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.

Independent, safe and well
Financial Assessment

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

If your home continues to be occupied by a partner, child under the age of 18 or an older or disabled relative, then it will not be included 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 not included in the financial assessment for 12 weeks from when your care starts.

Care Home Charges

Care home costs can vary from home to home. If the council is contributing towards the cost of your care, your choice of care home will be limited to those that accept the council’s funding level.

If the home you have chosen charges more than the council’s contribution, you must find someone to help pay the difference.

Except in limited circumstances, the law states that you are not allowed to make this additional payment yourself. The responsibility for this often falls to a member of your family or a benevolent sponsor, such as a charity.

Once confirmed, the responsible person must sign an agreement with the council formalising the arrangement.
If the person making these extra payments cannot continue to make these in the future, the council may not automatically pay the difference. If the home will not accept a lower rate, you may need to think about moving to a less expensive care home.

If you pay the full cost of your care home fees, arranged it without our assistance and the care home fees are higher than the council’s funding level, you will need to think about how the fees will be paid if your capital and savings are likely to fall below £23,250 in the future.

Deferred Payment

Deferred payment of care home fees means that people should not have to sell their 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 ongoing loan, using your 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.

For more information call
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