

# **Paying for Residential and Nursing Care**

**April 2025**

## **Who has to pay?**

If you are moving into a residential or nursing home and have asked us for help, we will ask you to complete a financial assessment. We will then work out how much you need to pay towards the cost of your care.

## **How do you work out how much I have to pay towards the cost of my care?**

We will work out how much you will have to pay by using guidelines that have been set by the government, which ask us to look at your income (pensions and benefits) and any capital (savings, investments and property) that you have. These guidelines are explained below:

- **Your Income**

Most of the money you have coming in will go towards the cost of your care. This includes most state benefits such as State Retirement Pension, Employment & Support Allowance, Universal Credit, Pension Credit or any other benefits, as well as private/work pensions.

- **Your Capital (savings, investments and property)**

When we work out how much you should pay towards the cost of your care, we will ignore the first £14,250 of your capital. For every £250 between £14,250 and £23,250 that you have, we will add £1 to your weekly income. For example, if you have capital of £14,500, we will add another £1 to your weekly income. If you have capital over £23,250, we will ask you to pay the full cost of your care direct to the care home until your capital falls below £23,250.

## **Can I pay for my care myself?**

Yes, if you want to arrange and pay for all your care needs you can. We will still be happy to give you information and advice to help find somewhere suitable for your needs.

If you have arranged and paid for your own care and your capital has now fallen below £23,250, you may now want to ask us to help you with the cost of your care. Part of our help will include an assessment of your needs.

If, after the assessment, we agree to help you with the cost of your care, we will check that the residential or nursing home you have chosen is suitable for your needs and that the cost of your care is no more than we usually pay.

If it is likely that your capital will fall below £23,250, we advise that you contact the Duty Social Worker Team on:

Adults North (and East) Duty Team:	on 01204 331149
Adults South (and Central) Duty Team:	on 01204 338863
Adults West (and Central North) Duty Team:	on 01204 333410
Adults East (and North) Duty Team:	on 01204 331149

## Third Party Agreements (Top-up Fees)

If you have expressed a preference for a care home that charges more than the rate paid by us, then a relative/friend will be asked to pay the difference **for the duration of your residence in the care home**. This is known as a “Third Party Top-up Fee”. The service user cannot pay the top-up fee out of their own savings except in certain circumstances (as explained below in “*Will I have to sell my home?*”). The person paying the top-up fee will have to enter into a 3<sup>rd</sup> Party Agreement with the Local Authority.

Please be aware that all homes can raise their charges annually and this may mean the top-up fee increases. **A £20 weekly top-up fee may not appear too much now, but in a few years’ time this may increase to much more.** You should therefore discuss this point with the home **before** any move takes place. **The Local Authority will not be able to take over payment if you find that you are no longer able to afford the 3rd party contributions and as a result you may need to move from your preferred choice of accommodation.**

For further information and guidance, please refer to our [Care Home Top Up Policy](#).

## My partner still lives at home, does this affect the amount I have to pay?

If you own your own home, its value cannot be included as capital in your financial assessment if anyone listed below has continuously occupied the property, in part or whole, since before you were admitted to the care home:

- Your partner, former partner or civil partner.
- A relative who is aged 60 or over.
- A relative who is incapacitated.
- A relative who is your child aged under 18.

If you are a Carer and live with the adult who owns their own property and it is your main residence, and you do not hold a tenancy or legally own a property, the Local Authority has discretion as to whether the property can be disregarded. Please contact the Finance, Income and Assessment Team on 01204 331671 for further advice.

## Will I have to sell my home?

If it has been decided to include your home as capital in your financial assessment, you may have to sell your home at some point to help pay for the cost of your residential or nursing care.

We will contract with the home for your care and you can enter into a Deferred Payment Agreement until your property is sold. Once the property is sold and our invoices have been paid, if your capital then exceeds the upper threshold (currently £23,250) you will become a self-funder and you will need to pay the care home directly.

If you do not enter into a Deferred Payment Agreement and your house is not sold by the end of the 12<sup>th</sup> week of long-term care, we will issue invoices for the full cost of your placement.

## Deferred Payment Agreement *(At the discretion of the Local Authority)*

The Deferred Payments Scheme is designed to help you if you have been assessed as having to pay the full cost of your residential care but cannot afford to pay the full weekly charge because most of your capital is tied up in your home.

A fee of £300 will be charged to set up the Deferred Payment Agreement, with an on-going annual fee of £30 to maintain the agreement. Interest will also be charged on the accruing debt. The interest rate is reviewed on 1<sup>st</sup> January and 1<sup>st</sup> July each year.

Deferred Payment Agreements can only be considered if you meet the following criteria:

- You must have capacity to understand and sign the Deferred Payment Agreement or have a legal representative who can sign the agreement on your behalf (If an Enduring/Lasting Power of Attorney is to be used this should be registered with the Court of Protection if you do not have the mental capacity to enter into the agreement).
- The property must be:
  - Solely or jointly owned by the client
  - Registered with the Land Registry office
  - Mortgage free, or the mortgage payment met by any disregarded income/capital
  - Insured and kept in a good state of repair and any maintenance costs met from any disregarded income/capital. (Please note a disposable income allowance of up to £144.00 per week can be allowed to meet these expenses once a Deferred Payment Agreement has been set up).

If the cost of the placement is more than the Local Authority is able to pay, you can pay the shortfall yourself from any disregarded income/capital for the first 12 weeks of long-term care and defer the “top-up” from the 13<sup>th</sup> week. If you are unable to meet these costs yourself, then a family member or friend will have to agree to pay this for the first 12 weeks by way of a Third-Party Agreement.

Please note top-ups can only be deferred up to your equity limit. Once the equity limit is reached, the Authority will no longer fund the top-up and you will need to find other ways to fund this extra cost or be prepared for a change in your care setting.

Once the Deferred Payment Agreement is cancelled or on death, the balance due under the agreement needs to be paid to the Authority within 90 days of date of death.

**A legal charge will be placed on the property at the Land Registry on completion of a Deferred Payment Agreement.**

If you wish to apply for a Deferred Payment Agreement, please contact us on 01204 331671.

Note: you can now complete a financial assessment using our Adult Social Care Portal at <https://adultsportal.bolton.gov.uk/web/portal/pages/home>. Simply click on the 'What will I pay?' option.

This allows you to receive an estimated charge by entering your finance details. Our team will then use the figures you provide, along with the requested evidence, to finalise your assessment.

## Contact Us

Finance, Income & Assessment Team  
Department of Adults, Communities & Integration  
1st Floor Town Hall  
Bolton  
BL1 1RU

Tel: (01204) 331671

## Useful Links

We have more information to help you choose a residential or nursing home. You can find this on the Council website [www.bolton.gov.uk](http://www.bolton.gov.uk) (see web page **Residential and Nursing Homes**) or by calling 01204 331671.