

CHARGING POLICY

Integrated Strategic Commissioning



Document Control

Version	Date	Author	Pages Affected
V0.1	15.07.14	Cabinet report: Fairer Charging Policy	All
V0.2	24.10.18	Kate Jones/ Joan Bird / Fairer Charging Policy	All
V0.3	07.02.19	Kate Jones / Joan Bird/ Gary Walbridge/ Cathy Curnow/ Ian Lightley	All
V0.4	15.02.19	Kate Jones / Joan Bird/ Cathy Curnow updates	All
V0.5	26.02.19	Kate Jones / Joan Bird/ Cathy Curnow/ Paul Dean updates	All
V0.6	28.05.19	Linda Torney updates	All
V1	08.08.19	Signed off	8, 10

Sign Off

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1. Policy Statement

- 1.1 The Department of Health requires all local authorities to have a charging policy in relation to any care and support services being provided by Adult Social Care.
- 1.2 The policy is intended to reflect the requirements of the Care and Support Statutory Guidance (issued under the Care Act 2014) and the Care and Support (Charging & Assessment of Resources) Regulations 2014.
- 1.3 In this policy, a reference to 'you' refers to the person receiving the care and support service and a reference to 'we' or 'the Council' refers to Plymouth City Council.

2. Headlines

- 2.1 Unlike health services, Adult Social Care and support services are not free of charge.
- 2.2 This policy ("the policy") takes into account the changes brought about by the Care Act 2014. This generates income that will contribute and help to maintain Adult Services. Charges levied for both residential and non-residential services will be subject to an equitable and robust financial assessment process. The policy is written in accordance with the framework set out in the Care and Support Statutory Guidance ("the Guidance"), issued under the Care Act 2014, and the Care and Support (Charging and Assessment of Resources) Regulations 2014 ("the Regulations").
- 2.3 If you require non-residential services provided within the community, the policy will ensure that you are supported to understand the assessment process. The policy includes a description of what is meant by disability-related expenditure¹ in order that your costs are considered appropriately. The financial assessment is based on your financial circumstances.
- 2.4 If you require residential services, assessments will be based on your financial circumstances.
- 2.5 If you require short-term or temporary residential services, there is a degree of discretion as modified charging rules take account of this; as per section 8.24 of Care and Support Statutory Guidance:
 - *A short-term resident is someone provided with accommodation in a care home for a period not exceeding 8 weeks; for example, where a person is placed in a care home to provide respite care. Where a person is a short-term resident, a local authority may choose to assess and charge them based on the rules for care or support arranged other than in a care home.*
 - *A temporary resident is someone whose stay in a care home is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely to substantially exceed 52 weeks. Because a temporary resident is expected to return home, their main or only home is usually disregarded in the assessment of whether and what they can afford to pay. In addition, for example, certain housing-related costs are also disregarded in the financial assessment.*

- 2.6 Responsibility for this policy rests with the Council's Adult Social Care Retained Services Function, and the implementation of the policy is the responsibility of Client Financial Services.

3. Distribution

- 3.1 The policy is a public document and is available to view on the Council's website at <https://www.plymouth.gov.uk>
- 3.2 All staff within Adult Social Care need to be aware of this policy and ensure it is complied with. It is also critical that the Charging Policy is considered when new services are commissioned. This policy needs to be communicated appropriately to all Service Users so they are aware that services provided by ASC are chargeable and from what date.

4. Background

- 4.1 The Care Act Statutory Guidance states (at paragraph 8.2):

“Where a local authority arranges care and support to meet a person’s needs, it may charge the adult, except where the local authority is required to arrange care and support free of charge. The new framework is intended to make charging fairer and more clearly understood by everyone. The overarching principle is that people should only be required to pay what they can afford. People will be entitled to financial support based on a means-test and some will be entitled to free care. The framework is therefore based on the following principles that local authorities should take into account when making decisions on charging. The principles are that the approach to charging for care and support needs should:”

- *Ensure that people are not charged more than it is reasonably practicable for them to pay*
- *Be comprehensive, to reduce variation in the way people are assessed and charged*
- *Be clear and transparent, so people know what they will be charged*
- *Promote wellbeing, social inclusion, and support the vision of personalisation, independence, choice and control*
- *Support carers to look after their own health and wellbeing and to care effectively and safely*
- *Be person-focused, reflecting the variety of care and caring journeys and the variety of options available to meet their needs*
- *Apply the charging rules equally so those with similar needs or services are treated the same and minimise anomalies between different care settings*
- *Encourage and enable those who wish to stay in or take up employment, education or training or plan for the future costs of meeting their needs to do so*
- *Be sustainable for local authorities in the long-term*

- 4.2 Charging for non-residential care services has been in place in Plymouth since the introduction of the Community Care Act in 1990. In response to the Government's aim to reduce inconsistencies in the application of charging for services across local authorities in England and Wales, the Fairer Charging Guidance was introduced in 2002. This has been superseded by the Care Act 2014.
- 4.3 Previously, local authorities had discretion in designing their own fairer charging policies for non-residential care services, subject to meeting minimum requirements detailed in the Fairer Charging Guidance. The Care and Support Statutory Guidance (updated 17 August 2017) sets a more prescriptive model for charging for both residential and non-residential care services, whilst retaining some discretionary elements for non-residential charging. This policy reflects the revised requirements of that guidance.
- 4.4 Paragraph 8.4 of the Care and Support Statutory Guidance states that local authorities should have their own policy and process. The guidance also describes the objectives that should be considered in the design of the policy.

5. The Objectives are that:

- 5.1 The Council has a fair and robust policy for financial assessments and charging in relation to both residential and non-residential services for adults.
- 5.2 The policy ensures that the financial assessment, and any resulting financial contribution, are based on the person's financial circumstances and ability to pay, based on income.
- 5.3 The policy ensures that the person has the relevant information and support in order for the financial assessment to be fair and consistent.
- 5.4 The policy ensures that the person is aware of their individual benefit entitlement and of the steps required to address any shortfall.
- 5.5 The policy ensures that charges applied will not exceed the cost of the service provided and no part of the charge will be for the Council's administration costs, except where these are levied in respect of a Deferred Payment Arrangement.
- 5.6 The Council will ensure that the elements of any benefits being included in the financial assessment are appropriate to the type of care the Council is facilitating.

