

## Direct Payment Fact Sheet

### What is the Client Contribution and how does it affect me?

Everyone in Knowsley who receives care and support that is paid for by the council will have a Financial Assessment to find out how much they should pay towards the costs of that care and support. This includes people who receive a Direct Payment to purchase their own care and support. The amount of money you are asked to pay is called your Client Contribution.

There are a variety of ways in which you can pay your Client Contribution to the Council, however, if you receive Direct Payments, you **MUST** make arrangements to pay your client contribution into your Direct Payments bank account.

This leaflet explains the process for the financial assessment and what arrangements you need to make to pay your client contribution.

### What is a Financial Assessment?

The Financial Assessment is a way of asking questions and gathering information to decide how much you need to pay towards the cost of the care and support that you receive. The Financial Assessment is part of Knowsley Council's Fairer Charging Policy. The policy explains how Knowsley Council works out what people can afford to pay towards the cost of the services they receive.

### What happens in a Financial Assessment?

Someone from the Council's Financial Assessment Team will contact you and will arrange to come and see you in your home. They should arrange a time to suit you so that a friend or family member can be with you when

they visit. They will ask you to give them some information to help them work out what you should pay. They will tell you the type of information that we need when they arrange your home visit.

### **What sort of information will the Council need?**

As part of the Financial Assessment, the person will need to know:

- Your personal details
- Next of kin (spouse, children)
- Information about your benefits
- Information about your savings/investments
- Information about your pension
- The cost of your housing (mortgage or rent payments)
- The cost of any 'disability related expenditure' (this is explained further on in this FACT Sheet)

### **What happens if I do not want to tell people about my finances?**

If you choose not to have a Financial Assessment then you will be asked to pay the full costs of your care.

### **What is Disability Related Expenditure?**

This means the extra costs of things you have to pay for because of your care needs. You will have already discussed these needs with your social worker and they should be included in your care plan. They can only be taken into account if you receive what is called a 'qualifying benefit' i.e. either Disability Living Allowance or Attendance Allowance.

The following things may be considered as 'disability related expenditure':

- Extra heating costs
- Extra metered water costs
- Special dietary requirements
- Extra loads of laundry
- Continence issues
- Special equipment maintenance
- Mobility costs
- Extra personal care
- Wear and tear of clothes and bedding

These are just examples and there may be other things which could be included and taken into account. The Council may ask you to keep receipts to show how much you are paying for such items.

### **Does everyone have to pay?**

No. There are a few circumstances listed below where you will not have to pay a client contribution:

1. Some people will be entitled to free services because their income is low and the financial assessment will determine if this is the case.
2. There are some circumstances where the government says you do not have to pay. These include:
  - you suffer from Creutzfeldt Jacob Disease
  - you are subject to Section 117 of the Mental Health Act 1983
  - you are under the age of 18 years
  - your services are defined as continuing health care
3. If you receive payments from the Independent Living Fund (ILF) and those payments are reduced to take into your contribution, then

you will not have to pay another Client Contribution towards your direct payments.

### **How is the amount of my Client Contribution worked out?**

The process to work out what people pay towards the costs of their care can be described in four steps:

- Step 1: All money you have coming in each week is looked at
- Step 2: What you have to pay out for housing and disability related expenditure is looked at
- Step 3: What you need to live on each week is worked out. This is done by looking at what the basic government income levels are and then this figure is increased by 25%.
- Step 4: Your weekly payment will be worked out based upon what you can afford to pay.

### **When do I find out what I have to pay?**

During the Financial Assessment visit, if it is worked out that you do have to pay, then in most cases you will be told there and then how much your weekly Client Contribution shall be. This will be confirmed in writing. You will receive a letter from the Council explaining:

- How much to pay each week
- How the payment has been worked out
- When to pay
- How to pay

### **What do I need to do?**

If you are in receipt of Direct Payments the Council will deduct the amount of your Client Contribution from your Direct Payments. This means that every four weeks when you receive your Direct Payment it will be the amount of money agreed for your weekly care and support **minus** the amount of your weekly Client Contribution.

