

# Place Health and Adult Social Care Procedures

## Charging Policy



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**BARNSELY**  
Metropolitan Borough Council

# Place Health and Adult Social Care Procedures

1.	<b>Purpose</b>
	<p>This policy sets out Barnsley Metropolitan Borough Council's position on charging for adult social care services.</p> <p>It is effective from September 2024. The policy has been produced in accordance with the legal requirements as set out in:</p> <ul style="list-style-type: none"> <li>• The Care Act 2014</li> <li>• Care and Support Statutory Guidance</li> <li>• 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</li> <li>• Deprivation of Assets Procedure</li> <li>• Outstanding Accommodation Procedure</li> <li>• Disability Related Expenditure (Care Act 2014, Annex C)</li> <li>• Corporate Debt Policy</li> </ul> <p>The relevant parts of the Care Act 2014 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.</p> <p>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 conditions who are assessed as having 'eligible needs' within the meaning of the Care Act 2014.</p> <p>The aim of the policy is to provide a consistent and fair framework for charging for all service users who receive care and support services, following an assessment of their individual needs, and their individual financial circumstances.</p> <p>For the purpose of this policy an adult is a service user aged 18 and above.</p>
2.	<b>Background</b>
	<p>The Care Act 2014 provides a single legal framework for charging for care.</p> <p>Section 14 of the Act 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 to determine how much, if anything, they are able to pay towards the cost of those services.</p> <p>This policy explains the Council's approach to determining how much each service user should contribute financially towards the cost of their adult social care services.</p>

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3.	<b>Key Principles</b>
	<p>The Care Act introduced a legal requirement to set a personal budget. A personal budget must be provided to everyone with needs that the Local Authority intends to meet (either through its duty or powers).</p> <p>The Care Act defines the personal budget as a written statement provided to a person with Care and Support needs (or a carer with Support needs) which specifies:</p> <ol style="list-style-type: none"> <li>The cost to the Local Authority of meeting the needs it is either required to meet (under its duty) or decides to meet (under its powers);</li> <li>The amount which the person or carer must pay towards that cost; and</li> <li>The amount which the Local Authority is going to contribute towards the cost.</li> </ol> <p>Where the Council arranges care and support to meet a person's needs, it may charge the service user for doing so, except where the council is required to arrange care and support free of charge.</p> <p>The Council will apply a means test to ensure that people are not charged for more than they can reasonably afford to pay in accordance with relevant regulations and guidance.</p> <p>The framework is based on the following principles that the Council must take into consideration when making decisions on charging for care:</p> <ul style="list-style-type: none"> <li>• Ensure that people are not charged more than it is reasonably practicable for them to pay.</li> <li>• Be comprehensive, to reduce variation in the way people are assessed and charged.</li> <li>• Be clear and transparent, so people know what they will be charged.</li> <li>• Promote wellbeing, social inclusion, and support the vision of personalisation, independence, choice, and control.</li> <li>• Support carers to look after their own health and wellbeing and to care effectively and safely.</li> <li>• Be person-focused, reflecting the variety of care and caring journeys and the variety of options available to meet their needs.</li> <li>• Apply the charging rules equally so those with similar needs or services are treated the same and minimise anomalies between different care settings.</li> <li>• Encourage and enable those who wish to stay in or take up employment, education or training or plan future costs of meeting their needs to do so.</li> <li>• Be sustainable for local authorities in the long-term.</li> <li>• Ensure that Care Act compliance is met and maintained.</li> </ul>

