

Brighton & Hove City Council

Charging policy 2014 - 2015

Charging for home care and other non-residential social services

Effective from 7th April 2014

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Introduction:

Charges for “non-residential” services are empowered under Section 17 of HASSASSA 1983 (Health and Social Services and Social Security Adjudication Act)

1.1 This policy is approved by Brighton and Hove City Council and is applied to all service users equitably. The policy was originally formulated in December 2002 under consultation with service users and their carers. The policy takes account of Circular LAC (2001) 32 “Fairer Charging Policies for Home Care and other Non-Residential Social Services – Guidance for Councils with Social Services Responsibilities”. The policy also takes account of subsequent guidance from the Department of Health and encompasses the following principles:

- To be fair and equitable.
- To take account of ability to pay where correct information has been provided
- To liaise with the Department for work and Pensions and other agencies in order to maximise service user’s personal income
- To be cost effective to administer.

1.2 The services **included** for this financial assessment policy are:

Home Care

Day Care, Day Activities

Community Support / outreach services

Money Advice and money management services

Direct Payments / Personal Budgets for any non-residential services

Tenancy Support (Supporting People) including Carelink alarm systems (where no Housing Benefit or Council Tax Reduction applies)

Adaptations over £1,000

1.3 Non-residential services **excluded** from charges are:

Daily Living Equipment

Adaptations under £1000

Any service provided under Section 117 of the Mental Health Act as an “after care” service.

Supporting People services when in receipt of Housing Benefit or Council Tax Reduction

Intermediate Care Services

1.4 **From April 2014 the maximum charges are:**

Home Care (including all forms of support at home) = £20.00 per hour
(note that the charge is double where two carers are provided)

Day Care (day centres) (for any time period) = £30.00 per day
Maximum weekly charge (for all assessable services) = £900.00 per week

1.5 **Additional Fixed Rate charges**

Meals provided at home, meals provided at a Day Centre and **transport** will not form part of the assessed charge as they substitute for ordinary expenditure.

These charges are payable in addition to assessed contributions.

Meals at home or at a day centre **£3.90 per meal – rising to £4.10 in October 2014**
Transport to day centres **£3.00 per return journey**

2. The Financial Assessment Calculation:

2.1 Flowchart For Calculating The Charge

People with over £23,250 (£46,500 per couple) in capital and savings pay the full cost of the service from the start date of the service). Otherwise the following assessment applies:

We work out total income (see 2.3)

Income includes all State Benefits, private or occupational pensions, tariff income from savings (see 2.2), and income from all other sources (less income disregards – see below)



Take away from total income

Income disregards *

General allowance (basic income support plus 25% buffer)

Other allowances#

*We will not count: Earnings, DLA (Mobility) and special war payments

#Allowances can include Housing Costs such as rent, mortgage interest and Council Tax – net of any income support or Housing/Council Tax benefit received), Water Rates



Take away

Disability related expenditure allowance (see appendix A)

This will leave

Chargeable income (no charge if below £3.00 per week)

Charge = chargeable income rounded down to the nearest £1 or the cost of the service (whichever is less) subject to the maximum weekly charge

2.2 Treatment of Capital and Savings

The main residence occupied by the service user will not be taken into account but the value of all other forms of capital and savings will be taken into account, including any other property, eg second homes, holiday homes, whether or not they are rented out and whether in this country or abroad. We will take into account any form of savings irrespective of where and how they are invested. (with the exception of special rules regarding capital held in a trust and capital held in investments with Life Assurance)

The capital limits are £23,250 upper limit (£46,500 for a couple) and £14,250 lower limit (£28,500 for a couple) with effect from **07/04/2014**. Any capital above £14,250 (£28,500 for a couple) is calculated as “tariff income” on the basis of £1.00 per week for every £250 or part). People with more than £23,250 in their own name, or held in their share of joint accounts, or in accounts held by a third party on their behalf, will pay the full cost of the care service subject to the maximum weekly charge of £900 per week. **This charge applies from the start date of the service.**

NB: If a service user has gifted monies or property to another person prior to or whilst receiving social services, any such capital will usually be included in the financial assessment as though it is still in their possession. This is called “notional capital”. This may also apply where a person has spent down their capital more significantly than usual. Special consideration will be given in exceptional circumstances.