6. Exceptions

- 6.1 You are exempt from the financial assessment process under this policy if:
 - 6.1.1 You are assessed as meeting the criteria for Continuing Health Care, funded by the NHS.
 - 6.1.2 You receive after-care services provided under Section 117 of the Mental Health Act 1983.
 - 6.1.3 You have Creutzfeldt - Jakob disease (CJD).
 - 6.1.4 You are receiving intermediate care/reablement services.
 - 6.1.5 Once a period of intermediate care/reablement ends, any further care provided by Adult Social Care will be subject to financial assessment.

- 6.2 The Council does not financially assess carers who require support to enable them to continue in their caring role. Where the carer is supported by additional services being provided to the person they care for, it is that person who is financially assessed.

7. Where a reduced or nil charge may be applicable

- 7.1 Paragraphs 8.68 to 8.70 of the revised Care Act 2014 Statutory Guidance (issued March 2016) gives you the right to ask the Council for a review of the charge which has been assessed if you consider that you cannot afford to pay it.
- 7.2 When undertaking a review, we will not take into account any payments in respect of non-priority debt. Where appropriate, we may signpost you to debt advice agencies that can assist you. For information, a priority debt is one where serious action can be taken against a person if the debt is not paid, such as losing one's home, being disconnected from energy supplies or going to prison. An example of a non-priority debt is credit cards.
- 7.3 If, following a review, we are satisfied that you are unable to pay the assessed charge for the service, we will not require you to pay any more than we consider is reasonably practicable for you to pay. This may mean that you will pay either a reduced charge or no charge for the service.

8. Other charges

- 8.1 We will also make charges for other specified non-residential and residential services. These charges do not form part of the financial assessment for either residential or non-residential services as they are not subject to a means test. These are:
- 8.1.1 Fees and charges applied under the Deferred Payment Policy, described in the Deferred Payment Fees & Charges Policy.
https://www.plymouth.gov.uk/sites/default/files/Deferred_Payments_Policy.pdf
- 8.1.2 The full cost of meals (excluding residential and nursing care)
- 8.1.3 Telecare services
- 8.1.4 First Party and Third Party Top-Ups, as described in section 30 of the Care Act 2014, are payable when a person chooses a care home whose fees are greater than the Council would normally pay for the assessed level of care needs – see Appendices 8A/B/C
- 8.1.5 Transport - you may be responsible for paying for your own transport depending on your support plan.

9. Payment of charges

- 9.1 You or your representative must pay the Council for services which you have commissioned directly from the Council.
- 9.2 Where you receive a Direct Payment, the Direct Payment will usually be paid net of the assessed charge. You will need to pay your assessed contribution directly into your Direct Payment account or pay the service provider for your contribution to the cost of the service.
- 9.3 Where a Third Party is required to make a contribution to the cost of your care, the Third Party must pay their contribution direct to the Council.
- 9.4 We expect you to pay by Direct Debit.
- 9.5 The use of Direct Debits is considered the most efficient and cost effective method of processing payments, both for the Council and for you, due to the speed and accuracy of processing methods. As a result, the impact on the public purse of processing transactions can be minimised as much as possible.
- 9.6 If you are unable to pay by Direct Debit, then you should discuss this with us at the earliest opportunity.

10. Debt recovery

- 10.1 The Care Act introduces a framework for local authorities to recover debts. We have legal powers to recover money for arranging and providing care and support services. We can use these powers if you refuse to pay the amount that you are assessed as being able to pay. We can also use these powers if your financial representatives refuse to pay the amount that you are assessed as being able to pay.
- 10.2 We may take legal action to recover debt through the Courts when other alternatives have been pursued without success. Details of debt recovery can be found in our Income and Credit Management Policy.

11. The process for non-residential services

- 11.1 The financial assessment will take into account the following items: your income including disability-related benefits, capital, relevant expenditure relating to housing costs and disability-related expenditure.ⁱⁱ
- 11.2 Income – please see Appendix 1 and 2 for clarification.
- 11.3 Capital – please Appendix 3 and 4 for clarification.
- 11.4 Housing Costs - certain housing-related expenditure will be considered within the financial assessment for care and support services delivered in the community, and for residential/nursing care provided on a temporary basis. However, we will only meet costs relating to housing where you are legally liable for the costs and the costs are not met by the Department for Work and Pensions or by Housing Benefit or Council Tax support.
- 11.5 Costs include:
 - 11.5.1 Mortgage payments, where you are one of the mortgagees.

- 11.5.2 Rent, where you are legally liable to pay rent. Rent to a family member will not usually be treated as allowable expenditure unless the person is jointly liable to pay rent (further evidence may be required).
- 11.5.3 Council Tax, where you are legally liable to pay Council Tax.
- 11.5.4 Service Charges, where you are legally liable to pay service charges (other than service charges which are ineligible under schedule 1 to the Housing Benefit Regulations 2006ⁱⁱⁱ).
- 11.5.5 Ground rent, where you are legally liable to pay ground rent.
- 11.5.6 Secured loans, where you are legally liable for loan repayments.
- 11.5.7 Unsecured loans will not usually be taken into account.
- 11.6 In addition to the above housing-related expenditure, some further allowance may be made in respect of ongoing costs you are liable to pay in order to maintain your property in your absence from the home, e.g. household insurance, standing charges on utilities.
- 11.7 Disability-Related expenditure:
 - 11.7.1 Disability-related expenses are those expenses not already covered by your personal budget or support plan which occur as a result of disability and which you have little or no choice but to incur in order to maintain your independence of life.
 - 11.7.2 If you are in receipt of disability benefits, there is an expectation that you will have disability-related expenditure that you need to use some of this money towards. The financial assessment process allows you to self-assess your disability-related expenditure and the Council will automatically disregard a standard allowance of 30% of disability-related benefits to cover these expenses. However, if you think that your needs exceed the standard allowance, we may calculate an individually assessed allowance for you. The Financial Assessment Officer will discuss additional allowances with you and may conduct a review.
 - 11.7.3 If a review reflects that the 30% Disability-Related Expenditure Allowance is not sufficient to meet your essential needs, then a higher rate will be allowed. If the review reflects that a lesser allowance is needed, the assessment will reflect the lower amount even if it is below the 30% allowance.
 - 11.7.4 Payments to family members are not normally treated as disability-related expenditure unless they are identified in the support plan for exceptional circumstances, including cultural or religious reasons.
- 11.8 Disability-related expenditure will be deducted in the financial assessment. Disability-related expenditure is defined in accordance with the Care and Support (Charging and Assessment of Resources) Regulations 2014 (at Schedule 1 point 4 pg. 12):

11.8.1 "Disability-related expenditure" includes payment for any community alarm system, costs of any privately arranged care services required, including respite care, and the costs of any specialist items needed to meet your disability.

