

Financial assessment and Charging FAQ's

Using this tool

This Frequently Asked Questions Tool will assist you to provide a general response to some key queries raised by people with care and support needs and carers.

Where required you should also seek support from the team with responsibility for assessing financial resources before providing any information or advice.

Please note

The tool does **not** set out all of the requirements of the Care Act in relation to financial assessment. For example, the information it contains about income/capital that is taken into account or disregarded is not extensive.

Where further guidance is needed, you should refer to:

- The Care and support statutory guidance;
- The Care and Support (Charging and Assessment of Resources) Regulations 2014;
- The Charging and Assessing Financial Resources section of the tri.x Care Act 2014 resource.

You should also be mindful that the tool does not reflect local policy around charging in relation to those aspects of financial assessment where the Local Authority has a power to charge but may decide not to do so. Some examples include;

- Carrying out financial assessments for carers services;
- Charging for equipment over £1000;
- Top ups;
- Discretionary property disregards.

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1. Preparing for a Financial Assessment

Question	Information and Advice
<p>At what point should a financial assessment take place?</p>	<p>Legally, a financial assessment does not need to be carried out until any needs or carers assessment has taken place and the Local Authority is satisfied that it has a duty to meet eligible needs.</p> <p>The Local Authority <i>is</i> permitted to assess finances at an earlier stage if the person being assessed consents or has asked them to do so. However, the outcome must not influence any subsequent decisions or action relating to the assessment of needs or determination of eligibility for the Local Authority to meet those needs.</p>
<p>What happens if I refuse to have a financial assessment?</p>	<p>Anyone can decline to have a financial assessment or refuse to co-operate with one. However, when an assessment is refused the Local Authority can legally act as though a full charge has been assessed. If it is likely that a full charge would not be payable the advice would be to co-operate with the financial assessment process.</p> <p>When a financial assessment is refused, the Local Authority cannot refuse to provide services to meet eligible needs because it has a duty under law to do so. However, it can seek full reimbursement of the costs through the courts.</p>

<p>What will I need for the assessment?</p>	<p>In order to complete a financial assessment, the following information is needed:</p> <ol style="list-style-type: none"> 1. Information about regular income from employment, benefits or other sources; 2. Information about available capital. <p>Information may include things like bank or building society statements, letters relating to any benefits the person receives, pension statements, details of stocks and shares held etc.</p>
<p>What will happen if I don't have the paperwork I need?</p>	<p>If some information is not available at the assessment the Local Authority will decide whether:</p> <ol style="list-style-type: none"> 1. It needs to see the information in order to reach a decision about the level of available finances. In this case they will make arrangements with the person about when and how it will be made available; or 2. It is satisfied based on the information that <i>has</i> been provided that it is able to reach a decision about the level of finances available. In this case the assessment can proceed without the information being made available. <p>The decision made by the Local Authority in relation to missing information is final and will normally only be reconsidered if the missing information is provided.</p>
<p>Will someone visit me at home?</p>	<p>Decisions about the need to visit a person at home to complete a financial assessment will be made on a case-by-case basis, taking into account whether the person wishes and will benefit from a visit. This includes taking into account how best to communicate and share information between the person and assessor. Additionally, depending on their mental capacity needs, whether it will help maximise the persons understanding of the process. This should be discussed with the assessor at the time when an assessment is being arranged.</p> <p><i>Example: Where a person understands their finances very</i></p>

