



**Leicester**  
**City Council**

**Adult Social Care Charging Policy**

**April 2019**

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# 1 INTRODUCTION

- 1.1 This paper details the policy for assessing charges for Adult Social Care services.
- 1.2 All Adult Social Care services are chargeable unless they are specifically excluded, irrespective of how those services are provided or who provides the services.
- 1.3 The Council will notify all service users affected by detrimental changes to the charging policy of how such changes will become effective prior to the change.
- 1.4 The principles of this policy are as follows:
  - The charge should not be more than reasonable to pay;
  - The policy is comprehensive, clear and transparent;
  - The charging rules are applied equally;
  - Employment is encouraged.

## 2 CHARGEABLE SERVICES

- 2.1 All Residential services are charged for under the Care Act 2014 and any associated regulations and guidance. Under the Care Act the Council has discretion to decide not to charge for Care whereas previously there was no discretion with regard to Residential Care. Leicester City Council has decided to continue to charge for both Residential and Non-Residential Care.
- 2.2 Unless stated otherwise the paragraphs in this policy relate to Non-Residential services.
- 2.3 All social care services are chargeable under this policy unless:
- The service is subject to a Flat Rate charge rather than a means test
  - Members have taken the decision not to charge for a service.
  - The Council is not allowed to charge for services, e.g.
    - a. The service-user has contracted any form of Creutzfeldt Jacob Disease.
    - b. Services are being provided under s.117 of the Mental Health Act 1983, provided that documentary evidence is supplied to Leicester City Council.
    - c. Services are specifically provided under intermediate care and reablement support services for the period of the first six weeks of the specified period or less than this if the specified period is less.
    - d. Services provided under the Carers and Disabled Children Act 2000 where the service-user has refused a Community Care Assessment.
    - e. Minor adaptations of £1,000 or less.
  - The Council has powers to charge but further consideration and consultation is required before any proposed charge is made, e.g.
    - a. Services are provided under the Independent Living Fund arrangements. This exclusion will expire from 30 June 2015 when ILF customers transfer to Council care provision only.
    - b. Services provided directly to Carers as the result of a carer's assessment. This exclusion is to be kept under review.
  - Services are provided under Independent Living Support arrangements that are detailed in clause 2.4
- 2.4 Services provided under Independent Living Support arrangements are chargeable under this policy with the following exceptions:
- An assessment for calculating Independent Living Support charges alone will only be undertaken if requested by officers with the Independent Living Support responsibilities.
  - The maximum charge will be the full cost of the housing related support element of the accommodation.
  - There will be no hourly rate for Independent Living Support services except where specified by an Independent Living Support provider.

Decisions on waiving Independent Living Support charges will be made by a senior manager in the appropriate Directorate.

- 2.5 If a service user lacks capacity under The Mental Health Capacity Act 2005 then the Financial Assessment team will liaise with the social worker or the service user's representative to ensure that the assessment is understood, clearly communicated and to try to avoid debt problems. This applies to both Residential and Non-Residential Charging.

### **3 BENEFITS ADVICE**

- 3.1 Leicester City Council will provide Service Users with details of Agencies who provide financial benefit advice and assistance.
- 3.2 Service-users must notify Leicester City Council of any changes in benefit income, other income and capital amounts as soon as they receive notification of changes. Service-users will be advised of a contact number to enable them to do this.

## 4 FINANCIAL ASSESSMENT

- 4.1 A full financial assessment will be undertaken for all service-users who receive the services chargeable and assessable under this policy. This will include chargeable elements of services within packages of support such as Supported Living. Where it is clear that the upper capital limits are exceeded, a light touch assessment may be made, and the full assessment may be waived. However, if there is any doubt that the service user has the means to pay then the full assessment will be undertaken, and the light touch assessment disregarded.
- 4.2 The service-user will be notified of their assessed charge in writing. The charge will apply from the date services commenced. Any appeal to the assessed charge must be registered with the Finance section within 35 days from the date of the letter. Appeals registered after that time may not be considered.
- 4.3 Should a “temporary” charge for non-residential care be given, the service-user will not be able to access the Appeals procedure until a “final” charge has been assessed. However, any reduced charge resulting from an Appeal will be backdated to the date of the first assessment.
- 4.4 The non-residential financial assessment will ensure that service-users:
- Have sufficient money to meet their housing costs and any reasonable, allowable disability related expenditure.
  - Retain the minimum income guarantee amount as “Protected Income”.
- 4.5 “Protected Income” is the amount that the Department of Health guidance states should remain free from charges under this policy. This is calculated by adding 25% to each service-user’s Income Support allowances and premiums (excluding Severe Disability Premium) according to age, level of disability and family status or the appropriate Pension Guarantee Credit of Pension Credit (excluding Severe Disability Premium). Examples of this calculation are given in Appendix 1.
- 4.6 The Income Support / Pension Guarantee Credit allowance is the amount that the Government says that the service-user needs to live on for their individual circumstances. The “Protected Income” amount is intended to provide service-users with an additional safeguard to assist service-users’ independence.
- 4.7 Service-users under 60 who receive the standard rate Personal Independence Payment (PIP), or the middle rate of Disability Living Allowance (Care Component) will have the Enhanced Disability Premium included in their basic Income Support level, even though they would only actually receive the premium if they were in receipt of the highest Disability Living Allowance (Care) rate or Personal

Independence Payment. This clause aims to ensure that younger people are not disadvantaged by the non-residential financial assessment.

- 4.8 When the financial assessment is calculated the principles in this policy will be followed for non-residential care charging and the Care and Support (Charging and Assessment of Resources) Regulations 2014 used for Residential charging. If the policy is unclear with regard to how an item of capital, income or expenditure should be treated then the guidelines for Residential charging apply.
- 4.9 Residential care assessment rules allow for a personal expenditure allowance rather than protected income as described above. These rules are held in The Care Act 2014 and The Care and Support (Charging and Assessment of Resources) Regulations 2014.
- 4.9 The starting point for each non-residential financial assessment calculation will be the formula and rules contained within this policy. However, each service-user's individual circumstances will be taken into account for their calculation and, if there is evidence that exceptional circumstances apply then allowance will be made for those in the calculation.
- 4.10 If the service user is a person in prison with eligible care needs a postal assessment will be made for administrative purposes.
- 4.11 If a short stay in Residential Care is required charging will be as for Residential Care not Non-Residential.

