

## Policy

# Charging for Non-Residential Social Care Services

**Owner:** Central Bedfordshire Council

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## **1. Introduction**

- 1.1. This policy set out how the Central Bedfordshire Council ('the Council') will charge customers for non-residential social care services accessed by people over 18 years of age.
- 1.2. This policy has been produced in accordance with Section 7 of the Local Authority Social Services Act 1970, often referred to as 'Fairer Charging'.
- 1.3. It does not apply to residential care services where charging is governed by the National Assistance Act 1948 Assessment of Resources Regulations 1992 which is reflected in the guidance provided by the Department of Health in 'Charging for Residential Accommodation Guide' (CRAG).
- 1.4. This policy will come into effect on 1 October 2010 and remain in force until such time as it is revised or until the legislative framework under which it operates is modified.
- 1.5. Rates, tariffs and thresholds applicable to this policy will be contained in an appendix to it and updated annually, or more often if necessary.

## **2. Principles**

- 2.1. The principles under which this policy operates are:
  - 2.1.1. A charge will be made for services where it is legal and appropriate to do so.
  - 2.1.2. No customer should be unable to access services they need because they lack the financial means.
  - 2.1.3. Customers will be treated equitably in the determination of their ability to pay for services or contribute to their costs.
  - 2.1.4. Customers will be treated as equitably as possible no matter how they access services (see section 3)
- 2.2. Where appropriate this policy refers to the guidance in CRAG in order to achieve equity between the principles involved in charging for residential and non-residential care services.

## **3. Transformation of social care services**

- 3.1. The provision of social care services is currently being transformed by the introduction of more personalised services designed to enable the customer to have greater control over the services they access.
- 3.2. This is being delivered through the mechanisms of Personal Budgets and Direct Payments but a significant number of customers will continue to access services via the traditional method whereby services are commissioned on their behalf by the Council.
- 3.3. It is the intent of this policy to ensure as far as is possible that customers are treated equitably, no matter what delivery arrangements are used for their services – Personal Budgets, Direct Payments or 'traditional' commissioned services. However it is acknowledged that the differences between these arrangements may mean that complete equity may not always be possible.
- 3.4. Personal Budgets and Direct Payments customers may choose to have their support needs met in ways not traditionally associated with formal social care. These will be set out in their agreed Support Plan. The customer will still be required to make the contribution to the cost of services if this is the case as they would have if they were accessing traditional services.

#### **4. Calculating customer's contribution or charge**

- 4.1. The basis of the calculation of how much a customer should pay or contribute is to firstly assess the customer's Disposable Income.
- 4.2. The calculation to identify Disposable Income will be as follows:  
[Disposable Income] = [Assessable Income] minus [Allowances and Disregards]
- 4.3. If the Full Cost of the services accessed exceeds the Disposable Income then the customer is charged or contributes their Disposable Income. If the Full Cost is less than the disposable income then the Full Cost is charged.
- 4.4. If a customer has zero disposable income then they will not be charged for the services they access.
- 4.5. The terms used above and the details of how they are defined are set out later in this document.

#### **5. Social care services to which this policy applies**

- 5.1. Social care services provided by the Council to people over 18 can be categorised into the following areas:
  - 5.1.1. Services which the Council is not permitted to charge for
  - 5.1.2. Services which the Council charges for at a flat rate and which are not covered by this policy
  - 5.1.3. Long and short term residential care services which are charged for under CRAG
  - 5.1.4. Services to which this policy applies
  - 5.1.5. Services which the council has determined will not be chargeable
- 5.2. Services which fall into each category are listed in the box on the next page.

#### **6. Customers who are exempted from charging**

- 6.1. The following groups of people are exempted from charging for non-residential care services:
  - 6.1.1. People whose care needs are being delivered as 'after care services' as defined in S117 for the Mental Health Act
  - 6.1.2. Social care services accessed by sufferers of Creutzfeldt Jacob Disease (CJD)
  - 6.1.3. People whose income is less than basic Income Support plus 25%.

