

Adult Social Care Contributions Policy



Updated 5 February 2024



Walsall Council

PROUD OF OUR PAST OUR PRESENT AND FOR OUR FUTURE



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1. Introduction and legal framework

Unlike health care, adults' social care is not free, and adults/their representatives are expected to pay, or contribute towards the cost of their adult social care. Councils use the contributions adults pay towards the cost of social care services to reinvest in social care services, that they would otherwise not be able to provide to the wider community.

This document sets out Walsall Council's policy on how adults, who are eligible for social care and support and their carers, contribute towards the cost of these services. It is based on Government legislation and national statutory guidance, most notably the **Care Act 2014** and **Statutory Guidance** that is underpinned by core principles to ensure it is fair, equitable, and based on the ability to pay.

This policy applies to all adults who receive care and support services following an assessment of their care needs and individual financial circumstances. For this policy, an adult is any adult aged 18 and above.

Section 14 of the Care Act 2014 gives local authorities the power to charge an adult and carers in receipt of direct care and support. Section 17 of the Care Act 2014 permits local authorities to undertake an assessment of financial resources. The financial assessment will determine the levels of an adult's financial resources and the amount that they are able to pay towards their care and support services.

This policy will be applied consistently to all adults regardless of how they are receiving their services. Everyone will contribute towards the cost of their care depending upon their means, and as such all will be offered a financial assessment.

No one will be charged more than it is reasonably practicable to pay dependent on the extent of their needs. The financial assessment will ask the adult/their representative about their finances and circumstances, and a calculation will be used to determine how much an adult is able to pay – this is known as the assessed contribution.

This policy will be regularly reviewed, and any changes agreed by the Council will be reflected in an updated policy document.

We will always consider a person's individual circumstances to ensure fairness so that they are not unreasonably disadvantaged.

We have set out the policy as simply as possible. Financial affairs can be complicated, but it is important that everyone can understand how the contribution they are asked to make has been arrived at, as this will support an adult's ability to have greater control over their finances and ultimately, over how they live their lives.



2. Assessed contribution principles

In order to comply with the requirements of the Care Act 2014, this policy seeks:

- To be comprehensive and to reduce variation in assessment and charge;
- To be clear, transparent and applied equally;
- To promote wellbeing, social inclusion and supports the vision of personalisation, independence, choice and control;
- To be focused, reflecting the variety of care and caring journeys and the variety of options available to meet their needs;
- To enable and encourage those who wish to stay in/take up employment, education or training is sustainable for local authorities.

The Council adopts the following over-arching principles to ensure the correct contributions from adults:

- Contributions from adults will be fair, reasonable and calculated with their input through an individual financial assessment.
- The Council will ensure that the financial assessment process provides adults with sufficient funds to cover basic needs such as food and housing costs.
- The vulnerability of adults and their personal circumstances will always be taken account of in regard to the application of the policy and the pursuit of debt.



3. The financial assessment process

The eligibility threshold for an adult's needs is set out in the Care and Support (Eligibility Criteria) Regulations 2014. The threshold is based on identifying how an adult's needs affect their ability to achieve relevant outcomes and how this impact on their wellbeing.

If an adult's needs meet the Councils' eligibility criteria for services, the Council will undertake an assessment of the adult's ability to contribute to the cost of their care. This is done through a financial assessment, which will be undertaken by the Financial Assessment and Charging Team.

The adult will receive contact from the Financial Assessment and Charging Team following a referral from the social care practitioner, during the care needs assessment stage. Social care practitioners will only be required to request a financial assessment to be undertaken where the adult:

- is new to Walsall Council Adult Social Care
- has had a change in circumstances.

The Financial Assessment and Charging Team will then contact the adult or their representative to explain the process and what is required as part of the assessment process. Adults will be provided with information and advice. They will be directed to where further information is available, including the customer booklet 'Your Social Care Contributions Explained' and online resources such as Council's website.

Adults can ask for assistance in completing the financial assessment. This can be requested with the Financial Assessment and Charging Team or, if preferred, an independent advocate.

Where an adult has a representative, i.e., Deputy, Power of Attorney or Appointee or next of kin that deals with their financial affairs, they must be part of the financial assessment process. If there is no legal representative, an adult may wish to have support from a carer, relative or friend.

Adults who are subject to a financial assessment will also be offered a welfare benefit check to ensure that they are receiving all the income that they are entitled to.