	<p>well and is able to gather the information required and provide this through another means (for example email) a visit may not be required. Where perhaps the person who normally manages finances is not available or there is a lot of information to be provided a visit may be more appropriate.</p>
<p>How long will it take to complete?</p>	<p>Where a home visit is to take place, visit time varies depending on the communication needs of the person being assessed, the amount of information to be provided, and how well the person has been able to prepare the information beforehand. This should be discussed with the assessor at the time when a visit to complete a financial assessment is being arranged.</p>
<p>Someone I know didn't have to complete a financial assessment. Why do I have to complete one?</p>	<p>There are a number of possible options why a person may not be asked to complete a financial assessment:</p> <ol style="list-style-type: none"> 1. The service to be provided is non-chargeable by law; 2. They already know that they will have to pay for the service and are happy to do so; or 3. Based on the specific and exceptional circumstances of the case the Local Authority decides not to charge them. <p>Also, sometimes people have a light touch assessment of their finances which is not as comprehensive as a full assessment, and which can appear to others that an assessment has not been completed.</p>
<p>What is a light touch assessment, and can I have one?</p>	<p>A light touch assessment is normally only carried out in one of the following situations:</p> <ol style="list-style-type: none"> 1. The person is likely to have enough available finances to pay for the full cost of their care; or 2. The person is unlikely to have the financial means to make any financial contribution. <p>It involves the Local Authority gathering enough information to be satisfied that either case applies.</p> <p>Anyone falling between the 2 possibilities above will</p>

	<p>normally have to have a comprehensive financial assessment to be sure that the amount they have to contribute is accurate.</p>
<p>Somebody else manages all my finances for me. What is their role in the assessment?</p>	<p>Where somebody else is managing the finances of the person being assessed the Local Authority will need to liaise with that person to gather all of the information required.</p> <p>If the person managing the finances is doing so as a Donee of a Lasting Power of Attorney or a Deputy appointed by the Court, the Local Authority will also be able to discuss the assessment outcome with them.</p>
<p>Can you give me an indication about what I may have to pay?</p>	<p>It is not possible to say without an assessment of finances what a person's contribution may or may not be. There are however some boundaries set by central government that a person can use to self-assess whether they are likely to have to make a contribution, although even these cannot be specific due to their range and the number of different possibilities. The amounts are also subject to annual change.</p> <p>The assessor will be able to explain the different amounts set by government (known as upper and lower limits) and how they may apply to the person's particular situation. If the person wishes to obtain further financial advice at this time they could speak to a general advice service, such as the Citizens Advice or to an independent financial advisor.</p>

2. What is taken into account in a Financial Assessment?

Question	Information and Advice
<p>Whose finances are assessed in the assessment?</p>	<p>Legally the only finances that can be assessed are those belonging to the person who will be receiving the service. This means that if the person has a spouse, or if there is another person living at the address the finances of that spouse or other person will not be taken into account.</p>

<p>I have a joint asset or income with another person. How will this be taken into account?</p>	<p>Where the asset or income is available and there is evidence about how much of that asset or income they are personally entitled to receive, this is the amount that will be taken into account during a financial assessment.</p> <p>Where there is no evidence as to the share that the person has then an equal share will be assumed between the person and however many other people are also benefitting from the asset or income.</p>
<p>I am a carer and the person I care for is going to get a respite service. Who will be financially assessed?</p>	<p>Legally, the person being financially assessed must be the person receiving the service regardless of who is benefitting from it as a result. In this situation that would be the person and not the carer.</p>
<p>What finances are assessed?</p>	<p>The financial assessment considers both capital assets and regular income.</p> <p>Examples of capital assets include buildings and land, property, national savings certificates, premium bonds, stocks and shares, capital held in bank/building society accounts, cash and unit trusts.</p> <p>Examples of income include attendance allowance, bereavement allowance, carers allowance, disability living allowance (care component), employment and support allowance, income support, personal independence payment (daily living component), universal credit, pension credit, occupational pension and state pension.</p>
<p>How are any wages I receive from employment taken into account?</p>	<p>Wages from employment are not taken into account during a financial assessment. They are disregarded and the person will keep all income from their paid employment.</p>
<p>Will the assessment take my home into account?</p>	<p>If the person is receiving care in the community, then their main home will not be taken into account during a financial assessment.</p> <p>If the person is receiving care in a care home, then their main home will not be taken into account for the first 12 weeks (called the 12-week property disregard period).</p>

