

Leaflet 7 - Capital and Savings

This leaflet contains information about:

- What is the definition of capital and savings?
- How capital and savings will affect your payments from the Fund

Definition of Capital

When it talks about 'Capital' the Fund means:

- Savings (cash in a bank or building society account or somewhere else, a Save as Your Earn scheme)
- One-off lump sum payments (including a loan or compensation payment)
- Stocks and/or shares
- Investments (not including annuity payments)
- A house or other property that you do not live in
- Land
- PEPS, TESSAs, ISAs or anything similar
- Interest from a Trust

You must tell the Fund if you and/or your partner have any capital.

If it is less than £11,500 in value, the Fund will not take it into account.

To qualify for payments from the Fund, you and/or your partner must not have capital or more than £18,500 in value.

Capital between £11,500 and £18,500

If your capital is between £11,500 and £18,500 in value, the Fund will take it into account when calculating how much money to pay you each week. The basic rule is that the Fund will take £1 per week into

account for every £250 capital you have between £11,500.01 and £18,500.

Example:

- Capital between £11,500 and £11,750, the Fund will take £1 per week into account
- Capital between £11,500 - £15,250.00, the Fund will take £15 per week into account. ($£15,250 - £11,500 = £3,750$; $£3,750 \div £250 = £15$)

The money from your capital that the Fund takes into account is called **tariff income**. A table to show you how tariff income is calculated is included on the next page.

You must tell the Fund at once if your capital goes above £11,500 so that the Fund can make the necessary adjustments to your payments.

Tariff Income Table

The following table shows how much money the Fund will take into account if you have savings over £11,500.

Total capital held £	Taken into Account £
11,500.01 - 11,750.00	1
11,750.01 - 12,000.00	2
12,000.01 - 12,250.00	3
12,250.01 - 12,500.00	4
12,500.01 - 12,750.00	5
12,750.01 - 13,000.00	6
13,000.01 - 13,250.00	7
13,250.01 - 13,500.00	8
13,500.01 - 13,750.00	9
13,750.01 - 14,000.00	10
14,000.01 - 14,250.00	11
14,250.01 - 14,500.00	12
14,500.01 - 14,750.00	13
14,750.01 - 15,000.00	14
15,000.01 - 15,250.00	15
15,250.01 - 15,500.00	16
15,500.01 - 15,750.00	17
15,750.01 - 16,000.00	18
16,000.01 - 16,250.00	19
16,250.01 - 16,500.00	20
16,500.01 - 16,750.00	21
16,750.01 - 17,000.00	22
17,000.01 - 17,250.00	23
17,250.01 - 17,500.00	24
17,500.01 - 17,750.00	25
17,750.01 - 18,000.00	26
18,000.01 - 18,250.00	27
18,250.01 - 18,500.00	28

Capital of More than £18,500

If you have capital of more than £18,500, you will not be able to get help from the Fund.

You must tell the Fund at once if your capital goes above £18,500. If this happens, the Fund will need to suspend your payments. You will then be asked to provide more information about your capital, including what it is, where it came from and when you intend to do with it.

In some cases, the Fund can temporarily disregard capital, if it is going to be used for **something related to your disability**, for example to pay for adaptations to your home or an electric wheelchair. However, you still need to tell the Fund if you have capital you intend to spend in this way. Capital that you intend to use for something related to your disability can only be disregarded for 6 months, after which the Fund may decide that it will be taken into account in the normal way.

What happens if your capital is over £11,500 or £18,500 and you do not tell the Fund?

If you do not tell the Fund that you and/or your partner have capital of more than £11,500 or £18,500 in value, the Fund cannot make the necessary adjustments to your payments. Any payments made to you after your capital goes above these values may be classed as an overpayment and you may be asked to pay the money back to the Fund.

You can find more information about how the Fund deals with overpayments in leaflet 12.

If you would like more information about how the Fund treats capital, please contact the Fund and a member of staff will be happy to help.