a care home);
- an elderly or incapacitated relative of yours; or
- a former carer of yours (see below), but only if the carer had been living in your former home for at least two years when you went into the care home and provided you owned a property in the Isle of Man throughout the 10-year period immediately before you went into a care home. You don't have to have owned the same property throughout that period.

A **carer** for this purpose means a person who was receiving Carer's Allowance from Social Security for looking after you. If someone was regularly and substantially engaged in caring for you, but they didn't qualify for Carer's Allowance because they had earnings, they may also be treated as a carer for this purpose.

If you are moving **permanently** into a care home, and none of the above apply, then the value of your former home will be determined as follows:

- If you don't intend to sell or let your former home, its market value will be taken into account in the same way as other capital (see above). Its market value would be assessed by the IoM Government Valuer.
- If you're taking steps to sell or let your former home, its value can be ignored for up to 26 weeks. You won't be assumed to receive any income from it during this period.
- If your former home is sold, the proceeds will be taken into account in the same way as other capital (see above). This will most likely affect the amount of Income Support you're entitled to and may even mean that you aren't entitled to Income Support from the date you receive the proceeds.
- If your former home is let, the actual amount of rent you get is ignored. However, you'll be assumed to receive an amount of income depending on the market value of your former home equal to –
  - 5% of the first £200,000 of the value of the property, plus

- 10% of any remaining value of the property above £200,000.

The resulting amount is divided by 52 to determine the weekly amount you'll be assumed to receive for Income Support purposes.

So, for example, for a property worth £250,000 the weekly amount of income you'll be treated as having is £288.45, calculated as follows -

$(£200,000 \times 5\%) = £10,000$ , divided by 52 = £192.30, plus

$(£50,000 \times 10\%) = £5,000$  divided by 52 = £96.15

£192.30 plus £96.15 = £288.45

The amount of income you're treated as having from your property is set in law and isn't expected to reflect the amount of rent you might actually receive from letting it.

### **Depriving yourself of income**

If you deliberately deprive yourself of income, or you fail to acquire income you would be entitled to if you applied for it, in order to become entitled to Income Support you'll be treated as having that income even though you don't actually have it.

### **Depriving yourself of capital**

#### 1. In general

If you deprive yourself of capital (assets) in order to become entitled to Income Support or more Income Support - for example, if you gift savings or property to your son or daughter – you'll be treated as still having that capital. However, the amount of capital you're treated as having will reduce by the amount of Income Support you would otherwise have been paid, so in the future you may qualify for Income Support.

#### 2. If the former home is gifted or sold for less than its full value **within 10 years of moving into a care home**

If this is the case, you'll be treated as having capital of an amount equal to the value of the property you have disposed of (or the value of your share in the property, if you and another person jointly owned it) when you gifted or sold it, less 10% for sales expenses and any outstanding loan secured on your former home at the time.

There are important differences between the two provisions set out above:

- Under the first, you'll only be treated as having capital which you have given away or sold for less than its true value if the Treasury determines that you did so in order to qualify for Income Support. Under the second provision it's not relevant why you gave away your former home or sold it for less than its true value; and
- There is no time limit for the first provision, but the second provision only applies if you gave away your former home or sold it for less than its true value **within 10 years** of your moving into a care home on a permanent basis.

## Isle of Man residential condition

To qualify for Income Support you must normally meet at least one of the following conditions:

- you were born on the Isle of Man
- you have lived in the Island for a continuous period of at least 5 years at any time
- you have lived in the Island for 3 or more separate periods which, when added together, amount to at least 10 years
- you are the spouse or civil partner of a person who meets any of the above conditions and have a legal right to live in the Island.

There are other conditions under which you may satisfy the residential condition. If you have a previous residential connection with the Isle of Man, but don't satisfy any of the above conditions – perhaps because you left the Isle of Man to serve in the Armed Forces - you should contact the Income Support for Pensioners Team by phoning (01624) 685656 (option 1 and then option 3) or by email to [ISP@gov.im](mailto:ISP@gov.im) to discuss.

## Other Social Security benefits that may be available to you

**Attendance Allowance** – or “AA” for short - is a benefit for people who become disabled after they have reached state pension age and who require frequent attention or continual supervision. There are two rates of AA:-

- a higher weekly rate for people who need help in attending to their personal bodily functions or require supervision both day and night, or whose life expectancy is twelve months or less; and
- a lower weekly rate for people who need help in attending to their personal bodily functions or require supervision either during the day or night. There are a number of qualifying conditions.

