

## **KDC Fact Sheet for Care Charges (client contribution)**

### **Introduction**

All local authorities have a duty to arrange support for those with eligible needs. Each Council is given the discretion as to whether they can charge a contribution for these services. Currently, almost all councils have decided to use this discretion.

Where the local authority decides to apply its discretion, section 17 of the Care Act 2014 states that it must carry out a financial assessment. The purpose is to assess the person's financial resources and the amount (if any) that they are likely to pay towards the cost of their care package

The rules setting out how the Council must carry out the financial assessment is found in two documents that are linked to the Care Act. One is called the Care and Support (Charging and Assessment) Regulations 2014 and the second is called the Care and Support Statutory Guidance

Knowsley Council has put in place a Charging Policy to explain its financial assessment process, but it cannot go below the standards set out in the Care Act documents

### **What does the Care Act 2014 say about Care Charges?**

The main principle is that people should only be required to pay what they can afford. People will be entitled to financial support based on a means-test and some will be entitled to free care. The framework is therefore based on the following principles that local authorities should take into account when making decisions on charging. (See Care and Support Statutory Guidance para 8.2. of Care Act 2014)

The principles are that the approach to charging for care and support needs should:

- ensure that people are not charged more than it is reasonably practicable for them to pay
- be comprehensive, to reduce variation in the way people are assessed and charged

- be clear and transparent, so people know what they will be charged
- promote well-being, social inclusion, and support the vision of personalisation, independence, choice and control
- support carers to look after their own health and well-being and to care effectively and safely
- be person-focused, reflecting the variety of care and caring journeys and the variety of options available to meet their needs
- apply the charging rules equally so those with similar needs or services are treated the same and minimise anomalies between different care settings
- encourage and enable those who wish to stay in or take up employment, education or training or plan for the future costs of meeting their needs to do so
- be sustainable for local authorities in the long-term

Local authorities must also have regard to identifying people that contact them who may benefit from financial information and advice independent of the local authority and actively facilitate those people to access to it. (see Care and Support Statutory Guidance para 3.6 of Care Act 2014)

The local authority must provide information to help people understand what they may have to pay, when and why and how it relates to people's individual circumstances. This must include the charging framework for care and support, how contributions are calculated from both assets and income (see Care and Support Statutory Guidance para 3.43.)

There are a variety of ways in which you can pay your Care Charge (client contribution) to the Council, however, if you receive Direct Payments, you will need make arrangements to pay your care charge into your Direct Payments bank account.

### **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 or contact you by phone. 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.

In order to reduce the amount you have to pay for your care, the Council should take into account any Disability Related Expenses (DRE) you have, which they should disregard as available income, reducing the amount of your client contribution.

Disability Related Expenses **are any extra costs linked to any disability you have.**

You should make sure that when you have your financial assessment, you have a detailed list of all the DRE you have, so your contribution is as cost saving as possible. If you can't think which costs relate to your disability, try and think about your day-to-day life and what items and services you use.

Ask yourself, what is different between what you have to spend compared to a relative, friend or neighbour who does not have your disability or health condition. Don't just think about the short term; think about a week, month or year in your life. You may use some items and services more at different times than others.

It may help to look through records you have about your disability and any invoices/bills/receipts to see what you spend in a week/month/year and which costs arise from your disability.

Disability Related Expenditure costs usually fall into one of these three categories:

**Specialised items and services:** you may use things that are made especially to help with your disability, such as wheelchairs and care support. These items may have additional costs, like repair and insurance.

**Increased use of non-specialised items and services:** you may have to use things more because of your disability, such as transport or heating.

**Higher cost non-specialised items and services:** you may have to use things that cost more than the average, such as home delivery.

Examples of Disability Related Expenditure costs;

- **Community alarm system** If where you live has an alarm to keep people safe and you are charged for this.

- **Washing powders or laundry** If you need to use a special detergent or a launderette. If you have to do more laundry, for example, because of incontinence, risk of infection or part of a behaviour.
- **Dietary needs** If you have a condition that means you have to eat/drink special foods such as coeliac disease or you are a diabetic. It may also include more expensive ready meals as you cannot prepare food yourself.
- **Clothing and footwear** Special clothing and shoes to fit your disability. If you have to buy clothes more often. Cost of getting clothes adapted such as Velcro instead of buttons.
- **Bedding** Special bedding used such as incontinence sheets and anti-allergenic sheets.
- **Heating costs**, electricity and water If you need your home to be heated more due to your condition (over and above the £15 a week allowance already given). If you spend more time at home because of your disability and use more power. If you use more water due to extra laundry
- **Garden maintenance, cleaning or domestic help**, window cleaning you may need to pay someone to do one or all of these if you cannot do them yourself or you are not supported to do them.
- **Purchase, maintenance and repair** of disability related equipment Items such as wheelchairs, beds, mattresses; hoists, lifts & stair lifts & home adaptations like grab rails & ramps if you hired these yourself (or you had to make a contribution to top up a Disabled Facilities Grant). Any costs repairing or maintaining them, insuring them (e.g. wheelchair services, new batteries)
- **IT** such as adapted computers & communication aids, or specialist software. Special gadgets you need in the kitchen or around the house such as food prep machines, bedside tables, bath boards, sliding sheets, and special cutlery if not provided by an OT.
- **Personal Assistance Costs** If you need to hire extra personal assistants to help with needs arising from your disability & not already covered by your social care package.
- **Transport Costs** Use of taxis if unable to use public transport. Transport to day-centres', health appointments. Cost of travel for PA or carer to go with you if you need to pay for them.

