

Care and Support Charging Policy

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Paying for your care and support in the community

Social care is not provided as a free service. It is your responsibility, if you have the means to do so, to pay for the care and support you receive. The amount you pay is known as your contribution.

Some individuals will pay for the entirety of their care if they have the means to do so. These individuals are called self-funders.

When paying for social care services you are required to pay your contribution first and then the Council will pay the remaining costs.

In order to establish how much contribution you can afford to pay, the Council will undertake a full assessment of your financial circumstances. This document sets out the processes the Council will follow when undertaking this assessment.

The way in which all Councils undertake financial assessments to calculate contributions for community-based services is governed by a piece of legislation known as The Care Act (2014).

The Care Act includes guidance for Councils covering a large number of subjects, including the charging of

service users and the way in which they are financially assessed.

The processes detailed in this document are in place to ensure that the London Borough of Barking and Dagenham are fairly financially assessing all service users and are following the principles set out in the Act which include:

- Your contribution will be determined by looking at the cost of your service, your capital, expenditure and the income you receive;
- An individual financial assessment will be undertaken to ensure that your contribution is what you can reasonably afford to pay;
- Your contribution will be transparent and fair;
- Your contribution will not be more than the amount your service has cost the Council;
- After you have paid your contribution, you will retain a weekly income which is the equivalent of at least basic income support or pension credit plus 25% - this is known as your Minimum Income Guarantee.

What are community-based services?

This section of the policy only applies to you if you are receiving community-based services, the charging for residential and nursing care is not included in this document.

Community-based services include personal budgets & direct payments which can be used to purchase a wide range of services such as:

- Support from a Personal Assistant
- Homecare services
- Day services
- Supported living placements
- Council provided transport
- Short term residential care.
- Non-residential social care and support services provided to individuals in approved premises for offenders or prison.

Do I have to pay a contribution towards all services?

National policy states that the following services are must be exempt from this policy and the recipients are not required to contribute to their cost:

- Services provided to people subject to Section 117 of the Mental Health Act 1983. Please note, only services which are specified in the care order are exempt from charging.
- Up to the first six weeks of reablement or Intermediate Care.
- Community equipment and minor adaptations.
- Any services which fall under NHS continuing healthcare.
- Any other services which the local authority has a duty to provide through other legislation.
- Information & advice including benefit maximisation support and advocacy provided via the Council.
- Needs and eligibility assessments and financial assessments for care and support.
- People who have been diagnosed with any form of Creutzfeldt Jacob Disease are not required to contribute.

In addition to the above the Council have taken the decision that services directly provided to carers to support them with their caring responsibilities will not be charged for. Also, if as part of your assessment for eligible care needs, you have been assessed as benefiting from Assistive Technology we will not charge for this component.

The Financial Assessment Process

This section provides an overview of the process the Council will take when carrying out your financial assessment.

If you refuse to be financially assessed or do not provide the required information when requested it will be counted as a non-disclosure assessment and you will be responsible for the full cost of your care and support service, with no contribution from the Council.

It will also be classed as a non-disclosure assessment if you fail to keep pre-arranged meetings which were arranged for the purpose of obtaining the necessary information for a financial assessment or review, or if you fail to provide proof of income, expenditure or assets within 28 days of the first request from the Council.

All non-disclosure assessments will result in you being liable for the full cost of your care and support.

The Council will begin considering your financial circumstances at the time of your care and support needs assessment. A full financial assessment will be undertaken at the earliest opportunity.

A financial assessment form will be given to you by the person who undertakes your care and support needs assessment and they will also advise that you may be required to pay a contribution towards the costs of the care and support.

As part of the financial assessment process, you will be offered a full benefits check, advice and practical support to apply for benefits you may be entitled to claim.

The Council has no power to financially assess couples according to their joint resources. Therefore, each person receiving a support service will receive their own financial assessment.

The Council will seek to complete your financial assessment unless you:

- Are exempt, as described in this policy, in which case there will be no contribution required.
- Are in receipt of a flat rate service only as detailed on page 12 of this policy; a flat rate contribution applies.
- Choose not to be financially assessed. In this instance you will be required to pay the full costs of your care and support service.
- Are suitable for a light touch assessment and there is no need for the Council to obtain additional financial information from you or your representative.

