How much does residential care actually cost?

This **can vary greatly depending** on the level and type of support needed. The **average costs of care in the South East are around £33k** per year for standard residential care, which can rise to around £45k for nursing care, compared to the **North West where costs are around £25k** for standard care and £35k for nursing care.

Typical factors that can impact costs include:

* Permanent or temporary care
* Home care or residential placement
* Whether the home is independent or an NHS home
* Location
* Individual fees

So how does funding for permanent placements work?

**Once your Local Authority has assessed you** under the [Care Act 2014](http://www.legislation.gov.uk/ukpga/2014/23/contents/enacted) as needing care, either home-based or within a dedicated residential care placement, the **next stage is to be assessed for financial support** and to determine whether you qualify for any state funding.

[More on the Care Act 2014 »](https://www.gov.uk/government/publications/care-act-2014-part-1-factsheets)

What's the difference between state funding and self-funding?

Most people pay something towards their care but how much can vary depending on individual circumstances. **Care home funding in the UK is means tested**, based on nationally set guidelines, and is not usually free, unlike medical care on the NHS that is free at the point-of-need.

[More on Government means testing »](http://www.ageuk.org.uk/home-and-care/care-homes/the-means-test-and-your-property/)

What am I actually entitled to?

**I have total capital below £14,250**

This means you will be entitled to the**maximum support** offered.

**I have total capital above £14,250 but not exceeding £23,250**

You will be entitled to **some assistance**. After a financial assessment, the local authority will assess your specific needs, working with social services, and determine how much financial support you qualify for. You may also pay a **capital tariff of £1 per week on every £250 between the lower threshold of £14,250 and the upper threshold of £23,250**. Your local authority will also help with the first 12 weeks of your care costs.

**I have total capital exceeding £23,250**

In this case **your local authority will not offer financial support** with your care costs and you will be expected to self-fund your placement. **A person's home is considered an asset** and is looked at by the local authority within the means test. This is an assessment of all income and assets, including property, by your local authority to determine if you are eligible for financial support.

If I am self-funding, will I have to sell my house?

**Homes are taken into account with total capital** and it's true that many people going into care do sell their houses as most people will not have the money to pay for care from pensions or other regular incomes. However **you should consider all options first** and seek the advice of an independent financial advisor.

### What's the difference between state funding and self-funding?

Most people pay something towards their care but how much can vary depending on individual circumstances. **Care home funding in the UK is means tested**, based on nationally set guidelines, and is not usually free, unlike medical care on the NHS that is free at the point-of-need.