11.9 The charge applied will be no more than the cost of the services supplied, plus any arrears. Where the cost of the service is less than the assessed charge, plus arrears, you will only be charged the cost of the service plus arrears.

For example:

Mrs A is assessed as being able to contribute £50 per week towards her package of care that costs the Council £65 per week. This means that the Council's contribution is £15 a week as Mrs A is able to afford the remaining cost. Mrs A will therefore be charged £50 a week each time her package of care exceeds £50 per week.

If for one week Mrs A had a reduced package of care, for example due to being admitted to hospital, and the total cost was £45 for the week, Mrs A would only be billed for £45 for that week.

This does not include payment of arrears.

11.10 After paying your charge towards your care, you must be left with the Minimum Income Guarantee (MIG) which is specified by the Department of Health. The MIG amounts are published annually by Department of Health.

12. Charges for non-residential adult services - the formula

12.1 If you do not pay your contribution towards the cost of your care, we will treat these costs as a civil debt and, as such, will follow the Income and Credit Management Policy and may take legal action to recover these costs.

1. Assessable Income (including Disability Related Benefits) & Capital	
	Minus
2. Housing-related expenditure (where applicable)	
	Minus
3. Disability-related expenditure	
	Minus
4. Minimum Income Guarantee (MIG)	
	Equals
	5. Service User Contribution

13. Residential care provision

- 13.1 The financial assessment will take into account your income and capital.
- 13.2 Income – please see Appendix 1 and 2 for clarification.
- 13.3 Capital –please see Appendix 3 and 4 for clarification.
- 13.4 If you require temporary residential care, including for short breaks or respite care, the value of the property in which you usually reside will not be included in the financial assessment, and certain housing-related expenditure will be included within the financial assessment.
- 13.5 For permanent residential care, the value of your interest in property and land may be included in the financial assessment as described in The Care Act.
- 13.6 Any top up that you have agreed to pay because the fee for the home you selected is more than the Council will pay **is in addition** to the basic contribution that you have been assessed as due to pay. This will have been discussed with the social worker and a contract signed agreeing to pay this. See Appendices 8A/B/C
- 13.7 Any Third Party Top Up that someone else has agreed to pay because the fee for the home you selected is more than the Council will pay **is in addition** to the basic contribution that you have been assessed as due to pay. This will have been discussed with the Social Worker and a contract signed agreeing to pay this. See Appendices 8A/B/C.

14. Charges for residential adult services - the formula

1.	Assessable	
Total Income		
	Plus	
2. Tariff Income on Capital		
	Plus	
3. Top Up		
	Minus	
4. Housing-Related Expenditure		
	Minus	
5. Personal Allowance		
	Equals	6. Service User and/or Third Party Contribution

15. Light touch assessments

- 15.1 You do not have to disclose details of your finances where you are satisfied that you can afford the charge for the particular service being delivered. When this occurs, you may be deemed as a self-funder who can be signposted to appropriate providers for you to arrange your own care.
- 15.2 If you wish to disclose details of your finances at a later date, you can request a review at any time. The assessed charge will only apply from the date of the new financial assessment. Consideration will be given to undertaking a new financial assessment from an earlier date if you are able to produce financial information relating to an earlier period. The Council will also need to be satisfied that no deprivation of capital/ assets has occurred.
- 15.3 Further information regarding items considered in the financial assessment can be found in Appendices 1 - 4 of this policy.

16. Couples' financial assessment

- 16.1 For residential care assessments, if you are part of a couple and one of you is receiving care you will be assessed as an individual. If you receive income jointly, then it will be usually be assumed that each of you receives an equal share of that income. Where it is apparent that this is not the case, we will assess your income according to your individual circumstances. If you jointly hold capital with your partner, it will be divided equally.
- 16.2 For non-residential care assessments, your income and capital will be treated as joint income and an equal share assumed for each partner. If a 'better off' assessment shows that it is advantageous to you as a couple for your income and capital to be treated as being received individually, then the 'better off' assessment will be used.

17. Reviews and appeals

- 17.1 Reviews will usually be undertaken annually, usually at the beginning of the financial year to take into account changes to DWP benefit rates.
- 17.2 Reviews may also be requested at other times. In particular,
 - 17.2.1 If you are unhappy with the outcome of your financial assessment, you may request a reconsideration by contacting the Client Financial Services Team in the first instance.
 - 17.2.2 If after a review you remain dissatisfied, please see Appendix 5 for the appeals process.
 - 17.2.3 The Council may undertake a review at any time; for example, if a change of circumstances occurs.

17.3 If you have a significant change of circumstances, e.g. a change in your income or capital (for example, inheritance) or a change in members of your household, you must contact the Council and request a review or your appointed representative must do so. Failure to report a significant change in circumstances could result in you paying too much for your care or could result in a backdated charge being applied.

18. Dispute resolution

18.1 Disputes can occur for a number of reasons. If the dispute is regarding the quality of care provided, then you should raise this with Adult Social Care. If the dispute is regarding the number of hours or dates of care provided, then the care provider should be contacted in the first instance. If you have queries regarding your financial assessment, these should be directed to the Client Financial Services team. See Appendix 7.

