

Royal Borough of Greenwich Adult social care charging guidance



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1. Introduction & legal basis for the guidance

- 1.1 The Royal Borough of Greenwich is committed to the provision of Adult Social Care to adults aged 18 or over and their carers who are assessed as having eligible needs as defined by the Care Act 2014 and require care and support services arranged by the Council.
- 1.2 The Charging Guidance for Adult Social Care sets out how adults who receive care and support services from the Council will be charged. This includes care provided to people living in residential settings and people who live in their own home in the community.
- 1.3 This guidance was produced in accordance with the legal requirements set out in:
- The Care Act 2014, Sections 14,17, 69 and 70
 - The Care and Support (Charging and Assessment of Resources) Regulations 2014
 - The Care and Support Statutory Guidance
- The Council will refer to the statutory guidance in all matters regarding social care charges and financial assessment.
- 1.4 This document reflects the Council's present guidance on charging for Adult Social Care. Further, information on charges and financial assessment calculations are contained within fact sheets, available on the Council's internet site (www.royalgreenwich.gov.uk), and on request in leaflet form.

2. Core principles

The guidance adopts the following principles for charging, which are set out by the Department of Health in the Care and Support Statutory Guidance issued under the Care Act 2014.

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

- ensure that people are not charged more than it is reasonably practicable for them to pay
- be comprehensive, to reduce variation in the way people are assessed and charged
- be clear and transparent, so people know what they will be charged
- promote wellbeing, social inclusion, and support the vision of personalisation, independence, choice and control
- support carers to look after their own health and wellbeing and to care effectively and safely
- be person-focused, reflecting the variety of care and caring journeys and the variety of options available to meet their needs
- apply the charging rules equally so those with similar needs or services are treated the same and minimise anomalies between different care settings
- encourage and enable those who wish to stay in or take up employment, education or training or plan for the future costs of meeting their needs to do so
- be sustainable for the Council in the long-term

3. Start dates for social care charges

3.1 The Council has the power to charge for meeting a person's care and support needs from the moment care and support services start.

- 3.2 Adults who are assessed as eligible for care and support services will be asked to complete a financial assessment so that the Council can determine the charge.
- 3.3 Adults who decline a financial assessment will be charged the full cost of the service.
- 3.4 Where the financial assessment has not been completed at the time that chargeable care and support services start, charges will be backdated to the date services started.
- 3.5 In order to assist service users with financial planning, we will try to ensure financial assessments are undertaken at the earliest opportunity. If the financial assessment takes place before the services have started, this will be completed as an information gathering process only, and the actual charge confirmed once the services have been agreed.

4. Representatives and Mental Capacity

People will be assumed to have mental capacity to manage their finances unless there is evidence that they may lack this.

- 4.1 A person receiving care and support who has Mental Capacity can request that the Council liaises with another person who will act as their representative for the financial assessment and charging process. Once a written request is made the Council will liaise with the financial representative, however the legal responsibility for any invoice payment and associated debt recovery will remain with the person receiving care and support.
- 4.2 If a person lacks capacity to consent to a financial assessment or is unable to take part in the financial assessment process,

the Council will liaise with the person who has legal responsibility to make financial decisions on behalf of the person.

4.3 The Council cannot deal with a representative unless we see written evidence that the representative has legal responsibility – for example a registered Enduring Power of Attorney, a registered Lasting Power of Attorney (for finance) or a court order appointing the deputy.

4.4 If there is no-one with legal responsibility for a person who lacks capacity, the Council will advise a potential representative– such as a family member or friend– to request the Court of Protection to appoint them as deputy. If there is no-one willing or suitable to undertake this role, and if the person’s affairs require the authority of a deputy, the Council will approach the Court of Protection to arrange to undertake this role on the person’s behalf.

4.5 If the person who lacks capacity has no property or savings and their only income is social security benefits a financial assessment can be completed without the appointment of a deputy. If the person has assets or savings from other sources an attorney or deputy should be appointed.

4.6 If there is an ongoing process to seek the appointment of a deputy, and we can’t complete a full financial assessment we will defer the financial assessment until the legal financial representative has been appointed and can provide the financial information we need. We will backdate any assessed charges to the date services started. We will also delay

pursuing invoices raised until the representative has access to the person's account.

- 4.7 If a person moving into a care home lacks capacity and does not have a representative with legal responsibility for their finances we will complete an interim financial assessment based on their state pension and benefits, and then adjust and backdate once the deputy has access to the full financial information and bank account.

5. About adult social care fees & charges

The Council operates four charging categories for adult social care which are explored below:

Services provided free of charge

The following services are not chargeable under the Care Act. They are however subject to eligibility criteria.