The financial assessment process will look at the total income and assets an adult has available to contribute. The Care Act and Statutory Guidance details that we include certain sources of income and assets and what should be excluded. Evidence will be required to substantiate an adult's financial circumstances.

If there is a delay in completing the financial assessment resulting from the adult failing to provide all requested information in the timescale specified (usually 14 days), the Council reserves the right to apply a full charge and the adult will be required to pay the full cost of their service:

- First financial assessment - from the start of the service
- Financial assessment review - from the date of the full charge decision

However, every effort will be made by the Council to undertake a financial assessment using available information to provide an accurate financial assessment.

If an adult declines or refuses a financial assessment, they will be required to pay for the full cost of their service from the start of the service.

Following the financial assessment, the Council will notify the adult/their representative of the outcome of the assessment and their assessed contribution towards their adult social care cost.

4. Light touch financial assessments

Under the Statutory Regulations, the Council is permitted to complete a “light touch” financial assessment under the following circumstances:

- The person consents to a light touch assessment, and outcome;
- The person has sufficient income left following the charge for community care services and the charge is clearly affordable,
- That the person has significant resources;
- That a full financial assessment would be disproportionate.

5. Assessed contributions exemptions

The following services are exempt from being assessed for a contribution from an adult:

- Intermediate care, including reablement for up to a maximum of six weeks. If your support extends beyond six weeks, you will be charged subject to your ability to pay.
- Care and support provided to people with Creutzfeldt-Jacob Disease
- Community equipment (aids and minor adaptations) in line with the **Provisions of the Care Act**
- NHS Services
- After care and support provided under section 117 Mental Health Act 1983
- Services that the Council is required to provide under other Acts.



6. Financial assessment for community based services

Following a care and support needs eligibility assessment, the Council will carry out a financial assessment to see if a person can contribute towards their care and support that is to be delivered in their home and other community settings. The following services will therefore be financially assessed according to this policy:

- Homecare
- Supported living
- Shared Lives services
- Day care services – both community and site based
- Befriending
- Respite stays
- Reablement and enablement following a period of up to 6 weeks of free service
- Housing-related support services

The financial assessment considers a person's income, capital and appropriate expenses. Where appropriate capital is above the upper limit, the person will pay the full cost of the care. Capital is explained in section 8 of this policy.

Where capital is below the upper capital limit the basic principles of the financial assessment calculation are:

Income **LESS** Minimum Income Guarantee, Eligible Housing Costs & Expenses, Disability Related Expenditure = **Net Available Income for Charging**

The Council will ensure that the financial assessment process provides adults with sufficient funds to cover basic needs such as food and housing costs. This amount, (which is known as the 'Minimum Income Guarantee'), is set annually by the Department of Health and Social Care, prior to the start of the new financial year. Although a standard Minimum Income Guarantee will apply in most cases, we do recognise that there may be individual circumstances that may mean a person needs to keep more of their income.

If an adult incurs additional expenses due to their disability, additional allowances can be given to reflect the additional cost. The "Adults Support Plan" should identify disabilities or medical conditions, that indicate that additional allowances should be given.

"Disability Related Expenditure" ("DRE") is applied based on a standard allowance approach, with an option for an individual assessment. A graduated scheme is in place linked to percentage based on disability benefits received. 10% DRE component is applied against each of the three rates detailed below:

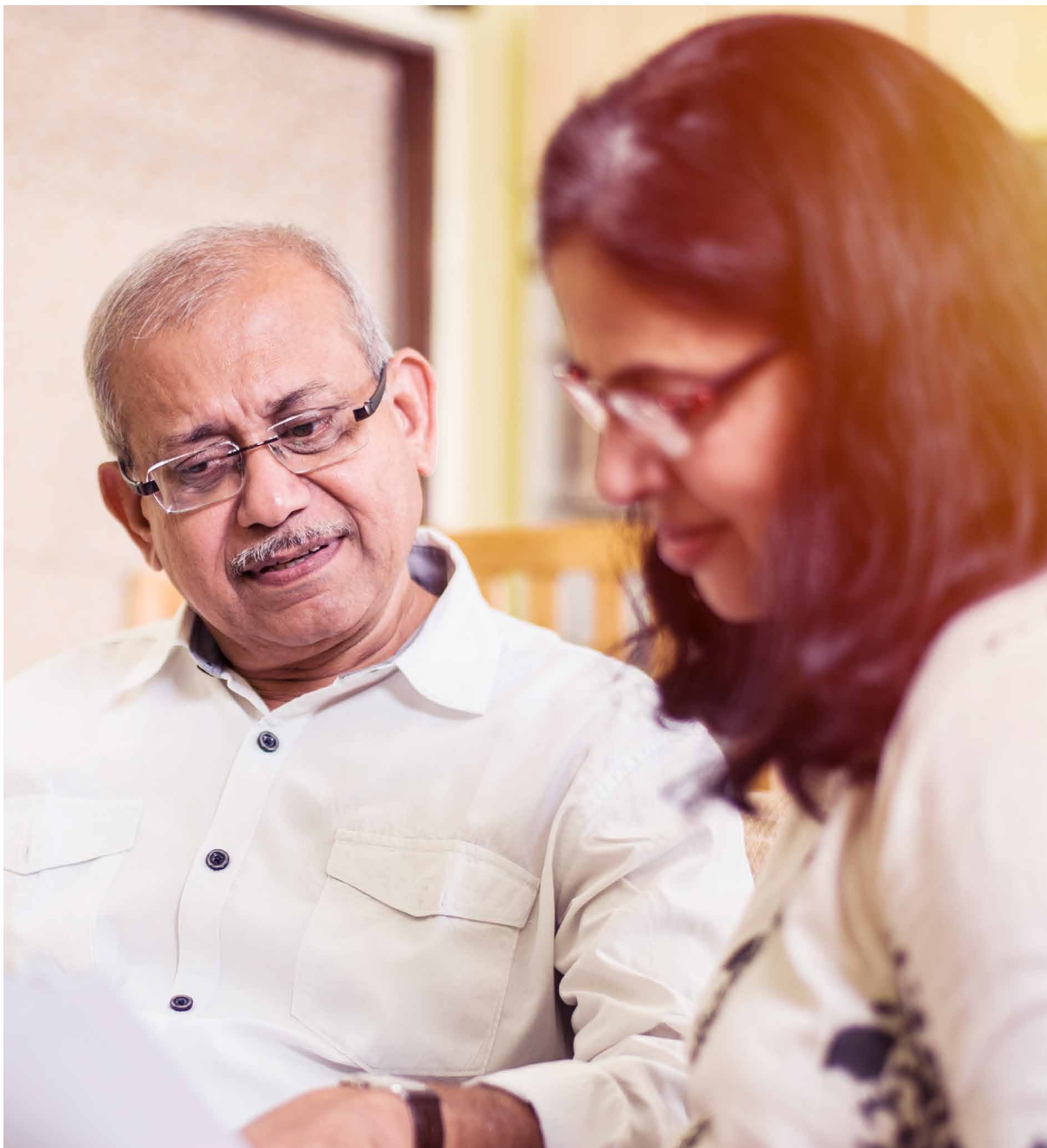
- Care Component Lowest
- Care Component Middle Rate
- Care Component Highest Rate

An individual assessment will be considered, when DRE costs greater than the above, on an exception, evidenced based and case by case basis. Receipts may be requested for all items/ services when a reassessment of charge is carried out or there is a dispute in the amount of any DRE allowed.

If there is a duplication of care being provided privately and by the Council, no DRE will be given for that particular service item.

If the adult requests any additional items and/or services, be included in the assessment after the financial assessment has been undertaken and the adult has been advised of their weekly contributions, receipts and supporting evidence will be required.

The net available income for charging will be the maximum level a person may be asked to contribute towards services. An adult assessed with no available income for charging purposes will not have to contribute towards the service.



7. Financial assessment for residential care

Following a care and support needs eligibility assessment, the Council will carry out a financial assessment to determine the amount of contribution towards a residential care.

The value of any property owned by an adult in a care home is normally included in their financial assessment, unless it is occupied by a spouse or partner, or relative who is under 18, over 60 years of age or is incapacitated.

The financial assessment considers an adult's income, capital and in some cases appropriate expenses. Capital is explained in section 8 of this policy.

Where capital included is above the upper limit the adult/their representative must pay the full cost of the care.

Where capital is below the upper capital limit the basic principles of the financial assessment calculation are:

Income **LESS** Personal Expense Allowance = **Charge**

The full financial assessment will ensure that individuals retain a basic level of income after charges have been deducted, known as the Personal Expenditure Allowance (PEA). The amount is set by the Department of Health each year.

