### **PIC0202 Powerpoint Presentation 024**

**Charging Policy Residential & Nursing Care**

**11th April 2022**

SOCIAL

SERVICES  
COMMUNITY SERVICES DIRECTORATE

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Version number:** | 1 | | | **Date Written:** | | | April 2016 |
| **Date Approved:** | | | April 2009 |
| **Status:** | Approved | | | **Date of Issue:** | | | 11th April 2016 |
| **Review Date:** | | | April 2021 |
| **Approved by:** | Senior Management Team | | | | | | |
| **Author:** | Deb McAuliffe | | | | | | |
| **Supporting documents:** | |  | | | |  | |
| **Equality Impact Assessment** | | | **Approved by:** | |  | | |
| **Date:** | |  | | |
| **Change history** | **Dates reviewed:** | | | | **Outcome of review:** | | |
| April 2017  April 2018  April 2019  April 2020  April 2021  April 2022 | | | | Updated capital amounts and rates  Updated capital amounts and rates Updated capital amounts and rates  Updated capital amounts and rates  Updated capital amounts and rates  Updated capital amounts and rates | | |

This policy refers to individuals for who care and support is being or may be provided or arranged by Blaenau Gwent Social Services under Part 4 of the Social Services and Well-being (Wales) Act 2014.

The placement an individual requires will be determined by an assessment of need following the care management process.

Each individual will be entitled to participate in a means tested financial assessment to determine their ability to contribute toward the cost of the accommodation and care they receive.

Before the financial assessment is carried out individuals will be provided with a care and support plan and a copy of this policy (along with a copy of the direct payments policy if applicable)

**Contents**

|  |  |  |
| --- | --- | --- |
| **1** | **Chargeable Services** | **3** |
| **2** | **The Financial Assessment Process** | **3** |
| **3** | **Treatment of Income** | **4** |
| **4** | **Treatment of Savings/Capital** | **6** |
| **5** | **Treatment of Property** | **6** |
| **6** | **Deprivation of Capital/Assets** | **8** |
| **7** | **Calculating The Assessed Charge** | **9** |
| **8** | **Reassessments** | **10** |
| **9** | **Non Payment of Contributions** | **10** |
| **10** | **Reviews and Appeals** | **10** |
| **11** | **Useful Information** | **11** |

**1 Chargeable Services**

1.1 **Services to be charged for**

* Long Term Residential Care
* Long Term Nursing Care
* Temporary residential or nursing placements and trial periods. Placements that are expected to exceed 8 weeks or do not have a definite end date.
* Short Term Residential or Nursing Care exceeding 8 weeks, (any planned Short Term Care received for up to 8 weeks will be assessed under the Charging Policy for Non-Residential Care and Short Term Residential Care)

# 1.2 Services where no charge will be made

* Aftercare services in accordance with section 117 of the Mental Health Act 1983 (after care).
* Individuals assessed as meeting the criteria for Continuing Health Care, which is assessed and funded by the Local Health Board.

**2 The Financial Assessment Process**

* 1. Charges are payable from commencement of placement. Invoices will not be raised until the financial assessment has been carried out (unless individuals do not provide the necessary information to complete the financial assessment in the required time scale).
  2. An Income Maximisation Officer will contact the individual to arrange a face to face visit to collect the necessary information to complete the financial assessment and provide a Welfare Benefits check. Individuals have the right to appoint someone to assist them or act on their behalf in respect of all or part of the financial assessment process. If they choose to appoint a third party, they should advise the social worker or support worker when they complete the assessment of need or the Income Maximisation Officer when they are contacted to arrange an appointment to complete the financial assessment.
  3. Individuals will be required to provide statements / bank books for all bank, building society and Post Office accounts they hold and documentary evidence of any other assets / investments. This will allow the Income Maximisation Officer to verify all income, capital and relevant outgoings. This information should if possible be provided at the time of the arranged visit or within 15 working days if the

documentation is not available at that time. If a home visit was not possible / convenient and information to complete the financial assessment has been requested in writing, the individual will have 15 working days from the date of the letter to provide the required information.