- 5.1 The first six weeks of intermediate care and/or reablement service. Intermediate care and reablement are short term care services provided following a hospital stay or to prevent admission to a care home.
- 5.2 Intermediate care may include a stay in a rehabilitation centre or may include intermediate nurse or therapist –led care at home for the first 72 hours after discharge.
- 5.3 Reablement is a short-term programme (maximum 6 weeks) of active rehabilitation provided in your own home to improve your ability to live as independently as possible. Reablement is best for people who are willing take part in the program and who are likely to become more

independent. This is free of charge for a limited period up to 6 weeks, however charges for existing maintenance care services may apply.

- 5.4 Community equipment (aids and minor adaptations) with a value or cost of less than £1,000. If equipment that you have been assessed as needing cannot be supplied for less than £1,000, a charge may be applicable.
- 5.5 Care and support for people with Creutzfeldt–Jacob Disease.
- 5.6 After–care services provided under s.117 of the Mental Health Act 1983 (amended 2007). When the purpose of the after care is to meet a need arising from or related to the persons mental disorder; to reduce the risk of a deterioration of the person’s mental condition; and reduce the risk of the person requiring admission to hospital again for treatment for the mental disorder.
- 5.7 Any service or part of service which the NHS is under a duty to provide. This includes Continuing Healthcare and the NHS contribution to Registered Nursing Care.
- 5.8 Assessment or review of needs and care and support planning, and universal wellbeing, advice and information services.

In addition, the Council has determined it will not charge for services provided directly to a carer to meet their eligible caring need.

Care and support provided in a residential or nursing care setting

5.10 This includes all residential and nursing care homes, though people who are eligible for a contribution from the NHS under Continuing Healthcare will only pay a charge based on the cost to the Council of their placement. Care home fees are charged on a daily basis. People in a care home will contribute most of their income, excluding their earnings. However, people must be left a specified amount of their income to spend on personal items such as clothes and other items that are not part of their care. This is known as personal expenses allowance (PEA), a Financial Assessment will determine how much the person can afford to pay.

Care and support provided at home or in a community setting

5.11 This includes all kinds of home care, Direct Payments, Day Centres and Day Opportunities, commissioned support in the community, and care provided as part of a Supported Living scheme. Costs may be calculated on an hourly or daily basis or may be provided as a whole “personal budget” A Financial Assessment will determine how much the person can afford to pay towards their care costs.

Flat Rate Charges payable without a Financial Assessment

5.12 The Council will provide or arrange services that are charged at a flat-rate amount. The flat-rate charges are paid by everyone regardless of their financial means. These currently include:

- Telecare/ assistive technology
- Meals provided at Day centres and Extra Care centres
- Council Deputyships Boarding of Animals
- Self-funder fee
- Deferred Payment fee

Where appropriate, flat-rate charges may be considered as Disability Related Expenditure when a financial assessment is completed for social care services.

6. About the financial assessment

Purpose of the financial assessment

6.1 A financial assessment is a means test to determine the amount a person is expected to contribute towards the cost of their care and what financial assistance they will receive. The assessment takes account of the person's income, savings, financial assets and their expenses and makes a determination based on the Care Act 2014 charging regulations.

There are three potential outcomes of the financial assessment.

- The person must meet the full cost of their care and support. (If the person is in a care home long term, they may opt to defer their payments.)
- The person is required to pay part of the cost of their care and support– their contribution. The amount they must contribute is determined by their financial assessment.
- The person cannot afford to pay a contribution towards the cost of their personal budget and therefore will not be charged.

When a financial assessment is completed

- 6.2 The Council will arrange a financial assessment following an assessment of a person's care and support needs and a decision to meet their needs by providing services for which we have the right to charge.
- 6.3 On request we can provide an advisory financial assessment to a person who has not yet received an assessment of their care and support needs.
- 6.4 A financial assessment may be commenced after a service starts but before the care and support needs of the person have been fully assessed (for example during an extended assessment period). In this case, no final determination of the person's contribution will be made until the completion of their needs assessment.
- 6.5 If a person refuses a financial assessment or does not cooperate with the process, and has the capacity to make this decision, they will automatically be treated as a self-funder, i.e. as if they have sufficient resources to fund the whole of their care and support services.

Light touch financial assessment

- 6.6 Council staff will work in a proportionate way when gathering information in order to make a financial assessment. The Council may perform a light touch financial assessment where we already have access to sufficient information to determine the contribution. This will include situations where:
- The person has significant financial resources and does not wish to undergo a full financial assessment for

personal reasons but wishes nonetheless to access local authority support in meeting their needs. In this situation, we will consider the person to have financial resources above the upper capital threshold and to be able to fund the full cost of their care.

- The person is in receipt of means-tested benefits which demonstrate they do not have savings or capital above the threshold.

