



**Northumberland**  
County Council

## **Charging policy for care and support services provided under the Care Act 2014**

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## 1. Background

This document sets out the policy of Northumberland County Council on charges for care and support services provided under Sections 18-20 of the Care Act 2014. This policy will apply from 8 April 2019, and will remain in effect until revised or replaced by further decision of the Council, or varied in accordance with the provisions of section 17.

This policy does not cover charges for preventative services provided under Section 2 of the Care Act.

For the benefit of service users and carers, the Council publishes a range of information sheets explaining the main elements of the application of this policy, which will be given to service users or their representatives at relevant points before during and after their Financial Assessment, and will be published on the Council's website. Those information sheets present information about charges in a more user-friendly style, and include practical details which are not covered in this policy.

The Care Act, and regulations and guidance issued under the Care Act, prescribe in detail many of the rules about what may be charged for, how income and capital must be treated in financial assessments, and what minimum requirements must be met by local authority charging policies. On all issues where this policy is silent, the minimum requirements set out in the national legislation and guidance will be taken to apply. In the event of any discrepancy between this policy and national legislation or guidance, the national legislation or guidance will take precedence, except where the provisions of this policy are more generous to service users or carers than required by the national legislation and guidance.

The detail of how a charge is determined within the regulations and guidance is different depending on whether the person being assessed is receiving care in a care home, or in another setting. Where relevant, this policy explains how different rules will be applied between these settings.

## 2. Definitions

In this policy, terms have the following meanings

<b>Authorised Officer</b>	An officer of appropriate seniority authorised to make a decision under the Council's Scheme of Delegation, or individually authorised by the DASS. (This may include officers employed by NHS partners of the Council.) The DASS may authorise an officer to make decisions under this policy either for a category of decisions or for a specific decision.
<b>Chargeable Costs</b>	Costs of services against which charges will be made, unless the total chargeable costs exceed the Chargeable Person's Maximum Charge
<b>Chargeable Person</b>	A person with care and support needs or a carer with support needs who is receiving Chargeable Services, and is not exempt from paying charges for these because of any legislative provision
<b>Chargeable Services</b>	Services provided under Sections 18-20 of the Care Act 2014

<b>Charging week</b>	A week from Monday to Sunday
<b>The Council</b>	Throughout this policy, references to notifications given to the Council or actions which may be taken by “the Council” refer also to any other organisation carrying out the relevant statutory functions on behalf of the Council, under a partnership agreement under Section 75 of the NHS Act 2006 or otherwise
<b>DASS</b>	The Council’s statutory Director of Adult Social Services
<b>Disability Payments</b>	Attendance Allowance (AA), the Care Component of Disability Living Allowance (DLA), or the daily living component of Personal Independence Payment (PIP)
<b>Financial assessment</b>	An assessment under Section 17 of the Care Act
<b>Financial assessment officer</b>	An officer appointed to carry out Financial Assessments on behalf of the Council. Currently the title of these officers is Financial Assessment and Benefits Officer, reflecting the benefits advice which they offer alongside the assessment
<b>Long-Term</b>	A Long-Term care home resident is one who does not meet the definition in the Regulations of a short-term resident
<b>Maximum Charge</b>	The maximum weekly sum which the Chargeable Person is assessed as being able to afford
<b>Non-Residential Services</b>	All services provided under Sections 18-20 of the Care Act other than accommodation in a registered care home
<b>Officer</b>	An officer of the Council, or an officer of any other organisation carrying out statutory functions on behalf of the Council, under a partnership agreement under Section 75 of the NHS Act 2006 or otherwise
<b>Regulations</b>	References to “the Regulations” are to the Care and Support (Charging and Assessment of Resources) Regulations 2014 (as amended from time to time)
<b>Standard Allowance</b>	The standard allowance for the costs of disability-related expenditure, calculated for each Chargeable Person as set out in the Annex to this policy

### **3. Charges – framework policies**

The charges payable by a person in respect of any week will be whichever is lower of the Maximum Charge set for that person and the Chargeable Costs in that week of the services which they receive. If there is no Maximum Charge for the person, the charges payable will be the Chargeable Costs.

