

# PEOPLE DIRECTORATE

## **FINANCIAL CONTRIBUTIONS POLICY FOR ADULT SOCIAL CARE SERVICES**

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# **Financial Contributions Policy for Adult Social Care Services**

## **1.0 PURPOSE**

- 1.1 This policy explains the Council's approach to determining how much (if anything) each service user should contribute financially towards the cost of their adult social care services.
- 1.2 The scope of the policy covers both residential and non-residential services for older people, adults with learning disabilities, adults with physical disabilities and adults with mental health problems who are assessed as having 'eligible needs' within the meaning of the Care Act 2014.
- 1.3 Revenue received from service users financial contributions towards the cost of the services will be reinvested to enable the Council to provide care and support for more people within the borough.
- 1.4 For the purpose of this policy an adult is a service user aged 18 and above

## **2.0 LEGISLATIVE AND NATIONAL POLICY REFERENCES**

- 2.1 The Care Act 2014 provides a single framework for charging for care and support services. Section 14 provides local authorities with the power to charge service users in receipt of care and support and Section 17 permits local authorities to undertake an assessment of the service user's financial resources in order to determine how much, if anything, they are able to pay towards the cost of those services.
- 2.2 The Care and Support (Charging and Assessment of Resources) Regulations 2014, and Care and Support Statutory Guidance (and annexes) issued by the Department of Health under the Care Act 2014 set out further detail regarding charging for care. The relevant parts of the guidance are Chapter 8: Charging and financial assessment, Annex A: Choice of accommodation and additional payments, Annex B: Treatment of capital, Annex C: Treatment of Income, Annex D: Recovery of debts, Annex E: Deprivation of assets and Annex F: Temporary and short-term residents in care homes.
- 2.3 Barnsley Council's Policy for seeking financial contribution towards the cost of care and support services will adhere to the requirements and principles set out in the Care Act 2014 and the associated national guidance.

## **3.0 OBJECTIVES OF THE POLICY**

- 3.1 The objectives of the Financial Contributions Policy are as follows:
  - 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; and
- be sustainable for local authorities in the long-term

#### **4.0 POLICY EXCLUSIONS**

4.1 This policy covers all care and support services provided or arranged to meet eligible needs within the meaning of the Care Act 2014 with the exception of the following which cannot be charged for by law:

- Intermediate care, including reablement, which must be provided free of charge for up to six weeks
- Social Work Support
- Occupational Therapy.
- Information and Advice.
- Assessment and Care Management Services (including financial assessment)
- After Care Services provided under Section 117 of the Mental Health Act 1983
- Community equipment (aids and minor adaptations) and minor property adaptations costing £1,000 or less
- Care and support for people suffering from Creutzfeldt Jacob Disease
- Services that are the responsibility of the National Health Service, e.g. continuing health care
- Any administration fee relating to arranging that care and support. The only exception is in the case of a person with eligible needs and assets above the upper capital limit who has asked the local authority to arrange their care and support on their behalf. In such cases, the local authority may apply an administration fee to cover its costs
- Adaptations to property - any financial contribution is determined by separate national rules

#### **5.0 CONTRIBUTIONS TO THE COST OF RESIDENTIAL CARE SERVICES**

5.1 Section 14 of the Care Act 2014 gives local authorities a discretionary power to charge for care and support provided within a care power. Barnsley MBC has taken the decision to exercise this power.

5.2 Where someone's on-going care and support needs are to be met within a care home, and they are seeking financial support from the Council, a financial assessment will be carried out to determine the amount they will be required to contribute towards the cost of their care.

5.3 The value and treatment of capital and assets will be based on the definitions within Care Act 2014, Care and Support Statutory Guidance Annex B and C.

#### **Capital**

Where an individual's capital (excluding the value of their main home) exceeds the upper capital limit specified within the Care Act 2014 Care and Support Statutory Guidance

Annex B, they will be required to pay the maximum contribution towards the service. These are:

- If your capital is **below £14,250** it will be disregarded for financial assessment purposes.
- If you have capital **between £14,250 and £23,250** we will need to take this into account. You will be required to pay £1 per week for every £250 of capital between £14,250 and £23,250.
- Anyone with assets above the upper capital limit (including the value of their previous residence, unless a spouse or partner is living there) will not qualify for financial assistance. At the time of this policy being published the upper capital limit was £23,250