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4.	<b>Policy Exclusions</b>
	<p><u>Services which are free of charge</u></p> <p>This policy covers all care and support services provided or arranged to meet the needs of service users in line with the requirements of the Care Act 2014, except for the following services, which cannot be charged for by law:</p> <ul style="list-style-type: none"> <li>• Intermediate care, including reablement, which must be provided free of charge for up to six-weeks</li> <li>• Social Work Support</li> <li>• Occupational Therapy</li> <li>• Information and Advice</li> <li>• Assessment and Care Management Services (including financial assessment)</li> <li>• After Care Services provided under Section 117 of the Mental Health Act 1983</li> <li>• Community equipment (aids and minor adaptations) and minor property adaptations costing £1,000 or less</li> <li>• Care and support for people suffering from Creutzfeldt Jacob Disease (CJD)</li> <li>• Services that are the responsibility of the National Health Service, e.g., continuing health care</li> <li>• 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 council to arrange their care and support on their behalf. In such cases, the council will apply an administration fee to cover its costs.</li> <li>• Adaptations to property - any financial contribution is determined by separate national rules.</li> </ul> <p><u>Income that must be disregarded</u></p> <p>The following are some examples of income that must be disregarded:</p> <ol style="list-style-type: none"> <li>a. All earnings through employment or self-employment in all cases</li> <li>b. The mobility component of the Disability Living Allowance (DLA)</li> <li>c. The mobility component of the Personal Independence Payment (PIP)</li> <li>d. Guaranteed Income Payments made to veterans under the Armed Forces Compensation Scheme and</li> <li>e. Working Tax Credits (for people living in the community only)</li> <li>f. Disability Related Expenditure (DRE) is disregarded where it has been determined as a social care need on the care and support plan</li> </ol> <p>Income is disregarded in line with <a href="#">Care Act 2014 regulations</a> section 8.</p> <p><a href="#">Financial Assessment Information Leaflet</a></p>
5.	<b>Chargeable Services</b>
	<p>The following services will be subject to a charge that is determined by a financial assessment:</p> <ul style="list-style-type: none"> <li>• Home care</li> </ul>



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	<ul style="list-style-type: none"> <li>• Day Opportunities</li> <li>• Direct Payments</li> <li>• Residential and Nursing care – permanent stays, and short-term temporary stays in residential care and nursing homes</li> <li>• Respite</li> <li>• Supported Living</li> <li>• Shared Lives</li> </ul> <p>The following services are classed as ordinary, daily living expenditures and will be payable in addition to any assessed financial contribution for care and support services provided by the Council:</p> <ul style="list-style-type: none"> <li>• Transport to and from day care centres/day activities and adult training centres</li> <li>• Meals provided in day services settings</li> </ul>
<b>6.</b>	<b>Financial Assessment</b>
	<p>Section 17 of The Care Act 2014 permits the council to undertake a financial assessment. Financial assessments are carried out in line with the Care and Support (Charging and Assessment of Resources) Regulation 2014.</p> <p>The financial assessment will determine a person's 'ability to pay'; that is whether they will be required to pay all, or part of, or none of the costs of their care and support.</p> <p>'Ability to pay' is assessed by taking into account the person's capital. Income, assets, personal allowance, Care Act specified household expenditure, and disability related expenditure.</p> <p>If a person declines a financial assessment, it will be assumed that they can meet the full cost of their care and support from the start date of the service provision. This will be considered a non-disclosure, and they will be charged full costs for their care and support.</p> <p>Financial assessments are usually completed online by submitting an online financial assessment form. <a href="https://barnsley.mycostofcare.com/OFA">https://barnsley.mycostofcare.com/OFA</a>. Evidence to support the online financial assessment must be submitted within 28 days of the financial assessment form submission. Failure to complete within this timeframe will result in a full charge until we receive the required information. Charges will be backdated where appropriate to the start of any care and support services.</p> <p><b>Light-touch financial assessments:</b></p> <p>In some circumstances the Council will consider that a financial assessment has been carried out and there will be no need to go through the full means-tested process, providing the circumstances meet at least one of the following:</p> <p>Supporting evidence would be required.</p>

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- i) Where a person has significant financial resources and does not wish to have a financial assessment or disclose details of their finances and accepts that they will be charged at a full cost rate.
- ii) Where the Council is satisfied that the person can afford the charges due because their savings are above the upper limit, any property taken into account is above the upper capital limit, or they would have sufficient income to pay the full cost of care.
- iii) Where charges for particular services are a small or nominal amount and a financial assessment would be disproportionate.
- iv) Where a person receives welfare benefits which demonstrate that they would not be able to contribute towards their care and support costs.