Where a property is included within the assessment the adult may be eligible for the Council's Deferred Payments Scheme. The Deferred Payments Scheme is to help those who have been assessed as having to pay the full cost of residential care but cannot pay the full amount because their capital is tied up in a property. For more information about Deferred Payments, please visit the Council's website: <https://go.walsall.gov.uk/health-and-social-care>



8. Capital

The value and treatment of capital and assets will be based on the definitions in the Care Act 2014 and the Care and Support Statutory Guidance. Some examples of capital included in the guidance are money held in a bank or building society, stocks and shares, bonds or land. A more substantial list can be found in the Care and Support Statutory guidance.

The levels of capital considered with a financial assessment are:

- Capital below £14,250 will be disregarded (not included) for financial assessment purposes.
- Capital between £14,250 and £23,250 will be taken into account and a person will be required to pay £1 per week for every £250 of capital or part thereof, owned between £14,250 and £23,250.
- Capital over £23,250 will be taken into account and a person will be required to pay the full cost of their care.

9. How property is considered in financial assessment calculations

All decisions about the treatment of property will be made in accordance with the 2014 Regulations and Statutory Guidance provisions. This is the same for all types of care and support, the only exception is an adult's main or only home where the value of the property is considered for permanent residential care but not for any other types of care and support.

The main property will be disregarded from the financial assessment if it continues to be the permanent residence of a spouse or partner, or relative who is under 18, over 60 years of age or is incapacitated.

Where the main and/or additional properties are included in the financial assessment calculations and a Deferred Payment Agreement is not viable or appropriate, the Council can apply a temporary hold on invoices to allow the adult time to consider the options available to fund their care costs. This period should be agreed between the Financial Assessment and Charging Team and the adult and confirmed in writing.

Adults should seek independent advice as soon as possible on their available options to fund their care costs where they have property. Options may include equity release or selling additional properties.

10. Deprivation of income, assets and/or capital

The deliberate disposal of income, assets and/or capital to avoid or reduce care charges is known as Deprivation of Income and/or Capital.

The question of deprivation should only be considered when the adult ceases to possess income, assets and/or capital which would otherwise have been taken into account.

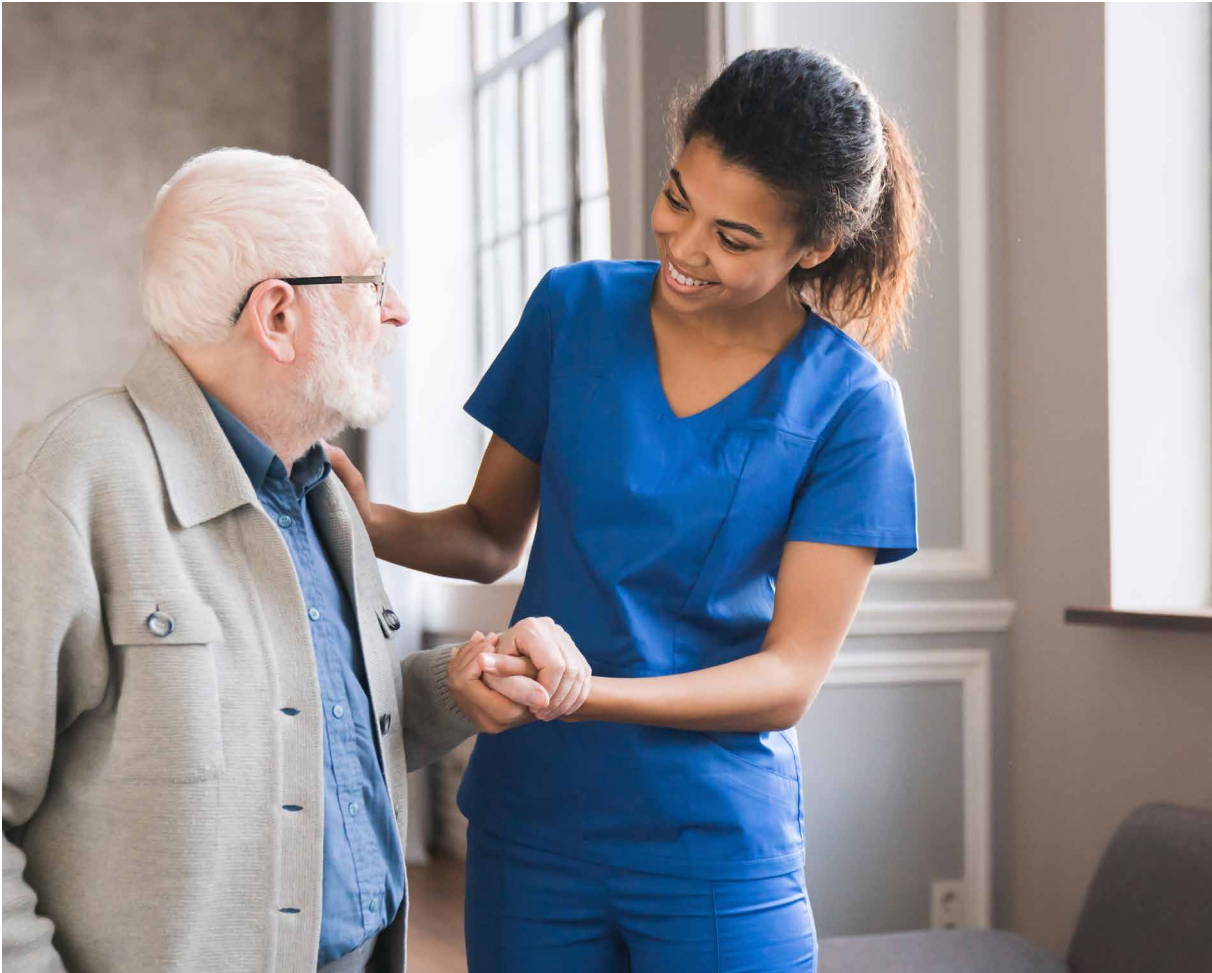
In all cases of dispute, it is up to the adult to evidence to the Council that they no longer possess the income, asset and/or capital and the reason for this.

