

# **VALE OF GLAMORGAN COUNCIL**



## **SOCIAL SERVICES DIRECTORATE**

### **CHARGING POLICY FOR NON RESIDENTIAL SERVICES, COMMUNITY CARE**

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### **SOCIAL SERVICES DIRECTORATE CHARGING POLICY**

#### **BACKGROUND**

The basis for a local authority to make charges for its non-residential support services are to be found in the 1948 National Assistance Act and the Health and Social Services and Social Security Adjudications Act 1983. Section 17 of the latter gives the Local Authority power to recover 'such charges (if any) as they consider reasonable'. In exercising these powers the Council must have regard to the guidance issued by the Welsh Assembly Government on Fairer Charging Policies.

In setting its grant to local authorities, the Government assumes that they will recover 9% of their gross expenditure on non-residential community care through charges. The power to charge for non-residential services is discretionary, however, there is a strong incentive to do so.

The Policy has been amended to:

- Maximise income.
- To target resources at those in greatest need, i.e. the poor and frail.
- To ensure the independence and Social inclusion of Service Users, by maximising resources for non-residential Care.

#### **Services for which the Charging Policy is Implemented**

The services for which a financial assessment and possible subsequent charge will be undertaken include the following:

- Day Care Services
- Domiciliary Support in the Home provided by the Home Care Service
- Domiciliary Support in the Home provided by a private agency
- Direct Payment Scheme
- Support Provided for Carer's
- Flexi Care Service
- Other support from Community Services e.g. Transport.

## Criteria

In drawing up this policy, the following criteria have been established:

- **Clients in receipt of non-residential services should be subject to broadly the same financial assessment as those entering residential care.**
- **After having been assessed as to their ability to pay, no clients will be left with an income below the basic income support or basic guaranteed pension credit levels with a buffer of 35% added.**
- **Any charges levied will be based on the clients ability to pay which is determined by an assessment process**
- **A client will not be charged more than the cost of providing the services.**
- **A benefit check will be undertaken for all clients who receive a full financial assessment.**
- **If a benefit check identifies entitlement to Income Support or Pension Credit and the client refuses to claim, the income will be treated as belonging to the client and accounted for within the financial assessment.**
- **Clients with savings of more than £22,000 are expected to pay the full cost of the services provided, subject to certain limits. The limits are set according to the Standard Residential Care charge. This savings limit will increase in line with Government guidelines for residential Care.**
- **Property that the client lives in is not taken into account.**
- **On the completion of a financial assessment, the client will receive a written explanation of how the charge is calculated.**
- **In the case of couples, the financial situation of both individuals will be taken in to account in undertaking a financial assessment. The assessed charge will be halved and the resultant figure charged to the client.**
- **If a client refuses or is unwilling to provide the required financial information the unit cost of the services provided will be charged.**
- **If a financial assessment results in an assessed charge of less than £5, no charge will be made for the services received.**

## **Client Categories**

The charging policy identifies the following categories of Clients.

- 1. Clients subject to Section 117 of the Mental Health Act who will receive a free service.**
- 2. Clients who apply for Independent Living Fund after 1<sup>st</sup> September 2005 will not be charged.**
- 3. All other Clients will be financially assessed, according to the Policy, on their ability to pay for services.**

## **Financial Assessments**

The financial assessment is determined by a formula: -

**Income + Capital \***

**Minus**

**Income Support (Basic Applicable Amount)  
or Pension Credit (Basic Appropriate amount)  
+ 35% Buffer \*\***

**Minus**

**Allowances \*\*\***

**= Assessed Charge**

\* The income derived from capital is based on the calculation shown in Appendix A.

\*\* The Applicable and Appropriate Amounts are calculated in line with the Department of Health rates and will be updated annually.

\*\*\* The allowances made in the financial assessment procedure are outlined in Appendix B

### **Charging for Services**

The charge is calculated on the basis of a weekly service. Where the cost of the service in any one week is less than the assessed charge the lower amount will be payable, in all other circumstances the assessed charge will be levied.

### **Informing Client of Charge**

Clients will be notified by the Financial Assessment Officer /Benefit Adviser of their assessed charge and this will be followed up in writing which will provide more detail. The charge is initiated on the Monday following the notification letter being sent.

### **Payment of Charges**

Charges will normally be notified on a four weekly basis by invoice. Payment should be made within 21 days of receipt of invoice. Any queries on invoices should be made as soon as possible, to the contact telephone number on the invoice.

For those in receipt of a Direct Payment for care services the assessed charge will be deducted from the amount paid with the expectation that clients will pay their assessed charge into their Direct Payment bank account.