## Income and Capital assessment:

Where a full financial assessment is required an assessment of a service users' income and capital will be completed, taking into consideration income, capital, housing related expenditure (HRE) and disability related expenditure (DRE) as a basis for deciding how much, if anything, they can afford to contribute towards the cost of their care.

The value of capital and income is defined within the Care Act 2014 and the Care and Support Statutory Guidance 2014.

A person with savings / capital more than the upper capital limit £23,250.00, will be responsible for paying the full cost of all their care and support costs.

Those with capital between the lower capital limit of £14,250 but not exceeding the upper capital limit of £23,250 will be assessed as being able to make a contribution from their capital known as "tariff income" - calculated as an assumed income of £1 for every £250 of capital held between these limits. Any capital below the lower capital limit is disregarded in the financial assessment.

Evidence is required to substantiate a person's financial circumstances, and any DRE expenses will be included in the financial assessment from the date of receipt of the evidence.

In the case of couples, each person receiving care will be financially assessed on an individual basis, not according to their joint resources. Only the income of the cared-for person can be taken into account in the financial assessment – although where the person receives income as one of a couple, the starting presumption in terms of their resources will be that they will have an equal share of the income.

Where a person in receipt of care and support services lacks mental capacity, the council will undertake the financial assessment by consulting with a suitable person dealing with their financial affairs – where possible a legally authorised attorney, a Court of Protection appointed deputy, or a Department for Work and Pensions

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appointee. Any care placement or care increase arranged with a provider by the council on behalf of a client who lacks mental capacity will be notified in writing to the client's representative before any client contribution is recharged.

In most 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 in section 4 policy exclusions above.

Following the financial assessment, the service user will be informed if they are considered as able to self-fund their care costs, or of the weekly amount they must contribute towards their care and support costs. Contributions are normally payable from the date care commences.

The council will provide a detailed written record of the financial assessment and its outcome to the adult to whom it relates or their appointed representative.

We allow 28 days for submission of relevant supporting information (as detailed within the financial assessment form). Where we have not received evidence within 28 days of form completion, the Council will charge the full cost of care until the information is provided. Charges will be backdated to the start of the services.

## Respite

Respite is provided to give carers a break. It is the service user receiving the respite care and not the carer who is liable to pay for the respite. Where this is the case, the amount of respite service provided will be included in the overall care package and the associated cost will form part of the total assessed charge.

If respite is the only service being received, the annual cost is calculated as a weekly value for the purposes of calculating the service user's financial contribution (if any). The service user's ability to pay the charge will be determined via a financial assessment.

## Calculation of client contribution (your contribution towards care costs)

The process for calculating a client contribution for residential and non-residential care is calculated differently due to property being included in a residential financial assessment. Where the assessment is for residential, there are some benefits that will be impacted, for example the service user would no longer be eligible for attendance allowance.

Any one-off services provided directly to the carer for their specific needs will not be subject to a financial contribution (refer to Carers Strategy and Policy).