2.3 **Income to be taken fully into account**

Income includes **most state benefits** means tested and non-means tested, including State Retirement Pension, Pension Credit, Employment and Support Allowance, Tax Credits, Child Benefit, Statutory Sick Pay, Income Support (including all premiums for age, family and disability), Job Seekers Allowance, Personal Independence payments for care, Universal credit etc. **(see exceptions in 2.4)**

Income also includes: Attendance Allowance, Disability Living Allowance (care component only)

All other income is also included eg.

Occupational Pensions

Private Pensions

Income from annuities

Trust Income

Income from charitable or voluntary sources (subject to £20 per week disregard)

Rental Income / lodging payments (including other persons in the household)

All other income except where it derives from capital that has already been taken into account

Where another person who is not a spouse or partner or civil partner or dependent child, lives in the household (eg. A relative, a friend, a lodger) payments they make towards the household expenses will be taken into account as income.

Where no actual payments are made by the person living in the household there will be an assumed income of one third of the basic Income Support allowance as a contribution towards general household living costs.

2.4 **Income to be disregarded**

DLA (Mobility Allowance)

War Pensioners Mobility Supplement

War Widow(er) Special Payments

Pension Credit “**Savings Credit**” Payments

Tax credit income (related to earnings)

The difference between middle and higher rates of AA and DLA will be disregarded unless the council is funding services at night.

Earnings are disregarded (the definition of earnings is the same as set out in CRAG (Charging for Residential Accommodation Guide). “Earnings consist of any remuneration or profit derived from employment or self-employment, including bonus or commission and holiday pay but excluding re-imbursment of expenses and any occupational pension.”

2.5 Standard “Living Allowance”

The standard living allowance is intended to cover general living expenses including food, utilities, fuel, transport, leisure, insurances and other miscellaneous living costs. In accordance with Government guidance, the minimum allowance is calculated by reference to basic Income Support Rates plus a 25% buffer. However, irrespective of the age of the service user, the allowance in this policy has been aligned to pension credit rates for single people and couples. These allowances are **£186 per week** for single people and **£284 per week** for couples (the rates are reviewed by the Department for Work and Pensions every April).

Where there are any dependent children in the household, the general allowance will be calculated by taking basic Income Support rates for the adult(s) and the dependent children, multiplying the total by 125% and rounding up the total to the nearest whole pound. (Note that basic income support rates do not include SDP for adults but extra allowances may apply in the case of enhancements for dependent disabled children).

2.6 The disability related expenditure assessment

Service Users will be asked to list any expenses that arise specifically as a result of their disability. Examples of such expenditure and verification methods are set out in full in **Appendix A**.

2.7 Housing Costs

Allowances are given for the following housing costs:

- Rent (net of Housing Benefit - moving to universal credit)
- Council Tax (net of Council Tax Reduction and discounts)
- Minimum mortgage repayments (as a substitute for rent) not including enhanced payments.
- Ground Rent and Maintenance for Leaseholders (except costs already allowed in the standard living allowance eg. Lighting, heating, Hot water, etc.
- Water Rates / Metered Water Costs

No Allowance for rent will be made where the service user lives in another person’s household and there is no legal liability for rent payments. This is because any charge made for living in the other person’s household will be deemed to be covered by the general living allowance of at least £186 per week.

3. Assessing Couples

a) Assessments will usually be carried out for couples taking account of all income, savings and expenditure of the household. Where means tested benefits are being paid, this will be a similar process to Income Support / Guarantee Pension Credit, Housing Benefit / Universal Credit.

b) Where no means tested benefits are in payment all of the income and savings of both partners will **usually** be counted unless there is a particular reason to assess on the basis of individual ownership.* (see below)

c) Where the total savings and assets of a couple are over £46,500 the full cost of care services will apply (subject to a maximum weekly charge of £900 per week per person)

d) *Government guidance states that councils may consider whether a service user could reasonably have access to, or legal entitlement to, resources held by another person, including a partner. For example, where there are savings in joint bank accounts or where savings and assets are held in one partner's name and can reasonably be assumed to be shared. In such cases it is reasonable to seek disclosure from the partner and refusal will allow the council to decide that the user has not shown they are unable to pay and therefore the full cost will be charged.

e) If the service user appeals against the usual method of determining a fair charge on the grounds that they do not have access to some income or savings of their partner, the following alternative method of calculation will be considered:

f) Where income and savings are held in the partner's name an assessment may be made of the history of this arrangement and the extent to which the service user has some access to the resources held by the partner. Savings held in joint accounts will be treated as 50% ownership unless there is specific evidence as to a different percentage. The actual position regarding expenditure for rent, mortgage, water rates etc will be considered and the general living allowance will be amended accordingly.

