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# North East Lincolnshire Council

## Charging and Financial Assessment for Adult Care and Support Services

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## Introduction

North East Lincolnshire Council's Charging and Financial Assessment for Adult Care and Support Services Policy has been designed to comply with The Care Act 2014. Its aim is to produce a consistent and fair framework for charging and financial assessment for all Individuals that receive care and support services, following an assessment of their individual needs and their individual financial circumstances.

For the purposes of this Charging Policy, an adult is an Individual aged 18 and above.

This Charging policy provides the framework to be used by North East Lincolnshire Clinical Commissioning Group (NELCCG) and Focus Independent Adult Social Work, who, via delegated responsibilities, discharge functions on behalf of North East Lincolnshire Council ('the Council') in relation to finance, commissioning and social work practice. NELCCG and Focus will apply the principles and requirements of this policy in all matters relating to the charging and financial assessment of adult social care services.

**This charging policy applies to Individuals who are eligible for care and support funding and agree to take part in the financial assessment process. Anyone with capital over the upper capital limit, or who refuses a financial assessment, will be required to pay the full cost of their care and support.**

### Equality and Diversity

- The Council is committed to ensuring equality of treatment for everyone in connection with service delivery, recruitment and employment.
- The Council is committed to the broad principles of social justice, is opposed to any form of discrimination, victimisation and harassment and accepts all its legal responsibilities in these respects.
- The Council is committed to treating equally everyone with whom its representatives come into contact including current and potential Individuals, its employees, Elected Members and visitors.
- The Council is committed to ensuring that no-one is treated in any way less favourably on the grounds of race, colour, national or ethnic or social origin, race, disability, gender, sexual orientation, gender reassignment, marriage & civil partnership, pregnancy & maternity, age , religion/belief or political/other personal beliefs.
- The Council will implement all necessary actions and training to ensure its commitments with regard to equality of treatment are fulfilled and will monitor and review progress on a six monthly basis

### Policy objectives

The principles underpinning this policy are:

- Where the Council is required to arrange care and support for free, it does so;
- Individuals will only be required to pay what they can afford based on the new legal

framework;

- That financial support towards care costs will be determined through a financial assessment (either full assessment or light touch);
- The Council will provide clear and transparent information so Individuals know what they will be charged;
- To apply the rules consistently, to avoid variation in the way people are assessed and charged;
- Promote wellbeing, social inclusion, and support the vision of personalisation, independence, choice and control;
- Support carers to look after their own health and wellbeing 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 Individual's needs;
- Apply charging rules equally so those with similar needs or services are treated the same and to minimise anomalies between different care settings;
- To ensure that the charge to the Individual for services provided is no greater than the cost of that service being delivered
- Encourage and enable those who wish to stay in or take up employment, education or training, to plan for the future costs of meeting their needs to do so
- To ensure that the Individual has capacity to participate in an assessment. If the Individual lacks capacity, the Council will establish if the Individual has any of the following, and involve the appropriate person:
  - ❖ Enduring Power of Attorney (EPA)
  - ❖ Lasting Power of Attorney (LPA) for Property and Affairs
  - ❖ Lasting Power of Attorney (LPA) for Health and Welfare
  - ❖ Property and Affairs Deputyship under the Court of Protection
  - ❖ Any other person dealing with the Individual's affairs (e.g. someone who has been given appointeeship by the Department for Work and Pensions (DWP) for the purpose of benefits payments).

If there is no one suitable available to support the Individual, the Council will seek an advocate to support them through the care and support process.

### **Legal basis for charging and financial assessment**

The Care Act 2014 provides a single legal framework for charging for care and support. It enables local authorities to decide whether or not to charge an Individual when it is arranging to meet an Individual's care and support needs, or a carer's support needs.

Section 14 of The Care Act 2014 provides local authorities with the power to charge adults in receipt of care and support services, where the local authority is permitted to charge for the service being provided.

Section 14 of The Care Act 2014 provides local authorities with the power to charge for

services meeting carer's needs, by providing services directly to the carer.

Section 17 of The Care Act 2014 permits local authorities to undertake an assessment of financial resources. The financial assessment will determine the level of an Individual's financial resource, and the amount (if any) which the Individual may be likely to be able to pay towards the cost of meeting their needs through care and support services.

Section 14 of The Care Act 2014 instructs that local authorities are **not permitted** to charge for provision of the following types of care and support:

- Intermediate care (including reablement support) services for up to 6 weeks;
- Community equipment (aids and minor adaptations): a service which consists of the provision of an aid, or minor adaptation to property, for the purposes of assisting with nursing at home or aiding daily living. An adaptation is minor if the cost of making the adaptation is £1,000 or less;
- Any service or part of service which the NHS is under duty to provide. This includes Continuing Healthcare and the NHS contribution to Registered Nursing Care;
- Care and support provided to people with Creutzfeldt- Jacob Disease;
- Services which the Council has a duty to provide through other legislation may not be charged for under the Care Act;
- Assessment of needs and care planning, including the cost of the financial assessment
- The Council will refer to the Care and Support Regulations and Care and Support Statutory Guidance and Annexes issued under The Care Act 2014, for specific guidance relating to charging and financial assessment. These Regulations and Guidance form the basis of this policy.

