

## **APPENDIX A**

### **LONDON BOROUGH OF HARROW**

PICTURE REQUIRED

Providing choice for your social care services

## **Personalised Adult Social Care Fairer Contributions Policy**

**2011-12**

**Draft for Cabinet Approval** version 1.7. (02-10-11)

**Contents**

**Page**

1.	Introduction	3
2.	Statutory Framework	4
3.	The Principles of Our Fairer Contributions Policy	4 - 5
4.	Outline of The Personalisation Framework	5 - 6
4a	Step 1 - Fair Access to Care Assessment	6 - 8
4b	Step 2 - Indicative Personal Budget & Support Plan	9
4c	Step 3 - Financial Assessment	9 - 13
4d	Step 4 - Cash Personal Budgets or Managed Service	13 - 16
4e	Step 5 - Collection of Contributions	16 - 17
4f	Step 6 - Review of Contributions & Appeals	17 - 18
5.	Welfare Benefit Checks	19
6.	Transitional Arrangements	19
7.	Policy Review & Changes	19
8.	Confidentiality & Privacy	20
9.	Useful Contacts	21

## **Appendices**

Appendix 1 - Schedule of Adult Social Care Costs

Appendix 2 - Case example of how we may assess contributions (age 60)

Appendix 3 - Case example of how we may assess contributions (age 25 - 59)

Appendix 4 - Case example of how we may assess contributions (age 18 – 24)

Appendix 5 - Benefits Information

Appendix 6 - Frequently Asked Questions

# 1. Introduction

- 1.1. This document sets out a new policy on how the Council will assess the financial contribution, if any, residents will need to make towards the cost of their care needs. The policy is based on legislation and a revised set of guidance notes published by the Department of Health in September 2010, "Fairer Contributions Guidance 2010 - calculating an individual's contribution to their personal budget".
- 1.2. The introduction of a "**personal budget**" for everyone who is eligible for social care and support forms an integral part of the transformation of Adult Social Care under the "**personalisation**" framework which is designed to provide people and their carer's with more control, choice and flexibility over how they plan and manage their own social care needs.
- 1.3. Following a supported self-assessment process, and identification of the services needed to meet assessed eligible needs, the Council will work out how much will be allocated to an individual's personal budget using a Resource Allocation System. A **support plan** will then be prepared setting out how the person wants their needs to be met using their allocated personal budget.
- 1.4. The Council will carry out a financial assessment, which is a means-tested process, to determine a person's ability to make a contribution towards the cost of their care. The financial assessment will be carried out in accordance with the guidance on Fairer Charging Policies for Home Care and other non-residential Social Services (the Fairer Charging Guidance) issued in 2003.
- 1.5. Once the support plan and financial assessment are completed the Council will confirm in writing the amount of the personal budget and any contribution that the person may be required to make for their individual care package. A person then has the choice of either the Council managing their personal budget to arrange all the care and support they need or they may opt for their personal budget to be provided as a "**personal cash budget**" which they can then use to make their own arrangements for their care needs.
- 1.6. If a personal cash budget is taken the Council will first offset the amount of any assessed financial contribution and pay the balance to you as a "**Cash Payment**". Alternatively an individual may wish to have a mixture of the two, with some services managed by the Council and some of the personal budget paid to them as a direct payment.

## 2. Statutory Framework

- 2.1. Local Authorities have discretionary powers to charge adults who receive non-residential social care services under Section 17 of the Health and Social Services and Social Security Adjudication Act 1983. Section 7A of the Local Authorities Social Services Act (LASSA) 1970 requires Local Authorities to exercise their functions in accordance with directions and guidance issued by the Department of Health.

- 2.2. In 2003 the “Fairer Charging policies for Home Care and other non-residential Social services” guidance was published (“Fairer Charging Guidance”). At the end of 2010, new guidance was issued in response to the new personalisation agenda, namely “Fairer Contributions Guidance 2010 - Calculating an Individual’s Contribution to their Personal Budget” (“Fairer Contributions Guidance”).
- 2.3. As previous fairer charging guidance had been designed for traditional local authority social care provision, and personal budgets could be used much more flexibly, it was clear that the guidance would need to be revised and extended to take account of these changes.
- 2.5. The Council’s Fairer Contributions Policy has taken into account the legislation and the updated guidance provided by the Department of Health.

### 3. The Principles of Our Fairer Contributions Policy

- 3.1. The principles of the Fairer Contributions Policy are to make sure that we treat all service users fairly. People will receive an individual personal budget for their social care based upon their assessed eligible needs. They will be expected to contribute to their budget according to their individual circumstances and their ability to pay.
- 3.2. Our Fairer Contributions Policy is based on the following principles:-
  - **Fairness** : - the policy will be applied consistently to everyone regardless of how they are getting their services, so that everyone is treated fairly and equitably.
  - **Ability to pay** :- service users will know how and why they are contributing to the services they choose to receive to meet their needs. People will be asked to contribute towards the cost of their social care based on their individual circumstances and ability to pay.
  - **Reasonableness** :- residents should be able to access the services they need at an affordable level.
  - **Transparency**: - residents will understand how their contributions (if any) have been calculated and what any contributions are likely to be at an early stage of planning their care.
  - **Maximising benefit entitlement** :- all residents undergoing a financial assessment for their care will be offered a welfare benefits check to ensure they are receiving all the benefits that they are entitled to claim.
  - **Compliance with statutory duties**: - the policy will be developed in line with legislation and requirements set out in the Department of Health national guidance on fair charges and fairer contributions.