	<p>After 12 weeks, the person’s property would be taken into account <i>unless</i>:</p> <ol style="list-style-type: none"> 1.They intend to return home to that property; 2.The property is no longer suitable, but they are taking steps to sell it and will be using the funds to buy a more suitable home to return to; 3. They shared the property with a spouse, partner, other relative over the age of 60, a child under 18 or a person who themselves is incapacitated <i>and</i> that person remains living there; or 4. They own the property in name but have no beneficial rights to it when sold. <p>Where the property is to be taken into account, the person can decide to enter into a deferred payment agreement with the Local Authority rather than sell their home.</p>
<p>I have loans/other debts. Will these be taken into account?</p>	<p>Loan and debt payments are not considered as expenses in a financial assessment. This means the Local Authority does not have to consider them when assessing a person’s income and expenditure.</p> <p>However, the Local Authority has a duty not to charge a person more than they can reasonably afford to pay so should consider each person’s financial situation on an individual basis, taking into account the impact on the person’s Wellbeing of any decision it makes. The Local Authority must also support people to access good information and advice in respect of managing their finances.</p>
<p>I have assets in a bond and cannot access them yet. Will these be considered?</p>	<p>Assets that cannot be realised immediately are still taken into account. The current market or surrender value of the asset is used, and agreement will need to be reached about whether this figure can be estimated or precise. There is no obligation for the asset to be realised if the person is able to make their financial contribution from another means.</p>
<p>If the NHS funds some of my services will this affect how much I have to pay?</p>	<p>In all cases the financial assessment is carried out based on the personal budget amount. Even though services provided or funded by the NHS may be included in a Care and Support</p>

	<p>Plan the cost of such services is not included in the personal budget so to all intents and purposes these are already disregarded and will not have an impact on the financial assessment.</p>
<p>I've been told that some of my services are free. How will you know which ones to assess against?</p>	<p>In all cases the financial assessment is carried out based on the personal budget amount. Even though non-chargeable services may be included in the Care and Support Plan the cost of such services is not included in the personal budget so to all intents and purposes these are already disregarded and will not have an impact on the financial assessment.</p>
<p>I'm having my home adapted and have applied for a Disabled Facilities Grant. Will this affect the amount I have to pay?</p>	<p>A provisional decision can be made pending the outcome of a Disabled Facilities Grant application. If, following the Disabled Facilities Grant application a person has to contribute some of their assets towards any home adaptations the financial assessment should be reviewed to reflect a lower level of available assets from which the person is able to contribute.</p>
<p>What is Disability Related Expenditure?</p>	<p>Disability Related Expenditure (also known as DRE) is money that the person spends on meeting a need related to their disability that is <i>not</i> being met by the Local Authority or anyone else. If the Local Authority deems the expenses being paid to be reasonable then it will disregard them during a financial assessment.</p> <p><i>Example:</i> A person has a specialist diet and needs to purchase particular food that is more expensive than traditional options. Receipts demonstrate how much money is being spent on a regular basis and the Local Authority disregards this amount from their income during the financial assessment.</p> <p><i>Example:</i> A person has substantial issues with incontinence and bedding has to be washed more often than normal. Allowances are made by the Local Authority for additional water usage, electricity and laundry products.</p>
<p>Can a person who lacks capacity be charged a financial contribution?</p>	<p>Yes, the rules around financial assessment apply equally in law for people who lack capacity to manage their own finances.</p>

<p>I live in a care home and will be paying a top-up. How will this affect my financial contribution?</p>	<p>In all cases the financial assessment is based on the personal budget amount only.</p> <p>If the person lives in a care home that is more expensive than the agreed personal budget amount the difference between the personal budget amount and the cost of the care home is payable on top of any financial contribution. This difference is called a third-party top-up.</p> <p><i>Example:</i> Mary lives in a care home with a personal budget of £450 per week. She is financially assessed against this amount. The cost of the home is actually £500 per week. This means that there is a third-party top-up payable of £50 per week.</p> <p>In most circumstances, a third-party top up must be paid by someone other than the person (usually a family member).</p>
<p>I'm going into a care home, but my husband is still living at home. Will we have to sell the house?</p>	<p>Legally, if a spouse lived in a property before the person went into a care home and intends to keep living there then that property must not be taken into account for the purposes of financial assessment.</p>
<p>I have a 2nd property. Will this be considered?</p>	<p>Legally, any second property a person owns can be taken into account during any financial assessment process and it is the decision of the Local Authority whether or not they choose to do so.</p>