#### **7. Setting the rates for charges**

- 7.1. The charges for services will reflect the full cost of providing them.
- 7.2. Charges will be set annually as part of the Council's budget-setting process but may also be revised more frequently if there is a need to do so. Any 'in-year' changes to rates will be approved by the Council's Executive.
- 7.3. Although the Council's intention is that rates charged for services will be harmonised so that those in receipt of Personal Budgets, Direct Payments or 'traditional' commissioned services will be treated entirely equitably, during the transitional period some differences may be unavoidable.
- 7.4. Current rates and charges are contained in the Appendix to this policy which will be updated when rates change.

**Services for which the Council is not permitted to charge**

- Assessment and Care Management
- Advice and Information
- Services delivered by the National Health Service such as Intermediate Care
- Provision of aids and equipment below the value of £1,000

**Services for which the Council charges at a flat rate:**

- Meals provided in Day Centres
- Meals on Wheels

**Services which are charged for under CRAG rules:**

- Long term care in a registered residential or nursing home
- Short term care in a registered residential or nursing home (often referred to as respite care)

**Services to which the Fairer Charging policy applies:**

- Care delivered in the customer's own home - such as home care or the services of a Personal Assistant
- Attendance at Day Care or Day Opportunities
- Transport to and from Day Centres or Day Opportunities
- Care delivered away from the customer's own home (except where it is provided in a registered residential or nursing home)
- Adult Placement Schemes
- Services provided under the Supporting People arrangements
- Any services not in one of the other categories that are accessed as part of a customer's support plan.

**Services that the Council has determined it will not charge for:**

- Reablement Service
- Carers' Services

**8. Home care where more than one carer is in attendance**

- 8.1. The charge for care delivered in the customer's home will take into consideration the number of carers required to provide the service at any one time and the charge will be based on the total number of carer hours delivered.

**9. Reablement**

- 9.1. Where a customer is in receipt of a reablement service then this will not be the subject of charging.
- 9.2. The customer will be required to co-operate with the Financial Assessment process during a period of reablement.

**10. Telecare**

- 10.1. The provision of Telecare equipment under £1000 in value is not chargeable.
- 10.2. During the currency of this policy a charge may be introduced to reflect the cost of providing the ongoing monitoring and response service associated with Telecare equipment.
- 10.3. When such a charge is introduced it will be added to the scale of charges set out in Appendix 1.

## **11. The financial assessment process**

- 11.1. In order to determine if a customer will be charged or make a contribution to the cost of their services then an assessment of income and expenditure is required. This is known as a Financial Assessment and consists of three stages:
  - 11.1.1. The gathering of information and evidence using a standard form
  - 11.1.2. The calculation of the charge
  - 11.1.3. Advising the customer in writing of the charge.
- 11.2. The completion of the financial assessment form will be undertaken by the customer or their representative, or with the assistance of a Community Finance Adviser (CFA) from the Welfare Rights and Customers Finance Team.
- 11.3. Customers will be advised that, when visited by a CFA, they can be accompanied by a relative, friend or other representative.
- 11.4. All customers who are subject to a financial assessment will be offered a welfare benefits check. The CFA will identify any benefits to which they appear to be entitled and will signpost them to the relevant agency to claim.
- 11.5. The result of the financial assessment will be confirmed in writing as soon as possible following the completion of the financial assessment and any checks that may be required.
- 11.6. Central Bedfordshire Council is under a duty to protect the public funds it administers, and to this end may use the information the customer provides on the financial assessment form for the prevention and detection of fraud. It may also share this information with other bodies responsible for auditing or administering public funds for these purposes.
- 11.7. Where the service provided to a person is through a Direct Payment the Council will deduct the amount of the individual's contribution before it pays the payment. The recipient will be required to pay their contribution into the same account where the Direct Payment is deposited.