### **Ability to pay**

The purpose of the financial assessment is to ensure that the level of financial contribution calculated is within Individuals' means and leaves the Individual in receipt of the guaranteed minimum level of income set by the Government.

### **Charging and financial assessment Permanent Care and Support in care homes (formally known as Residential Care)**

The Council will charge for care and support delivered in a care home on a permanent basis.

Individuals requiring permanent care and support in a care home must initially be assessed and meet the national eligibility threshold for care and support. Only where an Individual has eligible care and support needs will a financial assessment be required.

All Individuals requiring permanent care and support in a care home must have some form of financial assessment (either a full assessment or light touch assessment if this is appropriate. An Individual's financial circumstances will determine whether the

Individual is eligible for support towards their permanent care costs.

Individuals will be made aware at the outset of the maximum amount of funding the council makes available towards care and support provided. This is known as 'The Local Authority Rate'. This rate is inclusive of any assessed Individual contribution.

Where an Individual is eligible to receive local authority funding, but decides to reside in another local authority area, North East Lincolnshire Council will match the local authority rate for the area where the Individual decides to live.

Individuals who wish to live in accommodation that costs more than The Local Authority Rate can do so, providing the Individual or a third party meets the additional cost. This additional cost (known as a 'top-up') must be sustainable (proof may be required) and the Council has the right to refuse an Individual using their assets for this purpose, if the costs cannot be met over a sustained length of time.

Where an Individual chooses more expensive accommodation than the Local Authority Rate and the top-up is to be paid by a third party, the third party must confirm they are able to meet the costs of the top-up for the duration of the agreement, including any price changes that may occur.

The third party will be asked to enter into an agreement, covering all of these points;

- Cost of the additional payment
- Ability to maintain the payment
- To whom payment is to be made
- Frequency of payment
- Process for reviewing the agreement
- The consequences of failing to maintain the payment
- Process for informing the relevant organisation of any changes that affect the parties financial circumstances.

If the additional payments are unable to continue, this could result in the Council arranging for alternative, less expensive accommodation (which would still meet your needs) and/ or the termination of your chosen additional services.

### **Universal Deferred Payment Agreement**

Individuals that own a property or other valuable asset, over which security (legal charge) can be taken, may be eligible to defer care costs against the value of the property/asset. This is known as a Deferred Payment Agreement. The Council will make universal deferred payment agreements available under the national 'Universal Deferred Payment Agreement Scheme' providing the eligibility criteria has been met. Details of North East Lincolnshire's Deferred Payment Scheme will be made available to Individuals who meet the criteria. The policy can also be found on the Council's website.

The Council will undertake a financial and benefits check for Individuals entering residential care on a permanent basis. Signposting and referring for additional benefits will also be undertaken as part of the financial assessment process. Contributions are payable from the date care commences so if for any reason there is a delay in the financial assessment taking place, Individuals will be required to pay for their care from the start of service and may be invoiced retrospectively to bring their account up to date.

The financial assessment will take into account income, capital and the value of any assets. Evidence may be required when completing the assessment process. The charging methodology will take into consideration any mandatory disregards of income, capital and property as defined in the Care and Support (Charging and Assessment of Resources) Regulations 2014 and the Care and Support Statutory Guidance 2014.

The financial assessment will take into account the amounts the law says Individuals must be allowed to retain from their income. These are known as 'Personal Expenditure Allowance' (PEA) and 'Disposable Income Allowance' (DIA). These amounts are dependent upon the Individuals' financial circumstances, and are reviewed annually by the Department of Health.

Financial assessments will be updated on an annual basis in order to take account of any changes in circumstances.

<b>Charging and financial assessment</b> <b>Temporary Care and Support in care homes (formally known as Respite Care/Short Stay)</b>
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The Council will charge for care and support delivered in a care home on a temporary basis.

Following an assessment of an Individual's eligible care and support needs, a decision may be taken that the Individual would benefit from a temporary stay in a care home. A temporary resident is defined as a person whose need to stay in a care home is intended to last for a limited period of time and where there is a plan to return home. The person's stay should be unlikely to exceed 52 weeks, or in exceptional circumstances, unlikely to substantially exceed 52 weeks. For the purposes of this policy, the first 8 weeks of a temporary stay will be charged at a flat rate and thereafter a financial assessment will take place.

Individuals that have a temporary stay that becomes permanent will be assessed for a permanent stay at the date permanency is confirmed and their care and support plan is amended.

The financial assessment for temporary stays will completely disregard the Individual's main or only home where the Individual intends to return to that home.

If the temporary stay falls under "Extended Respite" the Council will ensure that payments made by the Individual to keep and maintain their home, such as rent (unless housing benefit is in payment), water rates and insurance premiums are disregarded.