4. The Financial Assessment Process

The financial assessment process follows the care needs assessment. Once care needs have been assessed, details are passed to the Financial Assessment team who will usually make arrangements for a personal visit to the service user or their representative. In some cases it may be possible to complete an assessment over the telephone or by post or email.

We will:

- (a) Gather financial information from the service user or representative and have sight of relevant documentation for verification purposes eg. Bank statements.
- (b) Assist with the completion of the Financial Assessment Form which is signed as a correct statement by the service user or their representative
- (c) Arrange for "Forms of Authority" to be signed if any information needs further written verification from the asset holders, building societies etc.
- (d) Complete postal assessments and any further financial enquiries and verification
- (e) Carry out an assessment of disability related expenditure
- (f) Calculate the charge.
- (g) Undertake a Welfare benefits check and help with benefit claims if applicable.
- (h) Undertake further visits where necessary
- (i) Provide written notifications to service users of the chargeable amount
- (j) Notify the care provider of the charge for their collection

Service users and their representatives are required to provide the correct financial details at the time of the assessment and are also required to notify the Council if their financial circumstances change.

5. Backdating charges

Charges will usually date from the start of the service where the service user has been provided with appropriate charging information prior to the assessment. However, in some circumstances the charge will date from the date of notification.

Backdated charges will apply where additional benefits have been successfully claimed. People will be advised of this policy in writing and will be required to pay the additional charge from the date they are found to be eligible for the benefit. This may include a period of backdated payment from the DWP.

Where people have not provided correct financial information, backdated assessments and charges will usually apply from the start of the service or from the date any additional assets were acquired.

Where it is found, at any time, that a person still has, or did have, over £23,250 (46,500 for couples) the maximum charge will be backdated to the start date of the service package.

6. Notification of Charges

The outcome of the financial assessment and charge information will be confirmed in writing. This might provide a provisional charge pending the production of evidence of income, capital, costs of disability, or awaiting the outcome of additional benefit claims. Otherwise it will be the final assessment notification, which will include:

- The details of the calculation of the charge
- The date from which charging will commence.
- Contact details for any queries
- The method by which the charge will be collected.

7. Collecting the contributions

7.1 Care Agencies:

Where the service is provided by an independent care agency, the service user will usually pay them direct, upon receipt of an invoice from them or by standing order. If the service user fails to pay the provider further action will be taken.

7.2 Council Services:

Where the service is provided directly by the Council the service user will receive an invoice, monthly in arrears, from the Council's Debtor System.

7.3 Direct Payments:

Where the service user receives Direct Payments in order to purchase their own care services, they will be required to pay their contribution into their Direct Payments account. The preferred method is for the service user to set up a standing order from their personal bank account into the Direct Payments account. Where a charge applies, the service user must pay the first amount into the account and the council will pay the remainder of the agreed care costs into the account.

8. Re-assessments

Reassessments may be needed in relation to a change in personal financial circumstances and services users will be required to provide details and evidence of the changes.

Reassessments may be required if there is a significant change to Government regulations, Benefit rates and entitlements or charging policy decisions.

Other reviews will take place over a period of time.

9. Appeals and Complaints

Service users have the right to ask the Council for a review of the assessed charge if they consider it to be unreasonable and they cannot afford to pay.

The appeal will involve the following checks:-

- is the income included in the assessment correct?

- are the standard disregards/allowances correct?

- are the costs of disability in accordance with the Scheme?

- Are there exceptional circumstances which warrant special discretion?

The Appeal Decision is initially made by the Head of Financial Assessments as this achieves consistency and equity and provides an information base for precedents.

The appeal should be completed within 3 weeks of referral including written notification of the outcome. If the service user is still dissatisfied they can use the complaints procedure to appeal against the charges and any further discretion may be agreed by the Director of Adult Social Care.