3. Following the Financial Assessment

Question	Information and advice
<p>When will I know the outcome?</p>	<p>The decision will be made as quickly as possible after all of the information is gathered. The actual timeframe will</p>

	<p>depend on the individual circumstances, and the amount and complexity of information to be considered. The best advice is to discuss this with the assessor following the financial assessment.</p>
<p>How will I be informed of the outcome?</p>	<p>The initial method of informing should reflect that requested by the person. For example, if they ask the assessor to advise them by telephone this is what they should do. In all cases a letter will be provided confirming the outcome, frequency, and method of payments.</p>
<p>How is my contribution worked out?</p>	<p>The assessor will consider 2 elements. The first is the amount of available finances from a person's capital assets and the second is the amount available from regular income. The 2 amounts are then added together to form a final contribution amount.</p> <p>The government provides minimum amounts of both capital assets and regular income that people in different situations need, and the Local Authority must make sure than it does not leave a person with less than this amount.</p> <p>These amounts are subject to annual change.</p>
<p>What if I don't agree with the outcome?</p>	<p>When a person is informed of the outcome, they will also be given information about how to request a review of it if they are not happy. It is the local authorities' decision whether to review the financial assessment outcome and this will be based on the information available at that time.</p> <p>If, following any review or review decision the person is still unhappy they can use the local authorities' complaints procedure to complain about it.</p>
<p>The Local Authority arranges all of my services. How will I make payments?</p>	<p>The Local Authority will send a letter confirming the payment amount, the dates that payments are due and the range of payment methods available. Advice would be to arrange a Direct Debit/Standing Order to make payments as it provides the most robust record of payments made and, in the instance that an over payment is made funds can easily be transferred back to the person.</p>

<p>I receive a Direct Payment. How will I make payments?</p>	<p>Normally when a person receives a Direct Payment the Local Authority will deduct their financial contribution from the Direct Payment amount paid. The person would then need to pay the contribution amount into their Direct Payment account, thus making up the full cost of the services to be provided.</p> <p>Alternatively, it may be possible to receive the normal Direct Payment amount and pay the financial contribution amount back to the Local Authority through another method such as a standing order/Direct Debit. Advice would be to discuss the best method of making payments with the assessor during the assessment.</p>
<p>If I have to pay for all my care costs, can I still have help to arrange my services?</p>	<p>Services in the community</p> <p>The person or carer is still legally entitled to support from the Local Authority to arrange their services if they would like such support. This is usually subject to request, although if the Local Authority anticipates the person will have difficulty arranging their own services they should offer to do so. Any support to arrange services following a request to do so may be subject to an administration fee.</p> <p>Care home services</p> <p>The person can ask the Local Authority for help to arrange the services, <i>but</i> the Local Authority does not legally have to do so. Because the Local Authority is choosing to arrange such services (rather than being legally obliged to), it cannot charge an administration fee.</p> <p>People who lack capacity</p> <p>If the person lacks capacity and there is no appropriate person to make the arrangements the Local Authority has a duty to do so, regardless of the financial contribution.</p>
<p>What is a deferred payment, and can I have one?</p>	<p>If a person moves into a care home on a permanent basis and their property is not disregarded, the deferred payment scheme is the mechanism by they can avoid the need to sell their main home immediately. It usually involves the Local Authority putting a land registry charge on the property for</p>

	<p>an agreed amount and then deferring all care costs up until this amount is reached, the person dies, the person decides to sell their home, or the person is able to pay what is owed via another means. To all intents and purposes, the deferred payment scheme is a loan from the Local Authority that builds up over time.</p> <p>The Local Authority must offer a deferred payment agreement to anyone who meets the following criteria and has sufficient equity in their former home:</p> <ol style="list-style-type: none"> 1.They have capacity to request a deferred payment; 2. They have eligible needs that are to be met by the provision of a care home (that have either been assessed or that the Local Authority deems would be eligible if they were assessed); 3. The Local Authority is arranging services to meet those needs (or the Local Authority is in agreement that the services being arranged are appropriate); 4. They have less than £23,250 in assets excluding the value of their home; 5. The person is happy for the Local Authority to secure its interest (for example through a land registry charge on the property); and 6. Their home is not subject to a property disregard (for example their spouse is not still living there, or they intend to move back). <p>The Local Authority can enter into a deferred payment agreement with someone who does not meet all of the above criteria and decisions about this are made on a case-by-case basis. Advice would be to talk about the possibility of a deferred payment agreement with the assessor.</p>
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4. When circumstances change in the future

