Your guide to getting the care you need

A practical guide for people looking to arrange care for themselves or a loved one

Updated for 2025/2026

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Preface

If you are reading this, the chances are that either you, a family member or someone for whom you act as attorney needs care, either now or imminently. This can be a very stressful time for all involved.

The process of trying to find suitable care (often needed urgently), then trying to work out who will need to pay for it, can be extremely challenging for most people. After all, it's not something most of us think about until faced with an urgent need for care.

At My Care Consultant, every day we help people who are struggling to make sense of the rules and regulations that apply whilst they try to navigate the challenges of getting care for a loved one. Whilst we always recommend seeking professional advice, be it from a care navigator like My Care Consultant, a financial adviser in respect of how best to pay for care or a legal firm to ensure the wishes of those needing care are adhered to now and in the future, we know from experience that a basic understanding of how things work helps most people at least start off down the right path.

So we have written this guide to help point you in the right direction at the earliest opportunity. We've tried to ensure the structure and contents are straightforward and clear, but we know that everyone's circumstances are unique. So should you require clarification on any matter you can always contact My Care Consultant (without any obligation) to see if a fixed rate chargeable consultation with one of our care experts is what's needed. To contact My Care Consultant please either e-mail us on ask@mycareconsultant.co.uk or call us on 020 3290 3110. If we're busy, leave a message including contact details and we'll come back to you within one working day.

Good luck and we hope you find the care you need and deserve

Jacqueline Berry
Founder of My Care Consultant

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Introduction

Across the UK, the way the care system works in each of the home countries can seem unfamiliar and extremely complicated. Urgent questions arise when someone needs care, and whether the person seeking information is doing so for themselves, for a family member in need of care or for someone they are acting as Attorney for, they need quick answers to questions such as:

- What care is currently available in the locality?
- How do I know that it will meet this person's care needs and is of a good standard?
- What financial support, if any, is available?
- Will the person in need of care have to pay some or all of their own care fees, and what options are available to do this?

At the root of much confusion is the distinction between 'social care' and 'health care'. This distinction is one that for many seems quite arbitrary, and an individual's situation and needs may not necessarily sit clearly within one or the other.

What is 'social care'?

Whilst there is no formal definition of social care, it's often described as dealing with the "activities of daily living". In other words, help that is needed in order to carry out day to day activities like eating, washing, dressing, using the toilet and getting around. It also refers to help needed to maintain independence, to ensure a level of social interaction, to manage complex relationships and to be protected in vulnerable situations.

In contrast, a healthcare need is one related entirely to the treatment, control or prevention of a disease, illness, injury or disability and the aftercare of someone with these conditions.

Who is responsible for health care and social care?

Across the UK, healthcare is the responsibility of the NHS and is free at the point of need. Social care, in contrast, is the responsibility of local authorities in England, Scotland and Wales and Health and Social Care Trusts in Northern Ireland.

Most types of social care are means-tested, so people who are assessed as being able to afford to pay are usually required to do so. How much they pay also depends on whether that care is needed at home (often referred to as domiciliary care) or in a residential care or nursing home, as the rules are different.

Types of Social Care

Before we look at how the care system works, it's worth focusing on a positive aspect of the evolution of social care for the elderly in recent years. There has been a gradual shift from just one single type of care (going into a care home) to a range of different types and settings that suit different preferences and needs. This has resulted in several different names for different types of care. To help navigate this complexity, social care can be usefully broken down into the following:

Domiciliary care

Domiciliary care is care that is provided in the person's own home. Sometimes called "care in or at home" or "home-care", it typically involves a carer visiting a person in need of care at regular times and on specific days in order to offer support. Domiciliary care can be appropriate if someone requires help with practical tasks or personal care, but they don't want to move to a care home.

If support is needed with things like injections, changing or applying dressings, assisting with oxygen or other nursing help, some care agencies can offer specialty nursing care support at home.

Domiciliary around the clock care – live-in or 24/7 care in the home

Live-in care is a type of domiciliary care where a trained carer moves into a person's home so that care is available whenever it's needed. This is a good solution if the person needing care typically sleeps well through the night, as the carer will also be asleep at this time.

For those who wake up during the night with care needs, 24-hour care can be a better solution than live-in care, as it means a shift pattern is adopted so that a carer can be on duty in the person's home during the night, awake and ready to help whenever the person wakes up needing assistance.

Dementia home-care

Dementia home-care is geared specifically towards those with Alzheimer's disease or other forms of dementia. While dementia caregivers offer the same assistance as regular domiciliary carers, they are familiar with the stages of the disease, how it manifests, common problematic behaviours, strategies to adequately deal with them, and safety issues relating to dementia.

Intermediate care and reablement

Intermediate care (IC) including reablement support is non means-tested, short-term support designed to enable a person to maintain or regain the skills needed to live independently in their own home. As well as intermediate care and reablement, it is sometimes referred to as 'hospital at home' or similar. It is often provided by the NHS after hospital discharge but can also be provided by the local authority. Either way it should be free of charge for up to six weeks.

Care in the community

This encompasses community-based services, designed to help people live independently. Care in the community is available from commercial organisations, charities or local authorities and can take many forms, including day care and the provision of meals at home.

Sheltered Housing

Sheltered housing is a type of ‘housing with support’, which you can buy or rent. It could suit someone who wants to live independently but needs some support, or if they want to live in a smaller, easier-to-manage home. It is usually only available to those aged 55 and over. Features vary from scheme to scheme, but some common features of sheltered housing include help from a scheme manager (warden), or support staff; 24-hour emergency help through an alarm system; communal areas, such as gardens or lounges and social activities for residents.

Extra Care or Assisted Living

Extra-care housing (also called assisted living) offers more support than sheltered housing, but still allows for living independently. Residents typically live in a self-contained flat, with its own front door, but meals may be provided. Personal care and support services are generally available on-site 24 hours a day. Some extra care housing is available to buy or rent privately and some is available from the local authority following a needs assessment. It is not available everywhere.

Retirement or Care Villages

This type of accommodation is becoming increasingly common. Like most retirement housing it is aimed at older people, usually over the age of 55 or 60 and is usually sold on a leasehold basis, granting a long lease of about 100 years. Retirement villages are purpose built and aim to create a village-type environment often with a variety of amenities on offer. They are designed to give older people access to a social community as well as the option of additional specific services when required, such as assisted living or special care (e.g. help with living with dementia). Retirement villages provide the option to buy and own a home in a secure environment, without having to give up things like pets and a general sense of independence.

Residential Care

There are many different types of residential care, including care homes, with or without nursing care (known as dual-registered care homes if both options are available) as well as specialist care homes such as those dedicated to the care of those with dementia.

