

# TUDOR COTTAGE

## FINDING YOUR WAY THROUGH THE FINANCIAL MAZE OF CARE HOME FEES

### SELF FUNDING:

If you have assets (including property) worth more than £23,250 (2025 /26) you will have to pay your own care home fees until your assets reach the threshold of £23,250. When this happens the county council will step in and pay a proportion of the fees. If you meet certain criteria the Clinical Commissioning Group might also pay the majority, or all, of your fees but this is unusual in a residential home such a Tudor Cottage. Our current fees start at £950.00 per week.

It is a local authority requirement that we ask you for evidence that you have sufficient funds to pay for your room at Tudor Cottage for 2 years and we may ask for a guarantor.

There are various ways of making your assets work for you to help you pay for the fees. We cannot give you advice because we are not regulated by the Financial Conduct Authority but there are many specialist advisers who can give you advice. If you are self funding your care, then you should apply for Attendance Allowance from the DWP. We can usually assist you to do this for a small fee.

You could:

- Use your savings
- Rent out your house
- Take an immediate annuity
- Use your investment income
- Undertake an equity release scheme if you own your house
- Apply to the local authority for a deferred payment agreement

### MOVING TO LOCAL AUTHORITY FUNDING:

Once you have assets (including property) worth less than £23,250 you should be eligible for help with the fees from the local authority. If you move into the home funding the cost of your care yourself and your assets start to decrease then you will need to apply to your local authority for a financial assessment so that they can establish whether or not you are eligible for their financial support with the fees. The most important thing to remember is to talk to the local authority and to the care home as early as possible when assets start to become depleted. It can take several months for the local authority to arrange to take over payments and obviously the care home expects the fees to be met during this time. This may mean that the fees have to be met from the £23,250 until the local authority takes over. At this time they will usually back date their funding arrangements and you will be reimbursed.

Be aware, however, that even if the local authority get involved they will not pay all the fees. Many people misunderstand how the fees are paid and assume that the resident keeps their income while the county council pays the fees. This is not the case.

The financial assessment that the local authority team undertakes establishes the current income of the resident (x), deducts an amount specified each year by law (y - the personal expenses allowance ie £30 .65 per week in 2025/26) and establishes that the resident must pay x-y towards the fees and the local authority will pay the balance up to their published fees. This causes an issue because the local authority fees are rarely realistic and this means that there may well be a shortfall that has to be met if the resident wishes to either enter or stay at the care home of their choice.

Example:

- the local authority published fees are £750 .00 per week
- the care home fees are £1000.00 per week,
- the resident's assessed income is £200.00 per week,

This would mean that the local authority would expect the resident to pay £200.00 – £30.65 = £169.35 per week towards the fees

The local authority would pay £750.00 - £169.35 = £580.65

The care home would receive £750.00 overall. This leaves a shortfall of £250.00 per week of the £1000.00 per week fees which has to be met by a third party

#### **LOCAL AUTHORITY FROM ADMISSION:**

We understand that not everyone can afford the usual, and true cost of care, fees charged by our care home and have one room which is subsidised by us into which we can admit a resident on local authority rates. If the room was available then the resident would only pay what the financial assessment team at the local authority had assessed they were able to pay. In this example, it would be £175.10 per week. Obviously, if this room is already taken then our normal fees would be payable for any other room.

This can be a very complicated area of moving into care which can cause unnecessary stress for you. Please come and talk to either Mandy Larcombe (Manager) or S Mathew (Care Provider) at any time and we will try to help you in any way that we can (01297 33016)

You can contact Devon County Council via Care Direct on 0345 1551 007