Your financial assessment is based on your income, against which deductions will be made for allowable expenditure.

The following diagram very simply shows the various stages of the financial assessment process. The stages are outlined in more detail below:

Step 1
Calculating your income



Step 2
Assessing your capital and assets



Step 3
Reviewing your household expenditure



Step 4
Ensuring that you retain at least the Minimum Income Guarantee

Step 1 – Calculating your income

The first step of the financial assessment process is to gather information on the regular income that you receive which can be taken into consideration when calculating your contribution.

The Care Act clearly states which income Councils must not count when undertaking the financial assessment process. This income must be disregarded from the process. The below diagram shows examples of income which is included and income which is disregarded from the process.

Examples of income which is included in your Financial Assessment:

- State & private pensions
- Income Support
- Attendance Allowance
- Personal Independence Payment (PIP) Daily Living Component
- Disability Living Allowance (DLA) Care Component
- Universal Credit
- Guarantee Credit (Pension Credit)

Please note – This is not an exhaustive list.

Examples of income which is disregarded from your Financial Assessment:

- The mobility component of Disability Living Allowance and Personal Independence Payment
- Regular voluntary or charitable income
- Child Tax Credit
- War widows' supplementary pension
- A partner's disability related benefits
- Christmas bonus, winter fuel and cold weather payments
- Social Fund Payments
- Maintenance payments specifically relating to a child
- Child benefit
- Any earnings from current employment
- £10 a week of War disablement pension, war widows' pension will be disregarded

Please note – This is not an exhaustive list.

The Council are entitled to include Armed Forces Independence Payments in the financial assessment process however, in line with our armed forces covenant we have decided to exclude them.

Notional Income

In some circumstances you may be treated as having an income that you do not actually have. These circumstances can include:

- If there is income you could claim but choose not to. For example, if you are eligible to claim Pension Credit but you decide not to, you could be assessed as though you were receiving it;
- If you have applied for an income but not yet received it;
- If you have reached retirement age but do not draw down on the maximum annuity income available from your pension plan.

If there is income which you should be receiving but are not the Council will provide you with the support to claim this. The contact details for the teams who can support you are included in the useful contacts section of this document.

Step 2 – Assessing your capital and assets

The way the Council calculates your capital and assets in the financial assessment process is defined by the Care Act Guidance.

The property that you live in is not taken into consideration when you are receiving community-based services. If you are the owner of other properties these may be taken into consideration.

Capital and assets which are taken into consideration in your financial assessment includes, but is not limited to:

- Any savings account, including building society, bank deposit, Post Office savings bank, national savings etc. investments, stocks, shares, unit trust, TESSAs, PEPs, ISAs, premium bonds etc;
- Any property or land that you own that is not your main house;
- Any capital held on your behalf by another party, Court of Protection, spouse/partner;
- Any element of compensation payment awarded specifically for the costs of providing on-going aftercare.

The Care Act states that if you have savings of more than or equal to a set amount then you are responsible for the full cost of your care package and are known as a 'self-funder'.

This set amount is known as the 'upper threshold limit' and it is currently set at £23,250.

In addition to the upper threshold limit the Care Act also states that there is a 'lower threshold limit'. Any capital you

have under this is disregarded from the financial assessment process.

The lower threshold limit is currently set at £14,250.

Please note – the threshold limits are set nationally and therefore could change.

The Care Act states that any capital or assets you have between the upper and lower threshold limits should be used to calculate what is known as a tariff income. This means that for every £250 (or part there of) you have between the two amounts you will have £1 a week added onto your contribution amount.

For example, if you have £1,500 in savings above the lower threshold limit you will have £6 added to your weekly contribution.

Deprivation of assets

The Council will only take your capital and assets into consideration when completing your financial assessment unless there is evidence that you have intentionally deprived yourself of capital or assets in order to reduce your contribution by giving away more than a 'reasonable' amount to a third party. This includes family members and friends.