Charges are payable from the date when a chargeable service begins. Wherever possible, a Financial Assessment will take place before that date, and staff arranging a chargeable service are expected always to discuss with the person or their representative before the service begins the charging arrangements which will apply, including offering general

information about how charges are calculated, though they will usually not be able to give precise figures for what the person's charge will be.

Charges are payable for services provided to meet urgent needs under Section 19(3) of the Care Act, whether or not a full needs assessment under Section 9 of the Act has taken place. For the avoidance of doubt, charges in this case will be calculated in the same way as charges for people who have had a needs assessment and are being assessed under Section 17 of the Care Act.

#### **4. Chargeable Costs of services**

Unless otherwise provided for in this policy, or otherwise determined in accordance with this policy, the Chargeable Cost of any service in any period will be the full amount which the local authority is paying to the provider of that service in respect of services provided to the Chargeable Person in that period.

An Authorised Officer may determine that in the interests of administrative efficiency, or to avoid excessive disruption to service users, the Chargeable Costs per unit of a particular category of services will be held constant for a period of time, such as a local authority financial year, regardless of any increases during that period in the amounts paid to the provider of the service. This provision may not be used in such a way that any person is charged more than the full cost of their service to the local authority. It may also not be used to set a Chargeable Cost for any Long-Term care home placement which is below the full cost to the Council.

Where the local authority meets the costs of operation of a service which supports a number of people, under an arrangement which does not associate expenditure directly with individual users, an Authorised Officer may establish an arrangement for calculating Chargeable Costs based on any reasonable and fair apportionment. This provision may not be used in such a way that the total Chargeable Costs of all users of the service exceed the Council's actual expenditure on the service.

In the case of any day service provided at a fixed location other than the person's home, if the person is assessed as requiring transport funded by the Council to enable them to travel to that service, the cost of that transport will be disregarded in setting the Chargeable Cost, and will instead be charged in accordance with Section 11 of this policy.

In the case of any day service which is commissioned to provide meals or other refreshments as part of the service, the cost of the meals will be disregarded in setting the Chargeable Cost, and will instead be charged in accordance with Section 11 of this policy.

The Council's statutory Director of Adult Social Services (DASS) may determine that the Chargeable Cost per unit of any service or category of services will be set at a level below the full cost of that service to the Council, where the DASS judges that setting the Chargeable Cost at the level of the full cost would prevent the service from achieving the Council's objectives. This may include determining that a service will have a zero chargeable cost.

#### **5. Financial assessment**

All service users receiving chargeable services will be told of their entitlement to a Financial Assessment. They will also be told of their right to refuse a financial assessment if they are

content to pay the full cost of their services and do not wish to provide full details of their finances.

In any case where a person declines a financial assessment or refuses to disclose full financial information they will be required to pay the full cost of their non-residential care services, up to the maximum charge.

During a Financial Assessment, the person will be offered advice about any social security benefits which they appear to be entitled to receive, on the basis of the information available to the Financial Assessment Officer, and where necessary will be given assistance in claiming these benefits. A further Financial Assessment will take place following any award of benefits to re-calculate the charges payable.

The outcome of a Financial Assessment and the charges resulting from it will be notified to the person in writing, with a detailed explanation of how the charges have been calculated.

A reassessment of each person will be carried out annually, or on notification from the person of a change of circumstance. If requested, savings/capital will be reassessed at six-monthly intervals. The Chargeable Person will be told of the expectation that they must inform the Council of any change of circumstances. This will include 'life changes' which affect their financial circumstances such as the death of a partner; a partner moving out or into permanent residential care; the birth of a child or a child they are currently maintaining leaving home.