As soon as you receive your letter confirming the weekly amount of your Client Contribution, you must make arrangements to pay this amount into your Direct Payments bank account. If you do not do this you will not be able to pay for the care and support that the Direct Payment is designed to provide.

The best and easiest way to arrange this is to call into your bank and set up a Standing Order to transfer the money from your personal bank account into your Direct Payments bank account. The Standing Order should be set up to make the transfer every four weeks. If your personal bank account is with Santander, you will need to arrange monthly payments. KDC will help you work out how much the value of the monthly transfer will be.

### **What if I have a Managed Account Service from KDC?**

You will need to make arrangements to pay your client contribution into the account that KDC manages on your behalf. KDC will give you a Standing Order for this. If you do not have a personal bank account for this, you can pay by cash to KDC's office or at any PayPoint service (found in many local retail outlets).

## **What happens if I don't pay my Client Contribution?**

If you do not make arrangements to pay your weekly charge into your direct payments bank account, you will be unable to pay the wages for your PA and other bills such as your tax and national insurance payments to HM Revenue and Customs (HMRC) and invoices from the care agency you may use.

This could lead to serious situations such as:

- You will be in breach of the contract of employment you have with your PA and they could sue you for any unpaid wages due
- HMRC will impose fines and penalties if you do not pay your tax and national insurance payments on time. HMRC can take very serious actions against individuals who are late with, or do not make, their payments
- If you use a care agency to provide your support, the agency will withdraw their service if the bills are not being paid
- From time to time, the Council will inspect your direct payments bank account and will check to see if your Client Contributions are being paid in. You will be asked about any missing payments

Remember, if you are having any difficulties with your payments, contact the Direct Payments team here at KDC on 480 8873 immediately for help and advice.

## **What should I do if I disagree with the assessment?**

If you do not understand how your charge has been worked out, or you do not agree with the amount you have to pay, you can ask the Council to explain the calculation or send a statement of reasons to you. You can ask for the assessment to be reviewed.

You can request a visit or query a fairer charging assessment by phoning the Financial Assessment Team on 443 4234. A Senior Officer from the team will look at the assessment again and tell you if it is correct or needs to be changed.

This should happen within 10 days of receiving your request for review. Another home visit may need to be arranged if they need more information from you.

If you are still unhappy you can appeal to the Director of Health and Social Care. You will need to write to tell them why you believe the assessment is wrong. The Director of Health and Social Care will respond to your appeal within one calendar month. If you are not satisfied after the Director of Health and Social Care has considered your appeal, you can ask for your case to be looked at by the Appeals Committee of the Council and an appeals hearing will be arranged which you and/or your representative can attend and present your case.

It is important that you continue to pay whilst your appeal is being considered.

### **What should I do if my financial circumstances change?**

If there are any changes to your benefits or income you must inform the Financial Assessment Team so that they can work out your correct payment.

## Where do I go for further information?

If you have any questions about Knowsley's Fairer Charging Policy and Client Contributions, contact:

Benefits Section/Specialist Income Team  
Municipal Buildings  
Kirkby  
Merseyside  
L32 ITX

Phone: 0151 443 4234 to request a visit or query a fairer charging assessment.

Phone: 0151 443 4455 to query a payment.

Email: [benefits@knowsley.gov.uk](mailto:benefits@knowsley.gov.uk)

Or you can call into any of Knowsley's One Stop Shops.

For a copy of Knowsley's Fairer Charging policy go to [www.knowsley.gov.uk/families/social-care-and-health/](http://www.knowsley.gov.uk/families/social-care-and-health/)

Remember, if you are unsure, have any queries or need additional support, please contact the Direct Payments Team here at KDC.

**Telephone:** 480 8873

**Email:** [andy.gilbert@kdc.org.uk](mailto:andy.gilbert@kdc.org.uk)

You can find this Factsheet along with others covering a variety of topics by visiting us at [www.kdc.org.uk](http://www.kdc.org.uk)