Where the Council can demonstrate that you have deprived yourself of capital or assets to reduce your contribution, you may still be assessed as still having the asset. This may affect the amount you will be required to contribute towards the cost of your services.

Equity Release Schemes

The most common form of Equity Release Scheme is a Home Reversion Scheme (HRS), where a home owner will transfer the ownership of all or part of their home to a commercial or “not for profit” organisation. Depending on the terms of the HRS, the funds released may be translated into an annuity, or a combination of these. Other forms of equity release will be considered on an individual basis and income from the equity release may be considered in the financial assessment.

Step 3 – Reviewing your household expenditure

The Council may disregard some of the money you spend on household related costs from your financial assessment. Depending on your individual circumstances the following may be disregarded:

- The amount you pay towards your rent after any eligible Housing Benefit has been awarded.
- The amount you pay towards your Mortgage after any eligible assistance has been awarded.
- The amount you pay towards your Council Tax after any eligible Council Tax Support has been awarded.
- Building insurance.
- The amount you pay towards your essential service charges after any eligible assistance has been awarded.

Step 4 – Ensuring that you retain at least the Minimum Income Guarantee

The Care Act states that after paying for your social care services and housing costs you must be left with a weekly amount not less than the Minimum Income Guarantee (MIG). The MIG is set nationally by the Government, and was originally based on the equivalent of basic income support or Pension Credit Guarantee plus an additional 25% buffer. The Council has discretion to set an amount for the Minimum Income Guarantee, which we will do from time to time, ensuring always that it is equal at least to the nationally-set minimum.

To ensure that you are left with this amount as a minimum your MIG is removed from your remaining income once all other steps of the financial assessment process have been completed.

When an individual claims either income support or Pension Credit there are disability related premiums which can be included if they are eligible. When the Council calculates your MIG it includes all disability related premiums.

Once these four steps have been taken the Council will have calculated your contribution. You will be required to pay with your assessed contribution or the full cost of your service if it is lower than your assessed contribution.

Disability related expenditure

The Care Act makes it a legal requirement that, if you are in receipt of disability related benefit, the Council must allow you to keep enough of this money to pay for necessary disability related expenditure.

To ensure that the Council is meeting this requirement you can request for any money you spend on items or services due to your disability to be reviewed as part of your financial assessment.

If you request that the Council review any disability related expenditure you must:

- Be in receipt of a Disability Related Benefit.
- Submit costs that are based actual spend. Projections will be made based on this information and reasonable pro-rata calculations used.
- Provide evidence of these costs which is dated and proves that the expenditures belong to you.
- Submit costs that are reasonable, if a lower cost alternative item or service is available you may have the lesser amount disregarded rather than your actual spend.
- Keep your receipts, your disability related expenditure will be reviewed annually and you will may be asked to re-submit up to date receipts.

The burden of proof is yours to accurately provide details of any expenditure. Without this proof the Council may refuse to take your

Disability Related Expenditure into consideration.

Examples of Disability related expenditure are:

- Community alarm systems.
- Privately arranged care services required, including respite care.
- Specialist items needed to meet your disability needs, for example:
 - Day or night care (not being arranged by the Council)
 - Specialist washing powders or laundry
 - Special dietary needs due to illness or disability
 - Special clothing or footwear
 - Additional costs of bedding, for example, because of incontinence
 - Heating costs, or metered costs of water, above the average levels
 - Basic garden maintenance, cleaning, or domestic help, if required due to your disability
 - The cost of disability-related equipment
 - Internet access for example for blind and partially sighted people
 - other transport costs necessitated by your disability

Standard charges and flat fees

There are some services which the Council charge service users a flat fee for. A full list of these services and the amount you will be charged can be found in the Council's Fees and Charges Report.

This report is reviewed on a yearly basis and is published online.

Administration Fee for Self-Funders

The Care Act states that if you have savings of more than or equal to a set amount then you are responsible for the full cost of your care package and are known as a 'self-funder'.

This set amount is known as the 'upper threshold limit' and it is currently set at £23,250.

Please note – the threshold limits are set nationally and therefore could change.