If a Chargeable Person (or their representative) fails to notify the Council of a relevant change in the person's circumstances when they were in possession of all relevant information and should have done so, any increase in the person's assessed Maximum Charge as a result of that change of circumstances will be backdated to the date when they should have notified the Council. Any reduction in the Maximum Charge as a result of the change of circumstances will take effect from the date of the notification. If at the time of a Financial Assessment a claim has been or is being submitted for a social security benefit, but the outcome of this claim is not yet known, the Financial Assessment Officer will explain what the impact on the person's Maximum Charge is likely to be if the claim is successful, and that any increase in the Maximum Charge will be backdated to the date from which the benefit is payable (so will apply during any period for which the benefit is paid in arrears).

All service users paying assessed charges will be offered a review upon request which will examine whether this charging policy has been applied correctly and whether there are any exceptional circumstances that justify discretion in reducing charges. Following the review, which will be carried out by a Financial Assessment Officer, the outcome will be notified to the service user in writing, and any changes to the charges payable will be backdated to the date of the request.

Financial Assessments and re-assessments may be carried out by telephone, by correspondence or by a personal visit. A provisional indication of the charge will be notified immediately. This will be confirmed in writing as soon as possible following the completion of the Financial Assessment and any checks that may be necessary.

Service users will be advised that they can be assisted by a relative, friend or other representative during any Financial Assessment.

The Council will, wherever possible, work in partnership with the Department for Work and Pensions when carrying out Financial Assessments to reduce the requirement for people to provide confirmation of information held by DWP. People will be informed about the necessary sharing of information.

## 6. Setting a person's Maximum Charge for Non-Residential Services

Unless otherwise provided for in this policy, or otherwise determined in accordance with this policy, the Maximum Charge set for a person will be calculated as:

*The person's total weekly income, calculated in accordance with the Regulations, taking into account all income which the Regulations require or permit the Council to take into account, and disregarding all income which the Regulations require the Council to disregard*

**Less**

*Either the Standard Allowance for disability related costs applicable in the person's circumstances, calculated as set out in the Annex, or the person's actual disability-related expenditure, assessed as set out in Section 7*

**Less**

*Either the minimum guaranteed income for the person, calculated as set out in the Regulations, or a higher minimum guaranteed income, calculated as set out in this Section*

If a person has savings above the Capital Limit, there will be no Maximum Charge, and they will be required to pay the full Chargeable Cost of their services.

If after the Financial Assessment has been carried out the Chargeable Person or their representative believes that the calculated Maximum Charge is more than it is reasonably practicable for them to pay, they may ask for a review of their ability to pay. The person will be offered support to produce a written statement of the reasons why they believe they cannot afford to pay the Maximum Charge. An Authorised Officer will determine whether their Maximum Charge will be reduced or set to zero. The Authorised Officer may request any information about the person's income, expenditure, and assets which they reasonably judge to be relevant to making this decision, and may decline to reduce the Maximum Charge on the basis that all relevant information has not been supplied.

The Maximum Charge for any person who is part of a household which includes children under the age of 18 and which is in receipt of means-tested social security benefits will be zero.

The Maximum Charge for any person who is under the age of 25 will be set on the basis of the minimum income guaranteed amounts which would have applied to that person if they were aged 25 or over (but not of pension credit age).

## 7. Disability-related expenditure of users of Non-Residential Services

In every non-residential Financial Assessment where the Chargeable Person is receiving one of the Disability Payments, the person or their representative will be told of their entitlement under the Regulations to an assessment of their disability-related expenditure

(DRE), as well as the alternative of accepting the Standard Allowance applicable in their circumstances.

In assessing DRE, the Council will ordinarily follow the advice contained in the latest version of the Guide published annually by the National Association of Financial Assessments Officers, under the title *“Good Practice, Training and Induction Guide on Assessing the Costs of Disability”*. The costs taken into account will be the excess costs above what would be expected if the person did not have a disability. Evidence of these costs will be required.

Expenditure on any health services or products which, if they were accepted as being effective and necessary, would fall within the scope of the NHS, will not be treated as DRE. If the Chargeable Person believes that NHS services or products supplied by the NHS are unsatisfactory, they will be offered any advice they may require to bring this to the attention of the appropriate NHS body.