5.4 The Council will normally make up the difference between what the service user can afford to pay (as determined by the financial assessment) and the cost of the care home place, up to the Council's 'usual rate'. This is the amount that the Council agrees to pay local care homes, on an annual basis, for various types of need. Should a service user wish to take up a place in a care home where the weekly rate exceeds the Council's usual rate, then they will need to make arrangements for a third party, i.e. family member or friend, to make up the difference (known as a 'top-up'). In these circumstances the Council will need to assure itself that these arrangements (including any future price increases) are sustainable and should they breakdown at any point the Council reserves the right to seek an alternative placement at the 'usual rate'

5.5 Where a service user has legitimate reasons for seeking a care home place in a different authority, i.e. to be nearer to family, Barnsley Council will apply the 'usual rate' for that locality, i.e. the rate at which that the receiving Council normally pays for care in a care home for a particular level of need.

5.6 In all cases the service user will always retain the statutory weekly Personal Expense Allowance after they have contributed to the weekly cost of their care. This amount is reviewed annually by the government.

5.7 Where someone enters a care home and has sufficient funds to pay for themselves via ownership of a property they may be eligible to defer some or all of their care costs against the value of that property. This is known as a Deferred Payment Agreement. More details about Barnsley MBC's Deferred Payment Scheme can be found on the Council's website or in leaflet format on request. The Council charges set up costs, an annual monitoring and administration fee, termination costs, and interest on all deferred payment loans agreed from April 2015.

## **6.0 CONTRIBUTIONS TO THE COST OF CARE FOR PEOPLE LIVING IN THE COMMUNITY**

6.1 Barnsley Council will seek a financial contribution towards the cost of care and support delivered in a service user's home and other community settings, for example, day services, wherever this is deemed to be affordable.

6.2 In the vast majority of cases, the full cost of care and support services will be the value of the Personal Budget that the service user deploys to purchase those

services, less the value of any excluded services listed at 4.1 above. A financial assessment will be carried out to determine how much the service user can afford to contribute towards the cost of their services.

6.3 **Income**

The value and treatment of income will be based on the definitions within the Care Act 2014 Care and Support Statutory Guidance Annex C.

All individuals will be offered the opportunity to have a full financial assessment to calculate their contribution. It is the individual's responsibility to provide information to complete this and failure to satisfy the Council will result in the maximum contribution being applied.

If a service user declines or refuses a financial assessment they will be required to pay for the full cost of their services.

The financial assessment will consider the person's income and any savings they may have as a basis for deciding how much, if anything, they can afford to contribute towards the cost of their services. It will:

- Ensure that no one is left with less than the basic level of income support plus a further 25% after they have paid their assessed contribution. Services will be provided free to anyone whose income is at or below this amount.
- Take into account any expenditure that the person may incur as a direct result of their disability (Disability Related Expenditure) and discount this from the amount they have available to pay their assessed contribution.
- Provide contact details for any further welfare benefits advice that the person may benefit from .

The basic principle of the financial assessment calculation is:

$$\text{Individual Income} \text{ LESS } \left[ \begin{array}{l} \text{Income Support or Pension Credit +25\%} \\ \text{allowance Housing Costs \& Expenses} \\ \text{Disability Related Expenditure} \end{array} \right] = \text{Net Available Income for Contribution}$$

In relation to Disability Related Expenditure (DRE) the disregard element will only apply to any **additional** expenditure incurred which is **directly** due to a person's disability, thus ensuring that service users are making a fair contribution towards the cost of their care.

People who are in receipt of either high rate Disability Allowance (DLA) or high rate Attendance Allowance (AA) will need to be financially reassessed. This is because high rate DLA and AA includes benefit for overnight care which is currently excluded from a financial assessment.