The Care Act states that as a self-funder you can request that the Council helps you to arrange your home care and support package.

Where Barking and Dagenham Council arranges the care and support for a self-funder a flat rate charge will apply. As with all flat rate charges, the amount you will be charged for this can be found in the Council's Fees and Charges Report.

Light touch assessments

The Council can undertake light touch assessment, which means that a full financial assessment is not required if you have capital over the upper threshold limit (currently £23,250). If this is the case, you will be classed as a self-funder and will be responsible for the full cost of your care and support.

Please note – where a light touch assessment is undertaken the Council will not provide benefits checking or advice as standard, however this can be requested.

How do I pay my contribution?

Your contribution period will commence at the point you begin to receive your chargeable service. You will not receive your final contribution until your financial assessment has been completed so you should begin saving money from when your service starts as your contribution will be backdated. If you are receiving a free reablement of intermediate care service this will be free for up to six weeks, after this period you may need to contribute depending on the outcome of your financial assessment.

All changes or cessation of services will apply from the Monday following the change or cessation. How you pay your contribution depends on which service you are receiving.

Direct Payments

If you are receiving your care and support via a direct payment the Council will pay your budget into your direct payment bank account minus your assessed client contribution. It is then your responsibility to pay in your contribution to the same bank account.

If you fail to pay your contributions into your direct payment bank account, your care package will be reviewed and you could be moved from a direct payment to a managed personal budget where the Council pays for the services directly and invoices you for your contribution.

Other Community Based Services

If you are receiving any other community-based services you will be invoiced for your contribution on a

four-weekly basis, allowing you 28 days to make your payment.

What happens if I don't pay my contribution?

What happens if you don't pay your contribution depends on what service you are receiving.

Services provided via a Direct Payment

If you are receiving your care and support via a direct payment the Council will pay your budget into your direct payment bank account minus your assessed client contribution. It is then your responsibility to pay in your contribution to the same bank account.

If you fail to pay in your contribution your care package will be reviewed, and you could be moved from a direct payment to a managed personal budget where the Council pays for the services directly and invoices you for your contribution.

All other services

If you are in receipt of any services other than one accessed via a direct payment and if you fail to pay your assessed contribution, we will write to you to remind you to make payment as soon as possible.

If continued efforts to contact you or your financial agent fails, or if we are not informed that the charges are under dispute, then we may need to take further recovery action which may incur additional costs, such as court action to obtain a charging order if you have property.

What should I do if I do not agree with the outcome of my financial assessment?

Assuming this policy has been followed when your assessment was undertaken you are responsible for paying your contribution.

If you can evidence that the Council has not followed the process detailed in this policy when calculating your contribution, then you can contact Financial Assessment Team who will review your assessment.

If you remain dissatisfied with the way in which you have been treated during the financial assessment process, or continue to feel that the policy has not been applied properly, you can make a complaint to the Council via the statutory complaints' procedure. Details of how to make a complaint can be found at the below link:

<https://www.lbbd.gov.uk/complain-about-adult-social-care-services>

If you make a complaint to the Council and are not happy with the decision, you can contact the Local Government Ombudsman (www.lgo.org.uk).

If you make a complaint or are in disagreement with the Council about your contribution you will still be charged while the issue is being resolved.

When will my contribution be reviewed or re-assessed?

All contributions will be reviewed each financial year to take into account increases to state benefits and service costs. Estimated assessments will be completed based on inflationary uplifts and you will be asked to confirm whether the estimate is incorrect. If no confirmation is received, the estimated charge will be applied

For other components of the financial assessment, such as occupational pension, disability related expenditure, rent and Council Tax, a percentage increase linked to the Retail Price Index (RPI) will be applied (RPI is a measure of which measures the change in the cost of a sample of goods and services).

Changes resulting from the annual increase or the application of the nationally set Minimum Guaranteed Income will apply from the date assigned to these changes.

An explanation and full details of the revised assessment will be sent to you asking you to check the figures and contact the Council if you believe it is not an accurate representation of your circumstances.

What should I do if my financial circumstances change?