19. Deprivation of assets and debt

19.1 The Care Act 2014 Section 8 refers to deprivation of assets and debt and provides guidance to the Council for when this occurs:

8.27 People with care and support needs are free to spend their income and assets as they see fit, including making gifts to friends and family. This is important for promoting their wellbeing and enabling them to live fulfilling and independent lives. However, it is also important that people pay their fair contribution towards their care and support costs.

8.28 There are some cases where a person may have tried to deliberately avoid paying for care and support costs through depriving themselves of assets – either capital or income. Where a local authority believes they have evidence to support this, it must read Annex E concerning the deprivation of assets. In such cases, the local authority may either charge the person as if they still possessed the asset or, if the asset has been transferred to someone else, seek to recover the lost income from charges from that person. However, the local authority cannot recover more than the person gained from the transfer.

8.29 Where a person has accrued a debt, the local authority may use its powers under the Care Act to recover that debt. In deciding how to proceed, the local authority should consider the circumstances of the case before deciding a course of action. For example, a local authority should consider whether this was a deliberate avoidance of payment or due to circumstances beyond the person's control.

8.30 Ultimately, the local authority may institute County Court proceedings to recover the debt. However, they should only use this power after other reasonable alternatives for recovering the debt have been exhausted. Further details on how to pursue debts are set out in Annex D.

19.2 We may consider that you or your representative have spent your assets, or transferred them to someone else, in order to reduce your contribution towards the

costs of your care. If your capital has significantly reduced in the last 12 months, you may be asked to provide evidence as to how the money has been spent. This could be by receipts for the purchased items and complete bank statements.

19.3 In some cases you or your representative will need to prove that you no longer own the capital or asset. If you are not able to do so, we will treat you as if you still own the capital or asset. We will need to decide if you have deliberately deprived yourself of your assets in order to reduce your contributions to the cost of your care. When doing so, we will take into account the timing of the disposal and the reasons for it. If we decide that you have deliberately deprived yourself of your assets in order to reduce your contributions to the cost of your care, we will apply a notional capital amount equivalent to the value of the asset or the capital as if you were still in possession of the asset or the capital.

20. Benefits maximisation

20.1 Local authorities are required to ensure that those who undergo a financial assessment are offered benefits advice and assistance in order to ensure that the income of the assessed person and their carer is maximised.

20.2 All assessed persons will be offered a benefits maximisation check and given assistance with claiming benefits irrespective of whether this has an impact on contributions or not. If claiming additional benefits will result in an increase of charge, the assessed person will be informed of the fact and, wherever possible, be given an indication of the amount of additional contribution.

21. Date contributions begin

21.1 For non-residential services, your assessed charge will take effect from the commencement of the chargeable package and will be based on a charging week, Monday to Sunday.

21.2 For residential services, your assessed charge will usually commence from the date of admission and is calculated pro rata.

22. Unclaimed benefit entitlement

22.1 Where it is identified that you are entitled to an income, e.g. a welfare benefit that you have not yet claimed, this will be identified as notional income. This notional income will be treated in the same way as actual income in the financial assessment. You will be notified of this and expected to make a claim.

22.2 If evidence is provided that there is no entitlement to the income, then the assessment will be adjusted accordingly.

INCOME TAKEN INTO ACCOUNT IN THE FINANCIAL ASSESSMENT

Income also takes into account transitional arrangements from Social Security benefits preceding those listed below. Includes:

- Attendance Allowance, including Constant Attendance Allowance and Exceptionally Severe Disablement Allowance
- Bereavement Allowance
- Carers Allowance
- Disability Living Allowance (Care component)
- Employment and Support Allowance or the benefits this replaces such as Severe Disablement Allowance and Incapacity Benefit
- Income Support
- Industrial Injuries Disablement Benefit or equivalent benefits
- Jobseeker's Allowance
- Maternity Allowance
- Pension Credit
- Personal Independence Payment (Daily Living component)
- State Pension
- Universal Credit
- War Pension (where not paid to the veteran)
- Working Tax Credit.

- Income from certain types of investment where the capital value has been ignored from the financial assessment

- 'Tariff Income'* on savings between the lower capital threshold and the upper capital threshold.

*£1 for every £250 or part £250

INCOME IGNORED FROM FINANCIAL ASSESSMENT

Includes (but not exhaustively):

- Mobility component of Disability Living Allowance/ Personal Independence Payment
- Earned income from employment
- Child Support Maintenance Payments and Child Benefit
- Child Tax Credit
- Guardians Allowance
- War Pension Scheme payments to veterans with the exception of Constant Attendance Allowance
- War Pensioners Mobility Supplement
- War Widows Supplementary Pension
- Guaranteed Income Payments (but not Survivor Guaranteed Income Payments)
- Armed Forces Independent Payments and Mobility Supplement
- Council tax reduction schemes
- Student loan and grant income
- Thalidomide Trust

In some cases it may not be clear if income should be disregarded. Further information may be needed before a decision can be made.

30% of disability-related benefits will be disregarded (or 100% of mobility-related benefits); this is to allow disability-related expenditure. See Appendix 6 for further information.

CAPITAL TAKEN INTO ACCOUNT IN THE FINANCIAL ASSESSMENT

The capital included in the financial assessment is in accordance Care Act 2014 Guidance. The list below is not an exhaustive one but provides an indication of what is included in the financial assessment:

- Money in any bank / building society / post office - current, deposit and savings accounts
- Post Office Bonds, National Savings and Premium Bonds, Income Bonds
- PEPs, TESSAs and ISAs
- Stocks, shares and unit trusts
- Trust funds – Some trust funds are disregarded, but all must be declared
- Capital held on the person's behalf by another party, Court of Protection, spouse / partner (where capital is held by one partner but the other has a beneficial interest)
- Property is the main home and any other homes (unoccupied or occupied by tenants), static caravans, chalets, house boats. *In individual circumstances the main property may be disregarded dependent on certain criteria such as the status of the resident(s).*
- Where money or another asset has been given away in order to reduce the contribution, this will still be taken into account in the assessment.

In some cases, ownership of capital may not be clear and further information may be required before a decision can be made.