April 2014

Appendix a - Assessing the costs of disability

1. The statutory guidance states :

“Evidence of actual expenditure may be requested at the Council’s discretion. Where receipts have not been kept, a council may request that this be done for future expenditure. It is legitimate for Councils to verify that items claimed have actually been purchased, particularly for unusual items or heavy expenditure”.

“Generally the items allowed for should be based on actual past expenditure; though in some cases estimates of annual spending based on available evidence will need to be made. Spending not incurred, as in unmet need, should not be allowed. It is not practicable for charge assessments to take account of expenditure users would incur, if they had more income”.

“If, despite a request to keep future receipts, users fail to do so, it may be reasonable, where there is doubt as to whether the expenditure is actually incurred, for Councils not to include this in the assessment. In some cases, where bills cannot be produced, eg, for heating, it may not be practicable to make an estimate”.

The following allowances may be agreed but is not an exhaustive list of disability-related costs. It is reasonable to expect that most people would not qualify for the full range of allowances. These allowances should align with information gathered during the care assessment and should be identified in the Care Plan.

Disability expenditure allowances 2013 -14 (NAFAO recommendations with some additions) (National Association of Financial Assessment Officers)

Item	Average Fuel Costs - 2014-2015		Evidence
All fuel.	Single in flat and terraced	£1157	Last 4 bills for all types of fuel. Allowance = difference between the sums listed here and the average of actual bills (divided by 52.) (not the sums paid by DD)
	Couple in flat and terraced	£1526	
	Single in semi-detached	£1229	
	Couple in semi-detached	£1619	
	Single in detached	£1495	
	Couple in detached	£1970	

Notes - consideration to be given to additional householders contributing to household costs.

- if bills not retained, copies to be provided within 28 days. If not provided within this timescale the allowance will apply from the date that the evidence is provided.
- Winter Fuel and Cold Weather Payments are disregarded.

ITEM	AMOUNT	EVIDENCE
Community Alarm System	Actual cost unless included in Housing Benefit or Supporting People Grant	Bills from provider
Privately	Where Social Worker confirms as part	Signed receipts for at least 4

arranged care including domestic help	of the Care Plan and Council funded care is reduced accordingly. (does not usually allow payment to immediate family members)	weeks using a proper receipt book Maximum £12 per week if no receipts
Laundry/Washing Powder	£3.57 per week	Care Plan identified an incontinence problem. Allowance applies where more than 4 loads per week
Dietary	Discretionary as special dietary needs may not be more expensive than normal	Details of special purchases – Max £6 per week
Gardening	Discretionary based on individual costs of garden maintenance	Signed receipts for at least 4 weeks using a proper receipt book Maximum £12 per week if no receipts
Wheelchair	£3.71 per week manual £9.03 per week powered	Evidence of purchase. No allowance if equipment provided free of charge
Powered bed	Actual cost divided by 500 (10 yr life) up to a maximum of £4.16 per week	Evidence of purchase if available
Turning bed	Actual cost divided by 500 up to a maximum of £7.20 per week	Evidence of purchase if available
Powered reclining chair	Actual cost divided by 500 up to a maximum of £3.27 per week	Evidence of purchase if available
Stair-lift	Actual cost divided by 500 up to a maximum of £5.82 per week	Evidence of purchase without DFG input
Hoist	Actual cost divided by 500 up to a maximum of £2.85 per week	Evidence of purchase without DFG input
Chiropody	Where paid privately	Signed receipts for at least 4 weeks using a receipt book Maximum £2.00 per week
Hair Hygiene	Only applies where hygiene is not already included in care package and disability prevents personal care	Max £6.00 per week
Prescription Charges.	Cost of an annual season ticket divided by 52 or actual cost of prescriptions whichever is less.	For those not eligible for free prescriptions
Transport.	Discretionary based on costs that are greater than those incurred by an able bodied person	Evidence in the Care Plan for transport needs where person cannot use public transport – max £12 per week

Note: - Mobility Allowance cannot be included in the normal financial assessment as an income but the statutory guidance states that transport costs should be allowed where necessitated by illness or disability, over and above the mobility component of DLA if in payment. Therefore no further transport costs are allowed if Mobility Allowance covers them.