



MOORE BLATCH FACTSHEET

Paying for residential care

If you or a loved one requires residential care, the first question often asked is “who will pay?” Paying for care can be complex often requiring professional advice and support. Below is a summary of what you need to know

Care needs assessment

Local authorities have a duty to assess any individual who may be in need of care services as a result of serious illness, physical disability, learning disability, mental health problems or simply frailty due to old age.

Care needs assessments are designed to look at the entirety of an individual’s needs and determine what services and support are required to meet those needs.

Individuals and their representatives should be fully involved in the assessment process.

Following any assessment of needs a detailed care and support plan will be produced. Any decisions you disagree with as a result of these assessments can be challenged.

Finance and benefits assessment

If an individual is deemed to have care needs, their local authority will carry out a detailed financial assessment. Most people are expected to pay something towards the cost of their care, using both their income and capital. There are complex rules regarding income and capital including. This includes what counts towards income and capital and what can be disregarded. Professional advice can ensure any financial assessment is properly conducted.

How much will I have to pay towards my care?

If your capital is above £23,250 then you will have to pay all the fees of the care home until your savings and capital come down to this limit. It is important to remember that some assets are not included in assessing your capital.

If your savings and capital are less than £23,250 but your weekly income is more than the local authority’s specified rate for care, with enough left over for the personal expenses allowance, then you will have to pay the full fees.

If your capital is below £14,250 you will be entitled to maximum local authority support although you will still be required to contribute your income, less £24.90 per week which can be kept as personal expenses. You may also keep any pension savings. If you are going into care, but your partner will continue to live in the home, then a financial allowance will be made for this.

If capital is between £14,250 and £23,250 you will be required to contribute £1 per week for every £250 of capital between these two figures. You will still have to contribute your income as set out above. Depending on your individual circumstances, your local authority has a number of discretions that they can apply.

As certain savings and capital are not taken into account, it is essential to seek professional to ensure rules are properly applied.

Your spouse, civil partner or partner does not have to pay anything towards your care home fees. Your local authority does not have the right to request details of their income or savings; you are assessed purely as an individual.

Deprivation issues

You cannot give property away in order to avoid paying for care home costs. In these circumstances, if it is established that a gift (eg gifting your property to a family member) has been made then your local authority can consider this capital in any financial assessment it makes as if it were still yours. Your local authority can look back years and not just at recent transactions.

Deferred Payment Agreement

If you do not wish to or cannot sell your home in order to pay for care home fees, it is usually disregarded for the first 12 weeks. After that it is possible to enter into a Deferred Payment Agreement. This means your local authority will effectively take charge over your property in exchange for paying care fees. Your Local Authority will charge for making this arrangement and there will be ongoing fees and interest.

Rates paid

Each local authority has a specified rate they will pay per week towards care, this is usually around £500 per week and can be even lower. This is the maximum rate they will pay, including your contribution. For example, if your income is £200 per week the local authority will only pay £300 per week to bring you up to the limit.

Top-up payments

The rate that your local authority should pay for your care home fees must be based on your assessed needs. Unless your local authority can offer a suitable home that meets your assessed needs at their specified rate, then they will have to pay a higher amount to secure you a care home place. Despite paying a higher amount, they can't ask you or your relatives for any top-up payments towards this.

If your local authority is contributing towards your care, but you would prefer a more expensive home, then your authority is not obliged to fund the more expensive place. You can of course choose the more expensive home, but only if you or someone else is willing to pay the extra cost.

NHS-funded nursing care

If your assessment confirms that you have some nursing needs and you are living in a nursing home, then the NHS will contribute towards the cost of your care. This is a set rate per week and is paid directly to the nursing home. This amount should be deducted from the cost of the care home fees payable.

NHS Continuing Healthcare

If you can demonstrate that the need for your care arises as a result of a primary health need then you may be entitled to fully funded NHS care, irrespective of your means.

Advice and support

The system for funding care home placements is complex. It is imperative to receive proper advice regarding the assessment process both in relation to your care needs and the financial assessment. This can ensure you don't pay more than you should for the care you require.

In addition, support is often required regarding care home selection and top up payments. We have experience in these areas and can provide specialist advice on your own circumstances to ensure you are not being asked to contribute more than you should for your care.

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