## [Carers Strategy](#)

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7.	<b>Contributions to the Cost of Residential Care Services</b>
	<p>Where a person'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.</p> <p>The value and treatment of capital and assets will be based on the definitions within the Care Act 2014, Care and Support Statutory Guidance Annex B and C.</p> <p><u>Capital</u></p> <p>Where the service user is above the capital limit there is no need to complete a wider financial assessment as they will not qualify for financial assistance. This includes anyone with assets or savings or capital above the upper capital limit including the value of their previous residence unless a spouse or partner is living there.</p> <p>If capital is under the capital limit £23,250 when admitted into residential care but the service user has a property where no spouse or partner resides in, then the 12-week disregard on the property will apply, (refer to page ten.)</p> <p>If a service user is above the upper capital limit, then it is their responsibility to contact the council for an assessment once they have reached the upper capital limit.</p> <p>Where a service user has capital below the upper threshold, the care act further defines a lower limit of capital for consideration towards potential financial contribution of eligible care needs as follows.</p> <ul style="list-style-type: none"> <li>• If your capital is below £14,250 it will be disregarded for financial assessment purposes.</li> <li>• Tariff income will be charged if you have capital between the lower and upper capital limits.</li> </ul> <p><u>Top Ups</u></p> <p>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 placement, 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 and dependent on the placement that is required for the individual.</p> <p>Where a residential placement has been chosen with costs above the Councils 'usual rate' the individual can choose to reside there but there would be a requirement to pay the difference, and this is known as a 'top up'.</p> <p>Top ups are usually paid for by a third party, however, in <b>certain circumstances</b>, as dictated by the Care Act, these can be paid for by the individual accessing the placement..</p>



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Service users paying their own top up fees will only be considered if:

- The service user is planning short breaks as part of a package of care and support at home,
- The residential placement is temporary or on an emergency basis,
- The service user is in permanent care and the value of their property is not considered for the first twelve weeks,
- There is sufficient income that is disregarded for the financial assessment to pay a top up,
- The service user is receiving aftercare under Section 117 of the Mental Health Act and their choice of accommodation is above the 'usual rate' and non-care costs from the chosen care provider.

All top up arrangements are subject to completion of a written Top Up agreement, which has been authorised by the council and will be reviewed on an annual basis.

The Council will ensure that the party responsible for paying the top-up is aware of the consequences of failing to maintain the top up payment. Failure to pay may lead to the service user moving to an alternative affordable placement that is suitable to meet the service user's care and support needs. This will be subject to a care and support assessment and all discussions will need to be clearly documented.

All privately agreed top up payments will be made directly to the provider by the agreed party, and the Council will not make or have responsibility towards these payments unless otherwise agreed by all parties.

A third-party signature sheet will be issued to the care home and agreed third party and uploaded onto the service users care record when signed. This will outline who is responsible for the third-party top up and the amount required.

In circumstances where there is a lack of placement in the area which the resident resides, and if a more expensive placement is offered by the council, the difference will be paid by the council.

There are instances where a service user has legitimate reasons for seeking a care home place in a different authority, i.e., to be nearer to family, for these placements the 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.

## Personal Expense Allowance

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 set and reviewed annually by the government. It is the responsibility of the individual who is supporting the service user with their financial affairs to ensure that the service user receives their Personal Expense Allowance. This may be the LPA and is to be reiterated to the individual who is providing support when the service user enters a care home.

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## Self-Funding

Self-funding service users (those above the upper capital limit) in residential care will be responsible for arranging, management and payment of their own care placement.

## Property

There is a requirement that any property owned by a service user should be included in the financial assessment unless there is a statutory disregard of the property as defined within the Charging for Care and Support Statutory Guidance.

Where a property is to be included, the Council will ignore its value for the first twelve weeks of permanent residency, this period is called the twelve-week property disregard and allows service users time to consider the options available to fund their future care costs.

The value of a main residence will be disregarded when a spouse, partner or other dependent relative continues to reside there.

## Deferred Payments

Those who own a property over which security can be taken, may be eligible to defer care costs against the value of the property, this is referred to as a deferred payment.

Deferred payments allow a person with property, but without sufficient income or liquid assets, to fund their chosen residential placement, whilst enabling the person to keep their home on admission to residential care. It also helps people who intend to sell their home but may not be able to sell the property quickly enough to meet the full cost of their care.

More details about Barnsley MBC's Deferred Payment Scheme can be found on the council's [website](#) or in leaflet format on request.

## [Deferred payments easy read guidance](#)

The Council charges set up costs, an annual monitoring and administration fee, termination costs, and interest on all deferred payment loans.