Palliative/end of life Care

Palliative care is for people living with a terminal illness where a cure is no longer thought to be possible. It offers active holistic care to patients with advanced progressive illness. It’s not just for people diagnosed with terminal cancer, but any terminal condition and usually provides a range of practical, emotional and spiritual support for those thought to be within 12 months of death.

Respite Care

Respite care is care given by a person, group or organisation to provide an unpaid carer with a temporary break from their caring responsibilities. Alternatively, it is sometimes designed to provide short-term specialist health care for someone following an illness or operation, or to prevent admission to hospital. Respite care can be provided in your own home by a home-care provider or may be provided in a residential care environment.

You can find further information about the types of social care, how to find it in your local area and how to know its right for you in My Care Hub, our online source of guided information that helps users self navigate their care needs.

How much does social care cost?

Good care doesn't come cheap

There are no standard rates for care in later life and the amount to be paid will depend on the type of support and level of care needed as well as where the person in need of care lives in the UK.

If, following a means test, it is decided that the local authority will be paying for an Individual's care, the local authority will have fixed rates that they are willing to pay to care providers. Those who have to fund their own care typically pay more for exactly the same type and level of care. This is usually around 30% – 40% more than the local authority rates. This cross-subsidising remains one of the iniquitous aspects of the current care system.

The cost of residential care

Care home fees can vary significantly by location and service levels, but many charge fees in excess of £1000 per week. If nursing care is required, this can cost up to 25% more and dementia care is more expensive than standard elderly care, primarily because the staff to resident ratio needs to be higher.

The cost of care at home

Care at home (often referred to as domiciliary care) is generally charged at an hourly rate. For care during the day, this is likely to be between £15 and £30 per hour. If care is needed overnight, a nightly rate may be charged, and is often upward of £100 a night.

The UK Home Care Association has recommended a minimum price for home care of £32.15 per hour (from April 2025) based on minimum legally compliant pay rates, travel time, mileage and wage-related costs.

The cost of live-in care

Live-in care fees can start at around £1000 per week but can be considerably more depending on the individual's location and needs, and the provider chosen.

Where two people require care this can be a more cost-effective solution than a care home, as some providers will simply charge a supplement to care for an additional person in the same house, rather than double the normal rate.

30-40%

More than the local authority rate.

How the UK Social Care system(s) work

Establishing needs

As social care is a politically devolved matter across the UK, there are slightly different rules and regulations applying from country to country when determining eligibility for local authority (or in Northern Ireland, Health and Social Care Trust) funding. However as a general rule the first step is an assessment of care needs so that the local authority or Trust can determine whether these are significant enough to qualify for support (often referred to as 'eligible needs'). This will then be followed by a financial assessment to establish how much the person will be asked to pay towards meeting these needs.

Establishing who pays

The nature of the financial assessment (sometimes referred to as the 'means-test') varies depending upon whether the person will be receiving care services in their own home, which includes short breaks away, or in a residential care home or a nursing home. Regardless of the setting the care is to be provided in, for most cases this will involve the local authority looking at the individual's assets such as savings and investments (and may, depending on who continues to live in it, include the value of their home) as well as some of their income, known as 'eligible income'.

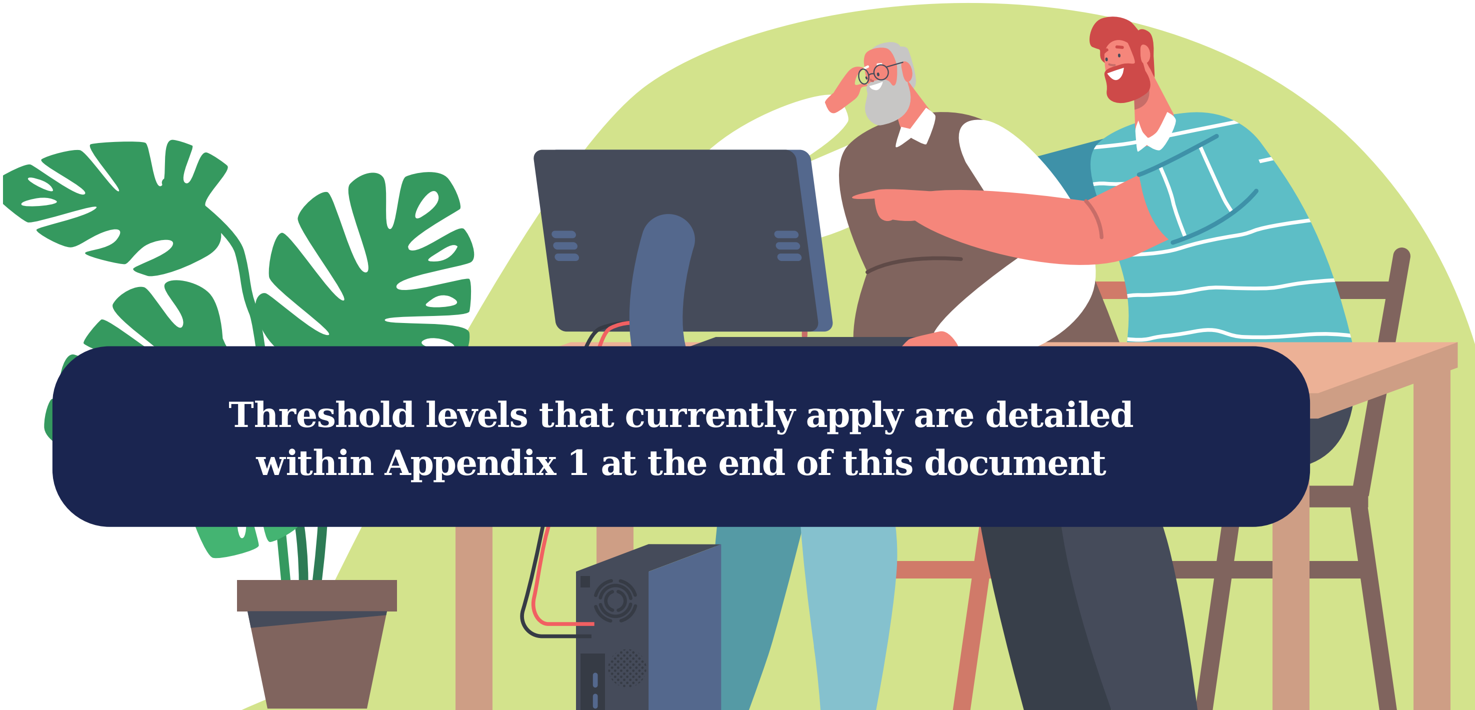
If their assets are worth more than a specified upper threshold, they will have to pay for all of their own social care costs, subject to some country-specific variations.

If the value is between an agreed lower and upper capital limit, they will be deemed able to contribute some 'tariff income' from their capital which will be added to any other eligible income to determine their ability to pay.