## **5 CALCULATING THE ASSESSED CHARGE**

### **5.1 *Income for Non-Residential Charging***

5.1.1 All types of income will be taken into account when assessing the charge apart from the following types which will be disregarded:

- Earnings and associated Tax Credits and Child Tax Credit.
- Personal Independence Payment Mobility
- Disability Living Allowance Mobility.
- War Disablement Pension.
- War Widows Pension.
- The difference between the lower and higher rate of Attendance Allowance if the higher rate is in payment unless night-time care is provided.
- The difference between the standard and enhanced rates of Personal Independence Payment or the middle and higher rate of Disability Living Allowance Care if the higher rate is in payment, unless night-time care is provided.
- The lower rate of Attendance Allowance if either rate is in payment where the reason for the award is that the service-user requires attention or supervision at night, unless night-time care is provided.
- The middle rate of Disability Living Allowance Care if the middle or higher rate is in payment where the reason for the award is that the service-user requires attention or supervision at night unless, night-time care is provided.
- The standard rate of Personal Independence Payment if the standard or enhanced rate is in payment where the reason for the award is that the service-user requires attention or supervision at night unless, night-time care is provided
- Pension Credit (Savings) – is fully disregarded for assessment purposes.

5.1.2 Income rules for Residential Care are contained in The Care Act 2014 and The Care and Support (Charging and Assessment of Resources) Regulations 2014.

### **5.2 *Benefits***

5.2.1 The financial assessment will be calculated on the basis that the service-user has applied for and is receiving the correct means-tested benefits. However, the financial assessment will be reviewed if the benefit becomes payable at a later date subject to clause 5.2.3.

5.2.2 Where deductions are taken from benefits paid, i.e. if deductions are made to repay debts or social fund payments, the financial assessment will be calculated on the gross amount.

- 5.2.3 The financial assessment calculation is based on the assumption that the income of the individual or couple will be maximised without any reference to possible charges that may result from the financial assessment itself. Once a service-user, or their partner, is made aware, by any means, that they are able to claim further means tested benefits, Leicester City Council will assume that the service-user, or their partner, will take immediate action to increase their income.
- 5.2.4 Where the service-user makes a claim for a disability benefit that is undecided at the time of the financial assessment the financial assessment will be calculated using the service-user's actual income. When the claim is decided the financial assessment will be reviewed to take account of the increased income. The amount of the increased income will be calculated from the later of the date of the award or the date of the first financial assessment.

### **5.3 Capital**

- 5.3.1 Tariff income from capital will be assumed at the rate of £1 for every £250 of capital between the minimum and maximum capital limits determined each year in accordance with the Care and Support (Charging and Assessment of Resources) Regulations 2014.
- 5.3.2 Capital will be assessed in accordance with the Care and Support (Charging and Assessment of Resources) Regulations 2014 subject to clause 5.3.3.
- 5.3.3 The capital assets of a couple will be assessed individually i.e. joint accounts will be halved for assessment purposes.
- 5.3.4 The secondary, Couple's financial assessment, will be determined using the total capital assets of the couple.
- 5.3.5 Capital disposed of, or converted into a disregarded form, in order to reduce the charge will be treated as notional capital in accordance with the Care and Support (Charging and Assessment of Resources) Regulations 2014.
- 5.3.6 If a service-user has capital in excess of the capital limit the financial assessment means test will not be applied. The charge will be calculated at full cost.
- 5.3.7 A service-user's main residence will not be treated as capital for the purposes of a financial assessment for non-residential charging. The "main residence" is the dwelling normally occupied by a service-user as his home. Only one dwelling can be disregarded for this purpose.
- 5.3.8 If a service-user owns or has an interest in another property the value of that property will be treated as capital and assessed accordingly.

## **5.4 Housing Costs**

5.4.1 Housing costs are allowable when assessing the non-residential charge. These are:

- Rent payments not met by Housing Benefit.
- Council Tax payments not met by Council Tax Benefit.
- Mortgage payments associated capital repayments and endowment premiums not met by Employment Support Allowance/Income Support/ Pension Guarantee Credit.
- Amounts payable, solely for housing, by service-users who are classified as non-dependants by the Department of Work and Pensions and/or Housing Benefit.
- Amounts payable (capital and interest) by service-users required to make or making a contribution towards the cost of work where a disabled facilities grant has been awarded. This allowance will only apply where the service-user has taken out a loan in order to pay his / her contribution.

5.4.2 No allowance will be made for housing maintenance costs, as these are costs faced by homeowners regardless of disability.

## **5.5 Couples (Non-Residential Care)**

5.5.1 The Care Act 2014 envisages that councils will only consider an individual service-user's means when assessing the ability to pay a charge.

5.5.2 However, it is acknowledged that income due to one person may be paid to another, i.e. married couples have Income Support / Employment Support Allowance /Pension Guarantee Credit paid to just one member of the couple, and that it can be difficult to identify separate incomes. For this reason, a secondary calculation will be made when assessing the charge for each person who is a member of a couple. The lower of the two charges will be applied.

5.5.3 Only the service-user's income will be taken into account. The financial assessment will ensure, as far as possible, that the service-user's partner is left with the higher of;

- i) all of his or her income, or:
- ii) 125% of (half the couple's basic Income Support/ Employment Support Allowance /Pension Guarantee Credit level + any extra premiums applied individually to the partner e.g. Carer's Premium).

5.5.4 The secondary assessment is calculated using the following guidelines:

- Protected Income is 125% of a couple's basic Income Support / Employment Support Allowance / Pension Guarantee Credit

(including any extra premiums applied individually to either partner e.g. Carer's Premiums).

- The capital assets of the couple.
- Housing Cost is that of the couple.

5.5.5 The service-user is deemed to be in receipt of Income Support / Employment Support Allowance/ Pension Guarantee Credit if it is paid to either member of the couple. This is because these benefits are awarded to the couple but only actually paid to one of them.