## **8. Self-Funding Service Users – Non-Residential Care**

Where a service user has capital and/or assets above the upper capital limit, excluding the value of their main residence they should source and pay for their own care costs and are known as self-funders.

Self-funders have the option to request the council arrange their care package, non-residential care only, which has been identified following a care assessment as meeting their care and support needs.

The Council will only source and pay for care in relation to assessed care needs. Any additional care provided above the assessed need is a private arrangement between

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	<p>the care provider and the self-funder and payment must be made directly to the care provider.</p> <p>Self-Funding service users are charged for the full amount of care that they have received each week. The Council do not pay a contribution towards their care costs.</p> <p>The Council reserve the right to charge self-funding service users an admin fee to cover the administration costs of arranging, managing, and paying for care and support needs (please refer to our website for fees and charges). The admin fee is calculated annually and will be charged every four weeks.</p> <p>The Council expects the self-funder or their legal representative to sign a contract to agree to pay invoices sent by the Council for reimbursement of care costs. Non-payment of invoices will result in the account being passed through the corporate debt process which may result in legal action.</p> <p><u>Cost of Care Service Users</u></p> <p>A financial assessment is completed resulting in a client contribution. If the care package cost is below the client contribution the service user will pay for the full cost of care. At any point either the cost of the care provided increases or if the care package is reassessed the service user will only ever pay the maximum value of the client contribution towards their care.</p>
<b>9.</b>	<b>Benefit Maximisation</b>
	<p>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</p> <p>Service users or their representatives <u>MUST</u> inform the council when applications to receive further benefits are successful as this will affect their level of assessed income.</p> <p>If a service user or their representative 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.</p>
<b>10.</b>	<b>Deprivation of Assets</b>
	<p>Deprivation of income and/or assets is the disposal of income and capital (for example, property and investments) to avoid or reduce care charges; disposal can take the form of transfer of ownership or conversion into a disregarded form.</p> <p>Where a person has been found to have intentionally disposed or deprived themselves of some or all their income or capital assets in order to avoid or reduce care charges, the council may treat the person as still having that income or assets.</p>

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	<p>The value of these will be included in the financial assessment as notional income or capital.</p> <p>We will work within Annex E of the Care and Support Guidance to the Care Act, to inform decisions around deprivation of assets.</p> <p>Examples of deprivation of capital include:</p> <ul style="list-style-type: none"> <li>• Gifting/making a lump sum payment of cash to someone else,</li> <li>• Ownership transfer of a property or other assets,</li> <li>• The placing of assets within a trust that cannot be revoked,</li> <li>• Sudden substantial increased expenditure that is out of character with previous spending</li> </ul> <p>The council will use the “diminishing notional capital” rule to calculate the ongoing reduction in the person’s notional capital as a result of using this in the financial assessment. The rule is that the value of notional capital reduces weekly by the difference between the weekly rate the person is paying for their care and the weekly rate they would have paid if notional capital did not apply.</p> <p>In all cases, it is up to the service user to prove to the council that they no longer possess an income or an asset, and the reason for this. The council will determine whether to investigate if deprivation of income or assets has occurred.</p> <p>An investigation will be conducted under guidance contained within the <a href="#">Regulation of Investigatory Powers Act, 2000</a>. Following the investigation, where the council decides that a service user has deliberately deprived themselves of an asset or income to reduce a charge for care and support, the council will initially charge the service user as though they still owned the asset or income.</p> <p>Where the person has transferred the asset to someone else, that person is liable to pay the Council the difference between what it would have charged and did charge the person receiving care and support. However, the person is not liable to pay any more than the benefit that they have received from the transfer.</p> <p>If the person has transferred funds to more than one person, each of those people is liable to pay the Council the difference between what it would have charged or did charge the person in proportion to the amount they received.</p>
<b>11.</b>	<b>Review and Appeal Process</b>
	<p>As a minimum, a service user’s assessed contribution will be reviewed on an annual basis. Changes in circumstances may also lead to a new financial assessment being undertaken. A service user’s contribution can also be reviewed at their request.</p> <p>Service users or a representative must 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</p>



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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.