Similarly, expenses that the Individual would normally incur and would continue to pay should also be disregarded, such as household related Disability Related Expenditure (e.g. cleaning, gardening, community alarm services). Contributions are payable from the date care commences. A new financial assessment will be required in each financial year where an Individual requires temporary accommodation in a care home.

**Charging and financial assessment  
care and support in other care settings including a person's own home (formally  
known as domiciliary care)**

The Council will charge for care and support delivered in other care settings including an Individual's own home. If more than one care worker is required to carry out the same service, the additional resource will be chargeable.

Individuals requiring care and support in their own home or another care setting must undertake a care assessment and meet the eligibility level for care and support. Only where an Individual has an eligible care and support need will a financial assessment be required.

If an Individual does not wish to disclose their financial data, that is their choice; however, it will then be assumed that the full cost of care can be met from the individual's income and capital i.e. they will meet the full cost of their care (including for example, meeting the cost of two carers, where two carers are required).

Where an individual has an eligible social care need a personal budget may be provided in accordance with that need. A support plan will be developed with you as to how best to meet any unmet eligible need and to determine if a personal budget is needed to meet your desired outcomes.

Where an Individual has to pay the full cost of their care and support, due to having capital in excess of the higher capital limit, they are still entitled to request that the Council arrange their services. The Council will charge an annual fee for arranging services.

Individuals will have the option to take a personal budget for Council commissioned services or as a direct payment or a combination of both. Individuals that take their personal budget as a direct payment may purchase alternative types of care to meet their care and support needs as defined in Sections 31 to 33 of The Care Act 2014.

The Council has a specific 'Direct Payments' policy that sets out the criteria for care and support being managed through direct payments. This can be found at Annex C

The Council will undertake a financial assessment to determine the amount an Individual can contribute towards their care and support costs. The Council will undertake a financial assessment based, as a minimum, on income, capital, housing costs and disability related expenditure (DRE). Individuals with capital in excess of the higher capital limit will be

responsible for meeting all of their care and support costs. Evidence may be required to substantiate fully an Individual's financial circumstances. Please note that DRE will only be allowed if the Individual is in receipt of a qualifying benefit and receipts for items being used may form part of the assessment. Any private care that is put forward as part of an Individual's DRE must be identified on the care and support plan.

### **Disability Related Expenditure**

Individuals that are in receipt of care in all settings with the exception of permanent care in a care home, and are in receipt of disability benefits (Attendance Allowance/Disability Living Allowance and Personal Independence Payment) will be asked about additional costs incurred as a direct result of their disability. Allowances will be made where costs are not, and would not expect to be met by the Council.

Only costs incurred by the Individual will be considered as part of the assessment as allowable expenditure.

The Council has the right not to allow costs that should be met by other agencies, such as the NHS. This applies to therapies such as physiotherapy, chiropody and incontinence pads.

The Council will include disability related expenditure within the financial assessment, see Annex E for details.

### **Key points to an assessment**

Where an Individual has capital in excess of the higher capital limit, they can request a 'light-touch' financial assessment. Similarly, where undertaking a full financial assessment may be disproportionate to the cost of care and support services, Individuals can request a 'light-touch' financial assessment. The Council will take steps to make sure that the Individual is willing to pay, and will continue to pay, all charges due.

The Council will ensure that Individuals retain at least the 'Minimum Income Guarantee' This retained income level is designed to promote independence and social inclusion and is intended to cover basic needs such as purchasing food, after housing costs have been taken into consideration. Direct housing costs will only be considered where the Individual is liable for such costs, i.e. holds the tenancy agreement or is party to the mortgage. The 'Minimum Income Guarantee' ensures that the Individual retains income to the equivalent of Income Support or Guaranteed Credit element of Pension Credit, plus a minimum buffer of 25%.

For Individuals living with family members, the income support rate for a non-dependent will be allowed as part of a financial assessment. No further rental allowance will be disregarded as part of the financial assessment.

The financial assessment will refer to the Care and Support Statutory Guidance for all disregards in respect of income and capital when making a determination of the Individual's financial resources.

Once the financial assessment has been concluded, the Individual will be informed of the weekly amount they must contribute towards their care and support costs. Individuals will not be charged more than the amount determined by the financial assessment. Contributions are payable from the date care commences so if there is a delay in conducting the financial assessment for any reason, charging will still start from the date services commenced. Individuals that require services to be arranged will be encouraged to set up a standing order to pay their contribution or alternatively will receive an invoice on a 4 weekly basis in arrears for their care costs. Individuals receiving their care and support costs through direct payment will receive 'net' payments 4 weekly in advance; they must then make arrangement to pay their contribution. If the Individual's contribution is not paid into the Direct Payment Account, it will reduce their personal budget to a level that may not meet their need. A direct payment may also be suspended and commissioned services provided if the Individual does not pay their contribution.

All financial assessments will be reviewed with the Individual or their financial representative on an annual basis or when a change in circumstances occurs, and changes will apply from the Monday following re-assessment if the contribution increases and will be backdated to the previous Monday if a contribution decreases. A review can be undertaken proportionate to the circumstances either face to face, over the telephone or by post.