6.7 Following a light-touch assessment we will send the person or their representative a written record with the outcome of the assessment, the assessment calculation in full, the maximum weekly assessed contribution and details of how to pay charges if applicable. Letters will explain how to raise a query or request a review of the assessment.

When a person is in receipt of disability benefits, the assessment letter will explain how to make a claim for reduced charges to account for disability related expenditure (see Appendix 2 for full information on Disability Related Expenditure).

Full financial assessment

6.8 A full financial assessment involves an assessor gathering comprehensive information of capital and income of the person before making a determination about the level of financial support they may be entitled to from the Council. This may involve an officer visiting the person in their home, or it may be possible for the assessment to be done on the phone and in writing.

6.9 Examples of when a full assessment may be required include;

- When the person is not clear about their level of resource;
- Where the Council has cause to question the level of resource being declared;
- Where the person requests a full assessment
- Where the person is declaring levels of disability related expenditure over the flat rate already provided.

6.10 Following a full financial assessment we will send the person or their representative a written record explaining the outcome of the assessment, the assessment calculation in full, the maximum weekly assessed contribution (if applicable) and details of how to pay charges. The letter will also explain how to request a review of the financial assessment.

Individual and couples' financial assessments

6.11 A financial assessment is based on the individual receiving the care and support. This means that only finances relating to the person are considered in the financial assessment, even if they are married or living with a partner.

6.12 The financial assessment will take account the person's own income and assets. Where income or assets are shared between two or more people, unless there is evidence as to the split of the share then they will be treated as holding an equal share.

6.13 Where both partners are receiving chargeable care and support services, each person will be financially assessed and charged individually according to the guidance.

Regular review of financial assessments

6.14 An assessed charge will normally be reviewed annually, when benefits increase or the anniversary of the assessment.

6.15 A review can also be triggered in any of the following situations:

- Following a change in the person's financial circumstances including their benefit, pension entitlements, inheritance or depleted savings
- Following a change in personal circumstances including death of partner or children moving away
- Following a change in care and support services received which will impact on the assessment
- Where a person feels their assessed contribution has not been calculated properly.
- Where an error is found in the previous assessment.

6.16 A review of a financial assessment can be undertaken remotely in most cases. However, a visit may be required in some situations.

6.17 Where the review results in a change to the person's contribution, the person or their representative will receive

a letter explaining the review calculation, the new assessed contribution, and how to raise a query or concern.

Welfare Benefits Check

- 6.18** The Council will offer a welfare benefits check as part of the financial assessment process, to ensure they are in receipt of all benefits to which they may be entitled.
- 6.19** If it is identified that the person would be entitled to additional benefits, the Council will offer to help the person or their representative to complete the appropriate form to claim extra income
- 6.20** It is a condition of receiving financial assistance from the Council with care and support costs that people claim their full welfare benefit and pension entitlement. Where a person chooses not to claim a benefit to which they are entitled or does not take reasonable steps to maintain their claim, the Council may financially assess the person as if they were receiving the benefit– counting the missing benefit as “notional income”.

7. Care & support in a residential setting

Short term and temporary stays in residential or nursing care

- 7.1** Following an assessment of a person’s eligible care and support needs, a decision may be taken that they would benefit from a temporary stay in a care home. A short term or temporary placement in a care home is intended to last for a limited time, and there is a plan to return home.

- 7.2 The Council will financially assess all service users having a temporary stay in a care home and will charge for care and support delivered in the care home from the date of admittance.
- 7.3 The value of a person's main home in which they live is disregarded for short term residential placements. This decision will be reviewed, and continuation of the property disregard will depend on the extended length of stay in a care home and the individual circumstances.
- 7.4 Any property ownership that is additional to the person's main home will be treated as available capital in the financial assessment. Where additional property is taken into account in a non-residential financial assessment, the same rules used to determine the treatment of property in a residential financial assessment will be used.
- 7.5 People who have had a short-term or temporary placement in a care home may in some cases become permanently resident in the home. In this case, people will be assessed for a permanent stay at the date permanency is confirmed and the care plan is amended.
- 7.6 Where housing benefit is paid, this is disregarded so it can continue to meet the housing costs. The Council will ensure payments required to keep and maintain the person's home, such as rent, water rates and insurance are disregarded when financially assessing available income.
- 7.7 Disability Related Expenditure will also be included in the financial assessment where the expense is still required during the temporary admission.

Permanent residential care placements

The Council will charge for care and support delivered in a care home on a permanent basis. Charges will apply from the date of admission.

7.9 Following an assessment of a person's eligible care and support needs, a decision may be taken that they would benefit from a permanent stay in a care home. People requiring permanent care and support in a care home, who require financial support from the Council to pay the fees, must have a financial assessment.