5.5.6 The service-user's spouse or partner is entitled to choose not to disclose their income details. However, this may prove detrimental to the service-users assessment because assumptions will have to be made instead.

5.5.7 If Income Support, Employment Support Allowance or Pension Credit is paid to either member of the couple then this must be disclosed.

5.5.8 Capital belonging to either member of the couple must be disclosed to enable an accurate assessment to be completed.

5.5.9 Examples of the couple's assessment can be found in Appendix 3.

## **5.6 Carer's Premium (Non-Residential Care)**

5.6.1 A member of a couple will have a "Carer's Protected Allowance" applied to his / her protected income where his / her partner is in receipt of Attendance Allowance, unless he / she actually receives the Carer's Premium, in which case the Carer's Premium will be applied. Examples are given in Appendix 4.

5.6.2 The Carer's Protected Allowance will be 40% of the Carer's Premium rounded up to the nearest 50 pence.

## 6 DISABILITY RELATED EXPENDITURE

### (Non-Residential Care)

#### 6.1 *Disability Related Expenditure*

6.1.1 The Department of Health defines Disability Related Expenditure as any reasonable additional cost that the service-user incurs because of illness or disability. Leicester City Council will refer to the service user's individual Care Assessment and Support Plan when deciding whether to allow individual items of Disability Related Expenditure. Expenses relating to services provided by the Care Plan will be disallowed.

6.1.2 Disability Related Expenditure will be considered if the following criteria are met:

- The extra cost is needed to meet a service-user's specific need arising out of illness or disability as identified in the service-user's Care Assessment and Support Plan.
- The cost is reasonable and can be verified. The service-user will be asked to produce receipts. If these are not available for past expenditure, the service-user will be asked to keep receipts for future expenditure. Items may be disallowed if valid receipts cannot be produced.
- It is not reasonable for a lower cost alternative item or service to be used.
- Items are not normally provided by the NHS or another agency.
- The NHS or another agency cannot supply the item free of charge or at a lower cost.
- There is a financial disadvantage to the service-user relating to Disability Related Expenditure meeting this criterion.
- Costs in excess of any Disability Living Allowance Mobility Component or Personal Independence Payment Mobility, if they are incurred solely or mainly due to disability, and the need is identified in the Care Assessment and Care Plan subject to the exclusions listed in clause 6.2.2.
- Travel costs for social inclusion activities identified in the service-user's Care Assessment and Care Plan.

6.1.3 The service-user may be asked to consider alternative solutions in order to reduce Disability Related Expenditure levels, i.e. purchase waterproof bedding in order to reduce wear and tear costs for bed linen or purchase a waterproof mattress in order to reduce the number of mattress purchases. The assessment officer will take care to ensure full regard is given for whether a more expensive item meets the needs of the disability to a much higher standard.

- 6.1.4 Receipts are requested in order to assist Leicester City Council in ensuring that the policy is applied fairly and consistently to all service-users. For non-residential charging purposes, receipts are needed for the twelve months immediately preceding the assessment and for any one off or irregular expenditure such as a stair lift if this was prior to twelve months. A reasonable judgement will be made if no receipts are available, especially with an initial assessment.
- 6.1.5 Indications of reasonable Disability Related Expenditure costs are shown in Appendix 5. These costs will be reviewed each year as part of the budget setting process.
- 6.1.6 Where allowed expenditure is irregular or not weekly then a weekly notional cost will be calculated.

## **6.2 Exclusions**

- 6.2.1 No allowance will be made for any item or service that is required or used by the general population and would be considered to be normal expenditure. The only exceptions to this clause is where an item or service is used specifically because of the service-user's illness or disability and would not otherwise be used and / or the item or service is not available at a lower cost. The service-user will be asked to provide evidence to support claims made under this clause.
- 6.2.2 The considerations defined in 6.1.2 that allow DRE mean that no allowance will be made for the following expenditure.
- Supporting People services
  - Structural or landscaping work (e.g. tree surgery, path laying or re-laying) in gardens or to buildings unless
    - a) (clause 5.4.1) Disabled Facilities Grant contributions apply in respect of the works carried out, or;
    - b) The service-user is a scooter / wheelchair-user and the modifications to the garden or building are essential to enable use of the scooter or wheelchair, or to provide secure storage for the scooter and the facility is used as such. In this case the amount will be calculated as if the modifications were equipment with a suitable life span applied.
  - Any gardening costs other than basic tidying, e.g. essential lawn cutting, weeding or seasonal pruning.
  - Window cleaning.
  - Tobacco or Alcohol products
  - The difference between the actual cost and the lower cost alternative where it is reasonable for the service-user to use a lower cost alternative.
  - Home maintenance costs.
  - Amounts paid in relation to care provided by a family member.

- Any item or service met by a payment from a Community Care Grant or where another funding source has been provided.
- Mobile Meals.
- Water Charges. Service-users should note that Water Companies would cap their charges for those who qualify for the Vulnerable Household Scheme operated by the Water Company.
- Telephone charges.
- Alternative medicines and therapies, unless commissioned by the NHS and not falling under the criteria listed in clause 6.1.2.
- Pets and associated costs.
- Normal Fuel costs (see Appendix 5 for more details).
- Carer's expenses, other than essential Companion's costs.
- Travel costs if the journey is undertaken to meet a need or service in use by the general population (e.g. shopping trips, visits to friends / relatives). Similarly travel costs for visits made to the service-user by friends / family members will not be allowed as an expense because these are expenses incurred by the general population.

6.2.3 Where a particular item of expenditure combines more than one item or service only those elements that meet the service-user's specific need arising out of illness or disability can be allowed. E.g. hair washing would be allowed if the service-user could not do this task themselves and this is the only time that the hair was washed. However, hair cutting would not be allowed as this is a service used by the general population and is not a disability related expense.

6.2.4 The Disability Related Expenditure allowance is not allowed for service-users who are only in receipt of Supporting People services and do not receive a disability benefit.

### **6.3 Verification of Expenses**

6.3.1 The service-user will be requested to provide receipts for expenses claimed. If receipts have not been kept then the service-user will be asked to provide receipts of future expenses.