Question	Information and advice

<p>What happens if I can no longer afford to make payments?</p>	<p>If a person's financial circumstances change, they should inform the Local Authority as soon as possible. This will enable a timely review of their available finances to take place and the amount of financial contribution to be adjusted to reflect the amount that a person is able to afford at that time.</p>
<p>If I stop making payments will my services stop?</p>	<p>Services meeting eligible needs The Local Authority has a duty to meet eligible needs. This means it must do so, even if the person stops paying their financial contribution. However, the Local Authority is permitted to seek reimbursement for any costs it incurs in meeting the eligible needs of a person who is not paying their assessed contribution.</p> <p>Services meeting ineligible or interim needs There is no duty to meet ineligible or interim needs. As such the Local Authority may decide to stop providing such services.</p>
<p>If I don't use all of my services, will I still have to pay my contribution?</p>	<p>If the cost of the services used in the current financial assessment charging period (normally a 4-week period) exceeds (or is the same as) the amount of financial contribution the person normally pays, this is unlikely to have any impact on the financial contribution.</p> <p>If the cost of the services used in the charging period is less than the normal financial contribution, the person should only contribute up to the cost of those services. The Local Authority cannot charge the person more than the cost of the services received.</p>
<p>If my needs change will my financial contribution change?</p>	<p>If a person's needs for Care and Support appear to have changed the responsible social work team should be notified as soon as possible. Where appropriate they should carry out a review or a reassessment.</p> <p>If a review or reassessment results in a change to the personal budget amount the financial assessment service will be notified and will review the financial assessment that was previously completed. This may or may not result in a change to the financial contribution being made.</p>

	<p><i>Example:</i> A person is full charge, their personal budget is reduced by £30 per week but their financial resources have not changed. Because they cannot contribute more than the cost of the services their contribution is reduced by £30 per week.</p> <p><i>Example:</i> A person pays a partial contribution, their personal budget is increased by £45 per week but their financial resources have not changed. Because the contribution is calculated on the maximum amount they can afford, it remains unchanged.</p>
<p>What happens if I go into hospital?</p>	<p>If the cost of the services <i>used</i> in the current financial assessment charging period (normally a 4-week period) exceeds (or is the same as) the amount of financial contribution the person normally pays this is unlikely to have any impact on the financial contribution. This includes the cost of any additional services provided prior to or during admission (for example if a carer stays with the person whilst waiting for an ambulance or goes to hospital with them).</p> <p>If the cost of the services <i>used</i> in the charging period is less than the normal financial contribution, the person should only contribute up to the cost of those services. The Local Authority cannot charge the person more than the cost of the services received.</p> <p>If the provider has charged for any missed calls these will not be taken into account in any calculation as the Local Authority cannot charge the person for services that they have not received.</p>
<p>If I am receiving urgent support but have not yet had my needs assessed - will I still have to pay a contribution?</p>	<p>Urgent and interim support provided either with or without an assessment of need is subject to the same charging rules as the provision of planned support and services.</p>
<p>What if I have to buy something big and it uses a</p>	<p>If a person needs to make a large purchase or spends some of their capital legitimately (for example a relative has a</p>