### 4. Outline of the Personalisation Framework

- 4.1. The introduction of personal budgets and a Fairer Contributions Policy is a way of working that gives you and your carers more control, choice and flexibility over how you plan and manage your own social care support. If you qualify for social care services then you can gain support under the new personalisation framework.
- 4.2. This approach is based on using a Resource Allocation System so that you know how much money is likely to be available to plan your support at an early stage. It puts you at the centre of planning how you want your own support to work and makes it possible to be creative in finding ways to gain support using a personal budget to fund it.
- 4.3. All Adult Care assessed needs will be included within your individual personal budget which will fall under the Fairer Contributions Policy. The services provided will include Home Care Services, Day Care opportunities (incorporating the use of Resource Centres), Transport to Day Care opportunities and Respite.
- 4.4. There are some services that will not fall under the Resource Allocation System or Fairer Contributions Policy and these include: -
  - Meals on Wheels:- these will continue to be provided at a flat rate charge that will be invoiced separately and charges uplifted annually as part of the Council's budget setting process.
  - Re-ablement services: - which will be non-chargeable for the first six weeks. If you require ongoing support after six weeks, you may need to contribute towards the cost. You will be required to carry out a financial assessment that will determine if and how much you will pay for your on-going support.
  - Equipment (provided as a result of an assessment of needs).
  - Professional Support.

### **The process for assessing social care needs and contributions**

- 4.5. The process for determining a person's individual care needs and how much a person should contribute towards the cost of their Adult Care will follow six main steps: -

**Step 1            Fair Access to Care Services Assessment**

Supported self-assessment process to determine an individual's care needs or signposting to alternative forms of support if not eligible.

**Step 2            Indicative Personal Budget and Care Plan**

Using the Council's Resource Allocation System to calculate the likely cost required to support an individual's care needs. Development and agreement of an individual support plan and finalise Personal Budget allocation.

**Step 3            Financial Assessment**

Financial Assessment to see if an individual is able to make a contribution towards the cost of their support package.

**Step 4 Cash Personal Budget or Managed Service.**

Decide upon a cash budget, which allows you to choose the provider(s) of your support care needs, or opt for a managed service whereby the Council will arrange your support care needs for you.

**Step 5 Collection of Contributions**

How the Council will collect contributions towards the cost of your care needs.

**Step 6 Appeals and review of contributions**

A process for appealing against the level of assessed financial contribution towards support needs. An annual review to reflect any increases in state benefits and allowances.

## **Step 1- Fair Access to Care Needs Assessment**

- 4.6. All adults who will benefit from the opportunity and confidence to relearn/regain some of the skills they may have lost, perhaps as a consequence of poor health, disability/impairment or going into hospital or residential care, will be offered Harrow's Reablement Service to help them to maintain their independence. This short-term service is intended to maximise long-term individual choice and quality of life and to appropriately minimise ongoing support required.
- 4.7. If an individual requires longer-term support after a period of reablement, and is eligible for on-going support, we will discuss with them the ways in which their needs can be met in a way that best suits them. We aim to put people who need social care support in control of their lives and of the support they receive. We will work with them to identify the needs they may have, and if they are eligible for help from social care services.
- 4.8. To determine who is eligible, we use a best practice eligibility framework issued by the Department of Health called **Fair Access to Care Services (FACS)** - "Guidance on Eligibility Criteria for Adult Social Care, England 2010", which is a system used to identify the extent and immediacy of their needs and how much support people with social care needs can expect from the Council, to help them stay as independent as possible.

4.9. The best practice eligibility framework is graded into four bands, which describe the seriousness of the risk to independence and well-being or other consequences if needs are not addressed. The four bands are as follows:-

**(i) Critical - when**

- life is, or will be, threatened; and/or
- significant health problems have developed or will develop; and/or
- there is, or will be, little or no choice and control over vital aspects of the Immediate environment; and/or
- serious abuse or neglect has occurred or will occur; and/or
- there is, or will be, an inability to carry out vital personal care or domestic routines; and/or
- vital involvement in work, education or learning cannot or will not be sustained; and/or
- vital social support systems and relationships cannot or will not be sustained; and/or
- vital family and other social roles and responsibilities cannot or will not be undertaken.

**(ii) Substantial - when**

- there is, or will be, only partial choice and control over the immediate environment; and/or
- abuse or neglect has occurred or will occur; and/or
- there is, or will be, an inability to carry out the majority of personal care or domestic routines; and/or
- involvement in many aspects of work, education or learning cannot or will not be sustained; and/or
- the majority of social support systems and relationships cannot or will not be sustained; and/or
- the majority of family and other social roles and responsibilities cannot or will not be undertaken.