7.10 Where the Council carries out a financial assessment for care and support provided in a care home, information and advice will be provided to enable the person to identify options of how best to pay for any charges. This may include offering the person a Deferred Payment. Please see section 6.16 for more information on Deferred Payments.

Property

7.11 For permanent residential financial assessments, subject to certain exceptions, all property owned by the person, either in part or in full, will be treated as available capital when calculating an assessed charge. The value of a main residence will be disregarded if any of the following people are living in the residence as their main or only home, and if they have been living there continuously since before the person moved to the care home:

- The person's partner/former partner or civil partner (except where they are estranged or divorced from that person);
- A lone parent who is the person's estranged or divorced partner;
- A relative or member of the family who is:
 - aged 60 or over,
 - Is a child of the person aged under 18; or
 - Someone who is incapacitated (for instance a relative who is receiving one or more of the following social security benefits: Incapacity Benefit, Severe Disablement Allowance, Disability Living Allowance, Attendance Allowance, Constant Attendance Allowance or similar).

The council has the discretion to ignore the value of a property under certain other circumstances (for example, if a long-term carer continues to live there).

7.12 Where the property is to be included the Council will ignore its value for the first twelve weeks (where appropriate) of residency. This period is called the twelve-week property disregard period and allows time to consider the options available to fund future care costs.

Top-Ups

7.13 If the person who needs financial assistance wishes to move into a care home that the Council doesn't contract with, and the weekly fee exceeds the rates the Council pays for similar care homes, the Council's contribution will be based on their usual rate for a similar care home, and a third party

top-up agreement will be put in place to fund any excess weekly amount. This does not apply where the more expensive placement is due to a lack of suitable vacancies rather than personal choice.

- 7.14** Where a person chooses residential accommodation that is more expensive than the fee set by the Council, a “top up” arrangement can be made. Unless the person receiving the care has a Deferred Payment Agreement in place with the Council with sufficient capital, the “top up” fee must be paid by a third party, not the person receiving the support or the Council.
- 7.15** The Council will require evidence that the person making the “third-party top up” is able and willing to pay the additional cost for the entire duration of the stay in residential or nursing care, including any future changes in the amount of “top up” required. A “top-up” agreement must be signed by the person responsible for the extra payments.

Failure by the third party to pay the “top up” payment may result in the Council seeking to renegotiate the fee or move the person to an alternative home that accepts the fee set by the Council.

Deferred Payments

- 7.16** A person going into permanent residential or nursing care who owns a property or other asset over which security can be taken, may be eligible to defer some care costs against the value of the property/asset. This means that people are not obliged to sell their home when they go into residential or nursing care. This is known as a Deferred Payment.

7.17 The Council will make deferred payment agreements available providing the eligibility criteria have been met.

The person must:

- Be assessed by Royal Borough of Greenwich as being eligible for, and moving into, permanent residential / nursing care in a registered care home.
- Have capital (savings or assets) less than or equal to the upper charging limit (excluding the value of their home).
- Own or have part legal ownership of a property that is not being disregarded (see section 6.11)
- Have no outstanding mortgage, or there is sufficient equity in the view of the Council to fund the full cost of your care
- Have capacity or someone who has the legal power to act to make a legal Deferred Payment Agreement.

7.18 The person seeking a Deferred Payment is responsible for paying any costs incurred by the local authority these would include: registering the property with the Land Registry and for the property to be valued. The Council charges set up costs, an annual monitoring and administration fee, and interest on all deferred payment loans agreed.

7.19 A first legal charge will be secured against the property giving the Council the right to reclaim the accrued debt against the eventual sale. When a legal charge is placed the property cannot be sold or ownership transferred until the amount loaned and interest has been repaid.

7.20 The person entering into the Deferred Payment Agreement is responsible for the insurance and maintenance of the

property on which there is a charge. They may choose to rent out their property as this will pay for the upkeep of their property and potentially add to their contribution and pay more of their debt.

7.21 The person entering into the Deferred Payment Agreement will normally pay a contribution to the cost of their care based on their income and savings (between the lower and higher charging limits). If the person chooses not to make their contribution or they wish to top up the payments to the care home to improve their choice of accommodation, and this is agreed, they will add to the debt payable on the sale of the property and interest will be charged.

7.22 Further information on deferred payments is available in Appendix 3.

8. Non-residential care & support

Care and support received outside of a care home could include support in a person's own home or in other community-based settings or accommodation that is provided on a permanent or interim basis.