The Council will decide from available evidence whether the adult owned the capital and if applicable, the timing of a disposal prior to or during the provision of care services.

If the Council decides that an adult or an adult on their behalf, has deliberately deprived themselves of an asset or income to reduce the charge for care and support, the Council will charge the adult as though they still owned the asset or income.

The adult's invoice will show how much you/representative need to pay. Once you have received your invoice, it should be paid immediately.





11. Financial assessments where the adult is a couple/civil partnership.

Couples and Civil Partnerships will not be assessed according to joint resources. Individuals will be assessed in their own right.

12. Cost of support – the assessed contribution

Your assessed contribution will be based on the annual cost of your support plan agreed with your Social care practitioner.

Contributions will not exceed the costs set out in the current support plan. Where there are significant variations between support plan costs and actual services delivered, an adjustment will be applied – this called a variation.

Adults will not be charged more than the amount determined by their financial assessment or the actual cost of their care.

Contributions are payable from the date care services commence.

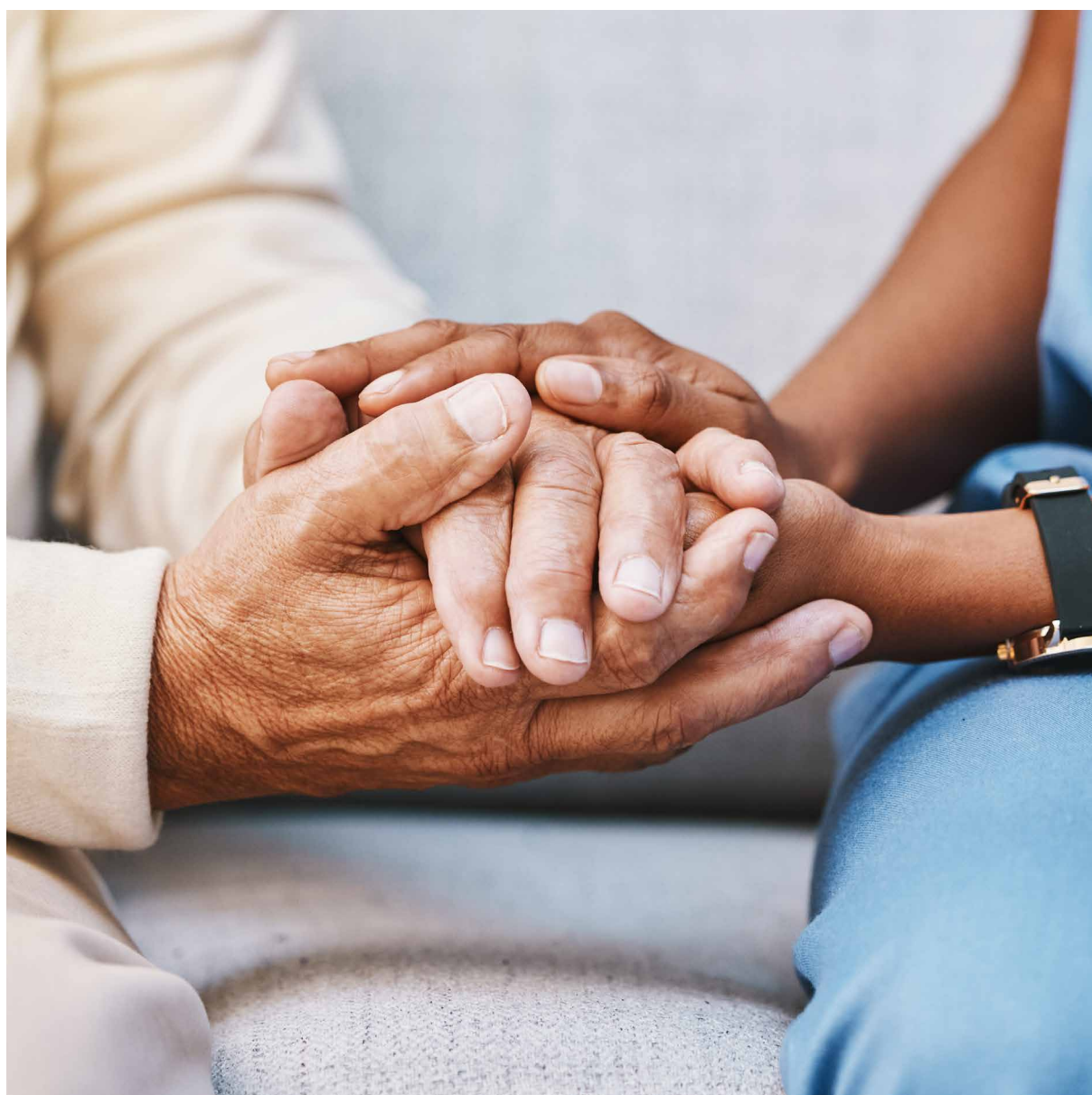
13. Self-funders and charges for arranging social care services

Where following a financial assessment, an adult is found to have sufficient funds to meet the full cost of their care themselves (savings or capital more than the Upper Capital Limit), this person is known as a self-funder and must pay the full cost of the social care services.

The adult/their representative will be offered information and advice on what options are available to them including how to arrange their own care. The adult/their representative is also entitled to ask the Council to commission and organise care and support services.