Individuals or their financial representatives are responsible for informing the Council of any changes in their financial circumstances. This includes additional benefits being awarded. If the Council is not notified immediately of any changes, the financial reassessment will be backdated to the date the additional benefit was awarded.

### **Financial Assessment Considerations**

The Care Act 2014 requires that financial assessments are completed for Individuals as individuals. Where capital is held and income is received on a joint basis, then it is assumed that each person is entitled to 50% of that income. A couple is defined (for administration of their financial affairs) as two people living together as spouses or partners.

Allowable housing costs (e.g. rent/mortgage interest/council tax) will only be allowed in the financial assessment where the Individual is liable to pay these costs. Where the Individual is not liable for these costs, but contributes towards these through a private agreement, then the Individual will only be given the Income Support non-dependent rate as a housing allowance and the difference must be met by their guaranteed income. This means that no further allowance under "housing costs" will be given as part of the financial assessment.

Property other than the Individual's main or only home will be included within the financial assessment as a capital asset. The only exception to this rule is where the Individual is taking steps to occupy premises as their home. In this case the asset value will be disregarded for a maximum of 26 weeks.

Where the Individual receiving care and support has capital at or below the upper capital

limit, but more than the lower capital limit, they will be charged £1 per week for every £250 in capital between the two amounts. This is called “tariff income”. For example, if a person has £5,000 above the lower capital limit, they are charged a tariff income of £20 per week.

Where funds are held in trust, the financial assessment will seek to determine whether income received or capital held in trust should be included or disregarded. Copies of trust documents (e.g. Trust Deed, Will Settlement etc.) are required to be produced as part of the financial assessment.

## Charging and financial assessment for support for carers

The Council does not currently charge carers for any support they receive as the Council recognises the vast contribution carers make towards sustaining the health and social care system for our community.

Should a decision ever be taken to charge carers, as is allowed by the Care Act, then the paragraphs below would provide the basis for those charges.

- The support that can be charged for must not be provided directly to the adult being cared for under any circumstances
- Where a decision is made to charge for support to carers, the financial assessment will follow the same calculation methodology as those receiving care and support outside of a care home.

## **Deprivation of income and or assets**

Deprivation of income and/or assets is the disposal of income and capital (property and investments) in order to avoid or reduce care charges. Disposal can take the form of transfer of ownership or conversion into a disregarded form. In all cases, it is up to the Individual to prove to the Council that they no longer possess an income or an asset. The Council will determine whether to conduct an investigation into whether deprivation of income or assets has occurred. Following the investigation, where the Council decides that an Individual has deliberately deprived themselves of an asset or income in order to reduce a charge for care and support, the Council will initially charge the Individual as though they still owned the asset or income. The Council recommends that any individual wishing to dispose of an asset seeks legal advice before doing so in order to avoid any financial implications relating to your care and support charge.

## **Recovery of Debt**

The Care Act 2014 consolidates Local Authorities' powers to recover money owed for arranging care and support for an Individual. These powers can be exercised where a Individual refuses to pay the amount they have been assessed as being able to pay, or have been asked to pay (where the cost of care and support is less than their assessed contribution).

The powers granted to Local Authorities for the recovery of debt also extends to the Individual or their representative, where they have misrepresented or have failed to disclose (whether fraudulently or otherwise) information relevant to the assessment of what they can afford to pay.

The Council is committed to recovering all monies owed to them in order to maximize income to sustain services for the local community.

The Council will approach the recovery of debt reasonably and sensitively and will only take Court action as a last resort. The financial assessment team will work with Individuals and or their representatives to prevent debts from occurring.

The Council's debt recovery process for recovering monies due for care and support costs can be found at Annex C.

All debt that arises from 1<sup>st</sup> April 2015 must be recovered within 6 years from when the sum became due to the Council.

## **Summary of Publications**

The following publications have been referred to in the compilation of this policy:

The Care Act 2014

The Care Act 2014 Part I Regulations

The Care Act 2014 Care and Support Statutory Guidance

The Mental Capacity Act 2005.

## **Annex A**

### **Administration fee for Arranging Care and Support for Someone Paying Full Cost**

Under the Care Act 2014, local authorities can charge an administration fee for arranging care and support for someone in their own home when they have capital above the upper capital limit.

For 2018/19 the administration fee is £50.00 and will be due for payment when the care and support package has been arranged. This fee is to cover the costs involved in arranging care and support and will be reviewed on an annual basis.

# **North East Lincolnshire Council**

## **Direct Payments Policy for Adult Care and Support Services**

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## **1. Introduction**

1.1 Direct payments are monetary payments for people to meet some or all of their eligible care and support needs. The legislative context for direct payments is set out in The Care Act 2014, Sections 31 to 33, Mental Health Act Section 117 (2C) and Care and Support (Direct Payments) Regulations 2014.

