Fairer Charging Policy for Home Care and Other Non-Residential Social Services

Purpose  To seek approval for the introduction of the Fairer Charging Policy.

Author  Ellis Williams, Head of Resources & Strategy

Wards Affected  All

Summary  This report should be received as the Council's Social Services Committee and the outcome of a series of Reports to the Cabinet Member, Adult and Housing and a comprehensive consultation exercise with Service Users, carers and other organisations. The report provides the proposed new Fairer Charging Policy for Home Care and Other Non-Residential Services, including Supporting People Services.

Proposed Action

To approve the Fairer Charging Policy for Home Care and Other Non-Residential Social Services with a date for implementation to be agreed.

Contact

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Action By:

Ellis Williams, Head of Resources & Strategy

Action Timetable:

For the periods indicated

Checklist and supporting information are attached
The Council requires that each report prepared for consideration by its Cabinet and Overview and Scrutiny Forums is the subject of appropriate consultation before submission. The following check-list has been completed accordingly by the report author as a summary of consultation undertaken/considered.

From the drop-down list, please select YES, NO or N/A, as appropriate

Mandatory Consultation
- Monitoring Officer: Yes
- Section 151 Officer: Yes
- Head of Human Resources and Policy: Yes

**Other Relevant Consultation (as appropriate)**

- Other Heads of Service: Yes
  *(Please Specify in the report)*
- Other Cabinet Members/Chairmen/Committees/Overview & Scrutiny Forums: Yes
  *(Please Specify in the report)*
- Ward Members: No
  *(Please Specify in the report)*
- Outside Agencies: consultation required by statute or accepted policies and practices of the Council: No
  *(Please Specify in the report)*

**Other Considerations (Mandatory)**

- Is the report in conformity with the Council's policy framework? Yes
  *(If not, the matter must be reported to the Council.)*
- Background Papers attached: No
Fairer Charging Policy for Home Care and Other Non-Residential Social Services

1 Background

1.1 Following receipt of the guidance dated 3 April 2003 “Fairer Charging Policies for Home Care and Other Non-Residential Social Services Changes to the Guidance to Local Authorities”. The Assembly has recognised the difficulties that Local Authorities were faced with in implementing the full guidance issued in July 2002.

As detailed in a Cabinet Member Report for Adult and Housing Services dated 22 January 2003 “Update on Implementation of Fairer Charging Policies for Home Care and Other Non-Residential Social Services”. The Assembly has advised Local Authorities to implement the policy in two stages. The first being in this financial year 2003/04 and the second in April 2004.

1.2 The second stage is being developed by a Working Party set up by the Welsh Assembly to look at the issue of Disability Related Expenditure (DRE), although this group has met twice no outcome has been decided upon. The remit of this group may now need to be changed in light of the Labour Party manifesto commitment to Free Home Care for people with disabilities.

1.3 Charging for social care needs a strategic approach. The Charging Policy is consistent with the Council’s Service Policies and operates within the Welsh Assembly Government’s Policy Agenda For Social Care To Promote Independent Living And Social Inclusion. The policy is not purely budget based, but takes account of the service needs. This policy has been developed to be sensitive and has involved Service Users and carers. The details of which were subject to a Cabinet Member Report dated 16th July 2003, “Outcome of Consultation on the Fairer Charging Policies for Home Care and Other Non-Residential Social Services”.

1.4 The Proposed Timetable.

The reassessment of each individual process will commence shortly, with the view of implementing this policy on a date to be agreed. The date is directly linked to the Invoicing and Collection System currently in use.

1.5 Good management of this new policy will be important. It should be monitored to determine, 1) the impact of the policy on Service Users, 2) how much it costs to administer and 3) the level of income that will be lost by the Council as a direct result of this new policy.

1.6 Using Newport’s current Charging Policy, we charge 1,500 Service Users for Non-Residential Services. Every Service User will require a re-assessment of their financial details to determine their new Weekly Assessed Charge. The newly appointed Financial Visiting Service will be involved in this process, as well as Care Managers.