* 1. Reasonable requests for an extension to the 15 working day timescale will be considered providing there is a valid reason to do so
  2. Confirmation of the assessed charge will be provided in writing on completion of the financial assessment
  3. Any Individual who does not provide the necessary documentation to allow a financial assessment to be completed within the required timescale will be charged the full cost of the placement.
  4. Any individual with capital above the capital limit of £50,000 will be required to pay the full cost of their placement. If their savings fall below £50,000, they might be eligible for funding assistance from the Local Authority. Individuals should contact the Local Authority about 3 months before they think their savings will reach this level and ask for a reassessment of their finances and care needs. The Local Authority will only provide funding from the date the individual contacts them for help, therefore if their capital has already dropped below £50,000 prior to contacting the Local Authority they will not be reimbursed.
  5. Charges are payable from commencement of placement. At this time the Care Manager / Social Worker will implement the Individual Placement Contract between the Council and the Individual which agrees the terms and conditions of the placement, including the obligation of the Individual to meet their financial contribution towards the cost of the placement.

# 3 Treatment of Income

Each individual is required to provide details of their benefits and any other income they may receive. This income will be treated in one of three ways:

3.1.

|  |
| --- |
| **Income taken fully into account** |
| * Retirement Pensions * Occupational Pensions (See below) * Personal Pensions * Annuity Income * Cash in Lieu of Coal * Income from insurance policies  Income from rent  * Most Social Security Benefits (e.g. Income Support, Incapacity Benefit, Employment Support Allowance, Industrial Injuries Benefit, Severe Disablement Allowance) * *Attendance Allowance / Personal Independence Payment / Disability Living Allowance (care component)* |

* Please note these benefits will not be taken into account for temporary placements. Entitlement to these benefits will stop after four weeks admission to a Residential or Nursing placement therefore the Department for Work and Pensions must be notified of admissions to avoid overpayment of benefits.

If the individual has a partner who still lives at home who is not entitled to any income related benefits only 50% of any occupational pensions will be taken into account in the financial assessment

3.2

|  |
| --- |
| **Income which is partly disregarded** |
| * War Widows / Widowers Pension – supplementary pension plus £10. * Pension Credit – savings credit up to a maximum of £5.75 per week. Individuals over 65 who have qualifying income in excess of their standard minimum guarantee (under Pension Credit Regulations) are also entitled to a disregard of £5.75 from their assessable income. **This is known as the savings credit disregard.** |

3.3

|  |
| --- |
| **Income that is fully disregarded** |
| * War Disablement Pension * Disability Living Allowance (DLA) – Mobility component * Personal Independence Payment (PIP) – Mobility component * Christmas bonus * Social Fund Payments * Winter Fuel Payments * ILF Payments * Child Benefit * Earnings * Housing Benefit * Council Tax Benefit * Constant Attendance Allowance |

# 4 Treatment of Savings/Capital

4.1 The following list of capital items need to be considered in the financial assessment:

* Personal Savings
* Joint savings
* Stocks, shares, bonds and annuities
* Money or Assets held in trust
* Property or land which an individual owns

4.2 If the total of an individual’s capital assets is more than £50,000.00 they will be assessed to pay the full cost of their placement. In these circumstances the individual may still request the Local Authority to arrange a placement on their behalf. For more information, please refer to the Policy for Contracting for Self-Funders.

Capital assets less than £50,000.00 are disregarded

4.3 Compensation / Insurance/ Legal Payments due to Injury

The contribution you have to make toward the cost of your placement will be assessed when the care is initially provided. However, if you later receive compensation, legal or insurance payments for past, present, or future care needs then your charge will be reassessed taking into account the additional capital you have received from such payments after 52 weeks.

**5 Treatment of Property**

5.1 The value of the main or only home an individual owns will be ignored for the first 12 weeks of a permanent stay, but it will be included in the financial assessment after 12 weeks (if it is sold within the first 12 weeks the proceeds will be taken into account as savings in the financial assessment). This is called the 12-week disregard period. The value of any other property an individual owns is included in the financial assessment from the date of admission.

5.2 During this 12-week disregard period, payment of any Attendance Allowance or Care Component of the Disability Living Allowance should stop after a maximum of 28 days for as long as the Local Authority is ‘disregarding’ the property. The Disability Benefits Centre should be advised of the arrangements to avoid any overpayment in benefits (see useful contacts section). This does not apply if an individual is fully funding their placement.