If the value of their capital is below the agreed lower capital limit it should be completely disregarded. In this case only their eligible income would be used to determine their ability to pay.

Statutory guidance exists in each country within the UK, providing clarity in respect of what types of income and capital will be included or ignored in any financial assessment, and what amounts will be taken into account in the case of jointly owned capital and/or assets.

However this is not a simple matter and professional help may be required to understand fully how someone's ability to pay will be assessed in practice.



Threshold levels that currently apply are detailed within Appendix 1 at the end of this document

Examples of UK variations

The extent to which some aspects of social care are free or subject to partial funding at the point of need currently vary from country to country. The following are examples only and not an extensive summary.

• In Northern Ireland, care at home is free for those over age 75. For those aged 75 or under, if the Trust decides to charge for these services it must first conduct a financial assessment. The exception to this is the home-help service and the meals on wheels service, which are usually charged at a standard rate.

• In Scotland, care is split into three constituent parts

1. Accommodation costs (also sometimes referred to as 'Hotel costs')
2. Personal care
3. Nursing Care

The local authority will make flat rate contributions towards any personal and, if necessary, nursing care required, based purely on the person's physical/care needs and regardless of their financial situation.

- In Wales, whilst domiciliary care is means tested, he maximum amount that anyone can be charged is currently set at £100 per week.
- In England, most forms of social care are subject to means testing with only a few services currently funded in full by local authorities irrespective of a person's ability to pay (see below.)

Examples of UK variations

There are some home adaptations and items that you can obtain for free from local authorities which can help someone needing care to stay at home. These items might be community equipment items like a telephone with large buttons or flashing lights, electronic medication reminders, bed rails, alarms or minor home adaptations (subject to budget constraints). Grants/ financial support may be available for more major home adaptations.

To find out more about home adaptations take a look at the following Age UK link. This provides useful information applicable across the UK. At the time of writing it is available here:
www.ageuk.org.uk/information-advice/care/housing-options/adapting-home/

Giving away your assets to avoid paying for care

At this point it's worth stating that giving away assets or income to avoid having to pay for social care is likely to be caught by what are known as the 'deprivation of asset' rules. These rules are designed to prevent people deliberately giving away their wealth (e.g. to family members) in order to put themselves in a position where the local authority must pay for some or all of their care. Where someone is found to have done this, the local authority can treat the asset or income as if it had not been given away when it comes to the financial assessment. You will sometimes hear this referred to as taking into account 'notional income' or 'notional capital'.

Giving away your assets to avoid paying for care

Asset Protection Trusts (also called 'Lifetime Trusts' or 'Lifetime Protection Trusts', or 'Property Protection Trusts' or 'Estate Preservation Trusts') are sometimes promoted as effective ways to give away wealth (such as giving a home to one's children) in advance of care needs, so that the assets aren't counted in the financial assessment. This means transferring the asset into a trust, so that technically the person setting up the trust no longer owns it. The theory is that if they don't own the property, its value cannot be taken into account when the local authority decides whether they should pay for some or all of their own care costs.

However, one should proceed with caution as such transfers are likely to be subject to the deprivation of asset rules if the local authority can reasonably demonstrate that the intention at the time the Trust was established was primarily to exclude the asset or property from the means-test to avoid having to pay for care fees. In such circumstances they can treat the asset as if it is still owned by the individual being assessed, and bill them accordingly.

There is also the potential complication that someone who has used an Asset Protection Trust in this way may find themselves wanting to take out an equity release mortgage at a later date, perhaps to pay for domiciliary care, but can't due to the fact that officially they no longer own the property!

This is a complex area and professional advice from a legal firm that specialises in this kind of work and understands the rules should be sought - for example, firms affiliated to The Association of Lifetime Lawyers (https://www.lifetimelawyers.org.uk/) or The Society of Trust and Estate Practitioners.(https://www.step.org/about-step/public).

Paying for care as a ‘Self-Funder’

If you have significant wealth and/or have had a local authority ‘financial assessment’ that has determined you will have to pay some or all of the costs of meeting your social care needs, you will often be referred to as a ‘self-funder’.

Someone's home is often their largest asset, but will not be included in a financial assessment if care at home (also referred to as domiciliary care) is needed. Where residential care (in a care or nursing home) is needed, a person’s home may still be disregarded - for example where a spouse or partner continues to live in it. Where it is included, this doesn't automatically mean the house will have to be sold as their may be other ways of releasing money from the property that doesn't involve a sale.

A self-funder will want to determine the best way to pay for care, minimising the overall cost where possible and ensuring they don’t run out of money. There are broadly 9 ways of doing this, some of which use the value built up in people’s homes and some of which don’t..

Those that involve using a person’s home include:

1. Taking out a local authority Deferred Payment Scheme. This is where the local authority lends the money needed to pay for care, in exchange for a legal charge on the person’s property. The local authority will be repaid when the property is sold, or when the person dies. Variations of this option exist in England, Scotland and Wales but in Northern Ireland there is no formal deferred payment system. However the local Health and Social Care Trust may offer something similar on a discretionary basis.

2. Generating enough rental income from the home or other residential property to pay some or all of the care fees due.

3. Releasing money from residential property by taking out an Equity Release product, a Retirement Interest Only mortgage or a standard mortgage.

4. Releasing money through the sale of residential property/downsizing.

Those that don’t involve using a person’s home include:

1. Paying care fees direct from liquid assets/cash/income.

2. Paying care fees from Investments.

3. Using all or part of accessible pension funds.

4. Taking out a Long-Term Care Insurance Product (LTCI) such as an Immediate Needs Annuity. This is an insurance-based product that guarantees to pay a specific level of care fees for life in exchange for a lump sum. These are sometimes referred to as ‘care-plans’.

5. Securing a Third-Party Top-up. This is where someone else, for example a family member, agrees to top up the amount that the local authority will pay for care, to pay the extra needed for a better home of your choice, or for extra services or facilities that the local authority won’t pay for.

Each of these 9 ways of paying for care have advantages and disadvantages and their suitability will be dependent upon your personal circumstances at the time care is needed. The optimum solution for some will be a combination of more than one of the above. For example they might use the equity in their property to fund an immediate needs annuity.

You can find our more about the advantages and disadvantages of each of the 9 ways of paying for care in My Care Hub, our online source of guided information to help users self navigate their care needs.

What happens if you run out of money?

You might be forgiven for thinking, 'if I run out of money the state will pay for everything'. Local authorities have a legal responsibility to provide financial support if your assets and income fall below certain thresholds, but it's important to be aware of the implications.

Firstly, if this should happen, the local authority are only likely to pay your care provider their set local authority rate. Currently this is usually below the level that care providers charge self-funders. The current care system is largely propped up by this cross-subsidy between higher fees from self-funders and the lower amounts paid by local authorities.