Non-residential care services

8.1 Examples of chargeable non-residential care services are listed below;

- Home care services
- Direct Payments
- Care services received in Extra Care or Sheltered Housing.
- Shared Lives Scheme

- Supported Living Accommodation and Floating Support services
- Respite care or a sitting service.
- Attendance at Day Centres/ Day Opportunity activities
- Domestic support and deep clean services
- Any other community-based service that that has been identified within a person's care and support plan

8.2 When a person receives more than one of the above services, charges will not be made for any one service in isolation. The impact of charges for one service on the user's income will be considered in assessing whether a charge should be made for another service.

8.3 Respite services will be treated as being provided for the cared for person and not the carer.

8.4 The financial assessment for services received outside of a care home (non-residential services) will exclude the value of the property in-which the person lives as their main or only home.

8.5 Any additional property owned or partly owned by the adult will be taken into account in the financial assessment.

8.6 Contributions towards care and support provided by the council will be calculated following a financial assessment. There is no upper limit of contribution per week for people receiving non-residential care, save that the Council will never charge more than the cost of providing the service.

9. Self-funders

9.1 Where a person does not agree to a financial assessment or has been assessed as having capital over the Upper Capital Limit they are liable to pay the full cost of their Care and Support services. The person may decide how they want their services to be arranged:

- To arrange their own services without the involvement of the Council (e.g. by commissioning directly with a service provider);
- To arrange some of their services without Council involvement and to request the Council arrange some; or
- To request the Council to arrange all their care and support services;

9.2 The Council will not arrange residential placements on behalf of self-funders unless the person lacks Mental Capacity and there is no person able to arrange the placement.

9.3 Where the Council arranges non-residential care and support services for a self-funder we will not only charge the person for the services but also make an additional charge to cover the administration costs of arranging those services when;

- The person had capacity to request the Council to arrange the services; and
- The person is not living in a care home.

The administration fee will be levied weekly. A full breakdown will be made available on the Adult Social Care

charging web pages. We will not charge the person more than it costs us to arrange the service.

10. Financial Assessment Calculation

Affordability:

10.1 Once the financial assessment is completed and the Council has verified supporting documentation, a calculation of capital, income, expenditure and allowances will be made, to work out how much the person can afford to contribute on a weekly basis towards the cost of their care and support.

People may be assessed as:

- Having capital over the upper capital limit are liable to pay the full cost of their care are referred to as “Self-funders” if they choose to purchase their services independently, or “Full cost payers” if they ask the Council to arrange services. See Section 9 for more details.
- Having sufficient income and savings to be required to make a weekly contribution to their care. Their assessment will give a maximum charge based on what they can afford to pay (their disposable weekly income—see 10.2). If the cost of care is less than the maximum charge, they will pay the full cost of the care. If the cost of the care is more than their maximum charge, the Council will provide financial assistance to make up the shortfall with financial assistance.
- Having capital below the lower charging threshold, and insufficient disposable weekly income (see 11.2) to afford

to contribute to their care costs and require full financial assistance. They are referred to as “Nil cost payers”

Calculation:

10.2 The affordability calculation in brief is as follows.

Capital / Savings: If the combined effect of these puts the total over the **upper capital limit**, the person pays full cost, if under **lower capital limit**, savings/capital is disregarded, if the amount is between the two thresholds, a **tariff income** is added to the income below.

Disposable income calculation: (if the person’s capital falls under the upper capital limit)

- **Total Income** (less disregards) Including any tariff income from capital
- **Less total Allowances & Expenses** (explained below)
- **Equals Disposable Income** If the person has no disposable income they do not pay a charge. Otherwise the person pays either their maximum weekly charge or the actual cost of their care– the lowest of these figures.

The terms Capital, Income, Disregards, Expenses and Allowances are explored further below.

Capital

10.4 Capital limits are issued by the Department of Health (DOH) annually. These will also be published annually as part of the Council’s schedule of adult and social care fees and charges.

10.5 If the value of a person’s combined qualifying capital is **above the upper capital limit**, a financial assessment will

deem that they pay the full cost for the care and support services they receive.

- 10.6 If the value of a person's combined qualifying capital is **below the lower capital limit**, the capital is disregarded in their financial assessment.
- 10.7 If the value of a person's combined qualifying capital is **between the lower capital limit and upper capital limit**, a tariff income of £1.00 per week is calculated for each £250 in capital between these limits and counted as income in the financial assessment calculation.
- 10.8 A full list of what resources are counted as capital in the financial assessment and capital disregards is available in Appendix 1.

Deprivation of assets

- 10.9 Deprivation of assets describes a situation where a person tries to deliberately avoid paying for care and support costs by depriving themselves of either capital and or income. Examples include signing over property or putting funds in trust.