The amount of any DRE above the level of the Standard Allowance applicable for the Chargeable Person will be subtracted from the income taken into account in setting the Maximum Charge, up to the actual level of the Disability Payment which the person is receiving. If the total of DRE is higher than the Disability Payment, the Disability Payment will be wholly disregarded in calculating the Maximum Charge.

Any disability-related expenditure above the level of the Disability Payment, or above the Standard Allowance if the Chargeable Person is not receiving a Disability Payment, will be considered alongside other information if the Chargeable Person or their representative tells us that they do not believe it is reasonably practicable for them to pay the calculated Maximum Charge, and a decision about this will be taken in accordance with the process set out in Section 6.

## **8. Couples**

Charges will be based on the financial circumstances of the person receiving care and support services, or in the case of support being provided directly to a carer, on the carer’s financial circumstances. The finances of the person’s partner will not be taken into account, though the fact that the person has a partner may affect the minimum income guaranteed amount used in the Financial Assessment, in line with the Regulations.

The default assumption in any Financial Assessment will be that income received by a couple or savings held by a couple are equally available to both members of the couple, and that 50% of these amounts should be taken into account in the financial assessment, unless disregarded under the Regulations. In particular, any pensions received by either member of a couple will usually be assumed to be equally available to both members. However any social security benefits paid specifically to support one member of the couple on the grounds of that person’s disability or illness will be assumed to be the income of that person only, and any benefits paid specifically to support one member of the couple on the grounds of that person’s role as a carer will likewise be assumed to be the income of that carer only. Other income or savings will be treated as available only to one member of the couple if evidence is supplied to demonstrate that the default assumptions are inappropriate in a particular case.

The figures in the Regulations for the minimum income guaranteed amounts for members of a couple will be used in the Financial Assessment, **except** that for working age couples the figure will be calculated as follows:

<p>The minimum income guaranteed amount (MIGA) for a <i>single</i> working age adult in the person's circumstances, as set out in the Regulations</p> <p><b>Less</b></p> <p>The <i>difference</i> between the MIGA for a single working age adult who is not eligible for any disability premiums and the MIGA for a working age adult in a couple who is not eligible for any disability premiums</p>
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The effect of this calculation is to cap the reduction in the MIGA for a working age adult attributable to them being a member of a couple at the lowest of the figures which would be arrived at by using the figures in the Regulations.

## 9. Housing costs

Where a service user lives in the same household as other adults, whether or not including their spouse/partner, the default assumption for the purposes of the Financial Assessment will be that housing costs are split equally between all adults in the household. This assumption will be reviewed if evidence is provided that it would be unreasonable.

## 10. Deprivation of assets

Where the Council becomes aware that that a Chargeable Person has deliberately given away or disposed of assets in order to avoid care charges then the Council will treat that person as still having the assets.

## 11. Meals and transport

Where the Council contracts for a daytime service on the basis that meals/refreshments will be offered to users of the service as part of the contract specification, the Chargeable Cost of the service will be reduced by the amount set out in the Annex as the Meals Charge.

If a service user takes up the offer of receiving meals and/or refreshments in such a service, the provider of the service will be asked to collect the Meals Charge from them, and to show this as a credit on their invoice to the Council.

The Council may also contract for services on a basis which does not require the provision of meals/refreshments, and in that case the service provider may make these available to service users on a commercial basis, but must not require users to purchase them.

Where the care and support plan for a person not living in a care home specifies that they will go to a particular place during the day, there will be a discussion with that person about how they are able to do so, taking account of what forms of transport they can reasonably be expected to use, and of any specific resources they have available to them for the purpose (including mobility benefits, which are excluded from consideration as income under the Regulations). If they require transport organised or funded by the Council, either directly or as part of a contract with a day service, they will be required to pay the Transport Charge as specified in the Annex.



In other cases where a care and support plan includes support for the person to go out during the day and make use of community facilities, without specifying any particular place that the person will be going to, the person will ordinarily be expected to meet any transport costs themselves in full, as part of their ordinary daily living expenses, though any special issues relating to this will be considered as necessary during the person's assessment and the preparation of their care and support plan.