**Disability Living Allowance** – “DLA” - is a benefit for people with disabilities who need help with daily living activities or help with getting around, and whose need for help began before they reached state pension age.

DLA has two components: a care component and a mobility component.

There are three rates of the care component:

- the highest rate is for people who need help in attending to their personal bodily functions or require supervision both during the day and at night, or are getting DLA because their life expectancy is limited to twelve months or less;
- the middle rate is for people who need help in attending to their personal bodily functions or require supervision either during the day or at night; and
- the lowest weekly rate is for people who need some help in attending to their personal bodily functions or require supervision for a significant part of the day or are unable to prepare a cooked main meal for themselves.

There are two rates of the mobility component:

- The lower rate is for people who can walk but need someone to provide them with guidance or supervision to avoid causing danger to themselves or others when outdoors in unfamiliar places.
- The higher rate is for people who –
  - have a physical disability which means they cannot walk or are virtually unable to walk; or
  - are severely visually impaired; or
  - are both blind and deaf and satisfy certain other conditions; or
  - are severely mentally impaired and display severe behavioural problems and are entitled to the highest rate care component of DLA.

The weekly rates of AA and DLA are set out on page 7.

AA and DLA are paid no matter how much income and capital you have. You don't have to have paid National Insurance contributions to qualify.

### **Nursing Care Contribution**

If you live in an adult care home in the Isle of Man and have to pay for nursing care you'll be entitled to a Nursing Care Contribution.

The Nursing Care Contribution is paid irrespective of any other income or savings you have. You don't have to have paid National Insurance contributions to qualify.

It can also be paid for periods of respite care in a care home if you have to pay for nursing care.

## **Rates for other Benefits**

The amounts set out below apply from 8 April 2024 and may be subject to change.

<b>Attendance Allowance</b>	£ per week
Higher Rate	101.40
Lower Rate	68.00
<b>Disability Living Allowance</b>	
Care Component:-	
Highest Rate	101.40
Middle Rate	68.00
Lowest Rate	26.90
Mobility Component:-	
Higher Rate	75.75
Lower Rate	26.90
<b>Nursing Care Contribution</b>	224.05



## Examples of Income Support Assessments

### Example 1

A single pensioner who was living in rented accommodation moves permanently into a privately operated care home the fee for which is £700 per week.

He doesn't need nursing care.

His weekly income consists of State Pension of £151.60, an Occupational Pension of £58.20 and Attendance Allowance at the lower rate of £68.00.

He has savings of £10,000 in a bank account, which pays interest of £2.00 per week.

#### **Income Support Assessment** **£ per week**

##### **Applicable Amount**, made up of:

Care home fees - maximum allowable	586.25
Personal Allowance	43.85
<b>Total</b>	<b>630.10</b>

##### **Less Income**, made up of:

State Pension	151.60
Occupational Pension - first £15 is ignored	43.20
Attendance Allowance - ignored	0.00
Bank interest - ignored	0.00
<b>Total Income not ignored</b>	<b>194.80</b>

**Income Support Payable =** **435.30**

##### Total Income from all sources:

State Pension	151.60
Occupational Pension	58.20
Attendance Allowance	68.00
Bank Interest	2.00
Income Support	435.30
<b>Total income</b>	<b>715.10</b>

Less outgoings - care home fees 700.00

Money left over for personal expenses -  
total income less outgoings **15.10**

## Example 2

A single pensioner who pays rent of £100 per week for their home goes into a care home for respite care for 2 weeks.

The care home is operated by Manx Care and the fee is £586.25 per week. His income consists of State Pension of £138.00 per week, an Occupational Pension of £18.10 per week and Attendance Allowance at the lower rate of £68.00 per week.

He has savings of £5,000 in his bank account.