- **Prescriptions** If you pay for your prescriptions for medication & equipment/aids
- **Holidays/respice Additional costs** that arise due to your disability when you go on holiday such as needing a carer or rental of specialist equipment when away.
- **Therapies** If you pay for private therapy such as counselling or chiropody and podiatry.
- **Social activities** If you have costs that relate to social activities to help with mental health issues, such as clubs and befriending services, or if you need to pay extra to take someone with you because of your disability
- **Internet access or other technology purchases.** If the need for internet access or the technology arises from your disability Home delivery costs for example, supermarket delivery charges if you can't go shopping yourself
- **Extra costs of day-to-day life** Disposable gloves for PA's and carers not provided by the NHS. Urinals. Anything that you pay extra for that you cannot do yourself because of your disability.
- **Household cleaning cleaner, carpet washing** (if you can't do these because of your disability or they are more frequent because of it & not already covered by your social care budget).
- Cost relating to **hobbies & getting out and about** where these support your health and well-being and are higher because of your disability, or you do them because of your disability.

The statutory guidance says that policy should '**encourage & enable those who wish to stay in or take up employment, education or training or plan for the future costs of meeting their needs to do so**'. This could include any costs you incur in relation to volunteering, if they are not reimbursed and the volunteering is part of your plans for getting in to work

The council may require more evidence for things you have listed as Disability Related Expenditure, or disagree in some cases. Not all costs will be considered as eligible. For instance, if you choose to buy items/services when there is a cheaper alternative that meets the need, or if it is something provided by the NHS for free. The cost must be paid by you, not covered by a grant or donation.

Everyone's costs will be different and a list of examples cannot contain everything.

## 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

## 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:

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|---------|--|
| 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.  |

## What is Minimum Income Guarantee?

People receiving local authority-arranged care and support other than in a care home need to retain a certain level of income to cover their living costs. Under the Care Act 2014, charges must not reduce people's income below a certain amount but local authorities can allow people to keep more of their income if they wish. This is a weekly amount and is known as the **MIG**

## **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 Care Charge (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 Care Charge (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 Care Charge

As soon as you receive your letter confirming the weekly amount of your Care Charge (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 preferably weekly. 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. 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 the account KDC



has set up for you. KDC will provide you with the details for this. The Standing Order should be set up to make the transfer every four weeks.

### **What happens if I don't pay my Care Charge (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 situations such as:

- 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 my financial circumstances change?**

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

### **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 4045. 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 Head of Adult Social Care. You will need to write to tell them why you believe the assessment is wrong. The Head of Adult Social Care will respond to your appeal within one calendar month. If you are not satisfied after the Head of Adult 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.

### **Where do I go for further information?**

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

Knowsley Council Financial Assessment Team  
Municipal Buildings  
Archway Road  
Huyton  
L36 9YU

Phone: 0151 443 4045 to request a visit or query a fairer charging assessment.

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

<https://www.kdc.org.uk/news-events/policy-on-charging-for-adult-social-care-services/>

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

**Telephone:** 0151 480 8873

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

### **Some helpful references and resources**

- The Care and Support (Charging and Assessment of Resources) Regulations 2014
- <https://www.legislation.gov.uk/ukxi/2014/2672/contents/made>
- Care and Support Statutory Guidance.
- <https://www.gov.uk/government/publications/care-act-statutory-guidance/care-and-support-statutory-guidance#chapter-1>
- Charging for care and support, Local authority circular – Published March 2020
- [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/872440/charging-for-care-and-support-local-authority-circular.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/872440/charging-for-care-and-support-local-authority-circular.pdf)

There is a very informative book on all aspects of community care law

- Luke Clements, Community Care and the Law (LAG, 2019)
- Inclusion London shared the following links
  - [Disability Justice - financial assessment guidance](#)
  - [Disability Related Expenditure guidance](#)