Treatment of capital for Residential Care Assessments:

- If you have over £23,250 in savings, you will be required to pay the full charge. If the total is below £14,250, it does not affect the financial assessment. If you have savings held within life assured investments, they could be disregarded; for example, if these are only payable upon death.
- If the total is between £14,250 and £23,250, we add £1.00 per week as income for every £250 or part of £250. So, for example, if you have £21,500 we deduct the first £14,250, the remaining £7,250 is divided by 250 to give £29.00 per week in income.
- We call this calculation 'tariff income'. It is not meant to reflect income that can be achieved in interest from the savings or capital, it is simply part of the assessment process. There is no right of appeal against the tariff income calculation but you can appeal against the level of capital and savings used if you believe it to be incorrect.

CAPITAL IGNORED FROM THE FINANCIAL ASSESSMENT

We ignore certain capital from your financial assessment in accordance with the Care and Support Statutory Guidance. This includes:

- The house in which you live in specified circumstances (see Guidance)
- Personal possessions (e.g. art work or antiques)
- Payments in kind from a charity

Surrender value of:

- Life insurance policy

Payments made or derived from:

- The MacFarlane Trust
- The MacFarlane (Special Payments) Trust
- The MacFarlane (Special Payments) (No. 2) Trust
- The Fund (payments to non-haemophiliacs infected with HIV)
- The Caxton Foundation
- The capital value of Trust Funds held or administered by a court which are from a payment for personal injury (e.g. vaccine damage, criminal injuries compensation)
- The Eileen Trust
- The MFET Limited
- The Skipton Fund
- The London Bombings Relief Charitable Fund
- Payments from a Trust where the funds are damages for personal injury

WHAT DO I DO IF I AM UNHAPPY WITH THE CALCULATION OF MY CONTRIBUTION?

If you disagree with your confirmed charge decision, you can do one of the following:

- Request an explanation to get more information on the assessment and confirmed charge
- Ask us to reconsider the assessed charge
- Appeal against the assessed charge.

Explanations

- You can ask for an explanation of your financial assessment calculation and confirmed charge. You should make this request within one month of the date of your confirmed charge letter. Your request can be made in writing or by phone by contacting the Charging Assessment Team.

Reconsiderations

- If we cannot change your assessed charge, we will write to you to confirm this. This letter will also tell you if you can appeal. If you can appeal, you will have one month from the date of the letter to make your appeal.

Making an Appeal

- You have the right to make an appeal where you have not received an explanation and/or a reconsideration.
- Your appeal will need to be in writing and signed by you or a person legally appointed to act on your behalf. You should make the appeal within 1 month of receiving the outcome of your request for a reconsideration. It should give the full reasons why you think that your charge is incorrect. Your appeal will be forwarded to a Technical Officer from the Charging Assessment Team for consideration.
- Following consideration by the Technical Officer, you will receive a letter confirming the outcome.

STAFF GUIDANCE OF DISABILITY-RELATED EXPENDITURE (DRE)

What is Disability-Related Expenditure (“DRE”)?

- The Care and Support (Charging and Assessment of Resources) Regulations 2014 define what may be regarded as DRE :

“disability related expenditure” includes payment for any community alarm system, costs of any privately arranged care services required including respite care, and the costs of any specialist items needed to meet the adult’s disability. 1

- Further information relating to disability-related expenditure is included in Care Act Statutory Guidance (“the Guidance”):

“Where disability benefits are taken into account, the local authority should make an assessment and allow the person to keep enough benefit to pay for necessary disability-related expenditure to meet any needs which are not being met by the local authority.”

- The Guidance relates to any privately funded arrangements which are in place to meet needs not being met by the care/support plan. The Guidance provides a general definition that is supplemented by a non-exhaustive list of specific items:

“In assessing disability-related expenditure, local authorities should include the following. However, it should also be noted that this list is not intended to be exhaustive and any reasonable additional costs directly related to a person’s disability should be included:

- a) Payment for any community alarm system.*
- b) Costs of any privately arranged care services required, including respite care.*
- c) Costs of any specialist items needed to meet the person’s disability needs, for example:*
 - *Day or night care which is not being arranged by the local authority;*
 - *Specialist washing powders or laundry;*
 - *Additional costs of special dietary needs due to illness or disability (the person may be asked for permission to approach their GP in cases of doubt);*
 - *Special clothing or footwear, for example, where this needs to be specially made; or additional wear and tear to clothing and footwear caused by disability;*
 - *Additional costs of bedding, for example, because of incontinence;*
 - *Any heating costs, or measured costs of water, above the average levels for the area and housing type;*
 - *Occasioned by age, medical condition or disability;*
 - *Reasonable costs of basic garden maintenance, cleaning, or domestic help, if necessitated by the individuals disability and not met by social services;*

- *Purchase, maintenance, and repair of disability-related equipment, including equipment or transport needed to enter or remain in work; this may include IT costs, where necessitated by the disability; reasonable hire costs of equipment may be included, if due to waiting for supply of equipment from the local council;*
- *Personal assistance costs, including any household or other necessary costs arising for the person;*
- *Internet access for example for blind or partially sighted people;*
- *Other transport costs necessitated by illness or disability, including costs of transport to day centres, over and above the mobility component of DLA or PIP, if in payment and available for these costs. In some cases, it may be reasonable for a council not to take account of claimed transport costs – if, for example, a suitable, cheaper form of transport, e.g. council provided transport to day centres is available but has not been used;*
- *In other cases, it may be reasonable for a council not to allow for items where a reasonable alternative is available at a lesser cost. For example, a council might adopt a policy not to allow for the private purchase cost of continence pads, where these are available from the NHS”.*

The care plan may be a good starting point for considering what necessary disability-related expenditure is. However, flexibility is needed. What is disability-related expenditure should not be limited to what is Necessary for care and support. For example, above average heating costs should be considered.¹

Key Questions to consider in the financial assessment

- Is the item necessary to meet any needs that are not currently being met the local authority? For instance, privately funded day care. You will need to check if the item is necessary
- Is the cost relating to a specialist item required to meet the person’s disability?
And
 - Is the item required?
- Is the item/service directly related to the illness/disability?
And
 - Is the cost reasonable or are there other alternatives available?