6.3.2 If receipts are not available for common expenses, the amounts in Appendix 5 will be used to calculate the extra amount arising from the service-user's illness or disability.

6.3.3 If the service-user does not provide receipts, despite requests to do so and where it is reasonable to expect that a receipt should be kept, Leicester City Council may decide that the expense should not be allowed. The Income section will liaise with the commissioning Team Manager prior to making this decision.

## **6.4 Special Equipment**

- 6.4.1 Costs for purchasing equipment that is required to meet the needs of the individual with regards to their disability (i.e. stair lifts) will be allowed if they meet the service-user's specific need arising out of illness or disability. The amount allowed will be based on the life span of the equipment and the purchase price paid by the service-user.
- 6.4.2 Maintenance and repair costs for such equipment will be allowed if that equipment meets the service-user's specific need arising out of illness or disability. The amount allowed will be the annual cost divided by 52 weeks. If no maintenance contract is in place, then the cost of the insurance contract for the item will be allowable.

## **6.5 Shared Costs**

- 6.5.1 If more than one person lives in the service-user's home the additional costs relating to disability will be shared between the occupants whose needs contribute to the additional costs.
- 6.5.2 In multi-occupancy homes additional fuel costs will be attributed to the occupants whose needs contribute to the additional costs. This is defined as any person who is over 60 as well as the service-user. Please see Appendix 6 for details of this calculation.
- 6.5.3 The cost of employing cleaners or gardeners, if allowed, will be attributed to all the adult occupants of the service-user's home unless it can be shown that the expense is only for the service-users benefit.
- 6.5.4 Where a couple both receive services and are both eligible for a disability related expenditure allowance, all the couple's costs will be shared equally unless there is evidence to show that individual items of expenditure are only incurred by one of the couple.
- 6.5.5 Expenditure can only be allowed once for the purposes of the Disability Related Expenditure calculation. If two or more occupants are claiming Disability Related Expenditure, then individual expenditure items must be shared or allocated to one occupant.

## **6.6 Standard Disability Related Expenditure Allowance**

- 6.6.1 It is acknowledged that it can be difficult for service-users to establish exactly the additional disability related costs that they incurred. For this reason, a standard minimum Disability Related Expenditure allowance is allocated in each financial assessment. If service-users feel that their actual Disability Related Expenditure is higher than the minimum allowance, then the service-user will be offered a Disability Related Expenditure assessment.
- 6.6.2 The standard minimum Disability Related Expenditure allowances are reviewed each year as part of the budget setting process.
- The standard minimum allowance for 2019/20 for a single person is £10 per week.
  - The standard minimum allowance for 2019/20 for a member of a couple is £10 per week.
- 6.6.3 Any service-user who has higher actual Disability Related Expenditure than the standard Disability Related Expenditure allowance will be allowed to claim their actual Disability Related Expenditure.

## **7 REVIEWING FINANCIAL DETAILS**

- 7.1 The service-user is required to inform Leicester City Council as soon as their financial circumstances change as this may affect their assessed charge. Examples of changes to financial circumstances are:
- Any change to benefit payments
  - Any change to other income payments
  - Any change to housing costs
  - Any change to allowable Disability Related Expenditure
  - Any significant change to capital amounts, i.e. 10% or more of total capital.
- 7.2 If the service-user does not inform Leicester City Council of any change to their financial circumstances and, as a result of those changes, their assessed charge increases then the increased charge will apply from the date that increased income or benefits began to be effectively paid.
- 7.3 Leicester City Council will recover any arrears and debts accumulated by non-disclosure of changes in financial circumstances.
- 7.4 Leicester City Council may review the service-user's financial circumstances and assessed charge at any time. Occasions that may instigate a review are listed below.
- On request from the service-user or his / her authorised representative
  - Following an award or withdrawal of a benefit
  - New information is received as to the service-user's income and expenditure
  - When the Department of Work & Pensions increases benefits.
  - As a result of changes to the hourly rate or maximum charge during the budget setting process
  - Annually within 2 weeks either side of the anniversary of the last assessment or review
  - If a financial review has not been completed for at least 12 months.
  - At the request of the appropriate Service Director.
  - If the range of charging changes and/or the Policy changes.
- 7.5 Where the review leads to a change in the contribution calculation, this will apply from the Monday following the date the change actually took place, or the date services commenced, if the change took place before.

## **8 NON-DISCLOSURE OF FINANCIAL DETAILS**

- 8.1 Service-users have the right to choose not to disclose their financial details for both the initial financial assessment and for subsequent reviews. If this right is exercised they will be required to pay the maximum charge applicable at the time that the service was delivered.
- 8.2 The maximum charge will be the lower of the weekly maximum charge and the cost of the services delivered.
- 8.3 If the service-user later chooses to disclose their financial details any reduction in charge will apply as per paragraph 7.5.

## **9 REFUSAL TO CO-OPERATE WITH A FINANCIAL ASSESSMENT**

- 9.1 If a service-user refuses to co-operate with a financial assessment they will be required to pay the maximum charge applicable from the date of the refusal to undertake the assessment.
- 9.2 A service-user is considered to have refused to co-operate with a financial assessment if he or she without good cause;
- Does not make an appointment to allow Leicester City Council to obtain the necessary information for an assessment or review despite there being two requests to do so by Leicester City Council.
  - Fails to keep a pre-arranged appointment organised for the purpose of obtaining the necessary information for an assessment or review.
  - Fails to provide proof of income within one month of a written request from the Council.
  - Fails to provide proof of expenditure within one month of a written request from the Council.
  - Fails to provide proof of capital within one month of a written request from the Council.
  - Fails to complete financial review forms either by phone, visit or post.
- 9.3 If it is known that the service-user is in receipt of Income Support / Employment Support Allowance/ Pension Guarantee Credit then the financial assessment and the charge calculation will be completed on that basis.
- 9.4 If the financial information held on file is recent and has been verified then the financial assessment and charge calculation will be completed using that information.
- 9.5 If the service-user later decides to co-operate with the assessment any reduction in charge will apply as per paragraph 7.5.