**(iii) Moderate - when**

- there is, or will be, an inability to carry out several personal care or domestic routines; and/or
- involvement in several aspects of work, education or learning cannot or will not be sustained; and/or

- several social support systems and relationships cannot or will not be sustained; and/or
- several family and other social roles and responsibilities cannot or will not be undertaken.

**(iv) Low - when**

- there is, or will be, an inability to carry out one or two personal care or domestic routines; and/or
- involvement in one or two aspects of work, education or learning cannot or will not be sustained; and/or
- one or two social support systems and relationships cannot or will not be sustained; and/or
- one or two family and other social roles and responsibilities cannot or will not be undertaken.

4.10. The Council provides support to people who are assessed as having critical or substantial needs.

4.11. The aim of the eligibility framework is to help social care workers make fair and consistent decisions about the level of support needed, and whether the council should pay for this support.

4.12. Everyone who is eligible for social care will be given an early idea of the likely amount of money available for their support using a Resource Allocation System which is designed to determine a person's needs and unmet needs. In the assessment you will decide the outcomes you want to achieve, how you want to achieve them, and what kinds of support best fit your way of life.

4.13. This process will be managed through a supported self assessment questionnaire. Within each question there are a number of options for you to choose from ranging from not requiring any assistance to requiring full assistance.

4.14. Each option has a weighting (number of points) against it that is designed to establish the outcomes for an individual.

4.15. The Resource Allocation System converts the number of points into a monetary value that provides an indication of the likely cost of an individual's support.

## **Step 2 - Indicative Personal Budget & Support Plan**

4.16. Once the likely overall costs have been determined using the Resource Allocation System the resulting monetary value is allocated as an "Indicative Personal Budget".

4.17. This budget is a provisional amount allocated at an early stage to allow you to develop your individual "**support plan**". You can develop the plan on your own or with the help of family, friends, a social worker or others.



- 4.18. In the plan you will set out the sorts of support and things you want to do, who will do it and, where payment is involved, how much it will cost you.
- 4.19. The Council's "shop4support" website can assist you with selecting all your care needs for creating your own individual plan. The website provides a range of services that are available in the community that can help improve the quality of your life.

**[www.shop4support.com](http://www.shop4support.com)**

- 4.20. Once you have developed your support plan it will then be reviewed by the Council and agreed with you. An actual "Personal Budget" will be then be allocated for you to use in accordance with the agreed care plan.

### **Step 3 - Financial Assessment**

- 4.21. Under the Fairer Contributions Policy you will need to go through a financial assessment to determine the amount, if any, you can afford to contribute towards the cost of your Adult Social Care needs. This is a standard process carried out by all Local Authorities.
- 4.22. To ensure the financial contribution you pay for your care and support services is fair the Council will ask you for details of your income, savings and expenditure. This is a means tested process to determine your ability to pay. Providing this information may help to reduce your assessed financial contribution.
- 4.23. The amount of your assessed financial contribution will be the most we will ask you to pay towards the cost of your care package. The Council will allow people to opt out of a financial assessment but in doing so they will be required to pay the full cost of their care. The new policy has now removed the ceiling of £250 per week that was previously the maximum a person would be required to pay, so if a person's cost of care is £275 per week and they opt out of a financial assessment they will now be required to pay the full £275 per week.

#### **The type of income counted in the financial assessment**

- 4.24. We will need to have details of your income and savings from all sources such as:-
- Retirement Pension
  - Pension Credit
  - Income Support
  - Constant Attendance Allowance
  - Exceptionally Severe Disablement Allowance
  - Attendance Allowance (care component)
  - Job Seekers Allowance
  - Incapacity Benefit
  - Disability Living Allowance (care element)
  - Occupational and Private pensions
  - Annuity income
  - Rent from another property
  - Charitable Income

- Any other Income not specified as disregarded

### **The type of income disregarded in the financial assessment**

4.25. There are certain types of income that we will disregard for the purposes of the financial assessment: -

- Earnings
- Statutory Sick Pay, Statutory Adoption Pay and Statutory Maternity Pay or Allowance
- Mobility component of Disability Living Allowance
- Night time element of the care component of Disability Living Allowance and Attendance Allowance unless night time care is provided by Social Services
- First £20 of any Charitable Income unless it is wholly disregarded as per charging guide (CRAG)
- Savings Credit element of Pension Credit
- Working Tax Credit
- Disabled Person's Tax Credit
- War widows supplementary pension
- A partner's disability related benefits
- Winter fuel and Cold Weather payments
- Social Fund Payments
- Maintenance payments specifically relating to a child
- Child benefit and Child Tax Credit

### **The type of savings counted as capital in the financial assessment**

4.26. Most forms of savings or assets will be counted in the financial assessment including:-

- Any savings account, building society, bank deposit, Post Office Savings Bank, National Savings.
- Money held in cash, investments, stocks, shares, unit trusts, TESSA's, PEP's, ISA's, Premium Bonds
- The value of any land or property (other than the main residence where you live)
- Capital held on your behalf by another party, Court of Protection, spouse/partner (where the capital is held by one partner but the other has a beneficial interest)
- Compensation payments

4.27. The value of your home where you normally reside is **not** used when calculating the contribution towards the cost of your care.