Although the financial assessment should never automatically rule out items as each will turn on its own facts, below are some examples where a DRE is unlikely:

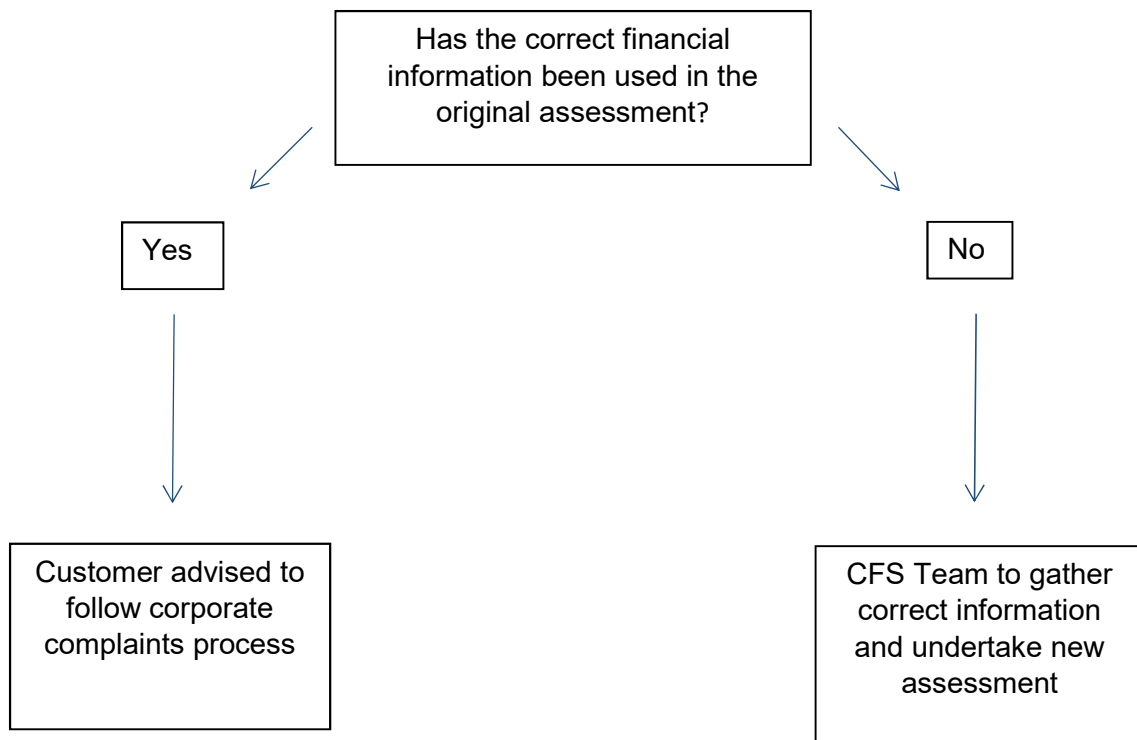
- Items facilitated by Adult Care Health and Wellbeing, the NHS or any other organisation will not usually be considered as a DRE
- Where the informal support or the person themselves are carrying out the tasks already

¹ Guidance (paragraph 37/8)

- Incontinence pads – these are provided by Health
- Herbal Medicine – using herbal medicine is a person's choice and not usually prescribed by a medical practitioner
- Privately funded respite – any essential respite should be included in the current package of care
- Alternative therapy such as Reiki/Aromatherapy – this is a person's choice and as such is unlikely to be required to meet the person's disability
- Chiropody – will only be considered where somebody cannot access the free service provided by the NHS and are not able to do it themselves or do not have carers that can do it for them

DISPUTE RESOLUTION PROCESS

Process for dispute regarding financial assessment:



CONTRACT FOR THE PROVISION OF RESIDENTIAL / NURSING HOME SERVICE TOP-UP PAYMENTS

Please read this document carefully before you sign this form as it is a contract committing you to a long-term financial contribution. Advice regarding any area of finance for people going into a care home is available through independent financial advisors and independent organisations such as Age UK and Which Elderly Care.

What does this document describe?

1. What is top-up fee?
2. How does a top-up fee link to my Personal Budget?
3. Is the top-up fee in addition to the Service User's contribution?
4. When a top-up fee is payable
5. What is not a top-up?
6. How is the top-up paid to the care home?
7. Who is responsible for the top-up?
8. Why does the Council generally not accept a spouse to be the Third Party?
9. What happens if I have signed a First Party Top-Up Agreement and the cost of my stay in the care home exceeds the total value of the property?
10. What is required of the Third Party paying a top-up?
11. When does a Top-Up Agreement need to be signed?
12. What happens if the person moves into a care home with a higher fee than the Council will pay for before the Top-Up Agreement is signed?
13. What happens if the Third Party can no longer afford to pay the top-up?
14. What happens if I am applying for Power of Attorney but do not yet have this? What do I sign?

1. What is a top-up fee?

A top-up fee is a fee that is the difference between the amount a council is willing to pay a care home to meet your assessed care needs and the chosen care home's fee.

2. How does a top-up fee link to my Personal Budget?

There will be cases where you, or a third party on your behalf, are making an additional payment (or 'top-up') in order to be able to secure the care and support of your choice because this costs more than the Council would pay for such a type of care. In these cases, the additional payment does not form part of your Personal Budget since the budget must reflect the costs to the local authority of meeting the needs.

3. Is the top-up fee in addition to your contribution?

Yes. You will be financially assessed to contribute towards the amount that the Council is willing to pay a care home. The top-up fee is paid in addition to your contribution. (See First Party Top-Up below)

4. When is a top-up fee payable?

- Where you choose to live in a care home that costs more than the Council is prepared to pay.
- Where you choose a room that costs more than the Council is prepared to pay, perhaps a larger room or a room with a better view.
- Where you want to live in a more expensive area to be closer to family or friends and this was not identified in the needs assessment.
- Where you were self-funding (or you had made private arrangements with a care home) but you are now eligible for Council funding and you want to stay in the same home, but the fees are more than the Council is prepared to pay.

5. What is not a top-up?

Most care homes will provide additional services such as hairdressing, accommodating pets, extra activities, purchasing papers, etc. These services are not part of the care needs paid for by the Council and it is your responsibility to pay for these yourself direct to the care home.