## **12. Financial re-assessments**

- 12.1. The customer is required to inform the Welfare Rights and Customers Finance Team as soon as their financial circumstances change as their assessed charge may be affected.
- 12.2. Disability related benefit will be taken into consideration from the date of the award. A re-assessment will be undertaken and any charges which are payable will be back dated to the date of the award.
- 12.3. A re-assessment will be carried out each year to re-calculate charges. A percentage increase will be applied in line with Department of Work and Pensions percentage increase if actual amounts are unknown. If this is incorrect an adjustment will be made once evidence is provided.
- 12.4. A re-assessment will also be carried out if the care package has been significantly increased or decreased.
- 12.5. The customer will be provided in writing with a copy of any re-assessment conducted and will be required to either (a) confirm that their circumstances have been correctly estimated or (b) provide information and evidence about any changes to their circumstances.
- 12.6. Should a re-assessment reveal that a customer's circumstances have changed significantly since the previous assessment or re-assessment then their charge will be re-calculated based on the date(s) that the change(s) occurred, up to a limit of one year, and the customer charged or credited as appropriate.

### **13. Non disclosure of financial information**

- 13.1. Customers have the right to choose not to disclose their financial details. If they do not disclose they will be required to pay the full cost of the service from the date it commences.
- 13.2. A customer who chooses not to disclose their financial details will be required to pay 100% contribution to any Direct Payment.

### **14. Failure to co-operate with a financial assessment**

- 14.1. If a customer fails to co-operate with a financial assessment they will be required to pay the full cost of the service from the date it commenced. If the customer is a recipient of a Direct Payment then this will cease and the council will take steps to recover some or all of any payments already made.
- 14.2. A customer will be deemed as having failed to co-operate with a financial assessment if, without good cause, they do not adhere to the following timescales:
  - 14.2.1. Two attempts at telephone contact to arrange a visit will be made by the Council.
  - 14.2.2. If no contact is made a Financial Assessment Form will be sent to the customer with an explanatory letter.
  - 14.2.3. The customer must contact the Council within 14 days of the issue of the Financial Assessment Form.
  - 14.2.4. If a customer has contacted the Council or returned the financial assessment form within 14 days of issue, but further information or documentation is required, (such as proof of income and expenditure) this must be provided within 28 days of the original issue of the financial assessment form.
- 14.3. Where a customer is receiving a reablement service then the financial assessment process may commence at any time during the reablement period.
- 14.4. A financial assessment will not be delayed if sufficient information has been provided.
- 14.5. For the purpose of this policy 'contact' will mean the return of the Financial Assessment Form, or a telephone call, letter, email either to ask for assistance, to request and/or arrange a visit for the purpose of information gathering and completion of the Financial Assessment Form.
- 14.6. If the customer later chooses to co-operate, any reduction in charge will be from the Monday of the week that the details are fully disclosed.

### **15. Date of commencement of charges**

- 15.1. Charges will start from the date of commencement of service, or the date the customer was notified of the charge, whichever is the later. If a customer does not wish to disclose their financial information, fails to co-operate or requests a delay in the visit they will be charged the full cost of the service from the date it commences until a financial assessment has been completed.
- 15.2. If evidence of disability related expenditure is provided within 4 weeks of the assessment and as a result the charge is reduced, the reduction will be backdated to the commencement of charges. Where evidence is provided after the 4 weeks, the reduction will be effective from date received.

### **16. Capital taken into account**

- 16.1. Any customer who has capital or savings in excess of the upper capital threshold (as defined in CRAG) will be charge the full cost of the service received.
- 16.2. The capital thresholds are reviewed annually.

- 16.3. Examples of capital and savings include:
- 16.3.1. Cash
  - 16.3.2. Funds held in a Bank, Building Society and Post Office accounts
  - 16.3.3. Savings bonds, premium bonds
  - 16.3.4. Stocks and shares, ISA's, Pep's
  - 16.3.5. The value of any land or property (other than the main residence where the customer lives)
  - 16.3.6. Compensation payments specifically identified by a court as being for cost of care, unless placed in a disregarded location such as personal injury trust or administered by a Court.
  - 16.3.7. Compensation payments not specifically identified as being for cost of care will be disregarded for 52 weeks from date of first payment unless placed in a disregarded location.
- 16.4. This list is not exhaustive.
- 16.5. Capital between the upper and lower capital thresholds will be included in the financial assessment. A £1 per week tariff for every £250 (or part thereof) will be counted as income.
- 16.6. If savings or capital are held in joint names, an equal proportion will be assumed unless there is evidence to prove otherwise. Savings/capital held solely by a customer's partner will be disregarded (unless the partner is receiving services which require a financial assessment in accordance with Fairer Charging).