You can request a financial assessment review form at any time which you can use to advise the Council of any changes to your circumstances.

You must advise the Financial Assessment Charging Team as soon as possible, as this may affect your assessed contribution. Changes, which should be notified, include:

- Receipt of a new benefit or changes to benefits.
- Changes to income or allowable expenditure.
- If your capital or savings crosses one of the capital thresholds.
- Changes to living arrangements (e.g. if you or your partner moves to a care home, you move to another residence or the number of people in your household changes).

After you have told the Council about the changes in your financial circumstances or a review is made, a new financial assessment will be completed. If this new assessment results in a change in your contribution, you will be notified of the revised contribution and it will be backdated to when your circumstances changed

What if you are acting on behalf of a friend or family member?

If the person you are representing has capacity, they can give consent for you to represent them in managing their financial affairs. The Council will need to see written proof that the consent has been given.

It is the responsibility of you or the person who is receiving the care and support to notify the Council if the representative, or their details change in any way.

If the person who is receiving the services does not have capacity the financial assessment will not be completed with the service user. The Council will work with someone else on the service user's behalf where they lack capacity but only where they have the legal rights to do so.

You can apply to have the right to receive and deal with someone's benefits on their behalf if they are incapable to do so themselves via the Department of Works and Pensions. More information on this can be found at the below link:

<https://www.gov.uk/become-appointee-for-someone-claiming-benefits>

If the person receiving care and support has income and savings aside from any benefits you will need to apply to the Court of Protection to become their legal deputy so that you have the legal right to deal with all their financial affairs. Further information can be found at the below link:

<https://www.gov.uk/courts-tribunals/court-of-protection>

If the person receiving the care and support lacks capacity and has no one available to act on their behalf in relation to financial matters the Council will make arrangements on their behalf.

In cases where the service user lacks capacity or is unable to provide the financial information, a provisional contribution will apply until a full financial assessment can be completed and a retrospective contribution applied.

Advocacy Support

If you are having substantial difficulty being involved in the financial assessment process you may be eligible to receive support from an advocate.

An advocate is an independent person appointed to help express your wishes and make sure your rights are met.

If you think you, your friend or family member requires advocacy support or for more information please speak to the Council's Intake and Access Team.

Useful Contacts

Financial Assessment Team

For any queries regarding your financial assessment or contribution you can contact the Financial assessment Team vis:

020 8227 2390

financial.assessments@lbbd.gov.uk

LBBB Intake and Access Team

If you have any questions relating to the care and support you or the person you are representing you should contact the Intake and Access Team via:

020 8227 2915

Intaketeam@lbbd.gov.uk

Barking and Dagenham Citizens Advice Bureau

The Barking and Dagenham Citizens Advice Bureau are an independent service providing free, confidential and impartial advice and information to everybody in Barking and Dagenham.

They provide information/advice on debt and money, welfare rights and benefits, housing and homelessness, employment, discrimination, family, legal and many other areas.

020 8507 5969

Step Change

Step Change are a free debt advice service which help people with debt problems take back control of their finances and their lives

0800 138 1111

www.stepchange.org

The Money Advice Service

The Money Advice Service provides free and impartial money advice, set up by government.

0800 138 7777

<https://www.moneyadviceservice.org.uk/en>

Barking and Dagenham Homes and Money Hub

The Homes and Money Hub provide support and advice to residents of Barking and Dagenham to help them manage their financial situation.

020 8724 2115

homesandmoneyhub@lbbd.gov.uk

Frequently Asked Questions

What should I do if I am struggling to pay my assessed contribution?

if you are struggling to pay your contribution there are organisations who can help you manage your finances, details of such organisations are included in the Useful Contacts section of this policy.

What guidance does the Council have to follow when financially assessing and charging service users?

- The Care Act 2014
- The Care and Support (Charging and Assessment of Resources) Regulations 2014

Details of this legislation can be found

here:

www.gov.uk

www.legislation.gov.uk

Is personal debt taken into consideration in the financial assessment process?

No – personal debt such as credit cards and store cards will not be taken into consideration when calculating your client contribution. If you have a debt repayment plan in place this may be taken into consideration.