## **10 WAIVING THE CHARGE**

- 10.1 Occasionally, there are cases when the allocated worker believes that the financial assessment process would adversely affect a service-user's health or that a service-user genuinely cannot afford to pay the charge.
- 10.2 In these cases Leicester City Council will endeavour to collect the necessary information in order to complete the financial assessment. When the charge has been calculated the commissioning Team Manager will be asked for advice on whether a waiver should be requested.
- 10.3 If the financial assessment process is unable to be completed because the service-user's health would be adversely affected by the process the commissioning Team Manager will be asked for advice on whether a waiver should be requested.
- 10.4 If a service-user feels that they cannot afford to pay the charges, either in full or part, they can request that Leicester City Council considers a waiver. The service-user should give full details of the reason for their request at the time of making it. The commissioning Team Manager will be asked for advice on whether a waiver should be granted.
- 10.5 If the commissioning Team Manager agrees that a waiver should be requested / granted he or she will request written approval from their Service Director to waive the charge in accordance with the agreed Scheme of Delegation for the Department.
- 10.6 Any waived charge must be reviewed at six monthly intervals, or lesser period determined from the Scheme of Delegation, and further written approval is needed for the charges to continue to be waived. This applies to both Residential and Non Residential charging.

## **11 CANCELLATION DUE TO THE AMOUNT OF THE CHARGE**

- 11.1 If a service-user wishes to cancel any services or direct payment due to the level of the charge they should contact their allocated social worker to discuss the matter. Services cannot be cancelled through the Finance section.

## 12 RIGHT TO APPEAL

12.1 If the service-user:

- Feels that their assessed maximum charge has not been calculated in accordance with this policy, and/or;
- feels that their specific individual circumstances are exceptional and should be considered as a special case;

then they have the right to appeal under the Non-residential Charges Appeals procedure.

12.2 The service-user will be notified of their assessed maximum charge in writing. The assessed maximum charge will apply from the Monday following the date of the charge notification letter. Any appeal to the assessed maximum charge must be registered with the Finance section within 35 days from the date of the letter. Appeals registered after that time may not be considered.

12.3 Should a “temporary” charge be given, the service-user will not be able to access the Appeals procedure until a “final” charge has been assessed. However, any reduced charge resulting from an Appeal will be backdated to the date of the first assessment.

12.4 The service-user or their authorised representative can start the appeal process at any time within the 35 day period by contacting Leicester City Council and requesting that an appeal process is started.

12.5 At the time of starting the appeal the service-user is required to give either:

- details of the areas where they feel that their assessed maximum charge has not been calculated in accordance with this policy, or;
- details why they feel that their specific individual circumstances are exceptional and should be considered as a special case.

12.6 The service-user has no right of appeal against the actual charge payable. The appeal procedure is only applicable to the assessed maximum charge.

12.7 The appeal process may result in the assessed maximum charge increasing, decreasing or staying the same.

- 12.8 When the appeal is received an officer not previously involved in the individual case will review the financial assessment within 5 working days of the notification of the appeal. The service-user will be notified of the result in writing and will be given comprehensive details of how the assessed maximum charge has been calculated. The service-user will have 14 days to advise whether they wish to continue with the appeal.
- 12.9 If the service-user wishes to continue with the appeal they will be asked to identify which specific element of the assessment they feel has not been calculated in accordance with this policy or which specific element of their individual circumstances has not been taken into account for the purposes of the calculation.
- 12.10 If the service-user wishes to continue with the appeal the case will be reviewed by a panel of two senior officers who have not previously been involved in the individual financial assessment. The officers involved will be a Finance Team Leader (or their representative) and the Team Manager from the social work team responsible for the service-user (or their representative).
- 12.11 The service-user is entitled to submit a representation before the two senior officers consider the appeal. The representation may be submitted in writing, by letter or e-mail, or verbally over the telephone within 7 days of their notification to Leicester City Council that they wish to take the Appeal further.
- 12.12 The panel will consider whether the assessment has been calculated in line with this policy and whether any exceptional circumstances have been taken into account in accordance with this policy. The meeting will take place within 21 days of the notification.
- 12.13 The service-user will be advised in writing of the panel's decision within 5 working days of the panel.
- 12.14 Should the service-user feel that the appeal process has not been followed correctly there may then be grounds to make a complaint under Leicester City Council's Complaints Procedure.
- 12.15 Reference should be made to the Leicester City Council Complaints procedure for details of the process and timescales. However, service-users should be aware that the Complaints procedure will only consider whether the policy has been applied correctly in assessing the maximum assessed charge.

## **13 DIRECT PAYMENTS**

- 13.1 Charging for Direct Payments applies to all elements of the payments actually made.
- 13.2 Charges for these services will be deducted from any payments made to service-users. However the Council may choose to make a full Direct Payment if a service user fails to pay their contribution and invoice the service user instead. Any case of this nature will be referred to Care Management to review the suitability of a direct payment as the method used to meet care needs.
- 13.3 Where a surplus arises on a person's Direct Payment account, the amount that will be refunded to the service user will be calculated as the extent to which their expected contribution exceeded the actual cost of services paid for during that period.

## 14 METHODS OF PAYMENT

- 14.1 The service-user will be asked for their preferred method of payment.
- 14.2 The preferred payment methods for charges are:
- Direct Debit
  - Online payment by Debit or Credit card, immediately on receipt of an invoice
  - Payments at PayPoint outlets, immediately on receipt of an invoice
- 14.3 These payment methods are designed to provide flexibility to the service-user at the same time as giving a cost-effective method of collection.
- 14.4 Information on how to make payments will be given when the service-user is notified of the assessed maximum charge.
- 14.5 Any refunds made will be sent to the originating bank account by BACS.

## **15 THE NON-RESIDENTIAL CHARGING PERIOD**

- 15.1 The charging week runs from Monday to Sunday each week.
- 15.2 For home care visits, times are counted as a ¼ hour minimum and thereafter in 15-minute increments.
- 15.3 Service-users will be charged for a minimum of ¼ hour service in each week and thereafter for increments of 15 minutes of service.
- 15.4 If the amount of service is disputed Finance will check the actual hours information provided by the Home Care provider. If the dispute is not then resolved Finance will request assistance from the allocated social worker or team.