## **2. Making direct payments available**

2.1 North East Lincolnshire Clinical Commissioning Group (CCG) has a key role in ensuring that people are provided with relevant and timely information about direct payments, so that they can decide whether to request direct payments to fund their care and support costs.

2.2 Information will be made available during the support planning stage setting out the following:

- What direct payments are
- How to request a direct payment, including the use of nominated and authorised persons to manage the payment
- Explanation of the direct payment agreement
- The responsibilities involved in managing a direct payment and being an employer
- Making arrangements with social care providers
- Signposting to local organisations, and support organisations who can offer advice and support about employing staff
- The requirements of keeping accurate records and monitoring arrangements

2.3 People that wish to receive some or all of their personal budget via direct payments must request to do so. Direct payments are the Governments' preferred method of administering care and support costs. The worker will encourage people to consider direct payments, and how they could be used to meet needs. No one will be forced to take a direct payment but will be informed of all of the choices available to them, following an assessment of their eligibility for care and support.

2.4 Where a person requests a direct payment after the support planning stage or between care and support reviews, then the review will be brought forward to accommodate the request for a direct payment.

2.5 It must be determined that a person has the capacity to request direct payments, or whether a person's capacity is likely to fluctuate. Where a person lacks capacity to request a direct payment, an authorised person can request the direct payment on their behalf. Capacity decisions should be recorded in the assessment or support plan.

2.6 The following terms will be used as follows:

- Nominated Person is anyone who agrees to manage a direct payment on behalf of the person with care and support needs
- Authorised Person is someone who agrees to manage a direct payment for a person who lacks capacity according to the Mental Capacity Act 2005.

### **3. Assessing capacity and making direct payments available to a person with and without capacity**

3.1 Where a person requests a direct payment, then an assessment of capacity must be made on a case by case basis. An individual will not be assumed to have or to lack capacity because they have a particular condition or illness.

3.2 Direct payments will be made to a nominated person specifically where requested by the person with care and support needs, and where the person has capacity. Where this is the case, the nominated person should be involved at any appropriate stage of the support planning. The nominated person should receive information and advice regarding direct payments and the additional legal obligations and responsibilities in acting in the person's best interests.

3.3 Where it is deemed that a person has capacity to request a direct payment, The Care Act 2014 states that consideration should be given to each of the following conditions. A failure of one of the

conditions would result in the direct payment being declined. The conditions are:

- The person has capacity to request a direct payment and where there is a nominated person, that person agrees to receive payments
- There is no prohibition by regulations under section 33 from meeting the person's needs by making direct payments to the person or nominated person
- It is determined that the person or nominated person is capable of managing direct payments on their own, or with whatever support they can access
- It is determined that making direct payments to the person or nominated person is an appropriate way to meet the needs in question.

3.4 In cases where the person requiring care and support lacks capacity to request direct payments, an authorised person can request a direct payment on their behalf. There are five conditions that must be satisfied as laid out in The Care Act 2014, section 32. Failure to meet any of the conditions would result in the request being declined. The conditions are:

- Where an authorised person is **not** authorised to act under the Mental Capacity

Act 2005, but there is at least one person who is authorised under the Mental Capacity Act 2005, that person **must** support the authorised person's request

- There is no prohibition by regulations under Section 33 from meeting the person's needs by making direct payments to the authorised person
- It is expected that the authorised person will act in the person's best interests in arranging for the provision of care and support for which direct payments would be used
- It is determined that the authorised person is capable of managing direct payments by himself or herself, or with whatever support they will need to access
- It is deemed that making direct payments to the authorised person is an appropriate way to meet the needs in question.

3.5 Where a direct payment is provided, this will be recorded in the person's support plan. Where a direct payment request is refused, the person making the request will be provided with an explanation in writing, setting out the rationale behind the decision and how the person making the request can appeal. The decision should refer to the relevant conditions within the Care Act 2014 that have not been met. The support planning process should continue to ensure that the person's needs are being and continue to be met.

3.6 Where requests are made to support aftercare under section 117 of the Mental Health Act 1983, full consideration must be given as to whether direct payments are the most appropriate way to meet those needs.

3.7 It must also be determined that the person, authorised or nominated person, is able to manage the direct payment, with whatever support is deemed necessary. Information on organisations and sources of support to assist in the management of direct payments will be provided.

#### **4. Administering direct payments, monitoring and reconciliation**

4.1 It must be determined that the direct payment is being used to meet eligible care and support costs. Direct payments must be administered within the terms and conditions of the DP1 agreement under which direct payments are made. Care management will review direct payments initially at the 6-8 week review and then at least annually.

4.2 Any 'on-costs' associated with employment, such as recruitment, training, and employers liability insurance will be included in the amount paid as a direct payment. The Individual will then become the employer and responsible for the payment of employment costs. These may be paid as one off payments or incorporated into the regular monthly payment.

4.3 Where redundancy costs arise, these will be approved through the Risk and Quality panel and paid by the CCG.

4.4 Direct payments will be paid net of any client contribution. Where the person has been advised that they have to contribute towards their care and support through their direct payment, then the person should arrange to make this payment into the direct payment account on a weekly or monthly basis.