Notional Capital

- 10.10 Where the Council decides, based on the available evidence, that a person has deliberately deprived themselves of assets to avoid paying care and support costs, the Council will financially assess the person as if they still possess the asset (see notional capital below); and/or if the asset has been transferred to someone else, seek to recover the lost charges income from that person. In some circumstances a person may be treated as possessing a capital asset even

where they do not actually possess it. This is called notional capital.

Where a person has been assessed as having notional capital the value of this will be reduced over time. The value of notional capital will be reduced weekly by the difference between the weekly rate the person is paying for their care and the weekly rate they would have paid if notional capital was not applied.

Assessing property

10.11 For permanent residential financial assessments, all property owned by the person, either in part or in full, will be treated as available capital when calculating an assessed charge except where it must be disregarded. Full information on property disregards is provided in **Appendix 1**.

10.12 Where a person is in residential care temporarily, their property may be disregarded according to specific criteria explained in **Appendix 1**. However, any property owned, or part owned in addition to the person's main home will be treated as available capital in the financial assessment

10.13 For non-residential care and support, the value of a person's main home in which they live is disregarded in a financial assessment, However, any property owned, or part owned in addition to the person's main home will be treated as available capital in the financial assessment. Where additional property is included in a non-residential financial assessment, the same rules used to determine the treatment of property in a residential financial assessment will be used.

Income and Income Disregards

- 10.15** Income may be received by the person at different frequencies but will always be calculated on a weekly basis for the purpose of financial assessment.
- 10.16** Income net of tax will be included in the financial assessment unless guidance states that a specific income will be disregarded in part or in full.
- 10.17** Income includes tariff income on capital between the lower and upper capital limit– this is explained further in **section 10.7**
- 10.18** For a full list of income and income disregards, please see **Appendix 1**.

Expenses

- 10.19** Where a person is living permanently in a residential or nursing care home, expenditure is not allowable within the financial assessment unless they are in a deferred payment agreement. This is because the care home setting is deemed to cover all the person’s living costs apart from personal expenditure for which the Personal Expenditure Allowance (PEA) is provided (see section 10.23)
- 10.20** There are two main types of expenditure allowable in the Financial Assessment in non–residential settings: Disability Related Expenditure and Housing–related costs. General living costs are covered by the Minimum Income Guarantee set by the national government. All expenditure is calculated on a weekly basis for the purpose of the financial assessment.

10.21 Disability Related Expenditure, or ‘DRE’ is the term for additional regular expenses a person incurs in their daily life because of their disability or illness. People who receive a disability benefit and would be liable to pay towards the cost of their care, can have their charges reviewed to allow for these extra expenses under certain conditions. These conditions and types of DRE are explored in more detail in **Appendix 2**.

10.22 Housing-related expenses are costs which the person is liable to meet in respect of their main or only home. Each type of expenditure will be considered on its own merits depending on the circumstances of the person’s situation. These include:

- **Rent:** The full amount payable less ineligible service charges, divided by the number of adults liable for payment, and less Housing Benefit or Housing component of Universal Credit.
- **Council Tax:** The full amount payable divided by the number of adults occupying the property less any Council Tax support
- **Mortgage repayments:** The full amount payable divided by the number of adults liable for payment
- **Ground rent and service charges for leaseholders:** The full amount payable divided by the number of adults occupying the property, excluding utilities.

Allowances

10.23 The allowance for people living in care homes (whether permanent or temporary stay) is called the Personal

Expenses Allowance (PEA). This weekly amount is set by Department of Health (DOH) and is intended to leave the person with a minimum guaranteed level of income to spend as they wish and is disregarded in the financial assessment. If a person has signed a Deferred Payment Agreement, the level of PEA will be agreed between the Council and the person, up to the maximum PEA level specified by the DOH.

Where the person has specific additional needs for a personal allowance which the PEA (and any disregarded benefits) are insufficient to meet, and cannot be met another way, a discretionary increase to the PEA may be agreed upon review. This is always on the basis of individual needs and circumstances, not personal preference.

10.24 An allowance in non-residential settings (i.e. any setting other than a care home) is an amount of money required to pay for day-to-day living costs. The allowance is therefore disregarded in the financial assessment. The allowance must be at least the amount of the Minimum Income Guarantee (MIG) set out in the Care and Support (Charging and Assessment of Resources) Regulations.

The MIG is published by DOH each year and will depend on the person's age, whether they are in a couple and whether they receive any disability premiums. The MIG is equivalent to Income Support plus a 25% buffer. The Council will publish a full list of MIG allowances with qualifying criteria as part of its annual Fees and Charges Schedule.

11. Preventing & Addressing Financial Hardship

The Council is committed to maintaining and improving the wellbeing of all residents and ensuring people who use social care services can maintain their quality of life and independence. We will ensure charges for social care are affordable and are calculated fairly and accurately, and we address any financial hardship at the earliest opportunity.

