

**Guide to Non-Residential Charging Policy
for Social Care Services in
Bath & North East Somerset
April 2015**

Charges for Non-Residential Social Care Services

INTRODUCTION

Bath & North East Somerset Council, through its partnership arrangements with Sirona Care & Health and Avon & Wiltshire Partnership, arranges social care services for people who have been assessed as having eligible needs for care and support to remain independent in their own home. There is a charge for these services which is calculated as part of an individual financial calculation process.

From April 2015 local councils are required to follow The Care Act 2014 which includes guidance on charging and financial calculations for care and support services. These services, which help people to stay at home, are also known as 'non-residential social services'.

This document sets out the financial calculation and charging arrangements in Bath & North East Somerset for non-residential social services. This policy applies in Bath & North East Somerset from April 2015 and is consistent with all national government guidance.

Bath and North East Somerset Council recognise that inequality, disadvantage and discrimination exist in society and accepts its responsibility to ensure that everyone who receives non-residential social care services regardless of their ethnic origin, religion, language, age, sexuality, gender or disability, is treated fairly and equitably under this policy.

WHY WE CHARGE FOR NON-RESIDENTIAL SOCIAL SERVICES

Bath & North East Somerset Council (along with all other local councils) has the power to charge for the services it provides under Section 14 of the Care Act 2014. This includes services purchased using Personal Budgets. The income from these charges helps to maintain funding of the non-residential social care services the Council provides.

It is important that we understand the individual financial circumstances of people who receive non-residential social care services, so before we charge anybody we carry out a financial calculation and this decides how much an individual will pay towards the costs of the services they receive.

DOES EVERYONE HAVE TO PAY TOWARDS THE COST OF THEIR CARE?

The amount that anyone pays towards their care (charge) is based on a financial calculation which takes account of the individual's personal financial circumstances. This is effectively a means test. The charge is not based on the amount of service a person receives, so not everybody has to pay the same amount. A few examples where no charges will be levied on clients include:

- If you receive Income Support¹ or Employment & Support Allowance (ESA), but do not receive Attendance Allowance (AA) or a Personal Independence Payment (PIP)²
- If you receive a short period of support (no more than six weeks) from the Integrated Reablement Service to help you regain or relearn skills to help you self-care, continue to live in your own home and prevent you needing residential care
- If you are a Carer who is receiving a service in your own right to assist you with the care needs of an adult.
- If you are receiving services under S117 of the Mental Health Act 2007

Through our partnership with Sirona we also provide equipment to help with independent living, such as chair raisers and minor adaptations like hand-rails, which are not charged for.

WHICH SERVICES DOES THE POLICY COVER?

Personal Budgets: All social care service users in Bath & North East Somerset are offered a Personal Budget to meet their eligible care and support needs. This policy is used to calculate how much a person will pay towards the cost of their Personal Budget/Direct Payment.

¹ Income Support and a range of other working age benefits is due to be replaced with a single benefit called Universal Credit

² Personal Independence Payments will replace Disability Living Allowance DLA from June 2013

Personal Budgets may be used to purchase a range of care and support services such as:

- **Respite Care³:** A short break in a residential care home or a replacement care service in a person's own home
- **Personal Assistants:** People employed by a service user to help them with all aspects of daily living including personal care and social activities
- **Home/ Domiciliary Care:** Personal care in a person's own home to help with washing, dressing, eating/drinking to maintain independent living
- **Day Care:** Opportunities for people to meet other people, take up new interests or work opportunities
- **Meals⁴:** Meals provided at day centres and help with meal preparation in a person's own home
- **Transport:** Transport to and from social care e.g. day centres
- **Telecare:** Helps people live independently in their homes by providing technological help for example, sensors or alarms
- **Supported Living:** A combination of all of the above types of care and support, usually delivered by a single service provider
- **Other types of support:** Some people may choose to use their Personal Budget/Direct Payment to meet their social care needs in a different way e.g. buying a computer to assist with on-line shopping to replace the need for domestic help or a piece of assistive technology to prevent the need for home care intervention.

Extra Care: This policy is used to calculate how much a person will pay towards the cost of their Extra Care services (core service) and any additional 'top up' care and support services purchased with a Personal Budget. Charges for Extra Care services are payable for every full week a person receives an Extra Care service regardless of whether or not the person is in hospital, or on holiday.