Where a service user or their representative 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 Operational Finance Manager, 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. This will be an informal re-assessment. If following this process the individual remains dissatisfied they could request a formal review.

A formal review may be requested by a service user or their representative in the following circumstances:

- An informal review has been conducted but the service user/invoicee 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.

A request for a formal review should be made to the Council's Customer 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.

[Complaints and complements link](#)

[Dealing with your complaint](#)

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.

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

[Dealing with your complaint](#)

12.

## Invoicing

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

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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 four-weekly in arrears, i.e. for services provided in the previous four-weekly period.

Adjustments for variation to planned services will be system generated and appear on the next available four-weekly invoice after the care provider has submitted their charges for actual care visits provided. The Council cannot be held responsible for any delays in care providers submitting their invoices for payment. Manual adjustments cannot be completed.

## Variation to Planned Service

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.

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

- The service user has given reasonable notice (one week minimum) of absence, for example, due to holidays, planned hospital stay, etc.
- The service user has been admitted to hospital or short-term care in an emergency.
- The actual cost of remaining services received during a particular week is less than the assessed financial contribution.

Where a planned service is not delivered, for example, 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.

## **13. Methods of Payment and Debt Recovery**

Methods of payment are detailed on all our invoices.

### Direct payments

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.

The service user must ensure that their weekly contribution is paid into this account in order that the cost of their support can be paid for. If the service user does not put

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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.

## Council arranged care and support services

The Care Act 2014 allows the Council to recover money owed for arranging care and support services. This power can be exercised where a service user refuses to pay the amount they have been assessed as being able to pay or have been asked to pay (where the cost of care and support is less than their assessed contribution).

The powers granted to the Council for the recovery of debt also extends to the service user or their representative, where they have misrepresented or have failed to disclose (whether fraudulently or otherwise), information relevant to the financial assessment of what they can afford to pay.

There may be instances where a recovery of funds is required from service users who receive a cash budget (direct payment). This may be as a result of an audit process or other action where it has been established that money is owed to the Council. This could be as a result of:

- The service user underspending their agreed budget
- The service user is deceased, or for some other reason no longer requires the service, and as a result an overpayment has been made
- The service user not paying their agreed contribution resulting in a shortfall
- The service user overspending their agreed budget.

Where debt is identified the Council will follow the corporate debt process.

## 15. Glossary

BMBC - Barnsley Metropolitan Borough Council  
DRE - Disability Related Expenditure  
DL - Disability Living Allowance  
LPA – Legal Power of Attorney

## 15. Appendices

### Appendix A

### Charging for Residential Care Services

#### Capital Thresholds

The lower capital threshold is £14,250.00

The upper capital threshold is £23,250.00

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## Personal Expenditure Allowance

This is set by the government.

£30.15 per week from April 2024

## Tariff Income

Tariff income is charged at £1 per week for every £250 (or part of) of capital held between £14,250 and £23,250

## Charging for Non-Residential Care Services

### Capital Thresholds

The lower capital threshold is £14,250.00

The upper capital threshold is £23,250.00

### Protected Income Level – Minimum Income Guarantee

This increases annually and is set by the government.

## Appendix B

### Examples of Cost of Care

#### Service Users Paying a Financial Contribution

The service user will only ever pay to the maximum of the financially assessed client contribution. Any charges over and above the financially assessed client contribution will be paid by the Council.

Example:

Financially Assessed Client Contribution - £140.00

Cost of Care Package - £300.00

Service User to Pay - £140.00

BMBC to Pay - £160.00

#### Cost of Care Service Users

The full cost of the care provided will be paid by the service user if this amount is less than the financially assessed client contribution.

