Paying for care in a care home

This guidance is for people who have already had a social care assessment and are eligible for care and support.

If you need care and support and have been assessed as needing to receive that care in a care home, we will carry out a financial assessment. The assessment looks at your financial circumstances to work out if the council will contribute towards the cost of your care, and if so, how much that contribution will be.

The financial assessment will calculate how much you need to pay by looking at your income, savings, capital and benefits, including any additional benefits you may be entitled to.

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Financial Assessment

If you have capital or savings over £23,250, including the value of your former home (if owned), you will need to pay the full cost of your care.

If your home continues to be occupied by a spouse or an older or disabled relative, then it will be disregarded in the financial assessment for as long as that person remains living there.

If your savings are less than £23,250, and you own your own home, its value is usually disregarded for 12 weeks from when your care starts.

Care Home Charges

Care home costs can vary from home to home. However, the council has a usual rate that we are prepared to pay for a suitable care home placement within the local area.

If you choose a care home that has a higher weekly cost than our usual rate, and you are not funding the cost of your care yourself, then you may need to ask a family member or other third party to make an additional weekly ‘top-up’.

This will cover the difference between what you will need to pay from your weekly income, our contribution, and the total cost of the care.

If you make an arrangement with a care home that includes payment of a ‘top-up’, it is very important that we are aware of this.
We need to include these amounts in your funding contract with the home to ensure that you are not charged unfairly.

If the person making these extra payments cannot continue to make these in the future, we may not automatically make up the difference, and you may need to think about moving to a less expensive home, if the home will not accept a lower rate.

If you arrange a place in a care home on a self-funded basis, without our assistance, and the care home fees are higher than we are usually prepared to pay, you will need to think about how the fees will be paid if your capital drops below the funding threshold level in the future.

**Deferred Payment**

Deferred payment of care home fees means that people should not have to sell their former home in their lifetime to pay their care home bills.

A deferred payment agreement means that care home payments are made by the council on your behalf as an on-going loan, using your former home as security. The funds loaned are to be repaid to us either when you sell your home, or after your death. If your savings or capital are less than £23,250, you are entitled to keep an allowance from your income and benefits - the remainder is usually required as your contribution towards your care home costs.

It is always best to obtain independent financial advice to help you decide how best to manage and arrange your finances to pay your care home fees.