### **Capital threshold levels**

- 4.28. If you have capital and savings worth more than £23,250 you will need to pay the full cost of the care services received.
- 4.29. Where you have capital and savings that fall between £14,250 and £23,250 we will add a £1 per week to your assessable income for every £250 extra capital you have between the two amounts. This is called "Tariff Income".
- 4.30. We will ignore capital and savings held that are below £14,250.

### **Deprivation of Capital**

- 4.31. Where a resident has deprived themselves of capital or an asset to a third party or otherwise disposes of capital or an asset to avoid or reduce the payment of a contribution for care, they will be assessed as retaining that capital or asset. This is known as "notional capital".

### **Allowable living expenses**

- 4.32. When calculating the contribution you will need to make towards the cost of your care we will take into account your essential living expenses and disability related expenditure:-

#### Housing

- Rent or mortgage (not covered by Housing Benefit)
- Council Tax (not covered by Council Tax Benefit)

### **Disability related expenses**

- 4.33. If you are in receipt of a disability related benefit we will allow, in most cases, a maximum of £24.65 per week as an allowance towards additional disability related expenditure. Higher expenditure may be considered in particular cases where evidence is provided.
- 4.34. The sum of £24.65 is 50% of the lower rate of £49.30 currently paid for Attendance Allowance and middle rate for Disability Living Allowance.
- 4.35. We will ask you to provide us with bills and receipts to prove how much you have spent on your additional disability related expenditure. The expenditure will then be included as your weekly costs within the means tested financial assessment.
- 4.36. The type of expenditure will include :-
- Specialist washing powders or laundry
  - Additional costs of special dietary needs due to illness or disability
  - Special clothing or footwear or wear and tear of these
  - Additional costs of bedding, for example, because of incontinence
  - Additional heating costs or metered costs of water above the average levels for the area and housing type
  - Reasonable costs of basic garden maintenance, cleaner, or domestic help including shopping

- Purchase, maintenance and repair of disability-related equipment
- Privately arranged care services, for example personal assistant or carers and respite care
- Purchase of specialist disability related equipment
- Transport costs, if you do not receive help with mobility costs, or Freedom pass

**Basic Living Allowance (what you are allowed to keep as a general living expense)**

- 4.37. From the information you provide to us we will take off the amount that you would be entitled to for the cost of basic living, as set out by the Department for Work and Pensions. This is called Income Support for people up to the age of 59 and Pension Credit for people over the age of 60.
- 4.38. Everyone is allowed to keep their Income Support or Pension Credit plus 25%. This is called your **Basic Living Allowance**. The Basic Living Allowance is for your day to day living expenses such as the cost of Food, utility bill's for water, electric, gas, telephone, heating, cooking, clothing etc.

The Basic Living Allowance amounts for the financial year 2011/12 are shown as follows :-

Age Band	Income Support	25% Buffer	Basic Allowance
Over 60 years	£137.35	25%	£171.69
25 – 59 years	£110.40	25%	£138.00
18 – 24 years	£96.35	25%	£120.44

**Treatment of couples**

- 4.39. Only the person who is assessed as needing the service from us must provide details of their income and capital in order to apply for a reduced charge. If you choose to provide us details of only this person's income we will work out the contribution using living allowances for a single person, and will allow for half of any joint household expenses.
- 4.40. We may request information on capital and income held by a partner or family member if the Council believes that you could have a legal claim over assets or income not in your name.

**Calculation of your contribution**

- 4.41. We will work out your contribution towards the cost of your Adult Care by:-
- Adding together all your weekly income which we are allowed to take into account including "tariff income" on capital and savings

- Taking away any identified costs for housing
  - Taking away any income we have disregarded
  - Taking away any disability-related spending (in most cases up to a maximum of £24.65 per week)
  - Taking away your Basic Living Allowance + 25%
- 4.42. The resulting figure will be the maximum amount that we would ask you to contribute towards the cost of your care each week.

Examples of how we might work out a person's contribution are shown at Appendix 2 (age over 60), Appendix 3 (age 25-59) and Appendix 4 (age 18-24)

**Residents who will not be required to contribute towards the cost of their care**

- 4.43. There are certain exceptions whereby residents will be exempt from making a contribution to the cost of their Adult Social Care :-
- For people being supported under Section 117 of the Mental Health Act, they will not need to pay a contribution for those services identified in their Section 117 Care Plan.
  - Residents suffering from Creutzfeldt Jacob Disease (CJD)

**Step 4 - Cash Personal Budget or Managed Service**

- 4.44. Once your care needs have been assessed and your support plan and actual budget has been agreed you can have the choice of taking it as a "Cash Personal Budget", to allow you to choose your care provider(s), or you can opt for a "Managed Service" whereby the council will manage the personal budget on your behalf to provide the care and support agreed in your support plan. It is also possible for you to mix and match both methods for different parts of your care package.
- 4.45. Personal contributions towards the cost of the care package will be calculated through the financial assessment process.