HOW DO WE WORK OUT YOUR FINANCIAL CHARGE?

We work out how much you will be asked to pay towards your Personal Budget or Extra Care service by completing an individual financial calculation. One of our Care Finance Officers will visit you to gather all the information we need in order to ensure your calculation is fair, you will be asked to send us information in the post if a visit is not possible. The financial calculation will be based on the evidence you

³ NB If residential respite is the only social care service you are receiving you will not be charged under this policy however you will be charged under the Care Act 2014 care homes charging policy

⁴ NB This does not include Community Meals which are charged for on a 'pay as you go' basis

provide of your income and savings. You will also be offered help with claiming any benefits you may be entitled to and be given information on where you can go to receive independent advice including independent financial advice.

If your financial circumstances change at any time you must let us know about these changes as they may affect your calculation and the amount you need to pay. If you do not let us know and we find out at later date, you may have to pay a backdated charge if your calculation has changed.

Sometimes different people may receive a similar amount of social care support, however, because their financial circumstances are significantly different they may be asked to pay very different amounts towards the cost of the support they receive. **The amount you may be asked to pay will depend on your financial circumstances and not on the number or frequency of different services you receive.**

WHAT DO WE INCLUDE IN YOUR FINANCIAL CALCULATION?

The financial calculation is based on information supplied by you. We look at income, savings and capital. Some income and savings will be ignored and some is counted towards the charge. It is always based on your individual circumstances.

We do this to make sure that everyone has a basic amount to cover living costs such as heating, lighting, food and clothing. Government guidance tells us that this basic amount must be the same amount as basic Income Support⁵ or Pension Credit⁶. Guidance also tells us we must add in a further buffer of 25% on top of any individual entitlement to make sure you are not left with a very low level of income.

For 2015/16 the minimum income levels including the 25% buffer are set out in Appendix 2. What this means in practice is that these are the minimal levels of income you will be allowed to keep. Appendix 2 provides details of how these minimum income levels are being calculated.

We also make sure everyone has enough money to cover things like housing costs including rent, mortgage payments, buildings insurance and Council Tax (we do not count any Housing Benefit or Council Tax Support⁷ you may receive towards your financial calculation).

⁵ Income Support, Housing Benefit and a range of other working age benefits will be replaced with a single benefit called Universal Credit

⁶ Pension Credit will be affected by the changes outlined above

⁷ Previously known as Council Tax Benefit

We will also take into account any expenditure or income that might relate specifically to your disability, for example additional laundry costs, special diets or a community alarm.

WHAT COUNTS AS INCOME?

We will look at your total weekly income including all benefits, allowances and pensions, all private and occupational pensions and any tariff income*

***We will explain tariff income in the next section.**

Some money is then ignored either totally or in part; these are called *disregards* some of which are listed below*:

- All earnings from employment (this includes day centre bonuses.
 - War Pension or War Widows Pension (mobility supplement and supplementary pension)
 - Child Tax Credit
 - Child Support Maintenance Payments and Child Benefit
 - Armed Forces Independence Payments and Mobility Supplement
 - Disability Living Allowance (mobility component)⁸
 - The difference between middle and higher rate DLA care component if the person does not receive night care support.
 - Personal Independence Payment (mobility component)⁹
 - The difference between standard and enhanced rate Personal Independence Payment daily living component if the person does not receive night care support.
 - The difference between lower rate and higher rate Attendance Allowance if the person is in receipt of higher rate Attendance Allowance and does not receive night care support.
 - The savings credit element of Pensions Credit
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WHAT COUNTS AS SAVINGS & CAPITAL?

If you have savings & capital less than £14,250 we do not count those. If you have more than £23,250 in savings and capital we expect you to pay the full cost of your

⁸ Personal Independence Payments are in the process of replacing DLA

⁹ Personal Independence Payments will be made up of a mobility component, and a standard or enhanced care component; there will be no night time care support component

care or support. If you have between £14,250 and £23,250 we work out your tariff income.