## APPENDIX A

### NON-RESIDENTIAL SERVICES

#### INCOME AND SAVINGS DISREGARDS

Valid as at 7<sup>TH</sup> APRIL 2008

These values may be amended in line with appropriate Government Guidelines

<b>CAPITAL</b>	<b>DISREGARD</b>	<b>ASSESSMENT</b>
Savings	£19,000*	£1 for every part of £250 over £19,000 (N.B. - up to £22,000)
Income Bonds	As above*	As above
Premium Bonds	As above*	As above
PEPS (Personal Equity Plans)	As above*	As above
National Savings Certificates	As Above*	Obtain current value from CRAG (as above)
Stocks and Shares	10% of value	Balance (as above)
Interest on savings (except Trust Funds)	All	Nil

\* The £19,000 disregard is allowed on the TOTAL OF ALL CAPITAL

<b>INCOME: Benefits</b>		
Retirement Pension	Nil	All
Savings Credit (over age 65)	Disregard	Nil
Incapacity Benefit	Nil	All
Sickness Benefit	Nil	All
Job Seekers Allowance	Nil	All
Child Tax Credit	Disregard	Nil
Working Family Tax Credit	Disregard	Nil
Attendance Allowance	Nil	All High rate subject to night care provision.
Constant Attendance Allowance (this can be included within other benefits, e.g. Industrial Injuries, War Disablement)	Nil	As above (AA)

<b>INCOME</b>	<b>DISREGARD</b>	<b>ASSESSMENT</b>
<b>Disability Living Allowance (Care Element - lower, middle and higher rates)</b>	<b>Nil</b>	<b>All except high rate subject to night care provision</b>

<b>INCOME</b>	<b>DISREGARD</b>	<b>ASSESSMENT</b>
<b>Disability Living Allowance Mobility Component</b>	<b>All</b>	<b>Nil</b>
<b>Mobility Supplement (this can be included within other Benefits)</b>	<b>All</b>	<b>Nil</b>
<b>Widows Benefit</b>	<b>Nil</b>	<b>All</b>
<b>War Widows Pension</b>	<b>£10.00</b>	<b>Balance</b>
<b>War Widows MOD Special Payment</b>	<b>All</b>	<b>Nil</b>
<b>War Disablement Pension (NB: Check to see if other benefits are included in the payment)</b>	<b>Nil</b>	<b>All</b>
<b>Exceptionally Severe Disablement Allowance (this can be included within certain other disablement benefits)</b>	<b>All</b>	<b>Nil</b>
<b>Carer's Allowance</b>	<b>Nil</b>	<b>All</b>
<b>Housing Benefit</b>	<b>All</b>	<b>Nil</b>
<b>Independent Living Fund</b>	<b>All</b>	<b>Nil</b>

<b>INCOME: OTHER</b>	<b>DISREGARD</b>	<b>ASSESSMENT</b>
Income from property not occupied by client (if not treated as capital)	None	All
Income from property occupied by client (subtenants)	£4.00	Balance
Income from property occupied by client where heating is included (subtenants)	£14.55	Balance
Income from lodgers or boarders	First £20.00 plus ½ of any balance over £20	Balance
Charitable Payments	£20.00	Balance
Earnings	All	Nil
Occupational Pension	Nil	All
Trust Fund Payments (where treated as income)	Nil	All
Social Fund Payments	All	Nil

In general these Income and Savings Disregards are based on Department of Health rules and CRAG rules and will be updated in line with any changes.

**APPENDIX B**

**ALLOWANCES - DOMICILIARY CARE**

<b>EXPENSES</b>	<b>AMOUNT ALLOWED</b>
<b>Mortgage Repayments</b>	<b>All</b>
<b>Endowment policies linked to Mortgage repayments</b>	<b>All</b>
<b>Rent where not living with a close relative (b)</b>	<b>All net of Housing Benefit</b>
<b>Rent/Board and Lodge, where living with a close relative (b)</b>	<b>£4 per week</b>
<b>Ground rent</b>	<b>All</b>
<b>Service Charges</b>	<b>All</b>
<b>Home Improvement Loan (subject to individual verification)</b>	<b>All</b>
<b>Council Tax (c)</b> <b>(Monthly payments may be made over 10 months)</b>	<b>Actual amount payable</b>
<b>Home Insurance (Buildings and Contents)</b>	<b>All</b>
<b>Disability - related expenditure for service user</b>	<b>10% of basic Income Support or Basic Pension Guarantee or £16.50, whichever is the greater.</b>
<b>Prescription Season Ticket</b>	<b>All</b>
<b>N.B. Allowance cannot be made for the following:</b>	
<b>Debt, Services normally provided free by the Health Authority or Care payments to relatives</b>	
<b>Discretion on exceptional costs resulting from disability may only be applied by Charging Policy Appeals Panel on receipt of additional information.</b>	

**NOTES:**

- a) **Other expenses such as water rates are deemed to be included in the Applicable amount /Appropriate Amount allowance calculated in accordance with Income Support/Pension Credit Rules.**
  
- b) **Where clients claim to be paying a rent to a close relative and are excluded from claiming Housing Benefit we consider that the Income Support/Housing Benefit guidelines on non-dependants should be followed and an allowance of £4 per week made. Where the relative is not defined as 'close' relative (i.e. a nephew, niece or grandparent) the client should be advised to claim Housing Benefit. State benefits do not include an element for rent, which is why the Housing Benefit scheme exists.**

**Lives with close relative (defined as parent, son/daughter, brother/sister) is not recognised as paying rent, as they would then be left with insufficient funds for food, clothing etc.**

- c) **In most circumstances, Income Support /Pension Credit Guarantee claimants should not be paying Council Tax.**