



## Paying for care homes (in England)

### If you are able to pay your own fees

- If you have savings (and /or assets) of more than £20,000 you will not be entitled to any help with care fees and are regarded as **self-funding**.
- If you can afford to pay for a place in a care home yourself, you can approach your chosen home and make arrangements with the home directly. The home must provide you with a written contract/statement of terms and conditions at the time you move into the home.
- If help might be needed to pay for the care home at any point in the future EAC advises you to contact your local authority to request an **assessment of need** prior to making any arrangements.
- If you are self-funding and choose to move to another area then **the area that you move to** will be responsible for assessing your needs should you need funding in the future.
- If you are receiving **Attendance Allowance**, you will continue to receive it whilst you are paying your own fees.
- If you are paying your own fees in a home providing **nursing care**, you will be assessed by an NHS nurse for a contribution towards your fees. As from April 2003, this is paid at three levels £40, £77.50 and £125 per week according to how much nursing care you are assessed as needing. This amount is paid directly to the home.

### If you need help to pay your fees

- A Local Authority is legally obliged to carry out a **financial assessment** where they are arranging or providing a place in a care home.
- If you have savings of less than £20,000 you should approach your Local Authority and request an assessment of need. A Local Authority will only pay for care where the applicant meets their criteria and will only pay the amount they would 'normally' pay for an applicant with those assessed needs.
- Both your capital and income will be assessed for a **contribution** towards your fees. Savings below £12,250 will be ignored whilst amounts between £12,250 and £20,000 will be counted as though they produce an income. You will have to contribute all of your income and will have £18.10 per week **personal expenses allowance** to spend as you wish.
- State retirement pensions, private pensions and Pension Credit are included in the financial assessment. For married couples, half of any private pension can be disregarded and passed to a husband/wife who is still living at home. In addition to the personal expenses allowance up to £4.65 per week 'savings credit' can be disregarded.
- Any Attendance Allowance will stop after four weeks.

- Only **savings / capital / assets** in your name will be assessed. Capital / assets includes any bank / building society account, premium bonds, stocks/shares and any other property. This will include half of any joint savings. Where you have joint bank/building society accounts, it is advisable to open separate accounts prior to the assessment being carried out.
- Property will be disregarded if a spouse continues to live in the home. This will also apply if a relative over 60, or a relative under 60 but incapacitated, continues to live in the property. The Local Authority can use its discretion to disregard the property in other circumstances.
- You are allowed to let your spouse use your share of a property to purchase another property should they wish to move. Any capital remaining will be included in your financial assessment.
- The Local Authority has to disregard the value of your property for twelve weeks from the date that you permanently enter a care home. If you sell your property within the first twelve weeks then the disregard ceases from the date of the sale.
- Local Authorities can enter into a '**deferred payment agreement**' which is effectively an interest free loan. Your contribution is deferred and paid back once your property is sold. A legal charge may be placed on your property.
- Legally, husbands and wives have a duty to maintain each other financially. A Local Authority can ask your spouse to pay towards your fees. This is known as a '**Liable Relatives**' contribution and any agreement made will be voluntary and not legally binding unless it has been approved by a court as maintenance.
- If you choose a more expensive home, a **third party** can '**top-up**' Local Authority funding but you are not allowed to use your remaining capital or personal expenses allowance to do this.
- It is illegal to give property or savings to another person in order to qualify for funding from your Local Authority. This is known as '**deprivation of assets**'. If you give away your capital / property to relatives or others, they can be asked to pay your fees in some circumstances. (Call EAC for more information on this subject)

## Fully funded NHS care

- People with very high nursing or medical needs may qualify to have their care fully funded by the NHS under the **Continuing Care** criteria. People with high nursing needs or assessed for the high band of the nursing contribution should apply to their Primary Care Trust for this assessment.

Rules and regulations on the funding of care homes are extremely complex. If you would like to discuss any of the above areas further or if you would like to receive more detailed factsheets on any of these subjects please call the EAC advice line on **020 7820 1343**.

## Need further information?

EAC can also provide details of care homes in your local area or any part of the United Kingdom. We also have information about other options that you may wish to consider, such as remaining at home with assistance or moving into sheltered or retirement housing.