If the care home that someone is in when they run out of money has no local authority places available, or is a self-funder only residence, this is likely to mean either family or friends must pay the difference between the local authority rate and the (usually higher) fees that the care home actually charges. This is known as a 'third-party top-up'. In the worst-case scenario, if such a top-up is not available, the person in care may have to move to another care home, which may be in a different area, or which they may not like, but which accepts the lower local authority rate. This can be very distressing for all involved.

Secondly, when someone's money runs out, their care needs will be assessed to determine whether the local authority will step in at all. For example, if an individual is in a care home, or receiving home care as much from choice as necessity, and runs out of money, it's quite possible they could be assessed as not having severe enough needs for the local authority to pick up any of the costs of their care. In England, The Care Act 2014 introduced national criteria for eligibility – i.e. the conditions an individual must meet to qualify for care and support. What this means in practice is if someone's level of need does not meet the minimum eligibility criteria, they will have to find a way to continue to fund their own care or, as is often the case, end up relying on family or friends to either pay their fees or to act as unpaid carers.

In any event, if you no longer have enough money to fund your care, you will need to be reassessed by your local authority. If your capital drops below a certain level (see Appendix 1) you may start to receive State funding. It can take time for new funding arrangements to be set up, so you should contact your local authority if your assets dip below the relevant capital threshold to ensure a smooth transition from self-funding to full or partial local authority funding should you be eligible.

"24% of people who self-fund their care home fees run out of money and fall back on State support"

(Source: Independent Ageing, Local Government Information Unit, March 2011)

The importance of taking specialist, regulated Financial Advice

If you must pay for some or all of your care, we recommend speaking with a financial adviser who is regulated by the Financial Conduct Authority (FCA) and who can offer specialist paying for care advice. They can help you compare all your options, explain all the costs and any risks involved before helping you decide what is right for you.

They are also particularly well placed in respect of three critical issues:

1. Firstly, only a regulated financial adviser with specific qualifications can advise on all ways of paying for care. This is particularly relevant when it comes to a specialist product called an Immediate Needs Annuity (INA). These products can only be recommended by a regulated financial adviser who has passed an exam on long term care insurance recognised by the regulator. The most common exams to look out for are:

- CF8 : Long-Term Care Insurance from the Chartered Insurance Institute
- CertLTCP : The certificate in Long-Term Care and later Life Planning from the London Institute of Banking & Finance

Whilst an INA will not be the best option for everyone, it remains the only way for most people to guarantee the payment of their care fees for life. We suggest that every self-funder should at least be aware of what this would cost in their situation, if only to help assess the relative merits of all other available ways of paying for their care.

2. A financial adviser can advise the most appropriate course of action to minimise the chance of running out of money and losing control over the nature and quality of the care received.

3. To minimise the impact that paying for care has on other financial plans or future wishes, a financial adviser can help find the best way to ensure care fees are paid for as long as possible, whilst retaining as many assets as possible to use, invest, gift or leave to beneficiaries in a Will.

Regulated financial advice provides protection

Speak to an FCA regulated financial adviser

Your rights when you take advice

If you take regulated financial advice and later find the advice and any product sold to you were not suitable for your circumstances at the time, you could have a case for mis-selling and pursue compensation.

If you don't take regulated financial advice you won't have this protection. You will have to carry out your own research to try to make an informed choice about the best way to pay for care, and you may have fewer grounds for complaint or compensation.

The relevance of Legal Capacity

Many people assume that if a family member or loved one needs care, they can take over that person's finances and immediately start paying for their care as needed. It's rarely this simple, particularly if the person in need of care has lost the mental capacity to make important financial decisions for themselves, and they have not already formally established someone else's legal permission to act on their behalf.

If you and/or other members of your family want to look after the financial affairs of the person needing care, and the person is able and willing to give their consent, the best and most effective way to do this is by means of a Lasting Power of Attorney (known as a Continuing Power of Attorney in Scotland and an Enduring Power of Attorney in Northern Ireland).

This is a legal process whereby the person, known as the donor (or granter in Scotland), gives permission for one or more people (known as attorneys) to make decisions about their property and financial affairs, either immediately or at a specified time in the future.

In England, Scotland and Wales (but not Northern Ireland) it is also possible to act and make decisions in respect of health and welfare matters, for example medication and surgical consent, or decisions encompassing clothes, food and general well-being via a separate Health & Welfare/ Lasting Power of Attorney (England & Wales) or Welfare Power of Attorney (Scotland).

The authority for both these types of Power of Attorney can be limited to one or two specific items or can be all-encompassing, but the whole process can only be established if the donor/granter has full mental capacity at the time the power is granted.

If a person does not have close family members to appoint as their attorney, it is possible that a solicitor and/or family friend could be nominated instead. It may be a wise decision for everyone regardless of age and health to establish a Lasting (Continuing or Enduring) Power of Attorney as soon as possible.

What if no power of attorney exists when care is needed?

A Lasting Power of Attorney can be drawn up at this time if the donor/granter has sufficient mental capacity. If the person needing care has already lost capacity and can no longer make reasoned decisions on their own, then an application will need to be made to the Court of Protection (Sheriff Court in Scotland) for the appointment of a Deputy (a person authorised to make decisions on another person's behalf).

A representative of the person (relative, close friend or solicitor) aged 18 or over will need to apply to become their Deputy (or Guardian in Scotland), which involves an application, associated fees and a vetting process that can take time to establish..

Five key steps you should take

When navigating the care system we recommend taking the following basic steps:

Step 1

Understand what the care needs are and what services are available locally to meet them. Importantly, are they health-related or more about facilitating day-to-day activities such as washing, eating etc? Local authorities are obliged to undertake, free of charge, what is known as an 'assessment of need' to help determine the nature of the care needed and whether it is at a level they deem eligible for support. They will also help source appropriate care services.

See Appendix 4 - Flowchart of Local Authority Needs Assessment (England)

Step 2

If part of the need relates to health care, the NHS working alongside your local authority should help establish whether you qualify for free NHS Continuing Health Care (NHS CHC) funding (known as 'Hospital based Complex Clinical Care' in Scotland) which would pay for all your care costs.* The rules are complex and sometimes wrongly applied, so help from someone experienced in this area might be needed to ensure eligibility is properly assessed. If you do not qualify for NHS CHC, you might qualify for an NHS contribution to Registered Nursing Care if you are in or going into a nursing care home. Alternatively you might qualify for what is known as Joint NHS and Local Authority Funding, whether you're in a care home or receiving care at your own home.

See Appendix 5 – Flowchart – Eligibility for NHS Continuing Health Care (England)

* In Northern Ireland the more integrated system of health and social care means that a needs assessment covers both health and social care.

Step 3

Make sure you are in receipt of any state benefits to which you are entitled, as the local authority will assume you are receiving them so will automatically include them when assessing your ability to pay – step 4.