- 6.4 Anyone with capital assets above the upper capital limit (excluding the value of their main residence) will not be entitled to financial support from the Council. At the time of this policy being published the upper capital limit was £23,250.
- 6.5 Anyone with savings less than the lower capital limit will be ignored when working out how much someone should pay towards the cost of their care. At the time of this policy being published the lower capital limit was £14,250.
- 6.6 Where a service user has sufficient means to fund their own care, e.g. they have savings above the upper capital limit or if their income is at a level where their financially assessed contribution matches or exceeds the value of their personal budget, they are still entitled to request that the Council arrange their services.
- 6.7 The Council will introduce a one-off arrangement fee (administration) for brokering and arranging non-residential services for self-funding residents as per para 8.58 of the Care Act. The fee is set at a level where it does not exceed the costs which the Council incurs. The fee for a standard brokerage service is £122.00 and £260.00 for a more complex service (see appendix A) The fees are a flat rate to ensure clarity about the cost of the Local Authority arranging a person's care. The charges will apply to both self funders with assessed eligible needs and those who approach the Brokerage Team privately and do not have any assessed eligible needs.
- The brokerage cost will not apply to any existing service users who become self funding due to this policy change
- 6.8 Barnsley MBC currently operates a 'maximum weekly contribution', i.e. a maximum amount that anyone is asked to contribute towards their care and support, regardless of the size of their personal budget (NB this does not apply to permanent care in a care home). At the time of this policy being published the maximum weekly contribution was £150. **From Monday 2<sup>nd</sup> October 2017 the 'maximum weekly contribution' cap limit on contribution of £150 will be removed.**
- 6.9 Many care providers charge higher rates for self funding clients. If , as a result of this policy change a service user has become self funding and their current provider would be charging them a higher hourly rate, providing they request for BMBC to continue to oversee their care arrangements BMBC could agree to continue to contract on their behalf, thereby ensuring the service user continues to benefit from our rates. This does not apply to any new service users or at the point of a review.
- 6.10 In a minority of cases the service user may not be using a personal budget, for example, where services are arranged for a temporary period only. In these cases the value of the services will be the actual cost of commissioning those services and the financial assessment will determine how much the service user can contribute towards that cost.
- 6.11 Where the care and support plan includes periods of respite care (either planned at a certain time or to be taken 'as and when required') this will be 'annualised' within the personal budget, i.e. the annual cost will be worked out as a weekly value. The assessed financial contribution will then take account of the weekly value of all services including provision for respite.
- 6.12 Most non-residential service provided to give carers a break are provided to the person being looked after and it is the service user (not the carer) who is liable to pay. Where this is the case, the amount of service provided will be included in the overall care package

and the associated cost will form part of the total assessed contribution. If respite is the only service being received, the annual cost is calculated as a weekly value for the purposes of calculating the service users financial contribution (if any)The service user's ability to pay the total contribution will be determined via the financial assessment as set out above. Any one-off services **provide directly to the carer** for their specific needs will **not** be subject to a financial contribution.

## **7.00 BENEFIT MAXIMISATION**

- 7.1 The council must encourage service users to maximise all Government benefits to which they are entitled. This includes making them aware of benefits, where they can access information and signposting to organisations that can support them with the appropriate application process
- 7.2 Service users (or their representatives) **MUST** inform the council when applications to receive further benefits are successful as this will affect their level of assessed income and further support a rise in the level of contributions that the council receives from service users
- 7.3 If a service user fails to inform the council of the above any increase in their assessed contribution due to receipt of the benefit will be backdated to the date the benefit was agreed from.

## **8.0 REVIEW AND APPEAL**

- 8.1 As a minimum, a service user's assessed contribution will be reviewed on an annual basis. Changes to circumstances may also lead to a new financial assessment being undertaken. If requested, a service user's contribution can be reviewed at their request..
- 8.2 Service users have a duty to notify the Council if there is a change to their financial or personal circumstances. If the change in circumstance results in an underpayment of charges this will be applied from the date of change. If the change in circumstances results in an overpayment of charges this will be applied from the date of change if the Council is notified within 28 days of the date of the change otherwise a re-assessment will take place from the date notified.
- 8.3 Where a service user considers that an incorrect contribution has been calculated, e.g. because information given has been misinterpreted, some information has not been taken into account, a mistake has been made, etc., they may, at any time, request an informal review. Such a request should be made to the Financial Assessment Team, Financial Services.by whatever means is most appropriate for the service user (this does not have to be in writing). The Assistant Manager (Payments) Commercial Services, Financial Services will have delegated authority to deal with the matter at this stage. If appropriate the review will be carried out by a different person to whoever conducted the first assessment. It may be agreed at this stage with the service user that a home visit is needed but in some circumstances issues may be resolved over the telephone. The target for completing an informal review will be 2 working days from the receipt of the request.
- 8.4 A formal review may be requested by a service user in the following circumstances:
- An informal review has been conducted but the charge-payer remains dissatisfied.
  - The service user is satisfied that the Charging Policy has been correctly applied but

considers that the charge would result in financial hardship because of special circumstances.