## 16 THE ACTUAL WEEKLY CHARGE

- 16.1 There is no limit to the maximum weekly charge for non-residential care.
- 16.2 Full cost assessments for non-residential care will be charged at the cost to the Council for providing the care. The council will arrange for commissioned services for non-residential care if a full cost assessment applies and the service users request the Council to arrange this, but the service user can choose to make their own arrangements for care instead. This does not apply to Residential Care – in most circumstances if a full cost assessment is made then the service user must contract directly with the home of their choice and the Council will not place them there.
- 16.3 The hourly rate for home care will be an average based on the costs from different providers for providing the care. The average charge calculation will be undertaken annually and will be weighted as per the number of service users in relation to each care provider to ensure fairness to all.
- 16.4 The charge payable is the lower of:
- The number of home care hours delivered per week multiplied by the hourly rate, plus any charges for day services and / or transport
  - The service-user's assessed weekly charge.
  - The maximum charge that applies at the time of the assessment. (Examples are given in Appendix 7.)
- 16.5 Where a service-user's Care Assessment states that two or more carers are needed to complete a task, i.e. lifting the service-user, the charge will be for the cost of providing two or more carers. Examples are given in Appendix 8.
- 16.6 Day services costs will be charged at the cost of the individual session rate per day service – it is the actual cost to the Local Authority that will be charged.
- 16.7 Transport costs will be charged at full cost once systems are in place to accurately record distance travelled. Until then a charge of £5.42 for each journey the Council is required to provide for services it commissions, will be used.
- 16.8 For Direct Payments the weekly charge will be equal to the payments that are made to service users to purchase their support. If there are elements of the Direct Payment for services that are either not chargeable or are not covered by means assessed charging (e.g. meals) then these elements will not be included in the calculation of the charge. If the full contribution equals the total of the Direct Payment then the case will be referred back to Care Management as no payment would be made.



## **17 INVOICES AND DEBT RECOVERY**

- 17.1 Charges outstanding will be reconciled at four-weekly intervals
- 17.2 Actual service delivery information is required from the providers of Care so bills for a period will always be in arrears.
- 17.3 An invoice will be issued where a charge is payable.
- 17.4 Any overpayments will be offset against future services or reimbursed to the service-user.
- 17.5 Should the invoice remain unpaid the City Council's debt recovery procedures will be instigated. This will result in legal action if required.

## Appendix 1

### ***Protected Income Calculation***

Examples the Minimum Income Guarantee.

#### **1. Single Person over 60:**

Standard Minimum Pension Guarantee Credit of £159.35 multiplied by 125% = **£199.19**

#### **2. Member of a Couple over 60:**

a) If Partner is **not** receiving Attendance Allowance/Middle Rate Disability Living Allowance (Care Component)  
Half of Couple's Standard Minimum Pension Guarantee Credit of £243.25 i.e. £121.63, multiplied by 125% = **£152.03**

b) If Partner is receiving Attendance Allowance/Middle Rate Disability Living Allowance (Care Component)  
Half of Couple's Standard Minimum Pension Guarantee Credit of £243.25 i.e. £121.62, + £14.00 (Leicester City Council's Carer's Protected Allowance) = £135.63  
£135.63 multiplied by 125% = **£169.54**

#### **3. Single Person under 60 but over 25:**

a) If receiving Low Rate Disability Living Allowance (Care Component)  
Income Support Personal Allowance of £73.10 + £32.55 (Disability Premium) = £105.65  
£105.65 multiplied by 125% = **£132.06**

b) If receiving Middle or High Rate Disability Living Allowance (Care Component)  
Income Support Personal Allowance of £73.10 + £32.55 (Disability Premium) + £15.90 (Enhanced Disability Premium) = £121.55  
£121.55 multiplied by 125% = **£151.94**

**4. Member of a Couple under 60 but over 25:**

a) If both receiving Middle or High Rate Disability Living Allowance (Care Component)

Half of: Couple's Personal Allowance of £114.85 + £46.40 (Couple's Disability Premium) + £22.85 (Couple's Enhanced Disability Premium) = £184.10 divided by 2 = £92.05

£92.05 + £14.00 (Leicester City Council's Carer's Protected Allowance) = £106.05

£106.05 multiplied by 125% = **£132.56**

b) If both receiving Middle or High Rate Disability Living Allowance ( Care Component) and Income Support Carer's Premium

Half of: Couple's Personal Allowance of £114.85 + £46.40 (Couple's Disability Premium) + £22.85 (Couple's Enhanced Disability Premium) = £184.10 divided by 2 = £92.05

£92.05 + £34.95 (Carer's Premium) = £127.00

£127.00 multiplied by 125% = **£158.75**

## Appendix 2

### **Financial Assessment Calculation**

Examples of how the Financial Assessment is calculated.  
Benefit amounts are subject to yearly increases.

These examples are presented as a guide to how the **maximum weekly amount** is calculated. The calculation can be extremely complicated, and there can be many variations in individual circumstances. For this reason it is not practical to include examples covering every situation.

#### **Example 1:**

Single person aged over 60 receiving State Retirement Pension of £122.30 per week and Pension Guarantee Credit element of Pension Credit. His/Her Disability Related Expenses total £8 per week:

#### **Assessable Income Calculation (weekly)**

Income Type	Amount	Amount Included	Notes
State Retirement Pension	£122.30	£122.30	
Pension Credit	£44.95	£44.95	To bring income up to Appropriate Amount of £167.25
	Total	£167.25	

#### **Allowances to deduct from Assessable Income calculation (weekly)**

Allowance Type	Amount	Notes
Minimum Income Guarantee	£199.19	Government defined to cover normal expenses and some additional costs
Allowable Disability Related Expenses	£10.00	Standard minimum allowed by Leicester City Council for a single person, even though actual is £8.
	Total	£209.19