See Appendix 2

Step 4

If your needs are for social care, and at a level the local authority deem eligible, the next step is to determine who pays. This is done via what is known as a 'financial assessment'. This should only ever take place after your needs have been assessed. The financial assessment will involve the local authority looking at your assets, such as savings and investments. Depending on who continues to live in it, they may include the value of your home in the assessment of your ability to pay. A 'light touch' financial assessment may be available if you have significant financial assets which make it obvious that you are able to pay. This "light touch" assessment might also be available if you are already receiving means-tested benefits which clearly indicate that you would not be able to contribute to the cost of your care. Finally, if the cost of the required services is so small that you are clearly able to pay for them, this might also lead to a light touch assessment. In such circumstances you may still be asked to provide some evidence of your financial situation to the local authority.

See Appendix 7 – Flowchart – Local Authority Financial Assessment (England)

* In Northern Ireland the more integrated system of health and social care means that a needs assessment covers both health and social care

Step 5

Following the 'financial assessment' if it turns out that you must pay for some or all your social care costs you are what is known as a 'self-funder' or 'partial self-funder'. At this stage, if you haven't done so already, it is important you consider taking qualified financial advice as to the best way to pay for those care fees that you are responsible for.

If you care needs or financial position changes, make sure you inform your local authority, and repeat the steps above. In any event, a financial assessment will be repeated, usually on an annual basis, to determine whether any agreed financial support from the local authority should continue or should be adjusted. Eligibility for NHS CHC will also be reviewed at regular intervals.

What now?

We hope having read this guide (and the appendices that follow), you have a better grasp around the key issues and terminology used, and that this will help you navigate the care system wherever the person in need of care lives in the UK.

Regardless of whether that person is a self-funder, a partial self-funder or likely to be reliant on local authority support, and whatever stage they are at in their journey towards getting the care they need, it would be wise to arrange for a financial adviser to speak to them at an early stage, in order to fully understand what help the adviser might be able to give.

If you would like further information or guidance in respect of understanding, finding, or funding later life care you can contact My Care Consultant (without any obligation) to see if a fixed rate chargeable consultation with one of our care experts is what's needed. To contact My Care Consultant please either e-mail us on ask@mycareconsultant.co.uk or call us on 020 3290 3110. If we're busy, leave a message including contact details and we'll aim to come back to you within one working day.

Whatever next steps you take, we hope this guide has provided some assistance towards getting the care you're looking for.

My Care Consultant

Appendix

Appendix 1
Capital Thresholds 2025/ 2026

Country	Capital Threshold	What does this mean?
England and Northern Ireland*	£23,250 or more	If you have more than this amount you will have to pay the full cost of your care. If you have less than £23,250 in capital, but a weekly income that is high enough to cover the cost of your care, you will still have to pay all your fees.
	More than £14,250 but less than £23,250	You will have to contribute towards the cost of your care: £1 for every £250 of savings between £14,250 and £23,250, known as 'tariff income', will be added to your other eligible income to determine your ability to pay.
	Less than £14,250	You won't have to contribute anything from your capital, but if your eligible income is high enough you will still be expected to contribute towards care costs from that.
Scotland**	£35,500 or more	If you have more than this amount you will have to pay the full cost of your care. If you have less than £35,500 in capital, but a weekly income that is high enough to cover the cost of your care, you will still have to pay all your fees.
	More than £22,000 but less than £35,500	You will have to contribute towards the cost of your care: £1 for every £250 of savings between £22,000 and £35,500 known as 'tariff income', will be added to your other eligible income to determine your ability to pay.
	Less than £22,000	You won't have to contribute anything from your capital, but if your eligible income is high enough you will still be expected to contribute towards care costs from that.
Wales***	More than £50,000	If you have more than this amount you will have to pay the full cost of your care.
	Less than £50,000	You won't have to contribute anything from your capital but if your eligible income is high enough you will still be expected to contribute towards care costs from that.

*In Northern Ireland there is no charge for domiciliary care for those over age 75

**In Scotland personal care at home is free. Where an individual is in a care home, flat rate contribution/s will be made towards eligible personal and nursing care needs regardless of their financial position. With effect from April 2025 the rates are £254.60 pw and £114.55 pw. A financial means test is only carried out to assess payment for accommodation costs.

***In Wales the maximum charge for non-residential care and support irrespective of the size and cost of care package needed to meet eligible needs is currently £100 pw. Capital limit for non-residential care £24,000.

Your finances and eligibility for local authority support should be re-assessed at regular intervals, as well as when your capital falls below one of the statutory thresholds.

Appendix 2
State Benefits (2025/2026)

It's important that those in need of care and those caring for someone are aware of their benefit entitlement and claim accordingly. Where someone is self-funding their care, such benefits will provide some help towards the costs involved. If they are receiving local authority funded care, the financial assessment to determine how much they should pay will assess their finances as though they are claiming all the benefits they are entitled to, whether they are or not.

Benefits are either means-tested (requiring a full financial assessment) or non means-tested (so income and savings are not taken into account when assessing eligibility for the benefit).

The following list, whilst not exhaustive, indicates those benefits most likely to be relevant to older clients in need of care.

Non means-tested benefits

1. Attendance Allowance (AA)

This is tax-free money for people over 65 who need help at home because of a long-term illness or disability. Current rates (2025/2026) are set at £73.90 a week if help is needed either in the day or at night and £110.40 a week if help is needed both day and through the night.

The person claiming AA must have needed help with their care for at least 6 months. (If they're terminally ill, a claim can be made straight away.)

In Scotland, AA has been replaced by Pension Age Disability Payment. From Jan 2025 In Scotland, people getting Attendance Allowance have started to be automatically transferred to the new Pension Age Disability Payment , which should be available to every area in Scotland from 22 April 2025.

2. Personal Independence Payment (PIP)

This is money for people aged 16 or over but below State Pension age, who have a disability or health condition and need help with daily living or getting around.

PIP is made up of two parts: a daily living component and a mobility component.

The weekly rate for the daily living part of PIP is either £73.90 or £110.40. The higher rate is paid to claimants who are terminally ill and not expected to live for more than 6 months, or whose disability or long term illness impacts them severely enough to score very highly in the needs assessment. The weekly rate for the mobility part of PIP is either £29.20 or £77.05. The mobility rate the claimant receives depends on the level of their assessed need.

In Scotland, PIP will be replaced by Adult Disability Payment, starting in 2022. Transfers for claimants of the existing PIP benefit are expected to be completed by the end of 2025.

The Scottish Government proposes that the eligibility rules for both Adult and Pension Age Disability Payments will remain largely the same as for PIP and Attendance Allowance, with benefit rates also aligned.

