

Local authority care funding

Care funding can be a cause of concern for many people. Getting the right advice can provide peace of mind.

Many people become anxious about whether they will lose their home while paying for care. Some are just concerned that their savings will be lost. The system of paying for care is currently even more uncertain as a proposal was made to cap care costs, but there is no clear guidance as to when or how this will be implemented.

The assessment system which supports paying for care can be complicated. We understand the details of the system and are experienced in advising on the limits, disregards and processes associated with care placements.

What is the criteria?

Generally, if a person needs to go to a care home, and they have assets worth more than £23,250, that person will be what is described as “self-funding”. They will have to pay the full cost of the care themselves. If your resources are under £23,250 but more than £14,250, the local authority will contribute towards the cost of the care placement. The contribution the local authority makes is towards the cost of a placement they think is appropriate to your needs, not necessarily what your home is charging.

If your resources fall below £14,250, the local authority will fund the whole package of care but they will expect to receive all your pension and chargeable income subject to a personal allowance of £25.65 per week for you to spend on clothes toiletries hairdressing etc.

It is important to consider which assets may be available for paying for care. There are a wide range of disregards and rules that apply. For example - assets abroad are included, as is the value of any home that you own (unless you have a partner, spouse or relative over 60 living in that property). Jointly owned assets are deemed to belong 50/50 to the owners and the share belonging to the person in care is used towards the care costs. There are plenty of ‘buts’ and ‘excepts’ that apply even to these examples.

If you start off living in a more expensive care home, when your resources drop below the £23,250 threshold, the local authority will not necessarily contribute towards the whole of the fees. They will have a tariff that they would be prepared to pay towards the fees the home asks for but will not pay the full fee. Discussions with care homes over what happens if your resources fall below the £23,250 level at the time when you are thinking of moving in are important. Not all homes will accept people where the local authority rates are the only way fees can be paid.

The process

We have detailed understanding of the rules, disregards, and assessment processes relevant to care funding. Please note that no one should ask about your financial resources before they assess what your needs are and decide what a suitable placement for you is.

Some people may be able to remain in their own home with a package of care. Generally, the house where this person lives is not assessed as an asset in this case, but savings other than the house are assessed at the discretion of the local authority. Most have an assessment system similar to when assessing the contributions and resources available to pay for care in a care home.

In some exceptional cases where a person has complicated health and care needs the NHS may be responsible for paying for their care. The funding is known as ‘Continuing Health Care Funding’ and there are no means tests that apply. The process for being assessed for eligibility is complicated, and some expert professional input at an early stage is likely to ensure your case is presented fully. We understand the rules and processes and can advise on and assist with the assessments. [\[LINK\]](#)

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