<p>lot of my savings?</p>	<p>milestone birthday and they buy a more extravagant gift), they should inform the Local Authority as it may have an impact on the financial contribution they can afford to make, and the Local Authority can only charge a person what they can afford to pay.</p> <p>The Local Authority will need to be satisfied that the person has not deliberately deprived themselves of the asset for the intention of avoiding or reducing a financial contribution to the cost of their care. If the Local Authority has reason to believe that a deliberate deprivation of an asset has occurred, it can take steps in law to recover any revenue lost as a result.</p>
<p>What should I do if I receive a large sum of money from my shares?</p>	<p>If a person receives money unexpectedly that is likely to have an impact on their financial contribution, they should inform the Local Authority of this. Under law people are expected to pay towards the cost of their care if they can afford to do so.</p>

5. Disabled Facilities Grant Applications

<p>Question</p>	<p>Information and Advice that can be given</p>
<p>What is a Disabled Facilities Grant?</p>	<p>A disabled facilities grant (also known as a DFG) is a grant from the Local Authority that pays for (or contribute towards) the cost of a range of home adaptations to make life easier for children and adults with a long-term disability who live in their own home. Adaptations include things like door widening, ramps, stair-lifts, wet-rooms, and access level kitchens.</p> <p>For adult applicants, eligibility for a grant is subject to a financial means test, which is carried out by the local Housing Authority.</p>
<p>Who can apply for a Disabled Facilities Grant?</p>	<p>The following people can apply for a DFG:</p> <ol style="list-style-type: none"> 1. A person who is disabled and living in their owned home; 2. A person who lives with a disabled person and owns

	<p>their own home;</p> <p>3. A landlord with a disabled tenant.</p> <p>Sometimes the disabled tenant can also apply for the DFG if their landlord has provided written permission, but this is at the discretion of each Local Authority.</p> <p>The disabled person must also intend to remain living at the property for the duration of the grant period (which is 10 years).</p> <p>All applications for a DFG must be endorsed by an Occupational Therapist. The Occupational Therapist will usually complete a needs assessment to determine what work may be required, and whether there are more proportionate ways of achieving the same outcome.</p>
<p>How much can I get through a grant?</p>	<p>Depending on the level of savings and income a person has, the maximum amount in England is £30,000. The grant can be paid directly to the contractor, or it can be provided to the person (or their financial representative) to make the payments. However, in the latter case the Local Authority must be satisfied that the work carried out is as requested and adequate.</p>
<p>How can I apply for a Disabled Facilities Grant?</p>	<p>Applications must be made via the Local Housing Authority. If support is needed to make the application the Housing Authority will be able to provide this.</p>
<p>I live in rented property. Can I still get a grant?</p>	<p>In all cases the landlord of a disabled tenant can apply for a disabled facilities grant. Sometimes the disabled person can apply for the DFG if their landlord has provided written permission, but this is at the discretion of each Local Authority.</p>
<p>I live in a mobile home/houseboat. Can I still get a grant?</p>	<p>People that own and live in a mobile home or houseboat can apply for a disabled facilities grant in the same way as other people who own more traditional property.</p>

<p>What is considered in an application?</p>	<p>The application will consider the assessment of the Occupational Therapist who has assessed the needs of the person. The Local Authority needs to be satisfied that the work is necessary and appropriate to meet the disabled person's needs, and that it is reasonable and can be done on the particular property in question.</p> <p>The application will then consider the amount of grant that can be made available. To do this it considers all <i>household</i> income and any <i>household</i> savings.</p>
<p>I make a contribution towards my care costs. Will that be considered?</p>	<p>Eligibility for a Disabled Facilities Grant is based upon income, including earnings and savings. It does not take into account the amount of expenditure that a person has so any care contribution will not be considered.</p> <p>However, if following a disabled facilities grant a person has to contribute to works from their own assets, they may require a reduction in the financial assessment contribution they make towards their care to reflect their reduction in available assets.</p>
<p>I have been awarded a DFG, but the cost of the work is more than the DFG amount I have been awarded. When will I need to pay the difference?</p>	<p>The cost must be paid in full before the work can commence.</p>
<p>Do I have to repay the grant if I move house?</p>	<p>If the person owns the property, the DFG was for more than £5,000 and is sold (or no longer the person's main residence) within 10 years of the works being completed then some of the grant may be repayable.</p> <p>How much must be repaid is subject to local policy.</p>