

# CHARGING FOR NON-RESIDENTIAL SERVICES

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# Introducing Charging

- Financial Assessment Process
- Review & Appeals Process
- Advice & Support
- Questions & Answers

# Why are we charging?

- Local Authorities have been charging for Care and Support since 1993, and there has been a duty to charge for Residential Care, but only a Power to Charge for Non-Residential Care.
- Since the Care Act 2014, LA's can choose whether or not to charge both Residential and Non-Residential care.
- Tower Hamlets are now falling in line with all other LA's in England with the exception of one and charging for care and support provided in peoples homes and in the community.

# What services will be charged?

CHARGEABLE SERVICES	NON CHARGEABLE SERVICES
Day Support	Community Equipment (Aids and Minor Adaptations up to £1,000)
Home Care	Intermediate care (including reablement support for 6 weeks)
Transport	Care and support provided to people with Creutzfeldt-Jakob Disease
Supported Living	Any service which the NHS is under a duty to provide (e.g. Continuing Healthcare)
Extra Care Sheltered	Services provided under Section 117 of the Mental Health Act 1983.
Direct Payment	Support for the Carers

# What is a Financial Assessment?

A financial assessment looks at a person's capital and income to see how much someone can afford to pay towards the cost of the care and support they receive.

The financial assessment is carried out using the authority's policy in line with the Care Act 2014, and the Department of Health and Social Care (Charging and Assessment of Resources) Regulations 2014.

# What is included in a Financial Assessment?

- **Income** (DWP Benefits/Private Pension)
- **Capital** (money they have saved or invested)
- **Property** (only applicable if a SU owns a second property)

## **Excluded:**

- **Certain Benefits (WFP, Xmas Bonus/War Pensions)**
- **Earnings**

# Allowances

## Minimum Income Guarantee (MIG)

The financial assessment must ensure the person is let with the “Minimum Income Guarantee” (MIG), which is the allowance the Dept of Health sets each year in order to meet the daily living costs such as food, clothing and utilities.

The Maximum MIG Rates for 2017/18 are as follows:

- £189.00 per week for a single people over pension age
- £151.45 per week for a single people under pension age

Additional amounts will also be added for people who have dependent children (£83.65 for each child), or those that receive a carer’s allowance (£43.25)

# Allowances Continued

## Disability Related Expenditure (DRE)

- is expenditure incurred as a direct result of a person's disability or medical condition, which is not being met by the authority and is over and above what an abled bodied would spend.
- The Care Act 2014, requires Councils to offer a DRE Assessment to anyone who receives on of the following Disability Related Benefits
  - Attendance Allowance
  - Disability Living Allowance (Care Component) or
  - Personal Independence Payment (PIP)



# Examples of Disability Related Expenditure

- Additional costs of special dietary due to illness or disability
- Special Clothing or Footwear
- Specialist washing powders or laundry

# Local Discretions

- The authority has also agreed to apply a discretionary allowance of £15 which will be added to support a person with utility costs such as gas and electricity.
- A cap has been set to a maximum charge of £250 per week

# SAVINGS THRESHOLDS

- The upper capital savings threshold is £23,250 a person who has in excess of this amount will be expected to pay the full cost of their service up to the maximum charge of £250 set by this Authority.
- Tariff Income – If a person has less than the upper capital threshold (£23,250) but more than the lower capital threshold (£14,250) LBTH will assume the person can afford to contribute £1 for every £250 or part off between these two amounts. This amount will added to person weekly income.

# An Example of a how a typical Financial Assessment is calculated

**Mrs Smith is a single person aged 75. She receives a basic State Pension, Private Pension and is in receipt of Attendance Allowance.**

Breakdown of weekly Income

Basic Retirement Pension	£119.55	
Private Pension	£49.80	
Attendance Allowance	£83.10	
<b>Total Income</b>		<b>= £252.45</b>

## **Less Allowances**

Minimum Income Guarantee	- £189.00	
Discretion Allowance	- £15.00	
Disability Related Expenditure	- £10.00	
Rent & Council Tax	- £15.00	
<b>Total Allowances</b>		<b>= £229.00</b>
<b>ASSESSED WEEKLY CONTRIBUTION</b>		<b>= £ 23.45</b>

# Review and Appeals process

## Review Process

- If a person is disagrees or requires a further explanation of the calculations used in the financial assessment they should contact the Financial Assessment (FA) team on 0207-364-2038.
- The FA Team will explain how the financial assessment has been calculated providing details of any income and savings that have been included and how they have arrived at the contribution the person will have to pay.

# Review and appeals process

## Reasons for a review include:

- The person may have new relevant information that they would like to be taken into account – more specifically details of additional Disability related expenditure that was not included in the original assessment.
- A shorten version of the Financial Declaration Form will be sent to the person, which they should complete and return within 28 days.
- If the person requires support to fill the form they can request assistance from the FA Team or can get help from an advice provider/advocacy e.g. Link Age Plus.

# Review and appeals process

## Appeal Process

- If following a review the person does not agree with the outcome they can appeal the decision by writing within 28 days to the FA Team with the reason why they wish to appeal the decision.
- The appeal will be considered by the FA Team Leader and a written response will be provided.

# ADVICE & SUPPORT

- Charging Leaflets (LBTH Website)
- Financial Assessment Team – 0208-364-2038
- Local Link-Real, Link Age Plus, Age UK)
- Review & Appeals guide



# Q & A