

Fairer Contributions for Non-Residential Social Care
Services in Bath & North East Somerset
A Guide to the Policy
April 2010

Fairer Contributions for Personal Budgets used to purchase non-residential Social Services

Introduction

Social Services arrange home and day care services for people assessed as needing care and / or support to remain independent in their own homes. There is a charge for these services, subject to a financial assessment.

Since 2003 local councils have had to follow government guidance about the way we charge people for the services they receive to help them stay at home. These are referred to as “non-residential services”

In Bath & North East Somerset, a number of charging policies have been brought in over the last few years to reflect the different types of services people receive e.g. Extra Care, Supported Living. These policies are broadly in line with government guidance, which allows us to take into account people’s individual income and savings levels.

However, we also recognise that current arrangements are complex and that they no longer fit with more recent government guidance issued in 2009.

Recognising that inequality, disadvantage and discrimination exist in society, in redrafting our contributions policy, Bath & North East Somerset Council accepts their responsibility to ensure that all vulnerable adults regardless of their ethnic origin, religion, language, age, sexuality, gender or disability have equal opportunity to access services and information and that the contributions policy will be applied equitably.

Why do we charge for non-residential Social Services?

Local councils have the legal power to collect a financial contribution for the services we provide (including Personal Budgets). This helps fund more services than we could otherwise support.

The legal act that gives us this discretionary power is “The Health and Social Services and Social Security Adjudication Act 1983.”

A discretionary power means that local councils can choose to charge a contribution towards care costs that they consider reasonable and fair for those services.

It is important that our charges are affordable to clients so before we charge anybody we carry out a financial assessment and this decides how much contribution will be paid towards the costs of the services provided.

Does everyone have to contribute to their Personal Budget?

The assessment is based on individual circumstances, so not everybody has to contribute the same amount to their Personal Budget. A few examples where no contribution is required are:

- If you get Income Support, Housing Benefit, Pension Guarantee Credit but do not receive Attendance Allowance (AA) or Disability Living Allowance (DLA)
- If you receive support from our Re-enablement Service to help you home from hospital or to 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 another service user
- If you are eligible for a free Supporting People service, however, if you also receive care services you would be financially assessed for these
- If you are receiving services under S117 of the Mental Health Act 2007

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

There are other situations where we would not charge, these would be discussed with people individually as part of their financial assessment.

Which services are subject to the Fairer Contributions Policy?

Personal Budgets: All new Social Care clients since June 2009 have been offered a Personal Budget and from November 2009 all existing clients will be transferred to this way of delivering resources. The Fairer Contributions Policy applies to all Personal Budgets delivered to Social Care clients i.e. the Fairer Contributions Policy will be used to calculate how much a person will be asked to contribute to their Personal Budget.

Personal Budgets may be used to purchase a range of Social Care services such as:

- **Respite Care¹:** 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
- **Meals:** Community meals, 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 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

Extra Care: The Fairer Contributions policy will apply to all social care services delivered in B&NES Extra Care schemes, replacing the previous stand alone Extra care Charging Policy. Top ups to standard Extra Care services purchased with a Personal Budget will also be subject to this policy.

How do we work out your financial contribution?

Currently we work out how much you will be asked to contribute to your Personal Budget by completing a financial assessment. One of our Visiting Officers will help gather all the information we need in order to ensure your assessment is fair. This

¹ NB If residential respite is the only service being provided this will not be delivered under the Personal Budgets framework and will therefore not be subject to the Fairer Contributions Policy. Residential respite only packages will be charged under CRAG

will be based on the evidence you provide of your income and savings. You will also be offered help with claiming any benefits you may be entitled to.

Sometimes when people receive similar types of services they may have significantly different financial circumstances and as a result will be asked to contribute very different amounts.

What we count in your financial assessment?

The Financial assessment is based on information supplied by you. We look at Income and Savings & Capital. Some income and savings will be ignored and some is counted towards the contribution. It is always based on your individual circumstances.

We do this to make sure that everyone has a basic amount to cover living costs (Government guidance tells us that we must measure this as the same amount as basic Income Support or Pension Credit). Guidance also tells us we must add in a buffer of 25% of Income Support/Pension Credit entitlement to make sure you are not left with a very low level of income. In Bath & North East we have made a local decision to increase this buffer to 30%.

In 2010/11 the minimum levels including the 30% buffer are set out in Table 1 below. What this means in practice is that these are the minimal levels of income we will allow you to keep. Appendix 2 provides details of how these minimum threshold entitlements have been calculated.

Table 1 - Income Support entitlements plus 30% buffer

Single person over 60 years old	£172.38
Couple over 60 years old	£263.12
Single disabled adult aged 18-24	£121.55
Single disabled adult aged 25-59	£139.23
Disabled adult couple	£210.93

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 or council tax benefit you may receive towards your financial assessment)

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* and are listed below:

- All earnings from employment (this includes day centre bonuses)
- War Pension or War widows pension (mobility supplement and supplementary pension)
- Carers Allowance
- Disability Living Allowance (mobility component and/or lower rate care)
- The difference between middle and higher rate DLA Care if the person does not receive night care support
- The difference between lower rate and higher rate Attendance Allowance if the person does not receive night care support

What counts as Savings & Capital?