Cash Personal Budget

- 4.46. You can choose to have your personal budget paid to you as a cash personal budget that you can then use to buy your own care services from an independent provider(s) rather than having the services arranged for you by the Council. The cash personal budget is provided specifically for your care needs as agreed in your support plan.
- 4.47. Where your financial assessment has determined you have the ability to make a contribution towards the cost of your care needs, the Council will offset this amount against your cash personal budget and pay you any difference remaining.

### **Case scenario where a person opts for a cash personal budget**

Sarah has assessed care needs that have been calculated using the Resource Allocation System to cost £143.25 per week for day care activities three times a week. Sarah has been financially assessed to be able to contribute a maximum of £30.00 per week towards the cost of her day care activities and has opted for a cash personal budget.

	Cash Personal Budget
Cost of Day Care activities	£143.25
Sarah's contribution	£30.00
Council contribution	£113.25

Sarah will be required to pay a contribution of £30.00 per week towards the cost of her day care activities as calculated through the financial assessment. The Council will offset Sarah's £30.00 per week contribution and will fund £113.25 per week which will be paid to Sarah as a cash payment.

### **Managed Service**

- 4.48. As an alternative to a cash personal budget you can opt for the Council to make arrangements for your care and support on your behalf as a "Managed Service".
- 4.49. Personal contributions towards the cost of your care package will also be calculated through the financial assessment process.

### **Case scenario where a person opts for a managed service**

Peter has assessed care needs that have been calculated using the Resource Allocation System to cost £ 95.50 per week for day care activities twice a week. Peter has been financially assessed to be able to contribute a maximum of £65.00 per week towards the cost of his care and has opted for the Council to manage this for him.

	Managed Budget
Cost of Day Care activities	£95.50
Peter's contribution	£65.00
Council contribution	£30.50

Peter will be required to make a contribution of £65 per week towards the cost of his day care activities as calculated through the financial assessment. The Council will fund the remaining £30.50 per week.

Peter will be sent an invoice(s) for his £65.00 per week contribution. The Council allows payments to be made 4 weeks in arrears and prefers payment to be made by direct debit.

### Mixed Service

- 4.50. You may decide to have a mixed budget where you opt for some of your personal budget to be paid to you as a cash personal budget to allow you to choose your own care providers, and some of the personal budget put towards care needs that are managed by the Council.

### **Case scenarios where a person opts for a mixed service**

**Example 1** - Kanta has assessed care needs that have been calculated using the Resource Allocation System to cost £ 125.00 per week. Kanata has been financially assessed to be able to contribute a maximum of £60.00 per week towards the cost of her care. Kanta opts for her home care (£75.00 per week) to be provided by an external provider and her day care activities (£50 per week) to be arranged by the Council.

	Home Care Per week	Day Care Per week	Total Per week
Assessed cost of care	£75.00	£50.00	£125.00
Kanta's contribution	£60.00	£0.00	£60.00
Council Contribution	£15.00	£50.00	£65.00

The financial assessment has determined that Kanta has the ability to pay £60.00 per week towards the cost of her care.

The £60.00 will be used by Kanta as a contribution towards the cost of her Home Care. The remaining £15.00 will be funded by the Council. A cash payment of £15.00 per week will be paid to Kanta.

The Council will fully fund Kanta's day care activities of £50.00 per week.

**Example 2** - Joan has assessed care needs that have been calculated using the Resource Allocation System to cost £125.00 per week. Joan has been financially assessed to be able to contribute a maximum of £85.00 per week towards the cost of her care. Joan opts for her home care (£75.00 per week) to be arranged by an external provider and her day care activities (£50 per week) to be arranged by the Council.

	Home Care Per week	Day Care Per week	Total Per week
Assessed cost of care	£75.00	£50.00	£125.00
Joan's contribution	£75.00	£10.00	£85.00
Council Contribution	£0.00	£40.00	£40.00

The financial assessment has determined that Joan has the ability to pay £85.00 per week towards the cost of her care.

The first £75.00 will be used by Joan to pay for her Home Care herself.

The remaining £10.00 will be used as a contribution towards her day care activities. The Council will send an invoice to Joan for £10.00 per week towards the cost of these services arranged by the Council.

The Council will fund the remaining £40.00 per week for Joan's day care activities.

## **Step 5 - Collection of Contributions**

- 14.51. Your assessed financial contribution is the most we will collect from you towards the cost of your Adult Social Care.

### **Cash Personal Budget**

- 14.52 Where you are in receipt of a cash personal budget the Council will deduct the amount of your assessed financial contribution and pay to you any balance left over to meet your own care needs.
- 14.53 Cash personal budgets will be monitored to ensure that funds are being spent on meeting your social care needs. The Council will request any excess payments not spent to be repaid or deduct the amount from any future payments.