1.7 Service Users will not have their Weekly Assessed Charge altered until the re-assessment has taken place.

1.8 The Fairer Charging Policy document is attached as Appendix 1 to this Report.

2 Options Considered/Available (Mandatory)

2.1 To approve the proposed policy document.
2.2 To continue with the existing policy.

3 Preferred Choice and Reasons (Mandatory)

3.1 The preferred choice would be to approve the policy document.

3.2 The Authority are required to implement the minimum requirements and, therefore, the option of continuing with the current policy would leave the Authority vulnerable to a legal challenge.

Mandatory Consultation

4 Comments of the Monitoring Officer

4.1 The proposed policy is in accordance with the Council’s statutory charging powers under the Health and Social Services and Social Security Adjudication Act 1983 and also, complies with the minimum requirements of the Assembly guidance on Fairer Charging Policies issued under the Local Authorities Social Services Act. Where the Council decides to operate a Fairer Charging Policy, it has to comply with the minimum requirements of the Guidance and, therefore, the existing Charging Policy needs to be amended accordingly. The proposed policy is also consistent with the Council’s corporate aims and objectives. The Fairer Charging Policy is not part of the Council’s overall policy framework and, therefore, is an Executive Policy to be determined by the Cabinet Member. Therefore, I would support the proposed action.

5 Comments of the Head of Finance and Scrutiny

5.1 Under the guidance of the Welsh Assembly Government, the Council has little opinion but to implement the Fairer Charging Policy. It will undoubtedly have an effect on the level of income currently received from charges and may well involve the Council in additional administration costs. The effect of these will not be known until the completion of the exercise to re-assess all of our Service Users. The budget will then need to be amended to reflect these changes in income/expenditure.

6 Comments of Head of Human Resource and Policy

6.1 There are no Human Resources implications in this report.

7 Comments of Cabinet Member of Adult & Housing

7.1 I support the proposed changes in the Fairer Charging Policy.

8 Environmental or Sustainability Impacts

8.1 There are no obvious implications.

9 Equalities Impact

9.1 The proposed policy will remove some people at the lower end of the income scale from paying charges.

10 Crime Prevention Impacts
10.1 There are no obvious implications.

Other Considerations (Mandatory)

11 Change in Policy

11.1 This change in policy will become effective from the agreed date and will replace the previous policy.

HTTP://intraweb/xpedio/groups/internal/documents/report/n_014711.pdf
APPENDIX 1

NEWPORT CITY COUNCIL

POLICY FOR

FAIRER CHARGING FOR HOME CARE

AND OTHER NON-RESIDENTIAL SERVICES

SOCIAL WELLBEING AND HOUSING

JULY 2003
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SUMMARY

‘Fairer Charging’ resulted from the Audit Commission Review 2000 Report ‘Charging with Care’. The Review found that the majority of Local Authorities charged for non-residential services, although some did not.

- Some authorities’ charges are based on the type or level of Service.
- Others carried out Financial Assessments.
- While others applied the flat rate charges
- There was a wide range in charging levels.

The Review also, found out that there was a failure to account for disability related expenditure and lack of clarity/consistency over treatment of benefits.

In 2001 the Welsh Assembly Government issued guidance on ‘Fairer Charging’. A number of organisations and local authorities were consulted on this guidance and the 'Fairer Charging' guidance was issued in July 2002.

The services covered by ‘Fairer Charging’ are all non-residential services, which include:

- Home care/support.
- Day care.
- Laundry services.
- Provision of meals.
- Supporting People services.

Key Requirements of the ‘Fairer Charging’ Guidance

Local authorities need to:

- Demonstrate fairness in charging between different groups of Service Users.
- Ensure that the objectives of Social Care are not undermined by the charging scheme.
- Use income from charging to develop and improve service delivery.
- Consult on particular elements of the guidance where there is discretion to exceed minimum requirements.

Main Points of the Guidance

- Charges for different non-residential services should be considered together, e.g. for a person receiving Supporting People services, home care and day care, there will be one charge.
- Flat rate charges are acceptable in limited circumstances, e.g. provision of meals/laundry services.
- Charging Schemes must have regard to Service Users net income, therefore, net incomes must not be reduced below basic levels of Income Support plus 25%.
- Councils are to consider and consult on the need to set a maximum charge.
- Provisions will be made for benefits advice.
• Treatment of savings is to be brought into line with those for residential care.
• Earnings will be disregarded in the Financial Assessment.