The Care Act 2014 allows the Council to recover its costs in providing a service to an adult who is regarded as a self-funder. The Council at this point has decided not to exercise its power in charging additionally for the cost of arranging services. This decision is currently under review.

The self-funder by accepting a managed service, accepts that their social care charge will be based upon the cost of your support plan agreed by Social care practitioner and not the actual care delivered.



14. Paying your assessed contribution

If we have arranged your care at home, we will send you an invoice every four weeks, which tells you how much you need to pay. Payment of the invoice will be due straight away. If you are in residential or nursing care, following your financial assessment, you will receive an initial invoice from the Council. Thereafter, you will pay your provider directly based upon their terms of business.

If you receive a Direct Payment, you must pay your care contributions into your Direct Payment account.

Your invoice will show you how much you need to pay. Once you receive your invoice, it should be paid straight away.

15. Adults who receive a Direct Payment

Adults who are not self-funders or full cost payers will have the option to use their Personal Budget to fund Council commissioned services, or to take it as a Direct Payment with which they may purchase alternative types of care to meet their assessed needs, as defined in Sections 31 to 33 of the Care Act 2014. It is also possible to use a combination of both a Direct Payment and a Personal Budget.

Adults opting to receive their care and support costs through a Direct Payment will receive payment to a dedicated bank account net of their assessed contribution. The adult should pay their contribution into this bank account to ensure that their care needs are met in full.