When assessing what is available to be considered as capital we refer to the Care and Support Statutory Guidance (October 2014) and the Care and Support (Charging and Assessment of Resources) Regulations 2014. In general, capital included in the financial calculation process is most forms of cash and savings including money held in banks, building societies and all other investments as set out in Annexe B of the Care and Support Statutory Guidance (October 2014).

If a service user transfers capital or property to a third party or otherwise disposes of a capital asset to avoid or reduce charges, we will carry out the financial calculation as if they still have that capital.

The value of a property occupied by the service user as their sole or main residence will be disregarded. The value of any other property either owned or part owned by the service user will be regarded as capital and is therefore likely to result in the service user being assessed as 'self-funding' i.e. above the £23,250 capital threshold.

HOW DO WE CALCULATE TARIFF INCOME?

When you have savings between £14,250 and £23,250, we expect you to contribute £1 per week for every block of £250 (or part of £250) for example if you have savings of £16,500 we assume a tariff income of £9 per week which we count towards your financial calculation.

$$\begin{aligned}\text{£}16,500 - \text{£}14,250 &= \text{£}2250 \\ \text{£}2250 / \text{£}250 &= \text{£}9 \\ \text{£}1 \times \text{£}9 &= \text{£}9\end{aligned}$$

HOW ARE COUPLES ASSESSED?

Even if the service user is one of a couple, the Council is now obliged to calculate each person's finances individually. However, this can lead to hardship for the spouse or civil partner of the service user if the Department for Work and Pensions

has assessed both individuals as a couple for the purpose of their entitlement to benefits.

As such, the Council's policy is to ask for details of income/expenditure and capital for both partners. **We recommend that the financial details of both partners are provided as the Council will use its discretion to apply the calculation which is most favourable to the service user.** If both members of a couple receive a service then the charge will be calculated both individually and as a couple. Again, the most favourable charges will be applied.

DISABILITY RELATED EXPENDITURE

Some people have extra costs that relate to their illness or disability. If you have any special costs please tell us and we will take these into account in your financial calculation. We look at this on an individual basis, as it may be possible for us to reduce the amount you have to pay or decide you do not need to pay at all.

You can tell us about your Disability Related Expenditure (DRE) by speaking to your social worker. This information should be gathered as part of your needs assessment for social care services and it is up to your social worker to ask you about this and to collect any supporting evidence of expenditure.

Full details of all the expenditure we will consider as DRE can be found in **Appendix 4** of this policy.

WHAT EVIDENCE DO WE EXPECT TO SEE?

We expect you to provide evidence of your income and savings for your financial calculation as well as evidence of all Disability Related Expenditure. There are no specific rules about what counts as appropriate documents but if you have a bank account we would expect to see statements and evidence of other assets such as share certificates, trust funds or personal injury documents in their entirety and we will ask for copies.

We will give you reasonable time limits to provide the documents but if they are not provided within the timescales we set we may decide that you have withheld your consent.

You do not have to consent to a financial calculation. If you choose not to have a financial calculation we will still support you with arranging services through our partnership with Sirona but you will have to pay the full cost of your care and support to your service provider(s).

HOW DO WE BILL YOU?

After we have completed your financial calculation we will write to you telling you how much your financial charge will be. There is no maximum charge, but if your calculation shows that the amount you are able to pay is more than the cost of the services you receive, you will be regarded as 'self-funding' and the Council will not be responsible for funding any of the social care services you receive but can still support you in arranging these services.

If you have chosen to ask the Council to set up services for you with a Personal Budget we aim to send you an invoice within 6 weeks from the time you began to receive your Personal Budget although you will have to pay your charge for each week you have received a service.

We will invoice you every calendar month after that. You have 14 days to pay the invoice. **You are strongly advised to set up a Direct Debit agreement to pay your financial charge and this is an option that we can help you with.**

If you receive a Personal Budget as a Direct Payment, we will not invoice you, but instead we will deduct your charge from the Direct Payment we give you. You must then pay your financial charge into your Direct Payment account. You can do this by setting up a Direct Debit from your personal bank account into your Direct Payment account. You will be audited to ensure the Direct Payment is being used appropriately and that all calculated charges are paid into your Direct Payment account to ensure the cost of care is covered. If you fail to make your assessed charge into your bank account you will be unable to continue with a Direct Payment and you will be required to be moved to a Commissioned service. Recovery of your unpaid calculated charge will be made through the Councils debt management process.