**Assessed Maximum weekly charge = Assessable Income (£167.25)  
less Allowances (£209.19) = Nil**

**Example 2:**

Single person aged over 60 receiving State Retirement Pension of £122.30 per week; Pension Guarantee Credit element of Pension Credit; Attendance Allowance (High Rate - £87.65) per week. His or Her essential Disability Related Expenses total £21.50 per week:

**Assessable Income Calculation (weekly)**

Income Type	Amount	Amount Included	Notes
State Retirement Pension	£122.30	£122.30	
Pension Credit	£110.80	£110.80	To bring income up to Appropriate Amount of £233.10
Attendance Allowance	£87.65	£58.70	If higher rate paid, the difference between the higher and lower rate is disregarded.
	<b>Total</b>	<b>£291.80</b>	

**Allowances to deduct from Assessable Income calculation (weekly)**

Allowance Type	Amount	Notes
Minimum Income Guarantee	£199.19	Government defined to cover normal expenses and some additional costs (125% of £159.35)
Allowable Disability Related Expenses	£21.50	Actual amount allowed because it is over the standard minimum allowed by Leicester City Council.
	<b>Total</b>	<b>£220.69</b>

**Assessed Maximum weekly charge = Assessable Income (£291.80)  
less Allowances (£220.69) = £71.11**

**Example 3:**

Single person aged over 65 living in rented accommodation and receiving State Retirement Pension of £122.30 per week; Occupational Pension of £105.00 per week; Attendance Allowance (High Rate - £87.65) per week. His or Her essential Disability Related Expenses total £24.50 per week:

**Assessable Income Calculation (weekly)**

Income Type	Amount	Amount Included	Notes
State Retirement Pension	£122.30	£122.30	
Occupational Pension	£105.00	£105.00	
Attendance Allowance	£83.10	£58.70	If higher rate paid, the difference between the higher and lower rate is disregarded.
	Total	£286.00	

**Allowances to deduct from Assessable Income Calculation (weekly)**

Allowance Type	Amount	Notes
Minimum Income Guarantee	£199.19	Government defined to cover normal expenses and some additional costs (125% of £159.35).
Allowable Disability Related Expenses	£24.50	Actual amount allowed because it is over the standard minimum allowed by Leicester City Council.
Eligible Rent not covered by Housing Benefit	£3.06	Some Housing Benefit would be received.
Council Tax not covered by Council Tax Benefit	£0.94	Some Council Tax Benefit would be received.
	Total	£227.69

**Assessed Maximum weekly charge = Assessable Income (£286.00 less Allowances (£227.69) = £58.31**

## Appendix 3

### ***Couple's Financial Assessment Calculation***

Examples of how the Couple's Financial Assessment is calculated  
Benefit amounts are subject to yearly increases.

These examples are only presented as a guide to how the **maximum weekly amount** is calculated. The calculation, particularly when applied to couples, can be extremely complicated, and there can be many variations in individual circumstances. For this reason it is not practical to include examples covering every situation.

#### **Example 4:**

Couple aged under 60. The Service User receives Personal Independence (Enhanced Rate - £87.65) and Mobility Component (Enhanced Rate - £61.20). Employment Support Allowance is paid to the couple. The Service User has essential Disability Related Expenses totalling £4.50 per week.  
The calculation below is for the Service User:

#### **Assessable Income Calculation (weekly)**

<b>Income Type</b>	<b>Amount</b>	<b>Amount Included</b>	<b>Notes</b>
Employment Support Allowance	£98.75	£98.75	Half the couple's rate including disability premiums
Personal Independence Payment	£87.65	£58.70	If higher rate paid, the difference between the enhanced and standard rate is disregarded.
Personal Independence Payment - Mobility	£61.20	Nil	Disregarded
	<b>Total</b>	<b>£157.45</b>	

#### **Allowances to deduct from Assessable Income calculation (weekly)**

<b>Allowance Type</b>	<b>Amount</b>	<b>Notes</b>
Minimum Income Guarantee	£115.06	Government defined to cover normal expenses and some additional costs
Allowable Disability Related Expenses	£10.00	Standard minimum allowed by Leicester City Council for a member of a couple, even though actual is £4.50.
Protecting Partner's Income to 125% of Basic Employment Support Allowance	£40.51	
	<b>Total</b>	<b>£165.57</b>

**Assessed Maximum weekly charge = Assessable Income (£157.45  
less Allowances (£165.57) = Nil**

**Example 5:**

Couple aged under 60. The Service User receives Personal Independence Payment (Enhanced Rate - £87.65) and Mobility Component (Enhanced Rate - £61.20). The Service User's partner receives Personal Independence Payment (Standard Rate - £58.70). Employment Support Allowance is paid to the couple. The Service User has essential Disability Related Expenses totalling £4.50 per week.

The calculation below is for the Service User:

**Assessable Income Calculation (weekly)**

Income Type	Amount	Amount Included	Notes
Employment Support Allowance	£161.82	£161.82	Half the couple's rate including disability premiums
Personal Independence Payment	£87.65	£58.70	If higher rate paid, the difference between the higher and lower rate is disregarded.
Disability Living Allowance - Mobility	£61.20	Nil	Disregarded
	Total	£220.52	

**Allowances to deduct from Assessable Income Calculation (weekly)**

Allowance Type	Amount	Notes
Minimum Income Guarantee	£132.56	Government defined to cover normal expenses and some additional costs.
Allowable Disability Related Expenses	£10.00	Standard minimum allowed by Leicester City Council for a member of a couple, even though actual is £4.50.
	Total	£142.56

**Assessed Maximum weekly charge = Assessable Income (£220.52)  
less Allowances (£142.56) = £77.96**

## **Appendix 4**

### ***Carer's Protected Allowance Calculation***

Examples of how the Carer's Protected Allowance is calculated

Carer's Protected Allowance is 40 % of the Carer's Premium rounded up to the nearest 50 pence.

Carer's Premium = £34.95  
40% of £34.95 = £13.98

Carer's Protected Allowance = £14.00

## Appendix 5

### ***Disability Related Expenditure – Guide amounts***

N.B. Amounts will be adjusted for inflationary increases in line with the Retail Price Index (RPI).