If a person has an outstanding adult social care debt, then we receive the right to meet an adult's care needs through commissioned care rather than a Direct Payment.

16. Variations to the Care and Support Plan

The care and support plan will outline the components of service/s and the cost of these services. Contributions will be calculated based on planned service provision and applied on a weekly basis.

Variations to planned service will occur from time to time for a variety of reasons, such as:

- where an adult is unwell;
- where an adult is away visiting relatives and does not require a homecare service.
- where additional care support is required

A reduction of the assessed weekly contribution will only be considered if there is a significant variation about the services, you are receiving when compared to those stated in your annual support plan. Evidence of these variations will need to be provided. We would not normally consider queries in relation to small adjustments as most people do not contribute the full cost.



17. Financial assessment annual review

The Financial Assessment of an adult's ability to contribute towards the cost of their social care will be reviewed annually and earlier if there are significant changes in either the financial circumstances of the adult or the amount of care they receive. Adults have a duty to notify the Financial Assessments and Charging Team if there is a change to their financial circumstances.

18. Change in circumstances

The adult or their carer/representative must inform the Financial Assessment and Charging Team, if there is any change in their circumstances regarding their finances which include income and capital (this includes any state benefit awards including universal credit award), as this may result in an adjustment to contribution that is required. It is important that you specify the date the change is effective from.

Any additional contributions identified in a reassessment of charges will be backdated to the date of the change in the circumstances.

Adults' contributions will be adjusted each year and the effective date will be in line with Department for Work and Pensions (DWP) and HM Revenue and Customs changes.

19. Non-payment of assessed contributions

The Council requires adults/their representative to pay the assessed contribution. Any adult/their representative refusing to provide financial information will be required to contribute the full cost of any services provided.

Recovery action will be taken where non-payment occurs. Follow up reminders and recovery action will be taken on all outstanding unpaid invoices.

Whilst an adult's personal circumstances will be considered with sensitivity, to ensure fairness to those adults who pay the required financial contribution, non payment will be handled in line with the Council's Corporate Debt Policy.

Any adult /their representative failing to pay or refusing to pay the assessed contribution, who is unable to come to an arrangement with the Council about payment, will be subject to a financial recovery approach consistent with Section 69 of the Care Act 2014.

20. Appeal a financial assessment decision

An adult has a right of appeal and can request a review of their financial assessment. Such a review would need to be supported with evidence showing why it is believed that an error or omission has occurred.

An appeal will be accepted for the following reasons:

- Incorrect dates or amounts have been used.
- The contribution is incorrectly calculated.
- There is additional income and/or expenditure which was not included in the financial circumstances form.
- Costs in respect of an adult's disability are higher than the disregard of disability benefit income allowed by the Council and are not being met from the Personal Budget.
- There are exceptional personal circumstances concerning the adult's financial situation that make it unreasonable to pay the assessed contribution.

The adult will have their charge and financial assessment reviewed by an officer from the Financial Assessment and Charging Team, other than the one who completed the original assessment and calculations.

The adult will be notified of the outcome of their review within 10 working days of receipt of the original request. This could result in a changed / amended contribution.

Should an adult remain dissatisfied with the outcome of the financial assessment appeal, the next stage would be handled under the Walsall Council's Complaints Procedure. This procedure can be found on the **Council's website**.

21. Safeguarding in the financial assessment process

Under sections 42-47 of the Care Act 2014, the Council has a duty to safeguard adults at risk of abuse or neglect, which includes financial abuse. The Financial Assessment and Charging Team will as part of its duties, look for signs of financial abuse.

When an adult lacks capacity to manage their own finances, there will often be a Deputyship, Lasting Power or Attorney or registered Enduring Power of Attorney in place. The person appointed will have a responsibility to act in the best interests of the adult, and this will be laid down in the Deputyship Order or Power of Attorney document. In these cases, the Council may need to speak to the individual managing the adult's finances in relation to specific transactions.

The Council recognises that financial abuse will not occur in most of circumstances but reserves the right to make checks to protect adults from abuse.

22. Questions or queries

If there are questions or queries regarding the Contributions Policy, about the financial assessment process or assessed contributions, please contact Financial Assessment and Charging Team:

Email:

FACT@Walsall.gov.uk

Post:

Financial Assessment and Charging Team

1st Floor Civic Centre Zone 1K

Darwall Street

Walsall

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