Savings & capital includes savings, current accounts, investments, property and land (other than the home you normally live in). If you have joint savings and the other person does not receive a service we would usually only take half of the savings into account.

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

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 assessment.

How couples are assessed

Where the client is one of a couple, the council's policy is to ask for details of income/expenditure and capital for both partners (however, a spouse is under no obligation to provide this unless in receipt of Pension Credit or Income Support as a couple). We recommend that the financial details of both partners are assessed as we will always use the assessment which is most favourable to the client. If both members of a couple receive a service they will be assessed together as a couple.

Disability Related Expenditure DRE

Some people have extra costs that relate to their illness or disability. If you have any special costs please tell us and we would take these into account in your financial assessment. We look at this on an individual basis, as it may be possible for us to reduce the assessed contribution or decide you do not need to make a contribution. You can tell us about these costs as part of your social care assessment.²

What evidence we expect to see

We expect you to provide evidence of your income and savings for your financial assessment. 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 and we may ask for copies.

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

You do not have to consent to a financial assessment. If you choose not to have a financial assessment we would still support you with arranging services but you will have to pay the full cost to your service provider(s).

How we bill you

After we have completed your financial assessment we would write to you telling you how much your financial contribution to your Personal Budget or Extra care service will be. There is no maximum contribution, but you will never be asked to pay more than the full cost of the Personal Budget or Extra Care service you receive.

² DRE expenditure should be detailed on the Personal Budget Financial Assessment Form PBFA

If you have chosen to ask the Council to set up services for you with your Personal Budget we aim to send you an invoice within 6 weeks of the period to which the contribution relates.

We will invoice you every 4 weeks after that. You have 14 days to pay the invoice. You may want to consider setting up a Direct Debit agreement for making regular payments and this is also an option.

If you have chosen to have your Personal Budget as a Direct Payment, we will not invoice you, but instead we will deduct your contribution from the Direct Payment we give you.

What happens if I don't pay?

If you don't pay within 14 days of receiving an invoice we will send you a reminder. If it remains unpaid after another 14 days we will contact you to ask why. If you still do not pay the invoice we may send details to an external debt recovery agency. This may result in bailiff or court action.

What if I'm not happy with my level of contribution?

You can request a review of the level of contribution you have been asked to pay if you think it is unreasonable. The request can be sent to the relevant Social Care Team Manager who may, if appropriate, refer your case to the Finance Service.

The Divisional Director for Business Support will be responsible for making final decisions in relation to final decisions and appeals.

Further information and contact details

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

**“Fairer Contributions”
Adult Care, Housing & Health
Bath & North East Somerset Council
Plymouth House
PO Box 3343
Bath BA1 2ZH**

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

Appendix 2 provides details of the calculation of minimum threshold entitlements.

Appendix 1

Examples of Fairer Contribution Calculations

We will have looked at your income and taken away your Income Support entitlement plus 30% 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 +30% 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 = £95.25	Income Support +30% = £172.38	Total Income = £234.05
Pension Guarantee Credit = £91.00	Eligible Outgoings = £0	Allowances = £192.38
Attendance Allowance = £47.80	Disability Related Expenditure = £20.00	
= £234.05	= £192.38	= £41.67

Fred's Assessable Income is the maximum contribution that he would be expected to pay

Fred's Personal Budget is £100 per week however he would only be expected to contribute £41.67 to this as this is the maximum amount he can afford to pay.

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 = £175.00 Occupational Pension = £110.00 Attendance Allowance (higher rate) = £71.40 Tariff income = £15.00	Disability Related Expenditure = £45.00 Pension Credit +30% = £172.38 Council Tax = £25.00 Rent = £25.00 No night care supplement = £23.60	Total Income = £371.40 Allowances = £290.98
= £371.40	= £290.98	= £80.42

Mary's Assessable Income is the maximum contribution 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 a self funding and will not in fact receive a Personal Budget from the Council.

Appendix 2
Calculations of Minimum Threshold Entitlement

Single person over 60 years old		
Allowance	09/10 rates	10/11 rates
Pension Credit standard minimum guarantee single	£130.00	£132.60
30% buffer	£39.00	£39.78
Total	£169.00	£172.38

Couple over 60 years old		
Allowance	09/10 rates	10/11 rates
Pension Credit standard minimum guarantee couple	£198.45	£202.40
30% buffer	£59.54	£60.72
Total	£257.99	£263.12

Single disabled adult aged 18-24		
Allowance	09/10 rates	10/11 rates
Income support personal allowance single under 25	£50.95	£51.85
Disability premium single	£27.50	£28.00
Enhanced disability single	£13.40	£13.65
Total	£91.85	£93.50
30% buffer	£27.56	£28.05
Total	£119.41	£121.55

Single disabled adult aged 25-59		
Allowance	09/10 rates	10/11 rates
Income support personal allowance single over 25	£64.30	£65.45
Disability premium single	£27.50	£28.00
Enhanced disability single	£13.40	£13.65
Total	£105.20	£107.10
30% buffer	£31.56	£32.13
Total	£136.76	£139.23

Disabled adult couple		
Allowance	09/10 rates	10/11 rates
Income support personal allowance couple both over 18	£100.95	£102.75
Disability premium couple	£39.15	£39.85
Enhanced disability couple	£19.30	£19.65
Total	£159.40	£162.25
30% buffer	£47.82	£48.68
Total	£207.22	£210.93