<b>Income Support Assessment</b>	<b>£ per week</b>
Applicable Amount, made up of:-	
Care Home Fee	586.25
Personal Allowance	43.85
Rent	100.00
<b>Total</b>	<b>730.10</b>
<b>Less Income</b> , made up of:	
State Pension	138.00
Occupational Pension - first £15 is ignored	3.10
Attendance Allowance - ignored	0.00
Interest from savings - ignored	0.00
<b>Total income not ignored</b>	<b>141.10</b>
<b>Income Support Payable (per week) =</b>	<b>589.00</b>
Total Income from all sources:	
State Pension	138.00
Occupational Pension	18.10
Attendance Allowance	68.00
Income Support	589.00
<b>Total income</b>	<b>813.10</b>
Outgoings – care home fees and rent	686.25
Money left over for personal expenses and utility charges, etc. - total income less outgoings	<b>126.85</b>

### Example 3

A single pensioner who owns her home which is worth £200,000.

She moves into a privately operated care home on a permanent basis, the fee for which is £725 per week.

She keeps ownership of her former home and rents it out for £185 per week.

Her other income consists of State Pension of £150 per week, an Occupational Pension of £25.75 per week and Attendance Allowance at the lower rate of £68.00 per week.

She has savings of £11,000 in a bank account which earns interest of £3.00 per week.

#### **Income Support Assessment** **£ per week**

##### **Applicable Amount**, made up of:

Care home fee (maximum allowable)	586.25
Personal Allowance	43.85
<b>Total</b>	<b>630.10</b>

##### **Less Income**, made up of:

State Pension	150.00
Occupational Pension - first £15 is ignored	10.75
Attendance Allowance - ignored	0.00
Bank interest - ignored	0.00
Actual rent received - ignored	0.00
Income she is treated as having from her former home - - 5% of £200,000 / 52	192.30
<b>Total income not ignored</b>	<b>353.05</b>

#### **Income Support Payable (per week) =** **277.05**

##### **Total Income** from all sources:

State Pension	150.00
Occupational Pension	25.75
Attendance Allowance	68.00
Bank Interest	3.00
Actual rent received	185.00
Income Support	277.05
<b>Total income</b>	<b>708.80</b>

Outgoings (care home fee)	725.00
---------------------------	--------

#### **Shortfall per week** **-16.20**

In this example the pensioner may have to draw on her savings or her family may have to make a contribution to supplement her other income in order to meet her care home fees and any personal expenses.

#### Example 4

Single pensioner who owns his own property worth £225,000.

He moves into a privately operated care home on a permanent basis where he is provided with nursing care, the fee for which is £1,250 per week.

He keeps ownership of his former home and rents it out for £185 per week.

His weekly income consists of State Pension of £169.50, an Occupational Pension of £76.40, Attendance Allowance at the higher rate of £101.40 and the Nursing Care Contribution of £224.05.

He has savings of £10,000 in a bank account which earns interest of £2.00 per week.

#### **Income Support Assessment** **£ per week**

##### **Applicable Amount**, made up of:

Care home fee - maximum allowable	1,006.56
Personal Allowance	43.85
<b>Total</b>	<b>1,050.41</b>

##### **Less Income**, made up of:

State Pension	169.50
Occupational Pension - first £15 is ignored	61.40
Attendance Allowance - ignored	0.00
Nursing Care Contribution	224.05
Bank interest - ignored	0.00
Actual rent received - ignored	0.00
Income he is treated as having from his former home –	
- 5% of £200,000 / 52	192.30
- 10% of £25,000 / 52	48.07
<b>Total Income not ignored</b>	<b>695.32</b>

**Income Support Payable =** **355.09**

##### **Total Income** from all sources:

State Pension	169.50
Occupational Pension	76.40
Attendance Allowance	101.40
Nursing Care Contribution	224.05
Bank Interest	2.00
Actual rent received	185.00
Income Support	355.09
<b>Total income</b>	<b>1,113.44</b>

Outgoings (care home fee) 1,250.00

**Shortfall per week** **-136.56**

In this example the pensioner may have to draw on his savings or his family may have to make a contribution to supplement his other income in order to meet his care home fees and any personal expenses.

## Example 5

A pensioner couple who own their own home worth £250,000.

The husband moves permanently into a privately operated care home where he is provided with nursing care, the fee for which is £1,250 per week. The wife continues to live in the marital home.

The husband's weekly income consists of State Pension of £115.95 per week (his wife gets her own Retirement Pension, which is ignored), an Occupational Pension of £136.50 and Attendance Allowance at the higher rate of £101.40, and the Nursing Care Contribution of £224.05. They have a joint bank deposit of £30,000 which provides a weekly rate of interest of £10.00.