6. How is the top-up paid to the care home?

In line with both the Care Act and the Local Government Ombudsman guidance, the Council will contract for the full amount, i.e. the Council's fee based upon the assessed care needs plus the top-up to the care home. The Council will invoice you or your representative for both your assessed contribution and the top-up. Therefore, in order for the invoice to be paid, it is the responsibility of the Third Party who has agreed to pay the top-up to ensure that they have transferred the top-up payment that they have agreed to pay to you.

7. Who is responsible for the top-up?

This depends upon your financial position.

First Party Top-Up (Appendix 8B): this is where you do not have sufficient capital to fund the full cost of your care from day one but have a property that will cover your costs. The value of the property is disregarded for the first twelve weeks that you are resident in a care home, and your contribution during these twelve weeks will be based upon only the income and savings that you have. If choosing a more expensive care home than the Council is willing to pay, you will be responsible for the top-up from the first day of your admission to the care home in addition to your assessed contribution.

From the start of the thirteenth week, your financial assessment will take into account the value of your property, which means that you will be assessed to contribute the full cost of the care as determined by the Council together with the top-up you have agreed to.

An example:

Cost of the care home chosen

£550.00 pw the amount the Council has determined to meet your care needs

£650.00 pw the price of the bed in the care home you have chosen
£100.00 pw the top-up you will need to agree to pay

Financial contribution for the first 12 weeks

£175.00 pw Illustration of a contribution based upon a person's income and savings

£100.00 pw the top-up you have agreed to pay (Ref.1)

£275.00 pw total due to be paid each week for the first 12 weeks

Financial contribution from day 85:

£550.00 pw financial contribution based upon your assessed care needs (property now taken into account)

£100.00 pw agreed top-up

£650.00 pw total due (Ref.2)

Ref.1 If you have insufficient savings to be able to pay the top-up during the first 12 weeks, you can request that this top-up be added to the deferred payment against the value of your property.

Ref.2 Whilst your property is unsold, you will still be responsible for paying the assessed financial contribution based upon your income and savings. You will be notified of this in a separate letter that will detail how the contribution has been calculated. It is only the amount of your financial contribution based upon the value of your property that is deferred until the property is sold.

Third Party Top-Up (Appendix 8C): you cannot afford to pay the additional cost the care home is requesting so a relative, friend or charitable organisation might pay this for you. There is no legal requirement for friends, family members or anybody else to agree to pay a Third-Party Top-Up and, therefore, the decision to meet this cost is a voluntary one. The Council does not generally accept your spouse as a Third Party.

8. Why does the Council generally not accept a spouse to be the Third Party?

If a spouse wants to take on the responsibility for a Third Party Top-Up, it is essential that they are able to show that they have sufficient independent funds to be able to sustain their own living costs, together with the cost of the top-up for the full period of time that the top-up is required, without depleting all of their savings. This is to ensure that the spouse is able to maintain themselves for their current costs or any future costs that they may incur.

9. What happens if I have signed a First Party Top-Up Agreement and the cost of my stay in the care home exceeds the total value of the property?

The top-up is a separate payment to your assessed contribution that is based upon your income and savings. Should your stay in a care home exceed the value of the property, you will be expected to sell your property to cover all accrued debt. Should you decide you wish to remain in the care home, because the top-up is separate this will continue to be payable. As you will no longer have the means to be able to fund this yourself, you will need to secure a Third Party Top-Up to cover this or we will help you look for alternative accommodation at the Council's fee rates.

10. What is required of the person or organisation paying a top-up?

The Third Party will need to demonstrate they are able to pay the difference between the Council's fee rate and the care home's actual fees. The Council may not accept the Third Party if they are not able to demonstrate sustainability of the top-up. In such a case, you may not be able to go to the care home that you have initially chosen and will need to choose a care home that accepts the Council's fee rates.

When considering whether to top up your relative's funding, it is important to be aware that when the care home increases its fees (usually annually), the Council may not increase its fee rates by the same amount. This means the Third Party Top-Up could become more expensive.

If you have been assessed as needing residential care and wish to pay a top up from your own income or capital, you must be able to demonstrate that the cost is sustainable. This may be linked to the sale of a property or a deferred payment agreement. In both cases, you need to consider the long-term possibility of paying the top-up, particularly if the top-up is a significant one. *(Please see above paragraph)*

11. When does a Top-Up Agreement need to be signed?

Whether the top-up is a Third Party or First Party Top-Up, it needs to be signed and agreed by the Council prior to any final decision regarding the chosen care home.

12. What happens if you move into a care home with a higher fee than the Council will pay before the Top-Up Agreement is signed?

The Council will not be responsible for the additional fees that the care home charges if you move into a care home with higher fees than the Council is willing to pay prior to the Top-Up Agreement being signed by the Council.

13. What happens if the Third or First Party can no longer afford to pay the top-up?

When agreeing to enter into a First or Third Party Top-Up, you are exercising your choice to move into a care home whose rates are above the level that the Council would pay for someone with similar needs. In the event that you are no longer able to pay a First or Third Party Top-Up, you or your relative will be required to move to an alternative care home that accepts the Council's fee rates.

14. What happens if I am applying for Power of Attorney but do not yet have this? What do I sign?

If you have applied for a Power of Attorney but your application is still being processed, the Council requires assurance that funds will be paid once you have access to the funds and sign the relevant forms.

Contract for Provision of Residential/Nursing Home Service

FIRST PARTY TOP-UP AGREEMENT

Name of Service User: _____ ID No.

This contract is made on the: _____ day of _____ in the year _____

Between

1. Plymouth City Council of Windsor House, Tavistock Road, Plymouth PL6 5UF
(the Council)

And

2. Name:

Of (current address)

Name of chosen care home

Background

The Council has assessed you as being in need of residential or nursing care. The Council will enter into a contract with the Care Home for this, on your behalf. Based upon your current level of income and/or assets, you will be assessed to pay the full cost of your accommodation. You have chosen accommodation where the costs are higher than the Council would normally be willing to pay to meet your assessed needs. You have agreed to meet these additional costs, and you or your representative will be responsible for paying these additional cost, as shown within this agreement.