3. Disability Living Allowance (DLA)

This is money for people who have extra care needs or mobility needs as a result of a disability. There are two parts or "components" - the care component and the mobility component. You may qualify for one or both of these.

You can no longer make a new claim for DLA if you are 16 or over, as in effect it has been replaced by PIP (see above).

If your care home fees are paid in full or in part by the local authority, the National Health Service (NHS) or other public funds, the payment of Disability Living Allowance (DLA) care component, Personal Independence Payment (PIP) daily living component or Attendance Allowance (AA) will stop after you have been in a care home for 28 days.

If you were living in hospital before you moved into the care home and your payment of DLA, PIP or AA had already stopped, it will not start again when you move into the care home.

4. Carer's Allowance (CA)

This is money for people who spend at least 35 hours a week providing regular care to someone who has a disability. To qualify you don't need to be living with the person being cared for. The person you care for must be receiving a relevant benefit due to their disability, which in some cases has to be paid at a certain rate (for example, Attendance Allowance, the middle or high rate of the care component of DLA, or the daily living component of PIP).

The carer must not be earning more than £196.00 in take-home pay each week (subject to certain expenses that can be deducted from this). They must not be in full time education and not caring for someone where someone else is already claiming Carer's Allowance for looking after the same person. The current weekly rate is £83.30. If you are eligible and receive Carer's Allowance, you will automatically get Class 1 National Insurance credits, so there will be no need to apply for Carer's Credit as outlined in point 6 below.

5. Carer's Allowance Supplement (Scotland only)

Carers Support Payment replaced Carers Allowance across Scotland from November 2024. At time or writing, the rates are the same. Carer's Allowance Supplement is an extra payment for people in Scotland who get Carer Support Payment or previously Carer's Allowance. This extra payment is made in two six-monthly instalments.

6. Carer's Credit

This is a Class 3 National Insurance credit that helps with gaps in your National Insurance record, and helps protect state pension and bereavement benefits. If you don't qualify for Carer's Allowance it may be worth applying for Carer's Credit.

- You might qualify for Carer's Credit if:
- You are aged 16 or over
- You are under state pension age
- You are looking after one or more people for at least 20 hours a week
- The person you're looking after must receive one of the following:
    - Attendance Allowance or Constant Attendance Allowance
    - Disability Living Allowance care component at the middle or higher rate
    - Personal Independence Payment – daily living component
    - Armed Forces Independence payment

If the person you're caring for doesn't receive any of the above benefits, then you might still be able to claim Carer's Credit by completing the 'Care Certificate' part of the application form and get a local social care professional to sign it.

Means-tested benefits

1. Pension Credit

This is an income-related, tax-exempt benefit to provide extra money in retirement for those on low incomes. Pension Credit comes in two parts:

Guarantee Credit – this tops up your weekly income to a guaranteed minimum level: £227.10 if you're single and £346.85 if you're a couple.

Savings Credit – this is extra money which you may be able to claim if you've got some savings or if your income is higher than the basic State Pension. It's only available to people who reached State Pension age before 6 April 2016. You could get up to £17,30 extra per week if you're single and £19.36 if you're a couple.

There are additional payments for those with a disability and those caring for them – namely Severe Disability Premiums (SDP) and Carer Premiums (CP).

Overlapping Benefits

The overlapping benefit rules mean that sometimes someone may qualify for two or more earnings replacement benefits, but they cannot be paid more than one at the same time.

For example, Carer's Allowance cannot be paid in addition to the State Pension. As of May 2019, around 344,539 claimants over State Pension age in Great Britain satisfied the eligibility criteria for Carer's Allowance, but because of the overlapping benefits rule only around 12,367 (3.6%) actually received a Carer's Allowance payment. However, they might still benefit from the additional carer's premium in Pensions Credit (and some other benefits such as Housing Benefit).

Further information, contact details and updates can be found at GOV.UK www.gov.uk/browse/benefits

Alternatively, if you need support, the charity Turn2us helps people in financial need gain access to welfare benefits, charitable grants and other financial help – online, by phone and face to face through partner organisations. To find out more go to: https://www.turn2us.org.uk/

You can also find information specific to overlapping benefits by going to:

https://www.turn2us.org.uk/Jargon-buster/Overlapping-Benefit-Rule

Appendix 3
Jargon Buster

When dealing with the UK care system/s the following are terms you may come across that might require some explanation.

Acronym	Term	Explanation
	Advocacy	Help and guidance, independent of your local council, to enable you to get the care and support you need
AA	Attendance Allowance	A non- means tested benefit for people who are over 65 years of age
CA	Carers Allowance	A non-means tested benefit for people who are over 16 years old and caring for someone for more than 35 hours per week and subject to an earnings limit
	Carers Allowance Supplement	An additional payment paid on top of Carers Allowance applicable only in Scotland
	Care Plan	A written plan after you have had an assessment, setting out what your care and support needs are, how they will be met and what services you will receive
	Carer	A person who provides unpaid support to a partner, family member, friend or neighbour who is ill, struggling or disabled and could not manage without this help. This is distinct from a care worker, who is paid to support people
CCG	Clinical Commissioning Groups	Regional NHS organisations established by the Care Act 2012 to deliver NHS services in England. CCGs have been replaced by Integrated Care Boards (ICBs) with effect from 1st July 2022.
	Community Care Services	Local social care services that can help you live a full, independent life and to remain in your own home for as long as possible
	Community Health Services	Local health services that are provided outside the hospital setting, such as district nursing
	Combined Power of Attorney	A type of Power of Attorney which allows the person (attorney) to represent and make decisions on behalf of another person in respect of property, finance and health and welfare. This is available only in Scotland
CHC	Continuing Healthcare	A package of care paid for by the NHS where the primary care need is health-related
	Continuing Power of Attorney	A type of Power of Attorney which allows the person (attorney) to represent and make decisions on behalf of another person in respect of property and finance. This is available only in Scotland
COP	Court of Protection	Created under the Mental Capacity Act 2005 this court has jurisdiction in England and Wales over property/finance and health/welfare decisions for those who no longer have mental capacity to make decisions themselves

Source: https://www.equityreleasecouncil.com/news/equity-release-council-publishes-spring-2019-equity-release/