4.5 The direct payments allocation will be paid into a bank account. This must be a separate account for the sole purposes of administering the direct payment. All direct payment accounts (including third party supported accounts) will be monitored and reconciled during regular financial audits.

4.6 The monitoring of accounts will ensure that where the person has employment responsibility and liabilities such as tax and national insurance, that these costs are being met from the direct payment.

4.7 The purpose of reconciling the direct payment account is to ensure that there are sufficient funds available to meet the person's care and support needs and that the funds have been spent appropriately in meeting those needs. It is intended that the monitoring and reconciliation of accounts is as unobtrusive as possible.

4.8 Where it is identified that the direct payment has been misused or misappropriated, action will be taken to recover the funds. If fraud is suspected, the matter will be reported to the police for investigation.

4.9 Where a person has not fully used their direct payment money, or has purchased services that meet their care and support needs at an advantageous cost, the CCG retains the right to reclaim any excess amount. The person will be notified in advance of any amount identified, which will then be reclaimed.

4.10 Where funding from other public bodies is agreed, such as the NHS, then integrated budgets paid to and managed through a single account, will be monitored by the CCG.

## **5. Using direct payments**

5.1 Direct payments are intended to be used flexibly and innovatively, and no unreasonable restriction should be placed on the use of the payment, as long as it is used to meet eligible care and support needs, detailed in the support plan.

5.2 Direct payments can be used for the purchase of short stays in residential care providing that the stay does not exceed a period of four consecutive weeks (28 days) in any 12 month period.

5.3 Regulations specify that where direct payments are used to purchase short breaks in residential care, and where the interim period between two stays is less than four weeks, then these two stays should be added together. The total of these stays should also not exceed four weeks. In both cases, no further residential care can be purchased using direct payments until 12 months have elapsed since the start of the four week period. Alternative funding arrangements would need to be agreed at this time.

5.4 Regulations do allow direct payments to be used to purchase short breaks in residential care where stays are four weeks and less, and are separated by four weeks, and do not exceed four weeks when added together. In this case, a person can use their direct payment to purchase short breaks in residential care throughout the year.

5.5 Direct payments may be considered for people requiring non-residential care services that live permanently in a care home. Similarly a person may have temporary access to direct payments to try independent living.

5.6 Direct payments cannot be used to pay for care and support provided by the Council/ CCG. There may be cases however, where the person wishes to make a one-off purchase of care or support from the Council / CCG (such as short break). In these circumstances, it would be appropriate for the person to use their direct payment for this purpose.

## **6. Discontinuation and termination of direct payments**

6.1 People entering hospital should consider how best to use their direct payment at that time, especially where they are an employer and suspension of the direct payment could necessitate a break in the employment contract. The person should explore how their care and support needs as well as their health needs are met at this time. They may discuss with the hospital, the possibility of the personal assistants visiting the person in hospital to help with personal care matters.

6.2 Where the nominated or authorised person requires a hospital stay, then it must be ensured that the person continues to have their care and support needs met. This may be through a temporary nominated or authorised person, or through short term commissioned care and support.

6.3 Where a person, nominated or authorised person decides that they no longer wish to receive a direct payment, it must be determined that no outstanding liabilities remain before terminating the agreement. Where contracts of employment require terminating, then this should be done in a timely manner to avoid additional costs. A review of alternative care and support provision would be arranged

6.4 The direct payments must cease where a person advises, or no longer appears capable of managing them with necessary support.

6.5 The direct payments must cease where the person no longer needs the care and support for which the payment was made available.