If there are delays in completing your financial calculation because you have not provided the evidence we have requested your charge will be backdated to the date you began to receive services. If there are delays because of other issues we will treat each case on an individual basis.

WHAT HAPPENS IF I DON'T PAY?

If you don't pay within 14 days of receiving your first invoice, you will receive a maximum of 3 payment reminders. If you are having difficulty paying the invoice, you should contact the client finance team as soon as possible by telephone on 01225 396487. They will try to find ways to help and support you to find a way to pay the outstanding debt.

If we don't hear from you, a member for the care finance calculation team will usually try to visit you in person. The calculation officer will look at your finances and to try to offer you support and advice.

If you have still not made any payment you will then be contacted by a Debt Management Officer. The debt management officer will discuss with you all the options for payment that are available, including any payment plan. You will be told about the Council's debt recovery policy and given contact details for any independent voluntary advice services which may be able to help you with your finances.

If you still do not make any arrangements for payment, you may then receive a legal letter before action (LBA). This letter will give you a clear warning that if the invoice remains unpaid, recovery action will follow which will include legal action where necessary. The Council will then make a decision whether to commence legal proceedings to recover the debt.

REVIEWS AND APPEALS

We will review your assessment annually. This usually happens around the time that pensions, benefits and allowances change in April. If your circumstances change during the year we ask that you let the Client Finance Team know so that we can review your assessment. You can also tell your social worker and they will refer you on to the Client Finance Team.

If you disagree with your financial assessment you should contact the Client Finance Team in the first instance to try and resolve any issues as soon as possible. We will go through the information to check that the calculation is correct and that the assessment or decisions have considered all your relevant information in line with the policy.

You may have forgotten, for example, to tell us about your Disability Related Expenditure or there may be other reasons why you feel unable to pay such as other debts.

If this does not resolve the problem for you and you are still unhappy with the level of charge you have been asked to pay you can make an appeal to the Council. The Council relies on its partner organisations (Sirona and Avon & Wiltshire Partnership) to make recommendations about reduction or write off of assessed charges and any associated debts that may have accrued however final decisions in relation to all reviews and appeals remain with the Council.

Your appeal should be made in writing to:

Bath and North East Somerset Council
Client Finance Team
Lewis House
Manvers Street
BATH
BA1 1JG

Please be aware that if your calculation has been completed correctly taking into account all Disability Related Expenditure and there are no exceptional circumstances then the Council is unlikely to support your appeal however each case will be considered on an individual basis.

Comments and Complaints

If you are dissatisfied with the way that you have been treated during the financial assessment process, or with a financial assessment/charging issue please let the Client Finance Team know. We welcome feedback and we find that most complaints can be sorted out by us discussing the problem with you.

However, if the problem cannot be resolved in this way we will put you in touch with our Complaints Team. (Telephone 01225 477752 or email complaints_cypandadults@bathnes.gov.uk) The Complaints Team will discuss your complaint with you to understand how you would like it to be resolved. It is usual to arrange for a manager who has not dealt with your case before to look into your complaint and provide you with a response. If the Local Authority is unable to resolve the issue you can refer your complaint to the Local Government Ombudsman. The contact details are:

The Local Government Ombudsman
PO Box 4771
Coventry CV4 0EH

Telephone: 0300 061 0614

Website: www.lgo.gov.uk

FURTHER INFORMATION

If you need any more information or help to understand this document, please write to:

Bath and North East Somerset Council

Client Finance Team

Lewis House

Manvers Street

BATH

BA1 1JG

01225 396487

Examples of how we work out a person's charge to their Personal Budget using the Charging Policy can be found in **Appendix 1** of this document.

Appendix 1
Examples of Non- Residential Charge Calculations

We will have looked at your income and taken away your individual benefit entitlement plus 25% buffer (see Table 1). We will also have taken off any eligible outgoings and any Disability Related Expenditure. The amount that is left is your Assessable Income.