Acronym	Term	Explanation
DHSC	Department of Health and Social security	Government Department responsible for government policy on health and adult social care matters in England, along with a few elements of the same matters which are not otherwise devolved to the Scottish Government, Welsh Government or Northern Ireland Executive
	Deprivation of Assets	A term used to describe the process of someone giving away their capital and/or income with the intention of increasing the chances that their local authority will pay for their future care needs
	Deputy	A person authorised by the Court of Protection to make decisions on another person's behalf
DLA	Disability Living Allowance	A non-means tested benefit, replaced by PIP
DP	Direct Payments	A budget from the local authority to pay for services to meet eligible care needs
DPA	Deferred Payment agreements	A means by which Local Authorities pay for a person's care fees, as a type of loan secured against their property
DHSC	Department of Health and Social Care	Government Department responsible for the nation's health and social care
DWP	Department of Works and Pensions	Government Department responsible for social security and welfare benefits
DoLS	The Deprivation of Liberty Safeguards	These are part of the Mental Capacity Act 2005. The safeguards applicable to England and Wales aim to make sure that people in care homes and hospitals are looked after in a way that does not inappropriately restrict their freedom
EPA	Enduring Powers of Attorney	A form of Power of Attorney still available in Northern Ireland but replaced by Lasting Powers of Attorney in England in October 2007
	Financial Assessment	A financial assessment or 'means-test' works out if the council will pay towards your care and how much they will contribute
	Guardian	A person appointment by the Scottish courts via a guardianship order to act and make decisions on behalf of an adult with incapacity
ICB	Integrated Care Board	Integrated Care Boards , amongst other functions, fulfils the role previously held by Clinical Commissioning Groups (CCGs) and is responsible for the provision of relevant NHS services, which includes NHS Continuing Healthcare
INA	Immediate Needs Annuity	An insurance based product that guarantees payment of care fees at a set level for life in exchange for a lump sum payment
LPA	Lasting Power of Attorney	A form of Power of Attorney providing legal representation on behalf of another person (known as a Continuing Power of Attorney in Scotland)

Acronym	Term	Explanation
	Light Touch Assessment	In some circumstances, a local authority may choose to treat you as If you have had a full financial assessment in establishing the extent to which you will have to pay for your social care, even if you haven't. This often happens when the local authority is confident that the costs of the care or service will be met, based on the evidence they have
	Needs Assessment	This works out if you have eligible needs that the council will provide services to meet
OPG	Office of Public Guardian	The Office of the Public Guardian in England and Wales is a government body that, within the framework of the Mental Capacity Act 2005, protects the private assets and supervises the financial affairs of people who lack mental capacity for making decisions
	Office of Public Guardian Scotland	The Office of the Public Guardian in Scotland is a public body based in Falkirk as part of the Scottish Courts and Tribunals Service, established in April 2001 following the passing of the Adults with Incapacity (Scotland) Act 2000
PC	Pension Credit	A means-tested, tax exempt benefit to provide extra money in retirement for those on low incomes
PB	Pension Budget	Money that is allocated to you by your local authority to pay for care or support to meet your assessed needs
PIP	Personal Independence Payment	A non means-tested benefit for people of working age that replaced DLA with effect from April 2013
	Primary Care	The part of the NHS that is the first point of contact for patients. This includes GPs, community nurses, pharmacists and dentists
	Risk Assessment	An assessment of your health, safety, wellbeing and ability to manage your essential daily routines. You might also hear the term risk enablement, which means finding a way of managing any risks effectively so that you can still do the things you want to do
	Safeguarding	The process of ensuring that adults at risk are not being abused, neglected or exploited, and ensuring that people who are deemed 'unsuitable' do not work with them
	Self-funding	When you arrange and pay for your own care services and do not receive financial help from the local authority. If you receive limited financial support, then you will be known as a partial self-funder
	Single Assessment Process	An attempt to coordinate assessment and care planning across the NHS and assessment councils, so that procedures aren't repeated, and information is shared appropriately
	Welfare Power of Attorney	A form of Power of Attorney providing legal representation on behalf of another person in respect of decisions about health and welfare and available only in Scotland
	Wellbeing	Being in a position where you have good physical and mental health, control over your day-to-day life, good relationships, enough money, and the opportunity to take part in the activities that interest you

Appendix 4 - Flowchart - Local Authority Care Needs Assessment (England)

Initial information gathering by local authority to provide information on the assessment process and where appropriate take action to prevent or delay the need for care and support

Is there an urgent need?

Yes

Meet urgent care needed

No

Signposting and prevention Either:

A. Local authority offers information and advice, or refers to preventative services

OR

B. Proceed to next step

If the individual has care and support needs, and/or their carer has support needs, a needs assessment and/or a carer's assessment should be carried out

- Face to Face assessment
- Supported Self - assessment
- Joint assessment
- Online or phone assessment
- Combined assessment

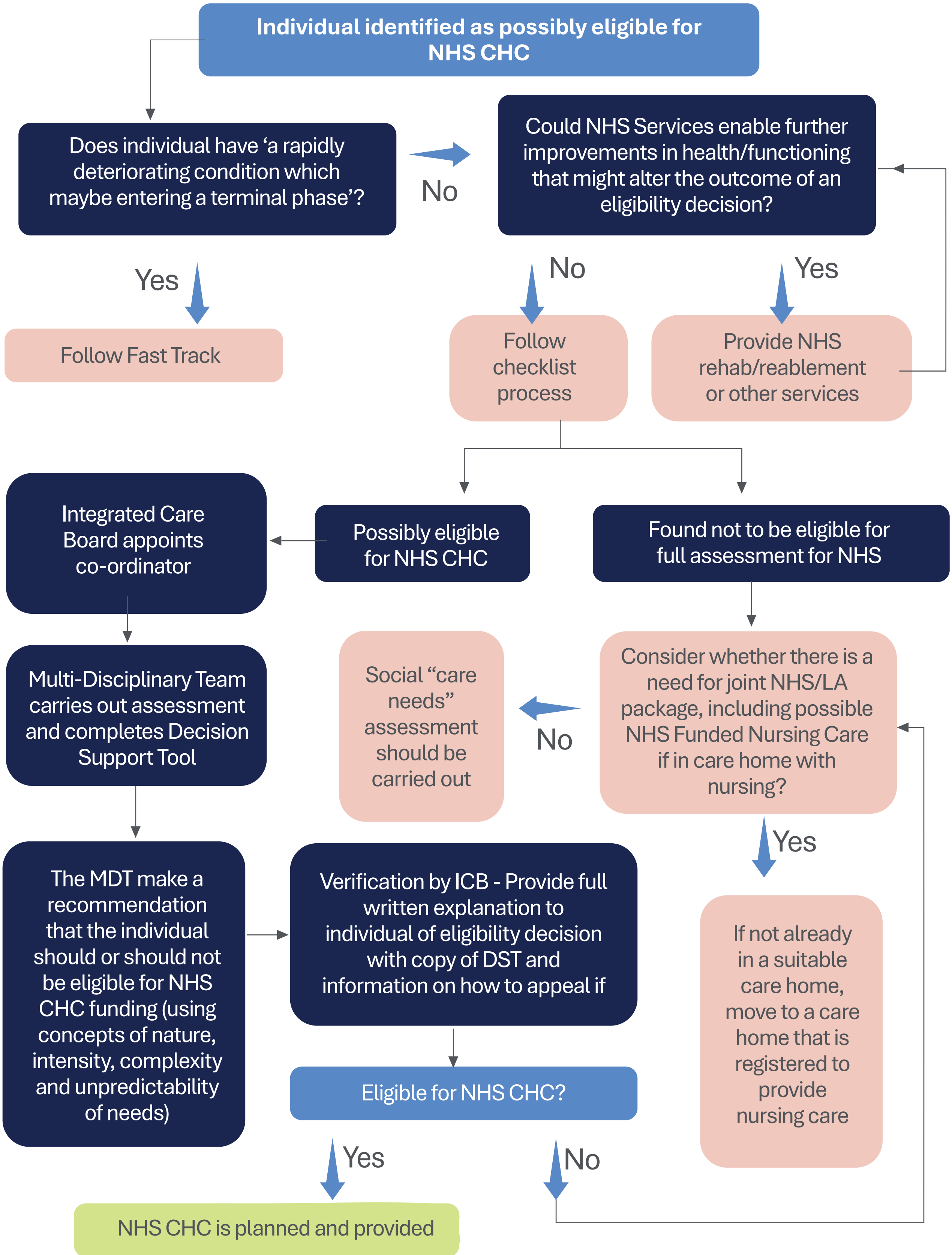
Possible ways of receiving a Needs or Carer's assessment

