Leicestershire County Council

Living permanently in a care home – Do you own a property?

Leaving your current or former home

- If you move to live permanently in a care home and you own, or part own, a property, for example your current or former home, the council will usually take the value of the property in to account in your financial assessment. You will then usually be responsible for paying the full-cost of your care home place directly with the care home. Please note that care homes often charge significantly higher care fees for privately funded residents, rather than the rate charged to the council.

Some properties are not taken into account

- The value of some properties can be disregarded in the financial assessment, sometimes for only a set amount of time.
- The council will disregard the value of a property that has been continuously lived in before you moved permanently into a care home by:
    - your partner, or a former partner that you are not estranged from,
    - a former partner who is a lone parent,
    - a close relative who is either;
        - aged 60 or over,
        - a child aged under 18, or
        - any age and is incapacitated, this includes, for example, people who getting a benefit such as Employment and Support Allowance, Personal Independence Payment or Disability Living Allowance.
- The council also has the discretion to not take into account the value of a property if a person lives there who gave up their own previous home to look after you and has nowhere else to live. However, this disregard may be only for a set amount of time and can be reviewed by the council at any time.

The first 12 Weeks of permanent care

- A 12-week disregard may apply to your former home when you first move to live permanently in a care home or another property disregard no longer applies or there is a sudden and unexpected change in your financial circumstances, see 12-week property disregard factsheet.

Two or more properties

- If you own more than one property that are not disregarded the value of all properties, or your share in them, will be included in the financial assessment.

Property bought under the 'Right to buy' scheme

- If the property you own is a former council house and someone else has helped you with the purchase through the Right to Buy Scheme, it may be possible to disregard a proportion of its value. The person who helped with the purchase needs to provide acceptable evidence of their contribution. The minimum value attributable to you will usually be the percentage discount obtained from the council at the time the property was purchased.

Working out the value of a property

- The value of a property for the financial assessment is determined by the current market value less 10% and the value of any outstanding debt secured on the property such as a mortgage or equity release policy.
- If you have taken an Equity Release Plan out on your property, please provide us with the paperwork showing us details of the plan. It may be that you have little or no equity left in your property.
- If you own a property, depending on its value, you will then usually be responsible for paying the full-cost of your care home place directly with the care home. Please note that care homes often charge significantly higher care fees for privately funded residents, rather than the rate charged to the council.

Independent Financial Advice

- You may want to take independent financial advice about how best to use your property to help pay your care home fees, for example, you do not have to sell your property you may rent it out and use the rental income to pay you're your care home fees. You might want to apply to the council's Deferred Payment Scheme, see the Deferred Payment Scheme Information Sheet.