ITEM	AMOUNT	EVIDENCE
Heating Allowance	Annual inflationary update is given based on RPI Fuel index at November 2018. This year's figure has increased by 8.7% in the last 12 months for the East Midlands Single person - Flat/Terrace      £1,421 Couple – Flat/Terrace                £1,873 Single person – Semi Detached    £1,509 Couples – Semi Detached            £1,987 Single – Detached                        £1,835 Couples – Detached                    £2,418	Bills from Provider
Community Alarm System	Actual cost unless included in Housing Benefit or Supporting People Grant.	Bills from Provider
Privately arranged care	Actual cost if included in Assessment and Leicester City Council supported care is reduced accordingly.	Signed receipts for at least 4 weeks using a proper receipt book
Private Domestic help	Actual cost if included in Assessment and Leicester City Council supported care is reduced accordingly.	Signed receipts for at least 4 weeks using a proper receipt book
Laundry Washing powder	£3.85 per week.	Care Plan will have identified a need of more than 4 loads per week.
Dietary needs	Discretionary as special dietary needs may not be more expensive than normal. Max £2.50 per week if noted in Assessment	Details of special purchases.
Basic Gardening	Discretionary based on individual costs of garden maintenance. Max £5.00 per week if noted in Assessment. Seasonal fluctuations have been taken into account.	Signed receipts for at least 4 weeks using a proper receipt book

Wheelchair	Actual cost divided by 520 (10 year life) up to a maximum of: £4.01 per week manual wheelchair £9.74 per week powered wheelchair / motorised scooter	Evidence of purchase. No allowance if equipment is provided free of charge.
Powered Bed	Actual cost divided by 520 (10 year life) up to a maximum of £4.43 per week	Evidence of purchase.
Turning Bed	Actual cost divided by 520 up to a maximum of £7.76 per week	Evidence of purchase.
Powered reclining chair	Actual cost divided by 520 up to a maximum of £3.52 per week	Evidence of purchase.
Stair-lift	Actual cost divided by 520 up to a maximum of £6.27 per week	Evidence of purchase without DFG input
Hoist	Actual cost divided by 520 up to a maximum of £3.07 per week	Evidence of purchase without DFG input
Shopping	Max £5.00pw if noted in Assessment.	
Companion's Costs	Actual travel costs and reasonable expenses if service-user is unable to go out alone and noted in Assessment. Not allowed if costs could be covered by other agencies, i.e. Health will pay for travel to hospital	Receipts
Wear and tear on clothing.	Max £4.00pw if more than £4.50pw is spent on replacements and need is identified in Assessment	Receipts
Wear & tear on bedding	Max £1.00pw if need is identified in Assessment	Receipts
Incontinence Aids	Not allowed unless identified in Assessment that NHS supplies cannot be used or are inadequate.	Receipts
Chiropodist	Actual cost if identified in Assessment and NHS chiropodist not available	Receipts
Hair Washing	Actual cost of washing & drying only if identified in Assessment	Receipts
Other Costs	As identified in Assessment	
Travel costs	Costs net of any Disability Living Allowance/ESA Mobility Component will be allowed subject to Section 6 of the policy.	Receipts

## **Appendix 6**

### ***Examples of Shared Disability Related Expenditure***

#### **Example 1.**

Three people live in the dwelling: two are aged over 60, one of whom is a service-user, the third is an adult relative who works full time. The additional fuel cost is £5 per week. The additional cost should be divided between the two persons over 60 so £2.50 is attributed to the service-user.

#### **Example 2.**

The service-user lives in his/her parents' home. Neither of the parents is over 60. The additional fuel cost is £5.00 per week all of which is attributed to the service-user.

## Appendix 7

### **Actual Charge Payable Calculation**

Please note, the charges shown in the examples below are used for example purposes only and may not be the actual amounts used when calculating a charge.

The result of the Assessment calculation sets a **maximum weekly contribution** that you will have to pay if your care costs are the same or more in value. What you actually pay is dependent upon the level of service you receive because the amount of care provided could cost less than the maximum weekly contribution.

#### **Example 1**

If the charge for your services is below your maximum weekly amount you only pay the charge. This is demonstrated in this example:

Your maximum weekly amount is £100. You receive 2 hours home care per week, go to one day service session and are transported to the session and back

2 hours home care x £15.11	=	£30.22
Day Service Cost	=	£32.46
Transport charge	=	£10.00
<b>TOTAL</b>	<b>=</b>	<b>£72.68</b>
Maximum weekly amount	=	£100
<u>Your actual charge</u>	<u>=</u>	<u>£72.68</u>

## Example 2

If the number of hours you receive multiplied by the hourly charging rate is **above** your **maximum weekly amount**, you pay the **maximum weekly amount**.

Your maximum weekly amount is £100. You receive 10 hours of home care per week, go to one day service session and are transported to the session and back

10 hours care x £15.11	=	£151.10
Day Service Cost	=	£32.46
Transport charge	=	£10.00
<u>TOTAL</u>	=	<u>£193.56</u>
Maximum weekly amount	=	£100
<u>Your actual charge</u>	=	<u>£100</u>

## **Appendix 8**

### ***Multiple Carers Calculation***

All carers are charged for under this policy. This means that if you have more than one carer at one time for home care you will be charged for the amount of time for each carer.

#### **Example 1**

If you receive 2 visits of 1 hours home care per week but have 2 carers for each visit you will be charged for 4 hours care.

2 carers x 2 visits x 1 hour = 4 hours home care.

#### **Example 2**

If you receive 3 visits of 1 hours care per week but for one of those visits you have 2 carers and for the other two visits you have 1 carer you will be charged for 4 hours care.

2 x carers x 1 visit x 1 hour = 2 hours home care

+

1 x carer x 2 visits x 1 hour = 2 hours home care

= 4 hours of home care

## **18 How to contact us**

A member of staff is available to answer any general questions you may have about your Non-Residential Care charge. Call us on 0116 454 1010 select option 2 then option 1.

If you need to write to us, our address is:

### **The Business Service Centre**

Leicester City Council  
Social Care Finance  
Sovereign House  
17 Princess Road West  
Leicester  
LE1 6TR