National minimum threshold for eligibility met?

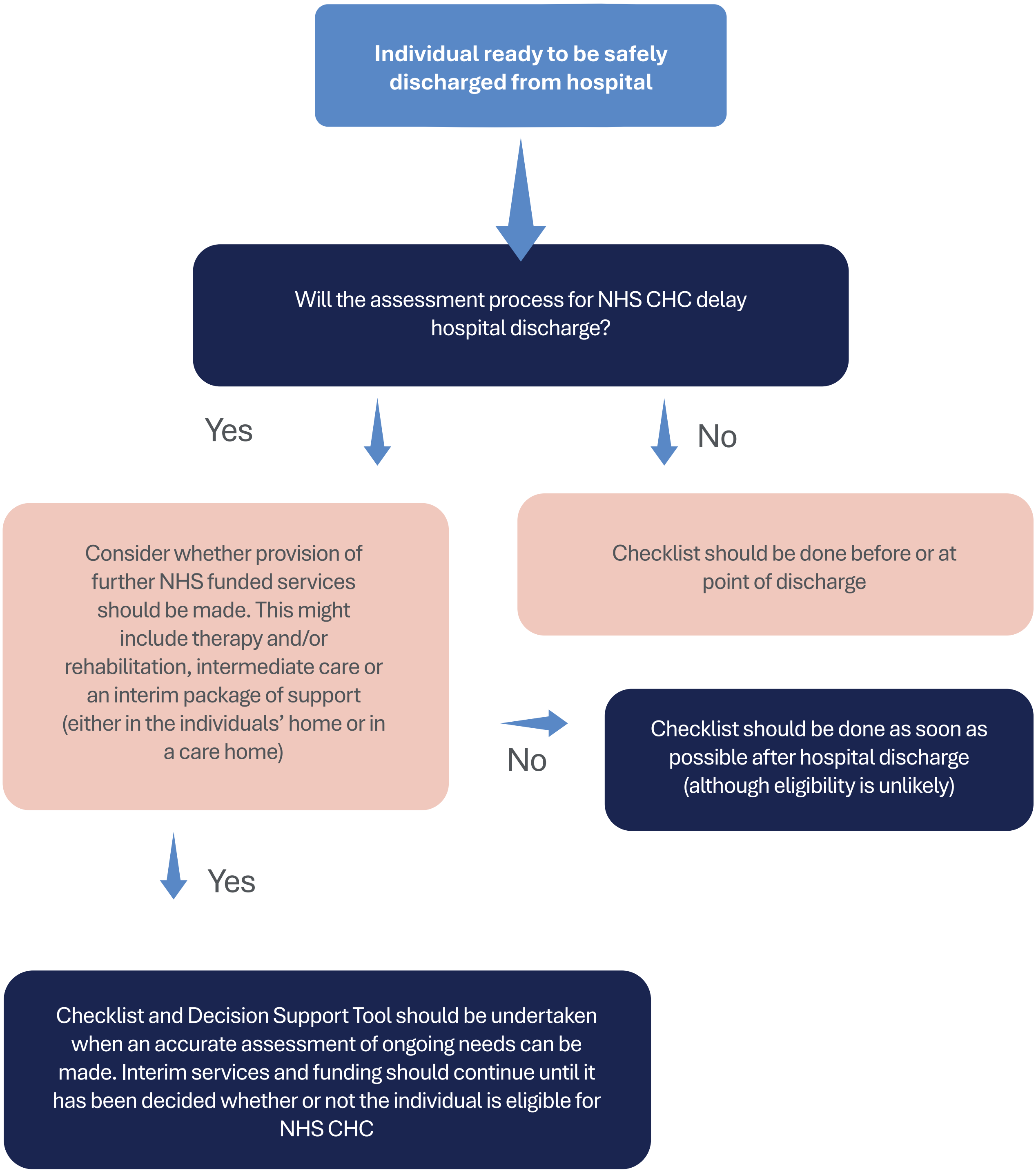
No → INELIGIBLE

Yes → ELIGIBLE

Appendix - 5 Flowchart - Eligibility for NHS Continuing Health Care (England)



Appendix 6 - Flowchart - Eligibility for NHS Continuing Health Care (England) and hospital discharge



Appendix - 7 Flowchart -
Local Authority Financial Assessment (Eng-

Do you have savings or capital worth over £23,250?

If you own your home, the value minus any loan or mortgage secured against it is included, unless it is already occupied by someone on an officially agreed list including:

a) Your spouse, partner or civil partner (except where you are estranged)

b) A relative who is aged 60 or over or is incapacitated

c) A child under age 18 whom you are liable to maintain

d) A lone parent who is your estranged or divorced partner

No

Your income will now be assessed to determine how much you will have to pay for your care, if at all

Capital between £14,250 and £23,250 will be converted into 'tariff income' and added to all eligible income to determine how much you should pay and how much the local authority will pay

Please note certain income is ineligible and need not be considered

Yes

Are your savings above £23,250 excluding the value of your home?

Yes

You will be expected to pay all of your own care fees

No

Is the value of your home included in the assessment?

Yes

If the value of your property brings your total capital assets above £23,250 you will be expected to pay all of your own care fees

Your local authority should help with the first 12 weeks of care fees unless your eligible income is high enough that you are deemed able to afford to pay your fees from that

No

Your income will now be assessed to determine how much you will have to pay for your care, if at all.

Capital between £14,250 and £23,250 will be converted into 'tariff income' and added to all eligible income to determine how much you should pay and how much the local authority will pay

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