### **Managed Service**

- 14.54. Where you are in receipt of council commissioned services (managed service) the council will arrange to recover from you your assessed financial contribution. This may be less than the cost of your care package, with the Council funding the difference to support the cost of your overall care needs.
- 14.55. An invoice for the contribution towards the cost of your care will be sent to you every four weeks in arrears. The invoice will set out the period covered and the amount you need to pay.



### **Mixed Services**

- 14.56. Where you decide to have a mixed budget of both a cash personal budget and managed service from the Council, we will first offset the amount of your assessed financial contribution against the cost of the service provided by the council, with any remaining balance paid to you as a direct payment.

### **Methods of Payment**

- 14.57. The Council's preferred method of payment will be by direct debit directly from your bank account. A direct debit form will be sent to you if you are required to pay towards the cost of your care services. You can also pay for your services :-
- By post (cheque made payable to London Borough of Harrow)
  - At a bank or post office
  - By using our automated payment service in the Civic Centre
  - Through our website payment service
  - By debit card or credit card over the telephone through "Access Harrow"
- 14.58. Any individual failing to pay or refusing to pay their contribution will be subject to the Council's overall policy on debt recovery. Each case will be reviewed on its own merit with regard to the individual's financial circumstances.
- 14.59. If you are experiencing any difficulty in making payments in line with the assessed contribution you should contact the financial assessment team on (to be inserted) at the earliest possible opportunity.

## **Step 6 - Review Of Contributions & Appeals**

### **Annual Review**

- 14.60. We will review your contribution each year in line with increases in state benefits and advise you in writing of any changes to be made in April each year.

**You should tell us as soon as possible about any changes in your circumstances as these may affect the amount of your contributions.**

### **Review and Appeal**

- 14.61. If you disagree with the contribution that we are asking you to pay, or that your personal circumstances are not properly reflected in the financial assessment, then you may ask us to review your contribution. Service users have this right under Section 17 of the Health and Social Services and Social Security Adjudication Act (HASSSSA) 1983.

### **First Stage - Review**

- 14.62. In the first instance you will need to write to us to explain what you think is wrong and we will review your circumstances and contribution again. We may ask you to provide

additional information and evidence including receipts to support the review. We will also send you a review pack which sets out how the financial review will be completed.

- 14.63. A member of the financial assessment team will check your financial assessment to make sure that there were no mistakes in the calculation and that all relevant income has been included and relevant spending ignored. We will then write to you with our findings and decision.

### **Second Stage - Appeal**

- 14.64. If you are not satisfied with the financial assessment team decision then you can appeal for a second stage review by an independent panel. The independent panel will consist of two Senior Managers who will look at your individual circumstances. You may again be asked to provide further information to support your appeal request if necessary.
- 14.65. The panel can decide to:-
- Uphold the original assessed contribution
  - Reduce the amount of contribution
  - Waive part or the whole of the contribution for a set period of time
- 14.66. The panel will make a final decision on the amount of contribution you will be required to make towards the cost of the care provided to you and you will be notified of this in writing.

## **5. Welfare Benefit Checks**

- 5.1. As a part of the assessment process for determining your care needs and contributions towards the cost of care we will give you a commitment to carry out a “benefits health check” to ensure that you are maximising your income by receiving all the welfare benefits that you are entitled to claim according to your personal and financial circumstances.
- 5.2. If it appears that you are entitled to a means tested benefit, such as Income Support or Pension Credit, we will expect you to apply for this. Our benefits team will be able to guide and help you with making any claim.
- 5.3. This may increase your income although a proportion of that may be counted towards your assessed contribution. However, you may still be better off as a result of this checking process and claiming all the benefits that you are entitled to claim.
- 5.4. The main welfare benefits, which you may be entitled to, are listed briefly at Appendix 5.

## **6. Transitional Arrangements**

- 6.1. Any proposed changes to The Fairer Contribution Policy agreed by the Council will be implemented from **(the date agreed by the Council)** and will apply to all new referrals for Adult Social Care Services and all residents who are already receiving Adult Social Care support.
- 6.2. Upon the introduction of the Policy all residents who have already been provided with a Personal Budget will retain that budget but their contribution will be subject to change in line with this policy.
- 6.3. From **(the date agreed by the Council)** the Council will start to apply the new Fairer Contributions Policy for Adult Social Care non residential services.
- 6.4. For all existing service users where, through the financial assessment, their contribution towards the cost of their care has changed, the change will not become effective until 1<sup>st</sup> April 2012.
- 6.5. For all new service users where, through the financial assessment, it is determined that they have the ability to make a contribution towards their care, the contribution will be paid from the date that their care plan is agreed and implemented.

## 7. Policy Review & Changes

- 7.1. The Fairer Contributions Policy will be reviewed annually to ensure that it reflects any changes to legislation or other policies implemented by the Council.
- 7.2. The fees and charges for Adult Social Care, that are used to work out the amount of contributions a person is able to make towards their care package, will be subject to an annual inflationary uplift to those fees and charges. These uplifts will be a part of the Council's wider budget setting process in relation to all fees and charges.

