

Fact Sheet No 10

What will your local Council or the NHS pay towards the cost of your care?



Do you have to pay for your own care or will your Local Council or the NHS meet the cost?

- The NHS will pay for your care if it assesses that you need continuing healthcare ie you need significant daily nursing or other healthcare interventions to sustain your life. Nowadays you are unlikely to be assessed as needing continuous healthcare unless you either need ongoing treatment for an incurable disease or if you have advanced dementia. However the assessment may take many weeks to be obtained and the likelihood of securing a favourable assessment varies with where you live.
- Your local Council will pay for some or all of the care which it assesses that you need provided that you do not have assets (including your home if you own it) worth more than £23,250. The exact sum varies slightly between England, Wales and Scotland and the amount of your own income that you are required to contribute to your assessed care costs tapers as the £23,250 limit is approached. The taper can vary from one Local Council to another. There are also rules (which vary between one Council and another) as to whether the value of your home, if you own it, is taken into account in valuing your assets. Generally the value of your home is disregarded if your partner or a dependent offspring - even if adult - lives with you in your home.
- So if you have no dependent relative or legally recognised partner living with you and you own assets (including your home) which are worth more than £23,250 and you do not need continuing healthcare then you will have to pay for most or all of your care.



If you have assets or more than £23,250 (ie you are classed as a “Self-funder”) is there any financial help available from the State towards the cost of your care?

Yes: limited help is available in two circumstances:

- If you are successful in making a claim for “Independent Living allowance”. The good news is that this weekly grant towards the costs of your on-going care is not means tested; the bad news is that it is discretionary. It is estimated that only some 50% of applicants are awarded it. Making a successful application is a skilled business. My Care My Home advises applicants to go to a well recommended free local advice centre to get help in completing the complex application form in a way that is more likely to secure a positive award. The current level of Independent Living allowance is £53 per week (lower level) or £79.15 (higher level).
- Some Councils will pay all of the cost of the domiciliary care that they assess you need to live safely in your own home. Note that local practice varies around the UK and that what any Council will contribute depends upon that Council’s assessment of the care you need not your assessment of what you may think you need and that you want: the council may assess that you only need four ¼ hour visits from a carer each day; ie one hour a day in total. You may want more frequent or longer visits from a carer. Also the Council will contribute towards the cost of the domiciliary care you purchase at an hourly rate that it considers is the local “going rate”. However the Care Provider you choose may charge more per hour than the rate which the Council pays for. Increasingly Councils are seeking to agree a cash sum for your care which you are then free to use flexibly; the cash sum is unlikely to meet your expectations.



Isn't there a £72,000 cap on the cost of the care you have to meet yourself and after that the State pays all your care costs?

- No: firstly this government cap hasn't come into force yet and will not do so until 2016.
- Secondly the rules have yet to be published about exactly how this cap will operate. What is clear already is that the cap is only on care costs. Note the significance of this: if you are receiving care in a care home whose weekly fees are say £700, the proportion of this cost that is counted as care cost (as opposed to what are described as "hotel and accommodation" costs) may be only £170 per week or £8840 per year. It would take eight years of living in this care home before your care costs had mounted up to £72,000. Meanwhile you would have spent over £220,000 on care home fees. What's more, as we currently understand how the system will work, even when have reached the cap on care costs you will still have to find the on-going hotel and accommodation charges. (£27,560 per year in this example.)



So how can you pay for your own care?

- See My Care My Home Fact Sheet No 12 "How can you afford to pay for your care?"