

Going into a Care Home - Paying for Residential Care

April 2024

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Factsheet 5

Financial Assessment for temporary placements

In most cases when you have a respite or temporary stay in a care home your contribution towards your care and support will be assessed on your weekly income and the amount of savings and capital you have, we will also consider certain expenses in relation to maintaining your home in the community.

Your assessed weekly income minus any expenses and your personal expenses allowance will give you the amount you need to contribute towards your care.

Capital and Savings

If you have over £23,250 in savings and capital and the Council is assisting you with making your care arrangements, you will automatically be assessed as having to pay the full cost of your care and support.

Property

If you own your own property or a share of a property this will be disregarded from the financial assessment unless the property is not your main residence.

Tariff Income

If you are over pensionable age and have capital between the upper threshold (£23,250.00) and lower threshold (£14,250.00), you'll be assessed as though you have an extra £1 a week income for every £250 or part of £250 between the lower and upper limit.

If you are under pensionable age and have capital between the upper threshold (£23,250.00) and lower threshold (£10,000.00), you'll be assessed as though you have an extra £1 a week income for every £250 or part £250 between the lower and upper limit.

Income

Your income includes:

- State Retirement Pension
- Pension Credit
- Income Support
- Occupational and Private Pensions
- Employment and Support Allowance
- Job Seekers Allowance
- Incapacity Benefit
- Severe Disablement Allowance
- Industrial Injury Benefit
- Universal Credit

War Widows Pension/ War Widowers Pension/ War Disablement Pension

If you are in receipt of War Widows Pension/ War Widowers Pension/ War Disablement Pension this income will be disregarded from your financial assessment as a discretionary disregard.

Couples

If you are claiming benefits as a couple, we would need to assess your individual entitlement to the income that you both receive when we calculate how much you need to contribute towards your care and support. We may provide you with an additional personal allowance to support your spouse whilst you are in a care home temporarily.

Disability Living Allowance/Personal Independence Payment/Attendance Allowance

If you receive Disability Living Allowance Care Component, Personal Independence Daily Living Component or Attendance Allowance this usually stops after 4 weeks (28 days) of being in care this would include any period that you were in hospital or in another care home. You may want to check with your Social Worker whether these benefits will be affected if you have a planned package of respite throughout the year.

If you are in receipt of Disability Living Allowance Mobility Component or Personal Independence Payment Mobility Component you may be able to continue to receive these payments whilst in a care home. These payments will not be included in your financial assessment.

If you are paying the full cost of your care or you enter into a deferred payment agreement you can continue to claim any Attendance Allowance, Disability Living Allowance Care Component or Personal Independence Payment Mobility Component that you are entitled to.

Personal Expenses Allowance

Your Personal Expenses Allowance is set by the Department of Health every April, the amount is £30.15 per week (2024/2025), which is intended for you to purchase things

not provided by the care home such as toiletries.

Savings Disregard

If you are aged 66 or over you may also be entitled to a further disregard on your income of up to £6.95 (£10.40 for couples) this depends on the amount of income you receive.

Expenses

If you have to maintain your home in the community the following outgoings will be taken into account in your financial assessment:

- Rent/Mortgage
- Council Tax
- House Insurance
- Water Rates
- Gas/Electricity (**standing charges only**)
- Telephone (**Line rental only**)
- Service Charges/Ground Rent

Examples

Gurpreet is 76 and is going into a care home for two weeks while her Son and Daughter-in-law who are her main carers go on holiday. Gurpreet has an income of £218.15 per week from her state pension and pension credit. Gurpreet lives on her own and pays all of her own bills from her bank account where she has £2,000 savings.

Gurpreet's Financial Assessment is calculated as follows:

Pension Credit	£218.15
A. Total Income	£218.15
B. Personal Expenses Allowance	£30.15

Utility costs	£15.00
House Insurance	£10.00
C. Expenses	£25.00

Weekly contribution (A-B-C) = **£163.00 per week**

Peter is 32 and has regular respite stays in a care home, he receives Employment and Support Allowance of £159.05 per week, and low-rate Disability Living Allowance Mobility Component of £28.70 per week, he has no savings and does not own a property.

Peter's Financial Assessment is calculated as follows:

Employment and Support Allowance £159.05

Disability Living Allowance Mobility Component £28.70

A. Total Income £187.75

Personal Expenses Allowance £30.15
Disregarded benefits £28.70

B. Total Personal Allowance £58.85

Weekly contribution (A-B) = **£128.90 per week**