



The Live-in
Care Hub

Care Funding Guidance

Helping You Plan the Costs
of Live-in Care

Call us on: 0300 304 8068

Please Note: This guide is intended as a resource for information only. We strongly recommend you consult a qualified, and ideally a SOLLA-accredited financial advisor from the Society of Later Life Advisers: [https://](https://societyoflaterlifeadvisers.co.uk)

societyoflaterlifeadvisers.co.uk





About The Live-in Care Hub

We are a not-for-profit organisation, dedicated to improving the quality of care across the UK by informing and providing older people with the opportunity to be cared for 24/7 in the familiarity and comfort of their own homes, where they can continue to be part of everyday life as far as possible whilst retaining the family home, a valuable and a typically appreciating asset for the broader family over time.

As the leading experts in live-in care, we're here to guide families through their care options with openness and honesty. Our goal is to fully inform families about an alternative way of life and care, challenging the common decision taken by families in a crisis that traditional institutional care homes are the only solution.

Founded in 2013, we bring together independent, family-owned live-in care companies that share a common vision: to raise awareness of the benefits and advantages of live-in care whilst maximising the highest standards of tailored care.

We hope this care funding guide will be a valuable resource as you explore the options available to fund live-in care at home as an alternative to a care home.

Navigating the Complexities of Care Funding

Financing care can seem overwhelming, but you don't have to face it alone. At The Live-in Care Hub, we're committed to helping you understand your options so that you can make informed decisions about live-in care. This guide provides clear, easy-to-understand information about the four main funding options available, giving you a solid foundation to begin your journey.

While we offer valuable insights, please keep in mind that we're not financial advisors. We have no ties to any financial providers, but we are experts in the live-in care industry. Our role is to arm you with the information needed to confidently discuss your options with a qualified financial advisor when you're ready.

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Introduction

Paying for care is one of the biggest financial commitments many of us will face. Understanding your options and planning ahead are key to ensuring you can afford the care you or your loved ones need and deserve.

Opting for 24/7 live-in care in clients' own homes can often be a more cost-effective and comfortable alternative to moving into a care home. It allows individuals to sustain as normal a life as possible by remaining in their own homes, in familiar surroundings, with their memories, and pets, including visits from friends and family, and with the added benefit of privacy during visits.

These factors significantly enhance emotional well-being and quality of life.

A valuable and typically appreciating family asset is also retained, the family home.

However, finding the best way to fund care is crucial. This guide will help you navigate those decisions, providing the information you need to make the best financial choices for your unique situation. We're here to break down the complex topics and simplify the process, making it easier to understand.

Let's begin by clarifying who **is responsible for paying for care**. Once this foundational question is answered, we can explore the different funding options available and how they might apply to your situation. Whether you're planning for your own future or helping a loved one, understanding the financial landscape is vital.

How We Can Help

Every year, thousands of families face the financial challenge of paying for care. Our goal is to alleviate that burden by equipping you with the information you need to make good decisions with confidence. This guide outlines the key factors to consider when it comes to financing care, helping you to navigate the process with greater ease.

Who Pays for Care?

Care funding is determined by a means test. In the 2024/25 tax year, if your assets exceed £23,250 excluding the value of the family home, you will need to cover your own care costs.

In some cases, such as when someone is seriously unwell, the NHS may cover the cost of care through a scheme known as **Continuing Healthcare**, which we'll explain later in this Guide.



What Financial Support Is Available?

Personal Independence Payment (PIP)

PIP is available to individuals aged 16 to 66 who have a long-term health condition or disability. It is **not means-tested**, so your income or savings won't affect your eligibility. The amount you receive is based on how much help you need to perform everyday tasks such as:

- Meal preparation
- Communication or reading
- Getting dressed
- Decision-making
- Personal hygiene
- Mobility

The Personal Independence Payment (PIP) amounts are as follows: for the daily living part, the lower weekly rate is £73.90 and the higher weekly rate is £110.40; for the mobility part, the lower weekly rate is £29.20 and the higher weekly rate is £77.05. To check your eligibility, visit: <https://www.gov.uk/pip/eligibility>

Attendance Allowance

If you're over the state pension age (currently 66), Attendance Allowance could provide extra financial support. Like PIP, it is not means-tested and is designed to help you maintain independence in your home. There are two rates, based on your level of need:

Lower rate:	£73.90 per week
Higher rate:	£110.40 per week (for those needing support both day and night or for terminal illness)

For more details and to apply, visit: <https://www.gov.uk/attendance-allowance/eligibility>



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Continuing Healthcare

For individuals with significant and complex medical needs, Continuing Healthcare funding through the NHS might be an option. This scheme is also not means-tested, but it does require a health assessment to determine eligibility. Although many applications are initially declined, it's worth pursuing if you believe you meet the criteria. You can start initially by discussing this with your care provider.

Paying for Care

When planning how to finance care, it's essential to look at the following key areas:

1. The cost of live-in care
2. Your daily living expenses
3. Your current income
4. Benefits you're eligible for



For example:

Mrs Brown needs live-in care costing £80,000 per year and is 86 years old. Her annual expenses are £10,000, while her income is £27,000, and she receives £5,740 in Attendance Allowance. She faces a £57,260 shortfall. To bridge this gap, she will need to draw from her assets.





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Four Main Ways to make up Care costs

There are four primary ways to generate income to cover care costs:

1. Available funds

You may choose to keep cash savings on hand, but depending on market interest rates, this may not generate significant income.

2. Investments

A low-risk investment strategy might provide better returns, though it's crucial to review any current investments.

3. Immediate Needs Annuity

This allows you to purchase an annuity that covers your care costs for life. It's a straightforward solution but may require a larger upfront payment.

4. Lifetime Mortgages (formerly Equity Release)

Increasing competition has made this care funding option from typically major insurance companies, more flexible and less expensive than hitherto, and enables you to borrow against the value of your home with no repayments required during your lifetime. Like all funding options it's important to weigh this carefully and seek advice to ensure it's right for you.

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Summary

We hope this Guide has helped demystify the process of funding live-in care. Whilst these solutions provide a starting point, we encourage you to reach out for personalised and qualified financial advice. Aside from that we're here to support you every step of the way.

For expert, tailored care financing advice, we recommend consulting a SOLLA-accredited advisor, who can help you create a plan suited to your needs. You can find a local advisor at: <https://societyoflaterlifeadvisers.co.uk>



Visit liveincarehub.co.uk for further information

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