## **17. Disregarded capital**

- 17.1. Ex-gratia payments made to former Far Eastern Prisoners of War and payments made under the Vaccine Damage Payment scheme will be disregarded entirely.

## **18. Deprivation of capital**

- 18.1. Where the Council believes that a customer has deliberately reduced their capital in an attempt to reduce their assessed charge this will be classed as deprivation of capital. The customer will be treated as still owning that capital which has been disposed of.

## **19. Income taken into account in the assessment**

- 19.1. The following income is taken into account:
- 19.1.1. All state benefits with the exception of DLA (Mobility) and Carers' Premium
  - 19.1.2. Income from occupational pensions
  - 19.1.3. Tariff income from capital and savings based on £1 per week for every £250 or part thereof above the lower capital limit as defined in CRAG
  - 19.1.4. Any personal injury compensation payments will be included 52 weeks after the date of first payment if they are not held in a disregarded location
  - 19.1.5. Income from other sources excluding earnings.

## **20. Allowances and disregards**

- 20.1. The following allowances will be made before charges are calculated on the remaining balance.
- 20.1.1. For those entitled by age: a sum equal to basic Income Support Personal Allowance plus premiums for age, level of disability or family status (but not Severe Disability Premium) plus 25%
  - 20.1.2. For those entitled by age: a sum equal to Pension Credit

- 20.1.3. Guaranteed Credit (but not Severe Disability Premium) plus 25%
- 20.1.4. The savings credit award
- 20.1.5. War Disability Pensions and War Widows Pension and all of War Widows supplementary pensions
- 20.1.6. All earnings from paid employment
- 20.2. Housing costs will be treated in the following way:
  - 20.2.1. Any housing costs such as mortgage or rent (net of any housing benefit) for which the customer has a legal liability to pay will be allowable as an expense
  - 20.2.2. Payments of rent to close relatives will not be allowed as an expense when the person receiving care resides with that close relative
  - 20.2.3. Council tax (net of council tax benefit) for which the customer has a legal liability to pay will be allowable as an expense.

## **21. Disability-related expenses**

- 21.1. Disability Related Expenses (DRE) are reasonable additional costs that the customer incurs because of illness or disability, where the customer has little or no choice other than to incur the expenditure in order to maintain independence of life.
- 21.2. Disability related expenditure will only be taken into consideration if disability related benefits are in payment.
- 21.3. DRE will be considered if the extra cost is needed to meet a customer's specific need arising out of illness or disability. It must also be identified in the customer's support plan. The cost must be reasonable, verified and not reasonable for a lower cost alternative item or service to be used.
- 21.4. Care or services provided by close relatives<sup>1</sup> will not be taken into account unless identified in the customer's support plan. The definition of a relative is as identified in CRAG.
- 21.5. After the DRE has been identified in the support plan:
  - 21.5.1. If customer has DRE of less than £15 per week, the amount (up to £15) will be allowed without receipts.
  - 21.5.2. If the customer has DRE of more than £15 per week, a maximum of £15 will be allowed in total unless receipts for all expenditure are provided.
- 21.6. The total amount of DRE allowed is decided on a case by case basis in line with the rules set out above. There is no set maximum allowable DRE.

## **22. Treatment of couples**

- 22.1. For the purposes of assessment, a couple is either:
  - 22.1.1. a couple who are legally married or in a civil partnership
  - 22.1.2. two individuals who live together as a couple<sup>2</sup>
- 22.2. A customer who is one of a couple as defined above will be assessed both as an individual and as part of the couple.
- 22.3. The customer will pay the lower of the two assessments.