8.5 A request for a formal review should be made to the Council's Feedback and Improvement Team who will coordinate a response from the appropriate Service Director who will have delegated authority for the decision making at this stage. The outcome of the formal review and the reasons for the decision will be notified to the service user in writing by the relevant Executive Director within 25 working days of the request for a formal review being received.

8.6 In cases where the service user has concerns about the quality or nature of the service provided the Social Services complaints procedure should be used. Details can be obtained from the Council's website or by contacting the Feedback and Improvement Team

## 9.0 REFUSAL TO PAY

9.1 Where a service user refuses to pay their assessed contribution, for whatever reason, the service will not be withdrawn. The Council will continue to provide the services as long as they are required to meet an assessed need and will review the service users' financial circumstances and ability to pay. If payment is unreasonably withheld the council may pursue the debt owed by the service user, which may include use of court proceedings.

9.2 If a service user deploys their personal budget by having a direct payment or supported managed account, the payments made to the service user into this account will be net of any assessed contribution.

9.3 The service user must ensure that their weekly contribution is paid into this account in order for the cost of their support to be paid for. If the service user does not put their correct contribution into this account and as a result invoices/personal assistant wages for their support provision cannot be paid, providing the council has paid all of BMBCs agreed weekly funding into the account **any debts to providers or personal assistants will be liable to be paid by the service user or their representative as the contract for the support is between them and the provider/personal assistant.**

## 10.0 NOTIFICATION AND BILLING

10.1 Contributions will normally be sought from **the date the service commences**. Service users will be informed of their assessed contribution before receiving their first invoice which will normally be monthly in arrears, i.e. for services provided in the previous month.

## 11.0 VARIATION TO PLANNED SERVICE

11.1 The service users support plan will determine the components of the service and the number of hours they should receive. Contributions will be calculated on the basis of planned service provision and applied on a weekly basis.

Variations to planned service will occur from time to time for a variety of reasons, for example, where a service user is unwell and decides not to attend a day service on a particular day, or is away visiting relatives and does not require a home care service. This does not automatically mean that the weekly contribution will be reduced. The assessed weekly contribution will continue to be levied in all circumstances where the actual cost of providing any remaining services during a particular week is equal to or exceeds the assessed contribution, regardless of any variations to planned provision.

11.2 A reduction of the assessed weekly contribution will only be considered if:

- The service user has given reasonable notice ( 1 week minimum) of absence e.g. due to holidays, planned hospital stay, etc.

**Or**

- The service user has been admitted to hospital or short term care in an emergency.

**And**

- The actual cost of remaining services received during a particular week is less than the assessed financial contribution.

11.3 Where a planned service is not delivered, e.g. a domiciliary care provider does not arrive or arrives late/leaves early, the service user should notify their Social Care Practitioner (via the Customer Access Team) as this may affect the Council's contractual relationship with a service provider and may result in variations in payment for the period in question. A marginal variation in time may be acceptable providing that the desired outcome is completed in line with the client's needs.

## Brokerage Costs

<b>Banding Level</b>	<b>A</b>	<b>B</b>
<b>Banding Definition</b>	<b>Standard Brokerage and Information Centred Work</b>	<b>Complex Brokerage and Task Centred Work</b>
<b>Key Activities in relation to the Banding Level</b>	<ul style="list-style-type: none"> <li>• defining outcomes to be achieved and costing of services</li> <li>• Information seeking in relation to local services, availability, access etc.</li> <li>• Exploring informal support services</li> <li>• Providing Personalisation Support Service re employing PAs</li> <li>• Working through carer support</li> <li>• Budget planning</li> <li>• Liaising with Care Manager/Coordinator</li> <li>• Liaising with key operational teams</li> <li>• End of life brokerage</li> </ul> <p>***if terminally ill – this process to be completed within a maximum of 2 days</p>	All of activity in Column A + <ul style="list-style-type: none"> <li>• Organising live in carers</li> <li>• Brokering to address challenging behaviour or long term conditions</li> <li>• Children in transition, school and college leavers</li> <li>• Where an advocate is involved or is required</li> <li>• multiple funding streams</li> <li>• multiple needs e.g. mental health and learning disability</li> </ul>
<b>No. of Brokerage hours</b>	Up to 6 hours	Up to 13 hours
<b>Duration</b>	5 days	10 days
<b>Costs of Brokerage</b>	<b>£122</b>	<b>£260</b>