## 8. Confidentiality & Privacy

- 8.1. The information that you provide to us will be kept by the Financial Assessment Team who will assess how much you are able to contribute towards the cost of your care needs.
- 8.2. Councils are required to make sure that we use public money properly, so for this purpose only we may use the information you provide for the detection and prevention of fraud. We may also share the information you give us with other public bodies that look after public money for the same purpose".

## 9. Useful Contacts

If you would like further information about the Fairer Contributions Policy then please contact:-

(to be inserted)

## Appendix 1 - Schedule of Adult Social Care Costs

The schedule of costs set out below will be applied where a person opts to have their Adult Social Care needs provided by the Council as a managed service.

The costs reflect the recovery of the Council's direct costs in providing the services and exclude overheads and capital financing.

In the future the Council is proposing to add a percentage increase on these costs each year in an aim to move towards full cost recovery for the services provided by the Council.

Service Area	Costs of Managed Services
Home Care	£15.29 per hour
Day Care	£47.75 per day
Transport	£22.34 per day or £11.16 per journey

**It must be emphasised that we will never charge more than the cost of care and we will only ask you to pay up to the maximum amount of your assessed financial contribution.**

## Appendix 2 - Case example of how we may assess contributions (over 60)

Sarah is an 85 year old woman living on her own who receives a basic state pension, private pension and pension credit. The council through the Resource location System has assessed Sara's care needs to cost £ 75 per week.

<b>Income each week</b>	<b>£</b>
<b>State Retirement Pension</b>	<b>£102.15</b>
<b>Private Pension</b>	<b>£9.60</b>
<b>Pension Credit (Gaurantee credit 137.35 -£102.15-£9.60)</b>	<b>25.60</b>
<b>Total Assessed Income (A)</b>	<b>£137.35</b>

<b>Allowances and Living Expenses each week</b>	<b>£</b>
<b>Basic Living Allowance (+25% buffer)</b>	<b>£171.69</b>
<b>Total Assessed Allowances (B)</b>	<b>£171.69</b>

<b>Total Assessed Contribution (A – B)</b>	<b>£- 34.34</b>
--	-----------------

In this example Sarah's financial contribution towards her care needs is NIL as her weekly allowances and living expenses are more than her weekly income. Sarah will

not to pay anything towards her assessed care needs. The Council will pay the full cost of Sarah's care needs.

### Appendix 3 - Case example of how we may assess contributions (25-59)

John is a 36 year old man living at home with his family. He receives Income Support and Disability Living Allowance (care component). The council through the Resource Allocation System has assessed John's care needs to cost £ 92.50 per week.

<b>Income each week</b>	<b>£</b>
<b>Income Support</b>	<b>£67.50</b>
<b>Disability Living Allowance (Care component)</b>	<b>£73.60</b>
<b>Total Assessed Income (A)</b>	<b>£141.10</b>

<b>Allowances and Living Expenses each week</b>	<b>£</b>
<b>Basic Living Allowance (+25% buffer)</b>	<b>£138.00</b>
<b>Disability related expenditure</b>	<b>£2.60</b>
<b>Total Assessed Allowances (B)</b>	<b>£140.60</b>

<b>Total Assessed Contribution (A – B)</b>	<b>£0.50</b>
--	--------------

In this example John has been financially assessed to have the ability to pay £0.50 per week towards the assessed cost of his care needs of £92.50 per week. The Council will make up the difference of £92.00 per week towards the total cost of his care (£92.50 - £0.50).

#### Appendix 4 - Case example of how we may assess contributions (18-24)

Kanta is a 22 year old woman living at home with her family. Kanata receives Incapacity Benefit and Disability Living Allowance (both care and mobility components). The council through the Resource Allocation System has assessed Kanta's care needs to cost £122.25 per week.

<b>Income each week</b>	<b>£</b>
<b>Incapacity Benefit</b>	<b>£94.25</b>
<b>Disability Living Allowance (care component)</b>	<b>£73.60</b>
<b>Disability Living Allowance (mobility component)</b>	<b>£51.40</b>
<b>Total Assessed Income (A)</b>	<b>£219.25</b>

<b>Allowances and Living Expenses each week</b>	<b>£</b>
<b>Basic Living Allowance (+25% buffer)</b>	<b>£120.44</b>
<b>Disability Living Allowance (mobility component)</b>	<b>£51.40</b>
<b>Disability related expenditure</b>	<b>£18.50</b>
<b>Total Assessed Allowances (B)</b>	<b>£190.34</b>

<b>Total Assessed Contribution (A – B)</b>	<b>£28.91</b>
--	---------------

In this example Kanata has been financially assessed to have the ability to pay £28.91 per week towards the assessed costs of her care needs of £122.25 per week. The Council will make up the difference of £93.34 per week to support the total cost of her care (£122.25 - £28.91).