Why is it necessary to charge people for the care and support they receive?

It is your responsibility to pay for the care and support you receive. Where you have been assessed to not pay for the total cost of your service, the

Council will pay for the remaining element.

The money the Council receives from central government has reduced dramatically over recent years which has had a significant impact on the budgets for social care services. To help ease this pressure the Council have taken the opportunity to increase Council Tax in the borough specifically to increase the money available for social care support services. This, however, is not enough to meet the needs of the local population who require support.

In light of this it is now more important than ever that people who receive services from Barking and Dagenham Adults' Care and Support understand their responsibilities in relation to paying towards the cost of the care and support they receive.

Glossary

Financial Assessment

The assessment the Council undertakes of your financial circumstances to calculate the amount you can afford to pay towards the cost of the care and support you receive.

Contribution

The amount you have been assessed to pay towards the cost of your care and support.

The Care Act

The Care Act (2014) came into effect in April 2015 and it is the main piece of legislation which governs the way Council's provide Adult Social Care services.

Threshold Limits

The Care Act states that there are upper and lower threshold limits when assessing an individual's capital.

Anything below the upper threshold limit is not counted in the financial assessment process and if you have capital above the upper threshold limit you are classed as a self-funder and responsible for the full cost of your care and support package.

Any capital between the two limits is used to calculate a tariff income using a nationally defined calculation.

Currently the lower threshold limit is set at £14,250 and the higher is set at £23,250. These limits are set nationally and are subject to change.

Care and support needs assessment

The assessment of your care and support needs which is undertaken by someone for Adults Social Services. The assessment looks at what you can do for yourself and what you need help to achieve and it is used to determine which services you require to meet your individual needs.

Direct payment

A direct payment is a way in which you can have complete control over the care and support you receive to meet your needs. If you are using a direct payment to access your support the Council will pay your assessed personal budget into a specially set up bank account for you to purchase your care and support package directly.

Managed Personal budget

If you receive your services via a managed personal budget the local authority will set up and pay for your care package on your behalf, you will then pay your assessed contribution to the Council.

Capital

In general, it refers to financial resources available to you from sources that are considered more durable than money in the sense that they can generate a return.

The following list gives examples of capital (this is not an exhaustive list):

- Buildings
- Land
- National Savings Certificates and Ulster Savings Certificates
- Premium Bonds
- Stocks and shares
- Capital held by the Court of Protection or a Deputy appointed by that Court
- Any savings held in:
 - Building society accounts.
 - Bank current accounts, deposit accounts or special investment accounts.
 - SAYE schemes
 - Unit Trusts.
 - Co-operatives share accounts.
 - Cash.
- Trust funds

Minimum Income Guarantee

The Minimum Income Guarantee is the minimum amount that the Care Act states you should be left with after paying for your care and support and your household expenditure. The Minimum Income Guarantee is the equivalent of Income Support or pension credit plus a 25% buffer. The Minimum Income Guarantee is set nationally and reviewed annually.

Deferred payment

A deferred payment is an agreement which can be put in place, so you don't have to sell your home immediately to pay for your care.

This could be until you die, after which the costs will be paid from your estate or could be a temporary arrangement to give you time to sell your home when you choose to do so.

To be eligible for a deferred payment you must meet a set criterion which can be found in the Council's Deferred Payments Policy.

Light touch assessment

Where the Council can clearly see that your financial circumstances mean that you are in a position where you are responsible for paying the full cost of your care package, they can treat you as though a financial assessment had been carried out without carrying one out. An example of when this may happen is if you have savings above the upper threshold limit and therefore there is no requirement to assess the income you receive.

Deputyship

Where no Enduring or Lasting Power of Attorney exists you can apply to the Court of Protection to make decisions on behalf of someone who may lack capacity to do so

themselves. A deputy order can relate to making decisions about finances or personal welfare.

Appointeeship

In some circumstances it may be possible for the Council to manage your finances on your behalf, this is known as appointeeship.

The Council can only do this if you are unable to make decisions about your own money. We call this ability to make decisions 'capacity'