



10B: Financial Assessment and Charging for Permanent Care Home Accommodation

If your social care assessment shows you have significant and complex needs which cannot be supported at home and we recommend a permanent move to a care home you may be entitled to financial support from the Council to help towards your care home fees.



You should read this section in conjunction with [Information that applies to all financial assessments](#) and [Choice of Accommodation and Additional Payments Policy](#).

You won't have to pay care home fees if:

- your care home placement is an '[After-care](#)' support service provided under section 117 of the [Mental Health Act 1983](#) or
- your care home placement is fully funded by the NHS through [Continuing Healthcare](#)

If you are eligible for NHS-funded nursing care payments:

- the NHS pays a standard rate of [NHS-funded nursing care](#) directly to your nursing home.

If the value of your capital assets (excluding your home) is above the Upper Capital Limit¹

You won't be entitled to financial support from the Council to help with your care home costs and you must pay your care home fees directly to your care home provider.

However:

- you may be able to claim [Attendance Allowance](#) (over state pension age), or [Personal Independence Payment](#) to help with your care home fees - see www.gov.uk
- you are still entitled to a social care assessment and information and advice to help you choose a suitable care home that can meet your care and support needs.

If you are likely to need help with care home fees in the future:

You should consider what will happen if your chosen care home charges more than the local council is prepared to pay. See [Implications of choosing a more expensive care home](#).

If/when the value of your savings/investments reduce to near the Upper Capital Limit you should contact the local authority where your care home is located to ask for a care assessment and help with your care home costs.

¹ See [Appendix A – Capital Limits schedule](#) for the current Upper Capital Limit



We **strongly** recommend that you seek independent financial advice before making any decisions about using your capital assets to fund care home fees. We can help you [access independent financial information and advice](#).

If the value of your capital assets (excluding your home) is below the Upper Capital Limit

We will carry out a full financial assessment following national rules ('Care and Support (Assessment of Resources) Regulations' issued under section 17 of the Care Act 2014) to work out the most you could afford to pay each week towards your care home fees (your Assessed Weekly Contribution).

[See Information that applies to all financial assessments](#) about how we collect information for your financial assessment.

If you own (or have a beneficial interest in) your home which you have left to move to a care home, your property capital is not included in your financial assessment for up to the first 12 weeks of your care home placement. See [If you own your home \(or former home\)](#).

If you choose a care home that charges more than we would normally pay

You will need to find a family member, friend or organisation who is willing and able to pay the extra costs (a Third Party Top-Up) – see [Implications of choosing a more expensive care home](#) and [Choice of Accommodation and Additional Payments Policy](#) for details.

How we work out your Assessed Weekly Contribution

Your Assessed Weekly Contribution is:

- Your weekly income (Regarded Weekly Income plus 'Tariff Income' on your savings/investments) LESS
- Your allowable expenses (Personal Expenses Allowance PLUS Savings Disregard (if it applies) PLUS other specified allowances (if it applies))

Income and expenses explained:

- **Regarded Weekly Income:** We consider your actual income (converted to weekly amounts) and apply the national rules to work out how much should be included (regarded) in your financial assessment.
- **Tariff Income on savings/investments** is a weekly amount calculated from savings and investments between the upper and lower capital limits – see [Appendix A – Capital Limits Schedule](#) for details.
- **Personal Expenses Allowance** this is a standard weekly amount (set by the Government) to ensure you are left with enough money for day-to-day personal expenses - [see Appendix B – Financial Assessment Allowances Schedule](#) .
- **Savings Disregard:** If you are 65 years or over and have more than a basic pension income or savings you may be entitled to an additional allowance in your financial assessment called a 'Savings Disregard' - see [Appendix B – Financial Assessment Allowances Schedule](#) for the current maximum allowance.
- **Other specified allowances** – We have some discretion to allow an additional amount for Personal Expenses Allowance if it isn't appropriate to leave you with only the standard amount (for example – if you have a dependent child).

We may allow an amount for committed costs on previous accommodation for a period of time

If you enter into a [Deferred Payment Agreement](#) with us, your Personal Expenses Allowance will be replaced by a 'Disposable Income Allowance'.

If you receive welfare benefits

During your financial assessment we will:

- Tell you if moving to a care home changes your entitlement to benefits and how to notify your benefit provider.
- Explain how the award of a new welfare benefit might affect the outcome of your financial assessment.

Attendance Allowance / DLA / PIP : If you receive Attendance Allowance or the care/daily living component of Disability Living allowance (DLA)/Personal Independence Payment (PIP), your entitlement to these payments will stop after the first four weeks in a care environment funded by NHS or a council – this includes any time spent in hospital or other care home before moving to your care home. You must tell the benefit office the date you moved to a care home and dates of hospital stays.