5.3 After 12 weeks the value of any property will be included in the financial assessment. If the total value of the property combined with any capital held exceeds £50,000.00 the person will be liable to pay the full cost of their placement.

5.4 Deferred payment agreements are available to individuals who own property. This enables a person to continue paying the assessed contribution they were required to make before the property was included in their assessment until the property is sold. The remaining costs they are liable to pay are deferred until the property is sold so they are not required to sell their property immediately upon entering a care home. The deferred costs will be recovered as soon as the individual is in receipt of the proceeds from the sale of their property. For further information on deferred payments please see the Deferred Payments Policy

5.6 If an individual owns a property but does not agree to the terms of the deferred payment agreement they will be charged the full cost of their placement when the 12-week disregard period ends

5.7 In the following circumstances the value of the person’s main or only home mustbe disregarded

(a) Where the person is in a care home but their property is occupied by any of the people listed below. This only applies where that property has been continuously occupied prior to the person going into a care home:

1. the person’s partner, former partner or civil partner, except where they are estranged or divorced;
2. a lone parent with a dependent child who is the person’s estranged or divorced partner;

(iii) a relative of the person or member of the person’s family (as defined in the Social Services and Wellbeing (Wales) Act (2014) who is:

(1) Aged 60 or over, or

(2) Is a child of the resident aged under 18, or

(3) Is incapacitated.

5.8 A local authority may also use its discretion to apply a property disregard in relation to those in residential care in other circumstances. However, the local authority will need to balance this discretion with ensuring a person’s assets are not maintained at public expense.

# 6 Deprivation of Assets

# 6.1 The local authority may consider that individuals have deprived themselves of assets in order to reduce their charge. Deprivation of assets has occurred where a person has deprived or decreased their overall assets resulting in the reduction or removal of any charge imposed for their care and support. This means that they must have made a conscious decision to do this in the knowledge that to do so would have such an effect on their charge.

# 6.2 In such cases the local authority may either charge the person as if they were still in possession of the asset, or if the asset has been transferred to someone else, seek to recover the lost income from charges (or from lost contributions or reimbursements where direct payments have been made) from that person.

6.3 The authority will only consider questions of deprivation of assets when the resident ceases to possess assets which would otherwise have been taken into account in the financial assessment.

6.4 The following actions would be considered deprivation of assets:

1. A lump-sum payment to someone else, for example as a gift;
2. Substantial expenditure has been incurred suddenly and is out of character with previous spending;
3. The title deeds of a property have been transferred to another person;
4. Assets have been put in to a trust that cannot be revoked;
5. Assets have been converted into another form that would be subject to a disregard under a financial assessment, for example personal possessions;
6. Assets have been reduced by living extravagantly, for example buying an expensive sports car;
7. Assets have been used to purchase an investment bond with life insurance,
8. Giving away or selling the right to an income from an occupational pension.

6.5 When deciding if deprivation has occurred the Local Authority will consider the following:

1. Whether avoiding or reducing a charge was a significant motivation;
2. The timing of the disposal of the asset. At the point the capital was disposed of could the person have had a reasonable expectation of the need for care and support, even if at this point they were not yet receiving this; and
3. Would the person have had a reasonable expectation of needing to contribute towards the cost of this either now or at some future point.

# 7 Calculating the Weekly Charge

7.1 The individual’s financial information will enable finance staff to determine their ability to contribute towards the cost of their placement.

All income is converted into weekly amounts and the total weekly amount taken into account for assessment purposes.

7.2 In undertaking a financial assessment the Income Maximisation Officer is required to allow individuals a **minimum income** **amount** **(MIA)** of £35.00 per week.

7.3 If the individual qualifies for the savings disregard (see page 5- Income which is partly disregarded) this will be deducted from their assessable income.

7.4 Disregards for housing costs for example mortgage, rent, council tax and utility bills will be allowed for up to 6 weeks. The Local Authority has the discretion to allow these disregards for a longer period in certain circumstances.

7.5 In deciding whether an individual will be eligible for a charge the relevant income is considered and the minimum income amount and any additional disregards will be deducted. This will leave a figure, which will then become the individual’s weekly assessed charge.