The financial assessment process itself aims to establish how much a person can afford to contribute to the cost of their care, and the Care Act regulations and statutory guidance provides a clear legal framework for this. Some of the rules included in the wider guidance and appendices which protect against hardship include the Minimum Income Guarantee, Income and Capital disregards, Disability Related Expenditure, and how we look at housing expenditure.

Section 12 and Section 13 explain the process for reviewing and appealing financial assessment and charging decisions. This section looks at the approach to mitigating financial hardship we will take through assessment, review and appeal, and the additional steps that Royal Borough of Greenwich will take to identify, investigate and mitigate financial hardship.

Definition of financial hardship

11.1 For the purposes of this guidance document, financial hardship does not mean the inability to pay for desired or preferred goods or lifestyle. Neither does it mean the inability to give money away to non-dependent family and friends. It means paying the assessed charge in full would make it impossible for the person to meet their own basic needs and those of their

dependents, such as housing, food, utilities, transport, clothing, essential disability costs and any debt repayments, and would have a seriously detrimental effect on their health and wellbeing.

Information on hardship or concerns

11.2 All letters following financial assessment will explain what to do if the person or their representative feels that charges imposed will create financial hardship. This information will also be provided on the Council website and community directory.

Identifying hardship

11.3 Financial assessment officers will be trained in identifying and addressing potential financial hardship– both when visiting service users and when conversing on the phone. This includes being aware of signs of financial abuse and safeguarding.

11.4 The person or their representative may identify that a charge will put them in hardship This can be an informal query or a request for a review, but an investigation of hardship will normally be treated as a review of the financial assessment, as the two issues cannot be separated. For the review process, please see Section 12.

11.5 Hardship may also be identified by the corporate debt team, the welfare rights team, a social care professional or any advice or support provider in the community. Such concerns should be raised by referring to the financial assessment team in the first instance. They will be dealt with as a review.

Investigating financial hardship

Once potential financial hardship has been identified, the Financial Assessment team will investigate this. The following

steps will be undertaken as part of a review, and will be as follows:

- 11.6 First check of the financial assessment:** This will be to eliminate any errors or omissions, and ensure the calculation is accurate.
- 11.7 Check for changes in circumstances:** Especially if the person was previously paying: these may affect the assessed charge.
- 11.8 Benefit maximisation check:** This is to ensure the person is claiming the benefits they are entitled to, and check whether there are issues such as DWP sanctions or claims falling out of payment. Claiming full benefits and gaining entitlement to Disability related expenditure is a key way of mitigating hardship. The team can assist people to make claims or refer for specialist advice.
- 11.9 Debt and housing expenses check:** Check if the person has debt repayments or housing costs we have not considered (either because the person hasn't told us, or it was a light-touch assessment). If these are found the assessment will be amended.
- 11.10 Disability Related Expenditure assessment:** If the person receives disability benefits and has not had a DRE assessment this will be addressed, and the person will be given time to evidence these.
- 11.11 Address any underlying needs and refer for advice:**
The Financial Assessment Team will provide advice and signposting to services to support with debt and money

management. They will refer to the Adult Safeguarding Team where there are concerns about financial abuse and/or the social care assessment team where there are concerns about the person's capacity to manage their own finances.

11.12 Complete the review as per section 12, with a new financial assessment including any changes and the new charge.

12. Reviews

If the person or their representative is unhappy about the outcome of the financial assessment or feels they cannot afford their assessed contribution, they can raise a query with the Financial Assessment team. If the issue is not resolved, they can enter the review and appeals process that enables the Council to look at their circumstances again. This process is in two stages.


Requesting a review

12.1 The service user or their representative has the right to ask the Council to review the financial assessment or the charge if they feel they cannot afford to pay for it without being put at risk of financial hardship. There is no need for a formal request– if the person or their representative contacts the Council about any of the following issues, then a review will be started.


- They do not understand the calculation,
- They believe information given may have been missed or misrepresented or a mistake has been made in the calculation or in applying the charging guidance,
- A change in circumstances has occurred
- There are exceptional circumstances that need to be considered

12.2 The Service User or their representative can trigger a review by contacting the Financial Assessment Team, providing details of their concerns. Evidence to support their concerns may be required and the Financial Assessment Team will request this if needed.

The Financial Assessment Team can be contacted as follows:

 020 8921 3759

 Financial-assessments@royalgreenwich.gov.uk

 Financial Assessments Team
Health & Adults Services
2nd Floor, The Woolwich Centre
35 Wellington Street
London SE18 6HQ.

12.3 A financial assessment officer will review the original assessment, considering any additional information and evidence that has been provided, as well as taking steps to identify and prevent financial hardship outlined in section 11. The officer's recommendations following a review will be checked and decided by the Financial Assessment Team Manager or Deputy Manager.