Total Income	Allowances	Assessable Income
This is the total amount of money from all sources you have coming in each week	These are the amounts we allow you to keep to cover your basic needs: <ol style="list-style-type: none"> 1. Income Support +25% buffer 2. Eligible Outgoings 3. Disability Related Expenditure 	This is the amount of money that is left over after your basic needs have been accounted for. This is the amount of money that we will use to work out how much you can afford to contribute. It is the amount that is left over when we take away and Allowances from your Total Income

Example 1: Fred is an 80 year old man who lives alone. He owns his own home (no mortgage) and gets full Council Tax Benefit. He has £5,000 in savings. His Personal Budget has been calculated at £100 per week and he has asked the council to arrange all his support for him.

Total Income	Allowances	Assessable Income
State Retirement Pension = £100.60	Pension Credit +25% = £189.00	Total Income = £268.10
Pension Guarantee Credit = £112.45	Eligible Outgoings = £0	Allowances = £209.00
Attendance Allowance = £55.10	Disability Related Expenditure = £20.00	
= £268.15	= £209.00	= £59.10

Fred’s Assessable Income is the maximum charge that he would be expected to pay

Fred’s Personal Budget is £100 per week however he would only be expected to pay £59.10 to this as this is the maximum amount he can afford based on his assessable income..

Example 2: Mary is a 76 year old woman who lives alone in supported accommodation (rent £25 per week). She has savings of £18,000. Her Personal Budget is £60 per week.

Total Income	Allowances	Assessable Income
State Retirement Pension = £183.48	Disability Related Expenditure = £45.00	Total Income = £398.66
Occupational Pension = £117.88	Pension Credit +25% = £189.00	Allowances = £316.20
Attendance Allowance (higher rate) = £82.30	Council Tax = £25.00	
Tariff income = £15.00	Rent = £30.00	
	No night care supplement = £27.20	
= £398.66	= £316.20	= £82.46

Mary’s Assessable Income is the maximum charge she would be expected to pay

Mary’s Personal Budget is £60 per week however because her Assessable Income is more than this Mary would be expected to cover the full cost of her care

In other words, Mary is considered to be self-funding and will not in fact receive a Personal Budget from the Council.

FINAL

Example 3: Peter is a 30 year old man who lives alone in his rented accommodations (his rent is paid by housing benefit and he receives full council tax benefit). He receives a direct payment of £200 per week for his non-residential care service.

Total Income	Allowances	Assessable Income
Employment and Support Allowance = £186.90 Personal Independence Payment (daily living component Enhanced rate) = £82.30 Personal Independence Payment (mobility component (Enhanced rate) = £57.45	Disability Related Expenditure = £25.00 25 - PGCA with qualifying entitlements to disability premium and enhanced disability premium = £151.45 No night care supplement = £27.20 Personal Independence Payment (mobility component (Enhanced rate) = £57.45 Water & sewerage = £7.10	Total Income = £326.65 Allowances = £268.20
= £326.65	= £268.20	= £58.45

Peter's Assessable Income is the maximum charge he would be expected to pay.

Peter's Personal Budget is £200 per week however he would only be expected to pay £58.45 to this as this is the maximum amount he can afford based on his assessable income.

Appendix 2

Calculations of Minimum Threshold Entitlement

Age Range	Applicable Amount	Descriptions/Premiums
18-24	72.40	18-24 Standard + 25%
25 - PGCA	91.40	25-PGCA Standard + 25%
Over PGCA	189.00	Over PGCA Standard + 25%
Lone Parent - 18 or over	91.40	Lone Parent 18- PGCA +25%
A member of a couple where one is aged 18 or over	£143.56	Couple rate 18 - PGCA + 25%
A member of a couple where one or both have attained PGCA	£288.56	Couple rate Over PGCA +25%
18-24 with qualifying entitlements to disability premium	£112.75	18-24 with qualifying entitlements to disability premium + 25%
25-PGCA with qualifying entitlements to disability premium	£131.75	25-PGCA with qualifying entitlements to disability premium + 25%
18-24 with qualifying entitlements to disability premium and enhanced disability premium	£132.45	18-24 with qualifying entitlements to disability premium and enhanced disability premium + 25%
25 - PGCA with qualifying entitlements to disability premium and enhanced disability premium	£151.45	25 - PGCA with qualifying entitlements to disability premium and enhanced disability premium + 25%