## **23. Minimum charges**

- 23.1. A minimum assessed contribution of £1 per week will be necessary for charges to be payable.

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<sup>1</sup> A close relative is: a parent; step-parent; father-in-law or mother-in-law; child; step-child; son-in-law or daughter-in-law; brother or sister; or brother-in-law or sister-in-law; or partner of any of the preceding people.

<sup>2</sup> The 'couples' definition used by Department for Work and Pensions will be applied where this matter is in doubt.



## **24. Maximum charges**

- 24.1. There is no ceiling on charges. The maximum payable is the full cost of services received.

## **25. Meals on wheels**

- 25.1. There will be a fixed rate charged for each meal delivered for either lunch and / or tea which will include delivery.

## **26. Method of payment**

- 26.1. For Meals on Wheels the usual method of payment will be by cash payment at the point of service delivery.
- 26.2. For other non-resident services the Council operates a 4 weekly billing system for commissioned care and a variety of payment methods.
- 26.3. Customers who receive a Direct Payment will have their contribution deducted from the payments made.

## **27. Debts**

- 27.1. Failure to pay the assessed charge will result in the Council's debt procedures being instigated. Where appropriate, the Council will pursue debts through the Civil Courts.

## **28. Reviews**

- 28.1. The customer has the right to ask for a review of their financial assessment and the charges at any time.
- 28.2. Changes made to charges as a result of a review will be applied from the date the new charge is calculated.

## **29. Information to customers on charging**

- 29.1. An information leaflet will be provided to all customers required to pay charges explaining this charging policy.
- 29.2. A separate leaflet will be produced setting out appropriate rates of charging and allowances and this will be updated annually to reflect changes.
- 29.3. Similar information will be provided on the Council's website.
- 29.4. Information will be provided in accessible formats when requested.

## **30. Complaints about assessed contribution or charge**

- 30.1. When advised of their assessed charge, customers will be provided with the contact details of the person conducting the financial assessment. If the customer is unhappy with the charge then they should contact this person in the first instance. The calculation will then be reviewed and a revised assessment issued if necessary.
- 30.2. If the customer still remains dissatisfied with the assessed charge then they are able to complain using the Council's complaints procedure.
- 30.3. During the investigation of a complaint the assessed charge will remain payable and can be pursued according to the Council's debt recovery processes. If the outcome of a complaint is that a customer has over-paid then the overpayment will be refunded.
- 30.4. In considering a complaint about charges then the following issues may be considered:
  - 30.4.1. Whether this policy has been applied correctly

- 30.4.2. Whether the customer will suffer exceptional hardship as a result of having to pay charges for services
- 30.4.3. Whether the policy has impacted unfairly on the customer
- 30.5. The outcome of a complaint may be that none, some or all of a charge is waived.
- 30.6. The decision to waive charges will be made by the officer who has an appropriate level of authority under the Council's Scheme of Delegation<sup>3</sup>. This may not be the officer who investigates the complaint.

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<sup>3</sup> The authority level to write off debt specified in the Scheme of Delegation shall apply to any waiving of charges, whether or not an invoice has been issued.

## Appendix 1

### Non-residential care services charge rates 2010 - 2011

#### Capital Threshold

Upper Capital Threshold	£23,250
Lower Capital Threshold	£14,250

#### Full cost charges for care provided via Central Bedfordshire Council

Care in own home	£16.90 (per hour)
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#### Meals on Wheels

*Hot meal	£3.50 (per meal)
*Frozen meal	£3.10 (per meal)

#### Day Centres

Attendance – Over 65	£27.50 (per day)
Attendance – Learning Disability	£49.00 (per day)

#### Transport to Day Centres

Per journey	£1.50 (per journey)
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#### Meals Provided at Day Centres

*Hot meal	£3.50 (per meal)
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\*These services are charged at a flat rate to all customers and no means test is involved.