Outcome of the review:

12.4 The review will normally be completed within 15 working days of a request, and the service user or their representative will receive a letter with the outcome of the review and reasons for any decision. Please see section 14 for information on adjustments to the assessed contribution.

13. Appeals

Appealing a decision:

13.1 If the service user or their representative is unhappy with the outcome of the review, they can appeal against it. This should be done in writing (electronic or by post) setting out the reasons for the appeal. Letters and emails should clearly state “Appeal against Financial Assessment Review decision” and should be sent to the Financial Assessment Team as above.

13.2 Appeals will be investigated by a manager who was not involved in the previous review– either the Head of Service or Team Manager. They will present their findings and recommendations to an Appeal Panel including an Assistant Director and an Adult Social Care manager who will make a final decision.

The Outcome

13.3 The appeal process will take up to 28 days from the time the appeal is received. Written confirmation of the outcome of the appeal and the reasons for the decision will be provided. If an individual is still unhappy with their assessed contribution following a review and appeal, they are advised to complain to the Local Government Ombudsman.

<https://www.lgo.org.uk/make-a-complaint>

The Local Government Ombudsman
PO Box 4771
Coventry CV4 0EH

Those without internet access can telephone **0300 061 0614**

14. Adjusting the assessed contribution:

The review or appeal outcome will indicate the effective date for any change of contribution, based on the specific circumstances. There is no obligation to backdate any changes to the date of the original assessment date in all cases.

- 14.1 Where it is determined that the Financial Assessment was not calculated correctly, did not apply the charging PolicyGuidance properly or did not take account of the information available at the time, the adjustment in the contribution will be backdated to the time of the original assessment.
- 14.2 Where circumstances have changed, or information has come to light since the assessment and an adjustment to the contribution is required, the adjustment will not be backdated, unless the service user or their representative could not reasonably have been expected to have informed the Council
- 14.3 Where it is agreed that due to hardship or exceptional circumstances, a discretionary reduction in the assessed contribution will be made, the following steps will be taken:
- 14.4 In the first instance, discretionary adjustments to the assessed contribution based on hardship and exceptional circumstances will be short term adjustments with a further review set at the end of the set period.
- 14.5 If a longer-term discretionary reduction is required, this must be signed off by the budget holder Head of service and will be reviewed at least annually.

15. Complaints

15.1 Complaints about the outcome of financial assessments or charges made will be dealt with as reviews and appeals (see sections 12 and 13.)

15.2 If a Service User or their representative is dissatisfied with the way that they have been treated during the financial assessment process, or with the service that they receive, they have the right to make a complaint to the complaints officer. The Council has a statutory complaints process to ensure that service user' views and concerns are considered and dealt with appropriately and the Council holds itself accountable to the highest standards.

15.3 Complaints should be directed to:



020 8921 2385



Adults-Complaints@royalgreenwich.gov.uk



Customer Care and Complaints Team

Health & Adults Services.

Royal Borough of Greenwich

The Woolwich Centre

35 Wellington Street,

London SE18 6HQ

16. Income Collection and Debts

16.1 When an individual chooses to take their personal budget as a form of direct payment or a personal budget, assessed contributions are deducted and a net payment is made by the Council. Payments are made four weekly in advance.

16.2 As personal budgets are flexible, the amount spent by an individual can vary slightly from week to week. However, the assessed contribution will remain constant based on the assessed level of service.

16.3 When an individual chooses for the council to provide or arrange services using their personal budget, a 4-weekly invoice is sent to the individual requesting the payment of their personal contribution.

16.4 Invoices can be paid by the following methods:

- Direct Debit from your bank account
- By using your own bank's telephone or internet banking services
- By Credit/Debit Card on the internet at <https://www.royalgreenwich.gov.uk/pay>
- By Credit/Debit Card using RBG's telephone payment line 0300 332 0202,
- Cash or cheque at a bank, building society, Pay Point or Post Office (there may be a charge). Cheques should be made payable to "Royal Borough of Greenwich"

16.5 The Council has a guidance of pursuing all outstanding invoices. If payment is not made for an invoice, a reminder process is initiated. If payment is still not forthcoming, then this can result in legal action to recover the debt outstanding, which may be undertaken by an external debt collector.

17. Equal Opportunities Statement

17.1 The Council will treat all people with dignity and respect.

17.2 The Council is committed to eliminating all forms of discrimination in service delivery and employment on grounds of age, disability, gender reassignment, marriage or civil partnership, race, religion or belief, sex or sexual orientation.

17.3 Copies of this guidance and information leaflets on Adult Social Care Charges will be made available online in Easy Read format. Braille, large print, paper copies and translations can be arranged on request.