FINAL

Age Range	Applicable Amount	Descriptions/Premiums
A member of a couple where one is aged 18 or over with qualifying entitlements to disability premium	£201.00	Couple rate 18 - PGCA with qualifying entitlements to disability premium + 25%
A member of a couple where one is aged 18 or over with qualifying entitlements to disability premium and enhanced disability premium	£229.25	Couple rate 18 - PGCA with qualifying entitlements to disability premium and enhanced disability premium + 25%
Carers Premium	£43.25	Carers premium + 25%
Dependent Child Allowance*	£83.65	Dependent Child Allowance

*Dependent Child Allowance should be applied for each dependent child

Appendix 4
Disability Related Expenditure

<i>Expenditure</i>	<i>Calculation Method</i>
<p>Dispersed Community Alarm Does not apply to sheltered housing tenants with fixed alarm system</p>	<p>The weekly cost of this can be included in full if it is not met within the rent or included as part of a free Supporting People service such as the Independent Living Service. Appropriate confirmation of cost must be submitted to the Client Finance Team.</p>
<p>Privately Arranged Care Does not apply to non eligible needs and does not apply where resources are already allocated in PB to meet eligible needs</p>	<p>Where possible, all eligible care needs should be identified and included during the social care calculation and support planning process and resources allocated accordingly in the person's PB. For privately arranged care set up prior to social care calculation/involvement, the actual cost can be included provided this does not significantly exceed reasonable local benchmark costs. Appropriate confirmation of cost must be submitted to the Client Finance Team.</p>
<p>Privately Arranged Domestic Help Does not apply to non eligible needs and does not apply where resources are already allocated in PB to meet eligible needs</p>	<p>As for Privately Arranged Care above</p>
<p>Additional Laundry Costs For example due to incontinence, personal hygiene problems, skin conditions</p>	<p>The reason for additional laundry costs must be established. An additional £1.25 per load per week can be included based on calculation of reasonable additional use which would not generally be expected to be more than three loads per week.</p>
<p>Special Diet For example due to illness or disability</p>	<p>The illness or disability giving rise to the special diet must be established as must the nature of the diet itself. An additional £2.50 per week can be included although a higher figure may be allowed if evidence can be produced to support this. For example where the weekly shop has gone up by an identifiable amount following a change in diet recommended by a doctor/ dietician however this would not generally be expected to be more than £5 per week. Appropriate confirmation of cost must be submitted to the Client Finance Team.</p>

<i>Expenditure</i>	<i>Calculation Method</i>
<p>Special Clothing or Footwear For example due to disability requiring items to be specially made</p>	<p>The illness or disability giving rise to the special requirement must be established as must the nature of the item itself. The actual cost can be included, calculated as a weekly amount based on calculation of reasonable additional cost. Appropriate confirmation of cost must be submitted to the Client Finance Team.</p>
<p>Additional Wear & Tear of Clothing, Footwear or Bedding For example due to uneven weight distribution, tearing of clothing due to behavioural reasons or additional use of bedding due to incontinence</p>	<p>The illness or disability giving rise to the requirement must be established as must the nature of the items affected. A calculation of reasonable additional cost must be completed and this can be included, calculated as a weekly amount however this would not generally be expected to be more than £2 per week. Appropriate confirmation of cost must be submitted to the Client Finance Team.</p>
<p>Additional Heating or Water Costs Additional water costs may only be included for meter users</p>	<p>The illness or disability giving rise to the additional heating need must be established. Gas and electric bills over last twelve months must be identified as well as any amount for heating included in the rent. A reasonable additional amount may be included, calculated by comparing previous average usage to current usage, expressed as a weekly amount. Appropriate confirmation of cost must be submitted to the Client Finance Team.</p>
<p>Purchase, Maintenance or Repair of Equipment For example computer equipment required for communication</p>	<p>The illness or disability giving rise to the requirement must be established as must the item(s) itself. All equipment must relate to eligible needs or provided as a preventative measure to avoid an escalation of need. Where possible equipment should be sourced from the B&NES Community Equipment Service via Sirona. A reasonable additional amount may be included, calculated as a weekly amount. Appropriate confirmation of cost must be submitted to the Care Finance Team. Equipment purchased prior to the needs assessment will not be considered</p>