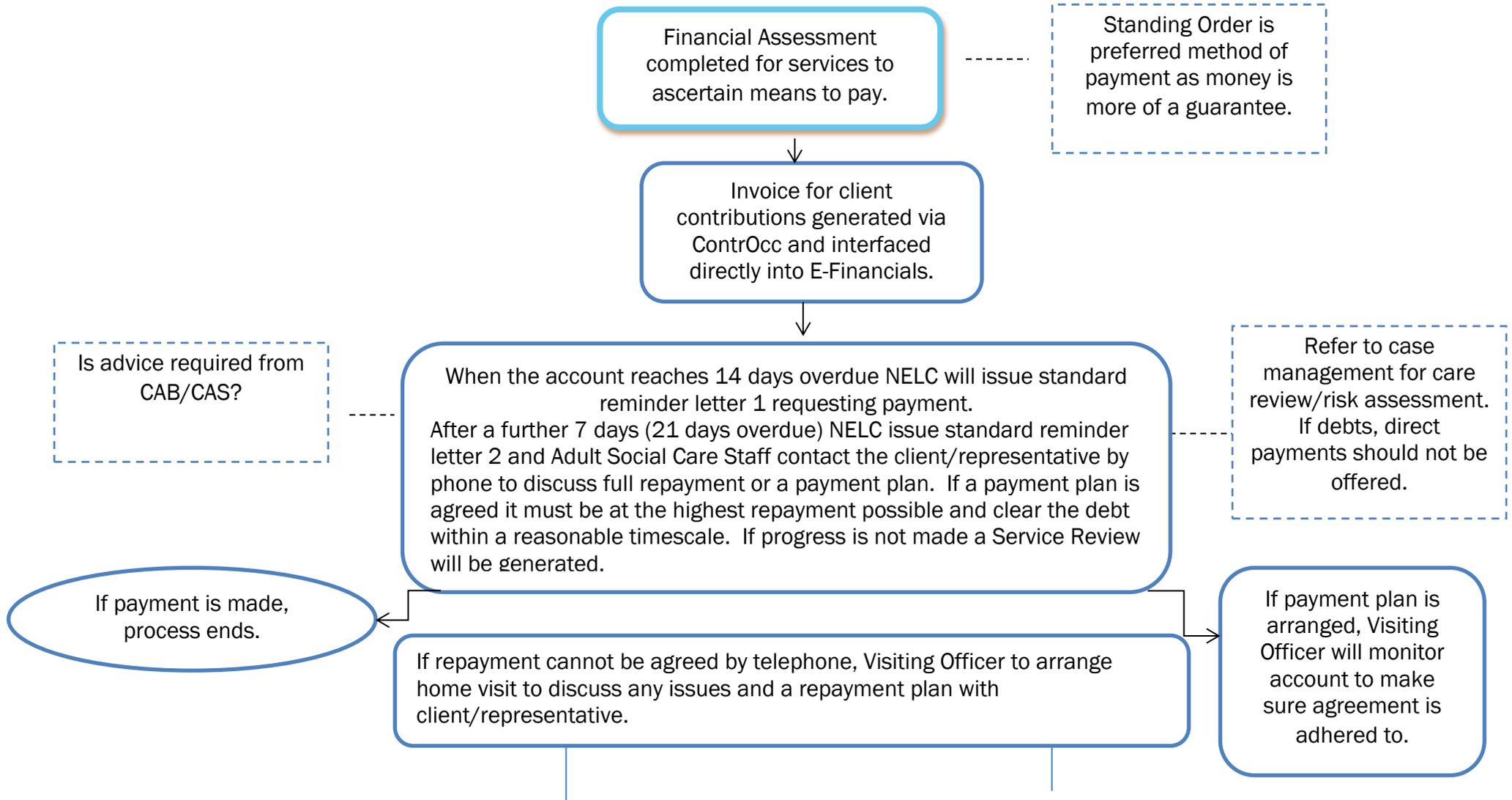
6.6 The direct payments must cease where the person, nominated or authorised person fails to comply with the any of the terms and conditions of use.

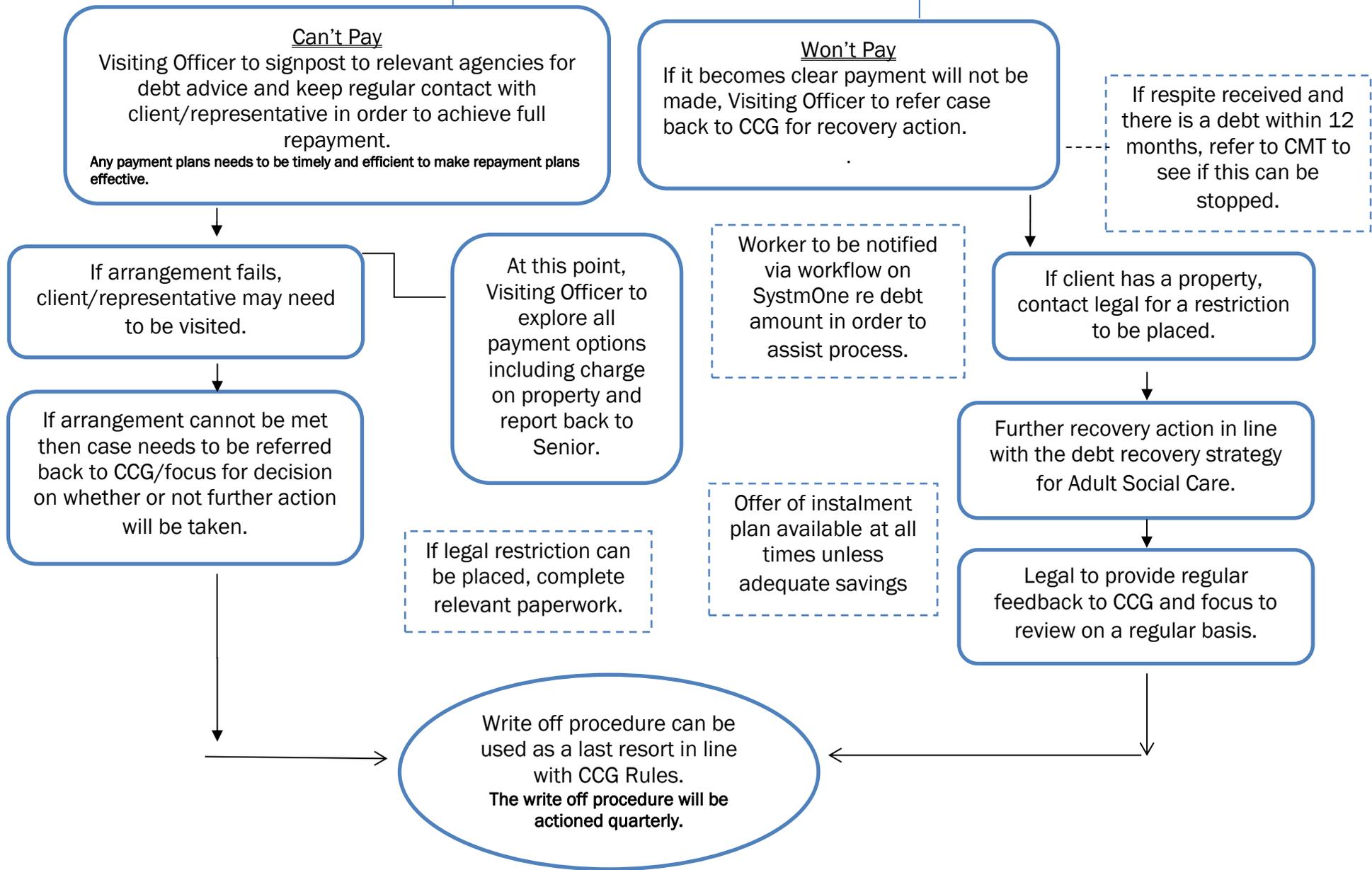
6.7 The direct payments will cease where a person, nominated or authorised person loses capacity to consent. If the loss of capacity is considered temporary then payment can continue providing someone is willing to continue managing the payment on their behalf. The situation will be closely monitored and capacity will be reviewed before discontinuing payment or entering into an agreement with another person.