## Appendix 5 - Benefits Information

**Attendance Allowance** - is available to ill or disabled people aged 65 or over who need help or encouragement with personal care

**Disability Living Allowance** - is available to ill or disabled people under 65 years of age who need help or encouragement with personal care or who have problems with mobility. It has two parts - a Care Component and a Mobility Component.

**Carers Allowance** – is paid to carers who look after people receiving either Attendance Allowance (any rate) or Disability Living Allowance (Care Component – at the middle rate).

**Employment and Support Allowance or Incapacity Benefit (for claims before 27/10/08)** - are paid to people who are assessed as incapable of working.

**Industrial Injuries Disablement Benefit** – is paid to those who have suffered disablement caused by an industrial accident or prescribed disease.

**The War Widows Scheme** - provides benefits for disablement caused or worsened by armed forces service. You can claim for any medical condition providing you can show a link to your service. It can be psychological as well as physical. Civilians physical injury during the Second World War may also be able to claim.

**Income Support** – is a means-tested benefit for people not in full time work.

**Pension Credit** - has two parts, Guarantee Credit and Savings Credit :-

**Guarantee Credit** – this tops up a pensioner's income to certain minimum levels. It can include help with mortgage interest payments.

**Savings Credit** – this is extra money paid to reward people who have savings or additional pensions

**Housing Benefit** - is a means-tested benefit for people who live in rented accommodation.

**Council Tax Benefit** - is a means-tested benefit for people to have to pay Council Tax.

**Working Tax Credit** - provides a top-up to the wages of low income workers. Those with dependent children, or a disability or in some cases people over 50 need to be working for 16 hours a week to be eligible. Otherwise claimants need to be 25 or over and work at least 30 hours per week. Childcare costs can be taken into account in the assessment

**Child Tax Credit** - is a means-tested benefit paid to people with children whether they are working or not.

## Appendix 6 - Frequently Asked Questions & Answers

**Why are things changing?**



In 2007 the Government set out in “Putting People First” a commitment to the introduction of personal budgets, as a part of the move towards the transformation and personalisation of social care by giving more choice and control over how their social care needs are met.

### **What is personalisation?**

Personalisation means making the support you receive personal to you. With personalised services you will :-

- have greater control, choice and flexibility in your life
- be more involved in helping the Council develop and shape your care plan
- be given a Personal Budget to buy your own care and support
- be able to buy services that fit your specific needs, preferences and circumstances

### **What is a personal budget?**

A Personal Budget is an amount of money which is available to spend on your support, to help you live an independent and fulfilling life. With a Personal Budget :-

You have control over how you spend your money on your support

You have the choice to decide and buy support that best meets your needs

You can have as much or as little help as you need to set up your Personal Budget or arrange support.

### **What does this mean for me?**

The changes will give you more choice and control over your care and support so you can live your life in the way you want.

### **Can I make my own care arrangements?**

Yes you can. Once we have determined your care needs under our Resource Allocation System and have allocated you a Personal Budget, you can decide to make your own arrangements for your care. Following your financial assessment we will, if applicable, provide you with a Direct Payment to enable you to choose your care provider.

### **What if I am already on Direct Payments?**

Your contribution towards your care will be worked out in the same way as all other service users. The amount of the contribution will be deducted from the payment we make to you.

### **How do you work out what I should pay?**

To ensure any contribution you make towards your own care is fair we will arrange to carry out a financial assessment of your personal circumstances. This will involve asking you to

tell us about your income and expenditure so we can work out your ability to pay. We will then inform you of the amount, if any, you need to make towards the cost of your care and arrange for collection.

### **What happens to the information that I have provided to Harrow Council?**

Any information you provide to us will be treated in the strictest of confidence. However, with your permission we may discuss your benefit entitlement with the Department for Work and Pensions.

### **What if I refuse to provide the information on my savings and income?**

Anyone who refuses to provide us with the information we need about their savings and income, or who fails to give an adequate response to any of our queries, will be charged for the full cost of their care.

### **What if I refuse to provide the information about my essential expenditure?**

Anyone who refuses to provide us with the information we need about their essential expenditure we will assess their contribution based on their savings and income only. This may mean that the assessed financial contribution is higher than it needs to be.

### **What do I do if my income changes?**

Any changes to your income may affect your contribution towards your care. You must inform us if your income, any benefits, savings or investments change. All charges are reviewed on an annual basis to take account of any changes in national benefit rates and allowances.

### **What if I don't agree with the contribution I am being asked to make?**

You can ask for your contribution to be reviewed by the financial assessment team. You will need to explain in writing why you think your assessed contribution is incorrect.

### **What happens if I fall into arrears?**

If you are experiencing difficulty in paying the contributions towards your care you should contact the financial assessment team as soon as possible. The team will try to come to an agreement with you on the amount you can afford to pay each week to reduce the amount of your arrears.

### **What happens if I do not pay the contributions for my care?**

If you have the ability to pay but do not pay the contributions for your care we will seek recovery of any outstanding amount under the Council's debt recovery processes which could mean taking action through the courts.

END