£

e.g. **Income**  Retirement Pension 104.85

Occupational Pension 92.60

A**ssessable Income 197.45**

**Disregards** MIA 35.00

Savings Disregard 5.75

**Total Disregards 40.75**

**Weekly Charge 156.70**

8 Reassessments

8.1 Individuals who have received a financial assessment must be re-assessed on an annual basis in line with the annual uprating of benefits.

8.2 Individuals must be reassessed if their financial circumstances change during the financial year as a result of:-

• Increased benefits or income

• Increase in capital which will exceed the capital limit

• Decreased benefits or income

• Decrease in capital which will fall below the capital limit

They must inform the council in any of these circumstances so that a reassessment can be undertaken.

9 Non Payment of Contributions -Recovery of Charges

9.1 Finance Staff will attempt to collect all contributions owed to the Authority for care and support services provided and will contact the individual or their representatives in writing to inform them of any payments outstanding. Every effort will be made to recover the arrears in a sensitive and understanding manner.

10 Reviews

10.1 When an individual has been assessed they are advised in writing of their charge. If they are unhappy with the assessed charge they (or a recognised representative) may request a review under the following circumstances

* Blaenau Gwent has not complied with any of its duties under the charging legislation
* Blaenau Gwent has not correctly applied its own charging policy to determine a reimbursement or contribution
* An error has been made in the calculation of the charge, reimbursement or contribution
* A charge has been applied for a service that has not been provided to you
* Payment of the assessed charge would cause you financial hardship

10.2 The request for a review may be made at any time and can be made either verbally or in writing but must state under which of the above circumstances they are requesting a review.

10.3 Written acknowledgement of the request for a review will be sent within 5 working days of the receipt of the request. This will include key information with regard to the review including details of any further information or documentation that the authority requests to process the review and how the authority will process the review.

10.4 Any documentation to support the review should be provided within 15 working days of the date the request was made, however an individual/representative may ask for an extension to provide this information if they are experiencing difficulty obtaining required documents etc.

If any additional documents are not provided within 15 working days (or an agreed extended timescale) the local authority may treat the request as if it has been withdrawn.

10.5 The review will be carried out by a second Income Maximisation Officer, will involve a re-calculation of the individual’s charge and include any additional documentation provided to support the review request.

10.6 The result of the review should be sent out in writing within 10 working days of receiving any necessary information to complete the review. This will detail the reasons for the decision and any actions that have been agreed as a result

10.7 If after the appeals process the individual is still dissatisfied with the outcome the departments’ official Complaints Procedure should be followed.

**Useful Information**

For any queries with regard to the financial assessment process individuals can contact the Social Services Income Team

Abertillery, Blaina and Out of County Areas Susan Morgan 01495 354620

Ebbw Vale/Cwm Areas Kathryn Turner 01495 356069

Tredegar, Brynmawr & Nantyglo Areas Ruth Jones 01495 354616

**Other queries**

C2BG (Connect to Blaenau Gwent)

The Contact Centre

Tel: (01495) 311556

Duty Referral Team

01495 315700

**Advocacy and Advice**

**Brynmawr Citizens Advice**

107 – 110 Worcester Street  
Brynmawr  
Blaenau Gwent  
NP23 4JP

### **Drop-in initial assessment sessions**

Wed: 10.00 - 13.00

Thu: 10.00 - 13.00

Telephone 03444 772020

**Department for Work and Pensions (Working Age Benefits)**

Job Centre Plus Office

Ty Gantre, Civic Centre

Ebbw Vale

NP23 6XG

0800 0556688

**Department for Work and Pensions (Pensioners)**

The Pension Service 8

Post Handling Site B

Wolverhamoton

WV99 1AN

0800 731 0469

**Disability Advice Project**

9a Avondale Industrial Estate

Avondale Way

Cwmbran

NP44 1UG

Tel: (01633) 485865

E-mail: [info@dap-wales.org.uk](mailto:info@dap-wales.org.uk)

Website [www.dapwales.org.uk](http://www.dapwales.org.uk/)

**Age UK**

0800 678 1602

[**Speak Easy Advice Centre**](http://www.speakeasyadvice.co.uk/)

029 2045 3111

**Benefit Enquiry Line**

Freephone 0800 882 200

Text phone 0800 243 355

To receive this information in Braille, large print, electronically or on audio tape please contact the Information Officer on (01495) 354630.