The Meals Charge and the Transport Charge will be treated as payments for "non care-related support" for the purposes of the Regulations. For administrative simplicity, Financial Assessment documentation will not explicitly show these charges as deductions from the minimum income guaranteed amount, which is technically their status under the Regulations; instead, and with equivalent effect, income received through the Meals Charge and/or Transport Charge will be disregarded when calculating how much the person can afford to pay for care and support services.

## **12. Combinations of residential and non-residential services**

If a Chargeable Person has short break care in a care home and a non-residential care service on the same day, they will be charged for the short break care only. This is because the service user would be contributing the maximum amount they could afford to their residential care and would only have a personal allowance remaining.

If a person receives both a short break in a care home and non-residential care services in the same Charging Week, their assessed maximum charge for short break care will be applied pro rata to the days when they are in a care home, and their assessed maximum charge for non-residential charges will be applied pro-rata for the remaining days.

Service users with savings above the capital limit defined in the Regulations will be charged the full cost of both residential and non-residential services received in the same Charging Week.

## **13. Payment of charges**

For services subject to a financial assessment the usual method of payment will be by Direct Debit on a four weekly basis which will be arranged by the Council's staff, except for short break stays which are normally invoiced for after the stay has taken place.

As an incentive to pay by Direct Debit, the amounts billed to a Chargeable Person for non-residential services will be reduced by the Direct Debit Discount as set out in the Annex, except where the Chargeable Person is paying an administration fee as provided for in Section 16.

The Council will also offer a four weekly billing system for payment by debit or credit card; cheque; via the internet or at the Post Office or Paypoint outlet

Service users who receive a Direct Payment and commissioned services will follow the payment arrangements above. Service users who receive a Direct Payment only will be advised individually whether they will be required to pay their contributions into their Direct Payments bank account or if they will be sent an invoice.

If there is a substantial delay between the start of Chargeable Services and the date when charges are first notified to the Chargeable Person for reasons outside the control of the

Chargeable Person or their representative, phasing of payments will be offered, to ensure that the person is not required to make large one-off payments if they would find this difficult. Waiving of charges for part of the period after the commencement of service will be considered in exceptional cases, particularly where there have been defects in the general information about charges given to service users or their representatives.

In the event of non-payment of charges, the Council will continue to provide all services which the person is entitled to receive, but will unless there are exceptional circumstances instigate recovery proceedings, including court action to recover unpaid sums.

## **14. Specific charging issues in relation to certain types of services**

### **Residential/Nursing Care**

Charges will continue to apply for residential/nursing care during temporary absences (for example, hospital stays) if the bed is held for an individual to return to following their temporary absence. Charges will only cease if the placement at the Care Home is given up and no costs are incurred by the local authority in relation to that placement.

Charges for time-limited stays in a care home will be made in accordance with the provisions in the Regulations for charging for residential care, in all circumstances, including those where the Regulations permit authorities to charge on a different basis.

### **Home Care**

Home care is charged on the basis of booked care with the home care provider. It is the responsibility of the service user to let us know if care has not been delivered during a period for any particular reason and then the charge will be adjusted to reflect this unless the service user has unreasonably failed to notify the provider of their absence, leading to a wasted visit.

Charges are based on the booked durations of visits. These are indicative durations, expressed as multiples of 15 minutes, and visits may not last for the full indicative time, or may last for longer than the indicative time, since the requirement placed on the provider is to supply workers who will carry out the tasks in the care and support plan in a way which respects the person's dignity, rather than staying for a particular length of time. Charges will not be varied because visits are shorter or longer than the indicative time, but service users will be given information advising them to notify the Council if their visits are regularly shorter than the indicative time by more than 15 minutes. Providers may also notify the Council if visits regularly exceed the indicative time. In either case, the care and support plan will be reviewed on receiving the notification.

If the Chargeable Cost of the services delivered during a Chargeable Week is greater than the Maximum Charge, the Chargeable Person will be required to pay the Maximum Charge, regardless of any services not delivered.