6.8 The direct payment will cease if the person receiving it dies.

6.9 When the direct payment ceases, an exit audit will be undertaken; all information and paperwork relating to the direct payment account must be made available to the finance team. Once all outstanding expenses have been determined and paid, any money remaining in the direct payment account must be returned to the CCG.

## DEBT RECOVERY FOR ADULT SOCIAL CARE





## Annex D

### Disability Related Expenditure

#### **NAFAO GUIDE TO DISABILITY RELATED EXPENDITURE 2018/2019**

##### **HEATING ALLOWANCES**

Annual inflationary update based on RPI Fuel index at November 2017. At this date fuel prices had decreased by 6.8% in the last 12 months.

The figures are obtained from [www.statistics.gov.uk](http://www.statistics.gov.uk) from the download "Consumer Price Inflation detailed reference table. The figures are found in Table 41 detailed reference tables - % change over 12 months.

Figures for 2018/2019	Standard	N East / E Midlands	N West / W Midlands
Single person - Flat/Terrace	£1,206.07	£1,307.37	£1,460.37
Couple – Flat/Terrace	£1,591.21	£1,723.11	£1,924.64
Single person – Semi Detached	£1,280.99	£1,388.62	£1,551.12
Couples – Semi Detached	£1,688.29	£1,828.63	£2,042.84
Single – Detached	£1,558.51	£1,688.29	£1,888.78
Couples – Detached	£2,054.45	£2,225.38	£2,487.07

##### **COSTS OF DISABILITY**

Figures were only attached to fuel costs in the FC Guidance and the following are recommended allowances for possible identified items and examples of reasonable evidence requirements prepared by NAFAO. A 3.1% uplift has been applied on the November CPI rate.

ITEM	AMOUNT	EVIDENCE
Community Alarm System	Actual cost unless included in Housing Benefit or Supporting People Grant	Bills from provider
Privately arranged care	Actual cost if Social Worker confirms requirement as part of the Care Plan and Council supported care is reduced accordingly	Signed receipts for at least 4 weeks using a proper receipt book
Private Domestic help	Actual cost if Social Worker confirms requirement as part of the Care Plan and Council supported care is reduced accordingly	As privately arranged care

Laundry/Washing Powder	£3.76 per week	Care Plan will have identified an incontinence problem. Identify more than 4 loads per week
Dietary	Discretionary as special dietary needs may not be more expensive than normal	Details of special purchases
Gardening	Discretionary based on individual costs of garden maintenance	As privately arranged care
Wheelchair	£3.92 per week manual £9.52 per week powered	Evidence of purchase. No allowance if equipment provided free of charge
Powered bed	Actual cost divided by 500 (10 yr life) up to a maximum of £4.33 per week	Evidence of purchase if available
Turning bed	Actual cost divided by 500 up to a maximum of £7.59 per week	Evidence of purchase if available
Powered reclining chair	Actual cost divided by 500 up to a maximum of £3.44 per week	Evidence of purchase if available
Stair-lift	Actual cost divided by 500 up to a maximum of £6.13 per week	Evidence of purchase without DFG input
Hoist	Actual cost divided by 500 up to a maximum of £3.00 per week	Evidence of purchase without DFG input