VERY IMPORTANT: This is in addition to your assessed contribution towards the Council's normal fee.

Terms and conditions (please read these very carefully)

It is agreed that:

1. You or your representative will pay the Council the top-up, which is in addition to the Council's assessed fee level, to the value of £(INSERT AMOUNT) per week towards the cost of your chosen accommodation.
2. The top-up may be increased at any time should the cost of your chosen accommodation at the care home increase.
3. The Council will give four weeks' notice of any such increase to you or your representative (First Party)
4. If you or your representative default in payment of the top-up to the Council of an amount equivalent to four weeks' top-up payment:
 - This contract may be terminated with immediate effect; and
 - You will be moved to accommodation that does not cost more than the Council would usually be willing to pay to meet your assessed care needs. This may mean that you will have to move to an alternative room or care home, and
 - The Council will seek to recover payment of the arrears from you or your representative by legal action through the County Court, if necessary.
 - We will seek to recover any costs incurred, as recorded above, from you or your representative.
5. If you or your representative fail to honour your contractual obligations with the Council, the Council has the right to terminate this Contract, giving you or your representative at least forty-eight hours' notice.
6. You or your representative can terminate this Contract by giving at least two months' notice to the Council, at which time all payments of top-ups must be up to date.
7. If you give notice, as in Condition 6, you will have to move to an alternative accommodation, which may mean a change in Home UNLESS a Third Party is prepared to enter into a Contract with the Council and you, and
8. The Top-up Payments are up to date prior to a Third Party entering into the Contract with the Council.
9. First Party top-ups will be paid either from your savings or when your own home is sold. In most cases, you will pay your top-up by four-weekly invoice, which is included in the weekly-assessed charge.

Signed declaration

IN WITNESS HEREOF, the undersigned have executed this Agreement on the (INSERT DATE). The parties hereto agree that email/facsimile signatures shall be as effective as if originals

Between

1. Plymouth City Council of Windsor House, Tavistock Road, Plymouth PL6 5UF (the 'Council')

Printed Name: _____

Signature: _____

Designation: _____ **Date:** _____

An officer authorised to enter into such agreements on behalf of the Council

2. You or your Representative (Financial Representative/Advocate/POA)

Printed Name: _____

If you are a Financial Representative signing on behalf of (enter name of Service User), please provide details of your relationship to (enter name of Service User)

Signature: _____ **DATE:** _____

Contract for Provision of Residential/Nursing Home Service

THIRD PARTY TOP UP AGREEMENT

Only to be completed when there are Third Party Top-Ups towards the cost of Service Users accommodation; not for the provision of care. The Third Party Top-Up payment is in addition to the assessed contribution payable by the Service User

Name of Service User: _____

ID No. _____

This contract is made on the: _____ day of _____ in the year _____

Between

1 Plymouth City Council, Windsor House, Tavistock Road, Plymouth PL6 5UF
(the 'Council')

2 Name

(Known as 'the Service User')

Of (current address)

Name of chosen care home

3 Name

(Hereinafter called 'you ', (this cannot be the Service User or their Spouse)

Of (address)

Background

The Council has assessed the Service User as being in need of residential or nursing care for which the Council will pay the Provider an assessed payment. You have agreed to contribute towards the accommodation costs of the Service User in order for them to have a wider choice of accommodation.

Terms and conditions (please read these carefully)

It is, therefore, agreed that:

1. You are satisfied with the accommodation that you have seen.
2. You will pay the Service User or their representative a top-up amounting to £ (INSERT AMOUNT) per week towards the costs of accommodation of the Service User. The Service User or their representative will then pay this top-up to the Council in addition to any other sums due to the Council.
3. The top-up being paid by the Third Party is due:
 - a) to the Service User choosing an accommodation that costs more than the payment which the Council has assessed to be required, or
 - b) You have applied to become a Power of Attorney or Appointee for the Service User who does not have capacity to manage their finances and has sufficient funds to pay for the full cost of their care. You have chosen a care home on behalf of the Service User which costs more than the Council would usually pay to meet the assessed needs of the Service User. You have agreed that, if you are appointed to manage the affairs of the Service User, you will meet the cost of the Third Party top-up from the date the Service User entered the home.
4. The top-up may be increased at any time should the cost of the accommodation at the care home increase.
5. The Council will give four weeks' notice of any such increase to you and to the Service User or their representative.
6. The Council will annually review the top-up payable by you.
7. If at any point you fall into arrears of payment equivalent to four weeks' top-up payments:
 - This contract may be terminated with immediate effect; and
 - Depending on the circumstances, the Service User may be moved to an accommodation which does not cost more than the payment which the Council has assessed to be required; and

- The Council will seek to recover payment of the arrears from you by legal action through the County Court if necessary.
 - We will seek to recover any costs incurred, as recorded above, from you.
8. You can terminate this Contract by giving at least two months' notice to the Council, at which time all payments of top-ups must be up to date.
 9. If you give notice under Condition 8, the Service User will have to move to alternative accommodation, which may mean a change of Home UNLESS an alternative Third Party is prepared to enter into a Contract with the Council and the Service User.
 10. The top-up payments must be up to date prior to a new Third Party entering into a Contract with the Council.

Signed declaration

IN WITNESS HEREOF, the undersigned have executed this Agreement on the (Insert Date). The parties hereto agree that email/facsimile signatures shall be as effective as if originals.

Between

1. Plymouth City Council of Windsor House, Tavistock Road, Plymouth PL6 5UF (the 'Council').

Printed Name: _____

Signature: _____

Designation: _____ **Date:** _____

An officer of the Council authorised to enter into such agreements

2. (Enter name of the Service User) or their Financial Representative/Advocate/POA:

Printed Name: _____

If you are a Financial Representative signing on behalf of the (enter name of Service User), please provide details of your relationship to the Service User

Signature: _____ **Date:** _____

3. The Third Party

Printed Name:

Signature:

ⁱⁱⁱ See page

ⁱⁱ See definitions below

ⁱⁱⁱ Give definition of these