### **Day Care/day services**

Charges will apply for non-attendance at day care/day services as the place is pre-booked and cost of the service is still incurred. The service user is therefore required to make their usual contribution toward the cost of the place held open for them even if they do not attend.

Where there is a planned absence, but the place is held open for the service user to return, the service cost will still be incurred and therefore a continued contribution from the service user is again required.

However charges will be refunded if a service user misses day care because:

- they are in hospital, or have a hospital appointment
- they are ill for more than two weeks (refunds will start from the third week)
- the centre is closed, or the centre's transport is unavailable
- they are having a short break in a care home arranged by the Council or included in their care and support plan

### **Short term support service/reablement services**

Charges will not be made for reablement for a period of up to six weeks. If the service continues after the six weeks then there will be a charge for this service.

## **15. Mental capacity**

During the assessment of a person's care needs, staff will determine if the service user has the capacity to consent to the care plan and the financial assessment.

If a service user appears to lack capacity to undertake a financial assessment staff will make enquiries to see if the service user has any of the following arrangements:

- An Enduring Power of Attorney (EPoA)
- A Lasting Power of Attorney (LPA) for Property and Affairs
- A Deputy for Property and Affairs appointed by the Court of Protection
- An Appointee for the receipt of state benefits and pensions

If there is no one acting on behalf of the service user, staff will take steps to find out if there is someone who is willing and able to provide this support, but if there is no one else, the Council will make arrangements to manage the service user's finances on their behalf.

The provision of services will not be delayed whilst enquiries and applications are being made.

## **16. Administration fees**

In any case where the Council has the power under Section 14(1)(b) of the Care Act to levy administration fees, it will do so, at the levels set out in the Annex.

In determining whether administration fees are chargeable, the Council will consider whether the Chargeable Person's arrangements are being made under Section 18(4) of the Care Act, in which case administration fees are not permitted.

## **17. Adjustments to this policy**

The DASS may make changes of any of the following kinds to the locally-set figures in the Annex, in consultation with the Cabinet member responsible for adult social services:

- Increasing any of the standard allowances, where satisfied that this is not likely to have the effect of increasing overall net costs to the Council (for instance because of evidence that the overall cost of carrying out and giving effect to individual assessments of disability-related expenditure is higher than the expected net cost of increasing the standard allowance)
- Varying the terms of the Direct Debit Discount, where satisfied that this is not likely to increase overall net costs to the Council
- Adjusting the Administration Fees, to bring them into line with changing costs of administering the relevant arrangements

The DASS may also, in consultation with the Cabinet member responsible for adult social services, make any minor changes to this policy required as a result of changes to legislation or statutory guidance, where the Council has no discretion, or where the exercise of discretion makes no material adverse difference to the financial outcome for Chargeable Persons.

## **Annex: locally-set figures**

*All figures as from 8 April 2024*

### **Standard allowances**

Standard allowances for disability related expenditure for people receiving non-means-tested disability benefits will be as set out below. All references are to the components of these benefits which do not relate to mobility. Mobility components (where applicable) may not under the Regulations be taken into account as income available to pay charges.

Lower rate DLA:	£5.88
Middle rate DLA/ Lower rate AA/Standard PIP:	£23.50
Higher rate DLA/AA/Enhanced PIP:	£41.12

### **Direct Debit Discount**

The Direct Debit Discount will be a reduction of £10 in each of the first three bills for Non-Residential Services paid by Direct Debit by any Chargeable Person. The discount will not be available on a second occasion if Direct Debit payments are terminated for any reason and subsequently restarted.

### **Minimum Chargeable Amount**

The minimum chargeable amount is £4 per week.

### **Meals Charge**

The meals charge is £2.50 per day.

### **Transport charge**

The transport charge is £1 for each journey, up to a limit of two journeys in a day (ordinarily the journey from home to a service and the return journey).

### **Administration fees**

Administration fees, where payable under this policy, are £3.45 per week for a person paying by Direct Debit, and £4.00 per week for any other person.