SHORT GUIDE

Paying for care: the short guide

Paying for care and reducing the cost: the short answer from each of our 22 guides, with the address of the full guide.

This is a summary, not the whole story. Each full guide explains the conditions, exceptions and sources behind its short answer. They are online at the addresses below, and together in our full handbook, **www.dayandnightcare.co.uk/leaflets/brochure-paying-for-care.pdf**.

How to reduce the cost of care: a guide for families in England

Families usually pay less for care when they check, in order, whether the NHS should fund it, whether the council should contribute, and which benefits, discounts and free services apply. Several of these can be claimed together, many are not means-tested, and none of them stops the person choosing care at home. The home they live in is never counted when the council works out what they pay for care at home.

Full guide: **www.dayandnightcare.co.uk/guides/how-to-reduce-the-cost-of-care/**

Council funding for care: assessments, means test and charges

Anyone who seems to need care can ask the council for a free care needs assessment, whatever their income or savings. If the needs are eligible, a separate financial assessment decides what the person pays. For care at home in 2026/27 the home is not counted, savings below £14,250 are ignored, and the person must be left with at least the minimum income guarantee (£241.45 a week for a single person over Pension Credit age).

Full guide: **www.dayandnightcare.co.uk/guides/council-funding-for-care/**

NHS Continuing Healthcare: a guide for families

NHS Continuing Healthcare (CHC) is care arranged and paid for entirely by the NHS for adults whose needs are mainly health needs. It is not means-tested and can pay for care at home, including live-in care. Eligibility depends on the nature, intensity, complexity and unpredictability of a person's needs, not on their diagnosis, and every decision can be challenged.

Full guide: **www.dayandnightcare.co.uk/guides/nhs-continuing-healthcare/** · Guide last reviewed 30 October 2026

Attendance Allowance: rates, who qualifies and how to claim

Attendance Allowance is a tax-free benefit for people over State Pension age who need help with personal care, or someone to keep them safe, because of an illness or disability. It is not means-tested and in 2026/27 pays £76.70 a week (lower rate) or £114.60 a week (higher rate). An award can also unlock extra Pension Credit, Council Tax help and Carer's Allowance for a family carer.

Full guide: **www.dayandnightcare.co.uk/guides/attendance-allowance/**

Personal Independence Payment (PIP): a guide for families

Personal Independence Payment (PIP) is a tax-free benefit for people aged 16 to State Pension age whose long-term condition makes everyday tasks or getting around difficult. It is not affected by income, savings or work, and has two parts: daily living (£76.70 or £114.60 a week in 2026/27) and mobility (£30.30 or £80.00 a week). People who are already getting PIP when they reach State Pension age usually keep it.

Full guide: **www.dayandnightcare.co.uk/guides/personal-independence-payment/**

Carer's Allowance: who can claim and how it affects other benefits

Carer's Allowance is £86.45 a week in 2026/27 for people who spend at least 35 hours a week caring for someone who gets a qualifying disability benefit, such as Attendance Allowance or the daily living part of PIP, and who earn no more than £204 a week after allowable deductions. Before claiming, check the effect on the cared-for person's benefits, because it can stop their extra amount for severe disability. Carers who get a State Pension usually receive 'underlying entitlement' instead, which can still increase Pension Credit.

Full guide: **www.dayandnightcare.co.uk/guides/carers-allowance/** · Guide last reviewed 30 October 2026

Council Tax discounts for dementia, disability and carers

Several Council Tax reductions apply when care is involved. A person with dementia or another severe mental impairment who also gets a qualifying benefit, such as Attendance Allowance, is not counted for Council Tax, which can mean a 25% or 50% discount, or no bill at all if they live alone. Homes adapted for a disabled person can be charged one band lower, carers who live in can be disregarded, and people on low incomes can get Council Tax Reduction.

Full guide: **www.dayandnightcare.co.uk/guides/council-tax-discounts-for-care/** · Guide last reviewed 30 October 2026

Direct payments and personal budgets: a guide for families

A personal budget is the amount the council works out it will cost to meet a person's eligible care needs. A direct payment is that budget, or part of it, paid to the person or someone acting for them, so they can choose and pay for their own care, including a care agency or live-in care, instead of the council arranging it. Nobody can be made to take one, and you can switch back.

Full guide: **www.dayandnightcare.co.uk/guides/direct-payments-and-personal-budgets/**

Paying for care from savings and property: a family guide

In England, people with savings above £23,250 usually pay for their own care, but the home they live in is never counted for care at home, so nobody has to sell their home to pay for care in it. The home can count after a permanent move into a care home, where a deferred payment agreement can delay a sale. Money given away to avoid care charges can be treated as if it were still owned.

Full guide: **www.dayandnightcare.co.uk/guides/paying-for-care-from-savings-and-property/** · Guide last reviewed 30 October 2026

Benefits and help for older people: the 2026/27 checklist

Pension Credit is the most important benefit to check: in 2026/27 it tops up weekly income to at least £238.00 for a single person or £363.25 for a couple, and it unlocks help with rent, Council Tax, NHS costs and heating, plus a free TV licence for over-75s. Beyond that, older and disabled people can get free prescriptions from 60, a Winter Fuel Payment, travel concessions, VAT relief on equipment, and cheaper broadband and water. A free benefits check is the best place to start.

Full guide: **www.dayandnightcare.co.uk/guides/other-benefits-and-help-for-older-people/**

How to pay for live-in care: every funding route in England

Live-in care can be paid for privately, by the council through a personal budget or direct payment, by the NHS through Continuing Healthcare, or by a mix of these, and Attendance Allowance can go towards it whoever pays. The person's own home is not counted in the council's means test for care at home, and councils should not set arbitrary budget ceilings that force someone into a care home against their will.