If you own your home (or former home)

If you own (or have a beneficial interest in) your home, from which you have left to move to a care home, we will disregard the value of your property in your financial assessment if:

- your spouse or partner still lives in the property or
- a relative over 60 years or a disabled relative still lives in the property

The Regulations state who counts as a 'relative' and the [Statutory Guidance](#) gives more information about these disregards.

We have the [discretion to disregard the value of your property](#) in other situations.

If your property is not disregarded under the Regulations described above, it may be disregarded for up to 12 weeks of you moving to a care home – see [12-week Property Disregard](#) for details. You may also be eligible to apply for a [Deferred Payment Agreement](#) which allows you to delay the sale of your home during your lifetime.



We recommend you seek independent financial advice so you can make an informed decision when considering options for funding your care.

12-Week Property Disregard Period

The 12-week property disregard applies if the value of your home takes your capital assets over the Upper Capital Limit which means you are responsible for paying the full cost of your care.

We will ignore the value of your home for up to the first 12 weeks of your permanent move to a care home to give you time you to decide what to do about your property if:

- you are moving to care home for the first time or

- you were a temporary resident in a care home but have now become a permanent resident or
- You already live in a care home but the value of your property is no longer disregarded because the reason for the disregard is no longer relevant - for example if your partner/relative has moved out of the property.

The 12-week property disregard only applies to your sole or main residence prior to moving to a care home. It does not apply to any other property or land you own.



You won't be eligible for the 12-week Property Disregard if the value of your savings and investments are over the upper capital limit when you move into your care home.

However, if your savings and investments fall below the upper capital limit within the first 12 weeks of moving to your care home you will be entitled to the remaining weeks of the 12-week property disregard period.

At the end of the 12 weeks you become responsible for the full costs of your care home placement.

If you sell your property before the end of the 12 weeks, the disregard period ends on the property sale completion date and you become responsible for the full costs on that date.

Your financial contribution during the Property Disregard period

We will carry out a financial assessment to work out your [Assessed Weekly Contribution](#) during the property disregard period.

We will pay your care home fees in full and send you an invoice for your Assessed Weekly Contribution.

You must pay your invoices immediately.

If you receive a disability benefit

Your entitlement to Attendance Allowance (AA) or the care/daily living component of Disability Living Allowance (DLA)/Personal Independence Payment (PIP) will stop after the first four weeks in a care environment – this includes any time spent in hospital or other care home before moving to your care home. You must tell the benefit office the date(s) you moved to a care environment.

However, once your property disregard period ends and you become responsible for paying the full cost of your care home placement your entitlement to AA or the care/daily living component of DLA/PIP will restart.

Discretionary Disregard of Property

In some circumstances we may consider disregarding your financial interest in a property even though we are not required by the national Regulations to do this.

However, we always have to balance the use of this discretion with the need to ensure that residents with assets are not maintained at public expense.

If you ask us to consider a discretionary disregard because your property is being occupied by a third party, we will consider:

- the reason they are occupying the property
- when they moved in

In making a decision on whether to agree a discretionary disregard of your property we will consider our financial resources, and the following factors:

- What is the nature and closeness of the relationship between you and the person remaining in the property?
- Has the person cared for you and for how long? If so, what is the level and nature of the care provided by the person? Has any care been provided by others? If so what is the relationship to you and what is the level and nature of that care?
- How long has the person lived in the property?
- Where did the person live as their main or usual place of residence before moving into the property and what has happened to their former accommodation and any proceeds of sale?
- What was the main reason for the person to move into your home? Were there any other factors affecting the decision to move into your home?
- What is the age, employment status and financial circumstances of the person?
- When did you first have identified care needs?
- When was care home accommodation first considered as an option for you?
- Has that person made any financial contributions towards your property? If so what were they? For instance has he/she contributed to the mortgage, home improvements, household maintenance? Was there a tenancy? What is the level of any contribution, over what period and is there any documentary evidence?

The weight placed against each factor in considering the request will depend on the individual circumstances and actions taken.

How to request a Discretionary Property Disregard

Ask your Social Care Worker or the FAB Team.

We will:

- Ask you to provide information about your property, who lives there now and any other details relevant to your request.
- Refer your request to the Council's Head of Adult Care (or other relevant Head of Service) who will consider all the facts, seek legal advice if necessary and base their decision on the merits of the case.

We will keep you updated of the progress of your request.

If we refuse your request

We will write to you explaining our reasons and tell you how you can [appeal our decision](#) if you feel we have not considered your case fairly.