**Note:** Because the husband's move into the care home is permanent, he and his wife are assessed separately for Income Support. They are each treated for Income Support purposes as having one-half of his occupational pension and one-half of their joint savings. Their housing costs for the marital home would be allowed for in any claim for Income Support made by his wife.

### Income Support Assessment (for husband)

£ per week

#### Applicable Amount, made up of:

Care home fee - maximum allowable	1,006.56
Personal Allowance	43.85
<b>Total</b>	<b>1,050.41</b>

#### Less Income, made up of:

State Pension	115.95
Occupational Pension - first £15 plus 50% of remainder ignored	60.75
Attendance Allowance - ignored	0.00
Nursing Care Contribution	224.05
Bank interest - ignored	0.00
Income he is treated as having from savings – £15,000 less £14,000 ignored = £1,000 £1,000 = 4 units of £250	4.00
<b>Total Income not ignored</b>	<b>404.75</b>

#### Income Support Payable =

**645.66**

#### Total Income from all sources:

State Pension	115.95
Occupational Pension (half)	68.25
Attendance Allowance	101.40
Nursing Care Contribution	224.05
Bank Interest (half of total received)	5.00
Income Support	645.66
<b>Total income</b>	<b>1,160.31</b>
<b>Outgoings</b> (care home fee)	1,250.00

#### Shortfall per week

**-89.69**

In this example the pensioner couple may have to draw on their savings or their family may have to make a contribution to supplement their other income in order to meet their care home fees and any personal expenses.

Note: The value of their home is ignored for so long as the wife still lives there. Depending on the wife's circumstances, she may be entitled to Income Support in her own right to help with housing costs and day to day living expenses.

## Self Assessment

You may wish to use this template as a rough guide to your potential entitlement.

### £ per week

#### Applicable Amount, made up of:

Care home fee - subject to maximum allowance	
Personal Allowance	43.85
Total	

#### Less Income, made up of:

State Pension	
Occupational Pension - first £15 ignored	
Attendance Allowance - ignored	0.00
Nursing Care Contribution	
Bank interest - ignored	0.00
Income you're treated as having from former home - (note: exemptions may be applicable)	0.00
Income you're treated as having from savings – £ less £14,000 (ignored) = £ £ = units of £250	

#### Total Income not ignored

#### Income Support Payable =

(Total applicable Amount Less Total Income not ignored)

#### Total Income from all sources:

State Pension
Occupational Pension
Attendance Allowance
Nursing Care Contribution
Bank Interest
Income Support (as calculated above)
Total income

Outgoings (care home fee)

## Useful email addresses and telephone numbers

Contact	email address	Telephone number (prefix with 01624 if phoning from the UK)
Income Support for pensioners	<a href="mailto:ISP@gov.im">ISP@gov.im</a>	685656 (option 1 and then option 3)
State Pensions & Nursing Care Contribution	<a href="mailto:statepensions@gov.im">statepensions@gov.im</a>	685656 (option 3)
Attendance Allowance and Disability Living Allowance	<a href="mailto:disabilitybenefits@gov.im">disabilitybenefits@gov.im</a>	685656 (option 2 and then option 3)
Social Security Visiting Officer	<a href="mailto:Referrals.SSD@gov.im">Referrals.SSD@gov.im</a>	687020
Duty Social Worker	<a href="mailto:adultreferrals.DHSC@gov.im">adultreferrals.DHSC@gov.im</a>	686179

## Social Security offices

Markwell House, Market Street, Douglas, IM1 2RZ

Opening hours:

Counter	Monday - Friday	9.00 am - 1.00 pm
Phone calls and emails	Monday - Thursday	9.00 am - 5.30 pm
	Friday	9.00 am - 5.00 pm

Town Hall, Parliament Square, Ramsey

Telephone: 812138

Tuesday	9.15 am - 1.00 pm 1.45 pm - 4.30 pm
---------	--

All calls to and from Social Security are recorded for the benefit of our customers and staff to assist in the provision of service standards and to prevent any potential disputes.

To find out more about how we use your information, contact any of our offices or visit our Social Security Division [privacy notice](#) page on our website.



The Treasury  
Social Security Division  
Markwell House, Market Street  
Douglas, Isle of Man. IM1 2RZ  
[www.gov.im](http://www.gov.im)