Full guide: **www.dayandnightcare.co.uk/guides/how-to-pay-for-live-in-care/**

Financial assessment for care at home: the means test explained

If the council arranges or funds care at home and decides to charge, it must carry out a financial assessment and give you a written record of it. It counts most income and any savings above £14,250, ignores the home, earnings and some benefits, and must leave the person with at least the minimum income guarantee after housing costs and disability-related spending: £241.45 a week for a single person over Pension Credit age in 2026/27. The charge can never be more than the care costs the council.

Full guide: **www.dayandnightcare.co.uk/guides/financial-assessment-for-care-at-home/**

Disability-related expenditure (DRE): lowering your care charge

Disability-related expenditure (DRE) is the extra money someone has to spend because of their illness or disability, such as extra heating, laundry, a community alarm or care the council does not arrange. When the council counts disability benefits like Attendance Allowance in its financial assessment for care at home, it should let the person keep enough to pay these costs, which lowers the weekly charge. Councils rarely find every cost for you, so list them all and send evidence.

Full guide: **www.dayandnightcare.co.uk/guides/disability-related-expenditure/**

Pension Credit: rates, how to claim and what it unlocks

Pension Credit tops up weekly income for people over State Pension age to £238.00 for a single person or £363.25 for a couple in 2026/27, with an extra £86.05 a week for many people who get Attendance Allowance and £48.15 for carers. Owning a home or having savings does not rule anyone out. It can be backdated three months, and even a small award unlocks help with rent, council tax, NHS costs and heating.

Full guide: **www.dayandnightcare.co.uk/guides/pension-credit/**

When savings run low: moving from self-funding to council help

Contact the council about three months before savings are expected to fall to £23,250, because councils fund care from the date you contact them, not from the date the money ran low. The council will assess needs and finances, agree a personal budget and then pay its share. Live-in care can continue when it is the right way to meet the person's needs, and a direct payment can let you keep the same provider.

Full guide: **www.dayandnightcare.co.uk/guides/when-savings-run-low/**

Deprivation of assets and gifting: the real rules on care fees

People can spend and give away their money as they wish, but if someone deliberately reduces their savings or income to avoid care charges, the council can treat them as still having it. There is no seven-year rule for care: the seven years belong to inheritance tax. What matters is whether avoiding care charges was a significant reason for the timing, and whether the person could reasonably have expected to need care and to pay towards it.

Full guide: **www.dayandnightcare.co.uk/guides/deprivation-of-assets-and-gifting/**

Challenging an NHS Continuing Healthcare decision

If the integrated care board (ICB) decides someone is not eligible for NHS Continuing Healthcare, the family can ask it to look again through local resolution, normally within six months of the decision letter. If that fails, NHS England can arrange an independent review panel, and after that the Public Service Ombudsman can investigate. The strongest challenges are specific: name each care domain you disagree with and back it with evidence.

Full guide: **www.dayandnightcare.co.uk/guides/challenging-a-chc-decision/**

Retrospective NHS Continuing Healthcare claims for past care

If someone paid for care when the NHS should have considered them for Continuing Healthcare but never did, you can ask the integrated care board (ICB) to assess that past period. Claims generally cover care from 1 April 2012, and the current guidance sets no deadline for asking. If the person is found to have been eligible, the ICB refunds the care costs plus interest, to the person or to their estate.

Full guide: **www.dayandnightcare.co.uk/guides/retrospective-chc-claims/**

Personal health budgets: how they work with NHS care at home

A personal health budget is NHS money for a person's assessed health and wellbeing needs, spent in line with a care plan they help to write. Adults eligible for NHS Continuing Healthcare, and people entitled to section 117 aftercare, have a legal right to one. It can be held by the NHS, by an independent organisation or as a direct payment, and it can let a family choose who provides the care, including live-in care at home.

Full guide: **www.dayandnightcare.co.uk/guides/personal-health-budgets/**

Section 117 aftercare: free care after a mental health detention

Anyone who has been detained in hospital under section 3 of the Mental Health Act, or under sections 37, 45A, 47 or 48, is entitled to free aftercare when they leave. The integrated care board (ICB) and the council must provide or arrange it, with no means test and no charges, until both agree it is no longer needed. People who were wrongly charged can ask for their money back, with interest.

Full guide: **www.dayandnightcare.co.uk/guides/section-117-aftercare/**

Help with NHS health costs: prescriptions, dental, eyes, travel

In England, NHS prescriptions and sight tests are free from age 60, and NHS hearing aids are free on loan. Dental treatment, glasses and travel to hospital are not free because of age alone, but people on Pension Credit Guarantee Credit, some other benefits or a low income can get help through the NHS Low Income Scheme. Anyone who pays for regular prescriptions can save with a prepayment certificate, which costs £114.50 for 12 months in 2026/27.

Full guide: **www.dayandnightcare.co.uk/guides/help-with-health-costs/**

Help with heating and energy costs in 2026/27

Most people born on or before 27 June 1960 get a Winter Fuel Payment of £200 or £300 automatically in November or December 2026, although HMRC takes it back if their own income is over £35,000. People on Pension Credit and some other means-tested benefits also get £150 off their electricity bill through the Warm Home Discount, and £25 Cold Weather Payments in very cold spells. The free Priority Services Register, social tariffs and insulation grants can help further.

Full guide: **www.dayandnightcare.co.uk/guides/help-with-heating-and-energy-costs/**

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