Example:

Financially Assessed Client Contribution - £140.00

Cost of Care Package - £90.00

Service User to Pay full cost of care - £90.00



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BMBC to Pay - £0.00

The service user will only ever pay for care provided to the maximum value of the financially assessed client contribution. Any charges over and above the financially assessed client contribution will be paid by the Council.

Example:

Financially Assessed Client Contribution - £140.00

Cost of Care Package - £300.00

Financially Assessed Client Contribution - £140.00

BMBC to Pay - £160.00

## Appendix C

### Summary of terms for the assessed weekly contribution calculation:

#### Capital

Anyone with capital and/or assets above the upper capital limit excluding the value of their main residence will not be entitled to financial support from the Council.

For anyone with savings or assets less than the lower capital limit, the savings will be disregarded when working out how much someone should pay towards the cost of their care.

Service users who are initially self-funding and approach the council for assisted funding due to a drop in their capital, assisted funding may be backdated to the date of the referral being received whereby they are requesting support. However, this is at the discretion of the Service Manager and is to be discussed on a case-by-case basis.

#### Income

It is the individual's responsibility to provide information and evidence to complete a financial assessment and failure to satisfy the Council will result in the maximum contribution being applied.

It is also the individual's responsibility to inform the Council of any changes to their income to allow a reassessment to occur. Failure to do this can result in back-dated care charges to the date of the change in income.

A person's 'Assessed Maximum Weekly Contribution' for care and support within the community is calculated as below:

Regarded weekly Income plus 'Tariff Income' on savings  
minus Housing Expenses  
minus 'Minimum Income Guarantee' for basic living costs  
minus Allowable Expense Commitments

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minus Disability Related Expenses  
Equals Assessed Maximum Weekly Contribution

## Regarded Weekly Income

Is the amount of income a person receives that is included in the financial assessment. In all cases, irrespective of setting, employed and self-employed earnings are fully disregarded. Income is converted to a weekly figure in the financial assessment.

## Tariff Income on Savings

Is a weekly amount calculated from capital assets that are not disregarded. There is a requirement to pay £1 per week for every £250 of capital between the lower and upper capital limits. The amount calculated is added to regarded weekly income in the financial assessment.

## Housing Expenses

A portion of income to cover housing costs before a person is asked to contribute towards the cost of care and support and includes such things as rent, mortgage, council tax, essential service charges. If a household is shared with other adults, the amount of the housing cost item that is allowed will be on the basis that the costs are shared evenly by the number of adults in the household.

## Disability-Related Expenses

Allowances within the financial assessment for expenses in relation to a medical condition or disability. 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.

## Minimum Income Guarantee

Every person living in the community is entitled to the Minimum Income Guarantee. The Minimum Income Guarantee is the amount of money a person needs to be left with after any charges have been deducted to ensure they can meet their living costs. The purpose of the Minimum Income Guarantee is to.

- Promote the person's independence.
- Promote the person's social inclusion.
- Ensure they have sufficient funds for their basic needs, such as food, insurance, and utility bills.
- Ensure they can meet any housing related costs.
- Ensure they can meet any disability related costs (known as Disability Related Expenses or DRE).

The basic value of the Minimum Income Guarantee is set by the government as per the annual LAC update and takes into consideration various factors about the

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	individual's living circumstances and financial needs, including but not limited to; disability benefits for them or their spouse/partner, dependents under 18 years who are within the same household, and carer premium
	<p><b>Appendix D</b></p> <p><b><u>Examples of Changes in Financial or Personal Circumstances in which to inform the Council:</u></b></p> <p>Service users have a duty to notify the Council if there is a change to their financial or personal circumstances which may impact their financial assessment. Examples of this are:</p> <ul style="list-style-type: none"> <li>• Increases to benefits</li> <li>• Being awarded additional benefits</li> <li>• Having benefits removed</li> <li>• Increases in private pensions</li> <li>• Increased capital levels for example being left money in a will, cashing in of bonds or policies, sale of property</li> <li>• When a spouse/partner passes away</li> </ul>