2 BACKGROUND

Problems with the variations in Home Care Charging Policies between councils were identified in the Report of the Royal Commission on Long Term Care (1999) and Charging with Care, published by the Audit Commission in May 2000. The Assembly Government took powers through the Care Standards Act 2000 to issue statutory guidance on charging under Section 7 of the Local Authority Social Services Act, 1970.

The Fairer Charging Policy for Home Care and Non-Residential Services Guidance, published July 2002, helps to ensure that charging policies are fair and operate consistently within Wales. However, this issue was discussed at the Health and Social Services Committee on 6 November, where the Minister for Health and Social Services, explained that it was not now proposing to implement new arrangements for the treatment of disability benefits immediately, but would look to do so from April 2004, in light of the further work which a Working Group is undertaking. It was agreed that implementation of the guidance would, therefore, be in two stages.

From 1 April 2003, Local Authorities would be expected to protect those with an income equivalent to basic levels of income support plus 25%, the policy would disregard earnings and ensure that capital limits were, as least as, generous as those for people in care homes.

Newport City Council has agreed to implement the minimum requirement of the guidance, pending further guidance from the Welsh Assembly Government.

3 LEGISLATIVE BACKGROUND

Section 17 of the Health and Social Services and Social Security Adjudications Act 1983 (HASSASSA Act 1983), gives councils a discretionary power to charge adult recipients of non-residential services. Section 7 of the Local Authority Social Services Act 1970 allows the Assembly Minister for Health and Social Services to issue guidance to councils on the exercise of their Social Services functions, including those which are exercised under discretionary powers.

Section 17 of the HASSASSA Act 1983 provides that councils may recover such charges as they consider reasonable in respect of relevant services. The guidance includes advice on a number of issues where councils need to take particular care to ensure that any charging policy is reasonable.

There is no requirement by the Welsh Assembly Government that all councils will charge and where they do decide to charge for services, they also retain substantial discretion in the design of charging policies.

The guidance issued by the Welsh Assembly Government 15 July 2002 provides clear objectives, which all councils operating Charging Policies should achieve. Nothing in the guidance requires councils to make existing Charging Policies, which go beyond the requirements set out in the guidance.
4 EXECUTIVE SUMMARY

The guidance issued by Welsh Assembly Government aims to help Local Authorities to design reasonable and fair Charging Policies, some of the key factors are:-

All charges for different types of non-residential services and allied services should be considered together, not in isolation.

Where Councils charge for these services, flat-rate charges are acceptable only in limited circumstances.

A regard should be paid to the effect of any charge on a Service User’s net income, their net income should not be reduced below defined basic levels of Income Support, plus a 25% buffer.

Councils should ensure that comprehensive benefits advice is provided to all Service Users at the time of a charge assessment. Councils have a responsibility to seek to maximise the incomes of Service Users, where they would be entitled to benefits, particularly where the Service User is asked to pay a charge.

As a minimum, the same savings limits as for residential care charges should be applied. Councils are free to operate more generous rules, as with other parts of the guidance.

To ensure that disabled people and their carers, who wish to do so, are able to enter and progress in work, the guidance expects that earnings will be disregarded in charge assessments.

5 SERVICES WHICH WILL NOT BE CHARGED FOR

Aftercare Services provided under Section 117 of the Mental Health Act 1983 will not be charged for under Section 17 of the HASSASSA Act 1983.

Councils will not charge for providing advice about the availability of services or for assessments, including assessment of community care needs.

Service Users suffering from any form of Creuzfeldt Jacob Disease (CJD).

Carers will not be charged for services provided to them under the Carers and Disabled Children Act 2000.

6 SERVICES OUTSIDE THE SCOPE OF THE POLICY

Provision of telephones – installation and line rental costs paid in specific cases following an assessment of need.

Disabled Parking Badges – nominal charge applied in accordance with relevant legislation and guidance.
Residential and Nursing accommodation charges.

Aids to daily living.

Transport costs.

7 SERVICES TO BE CHARGED FOR

7.1 Charges will be made in respect of the total Package of Care for:

- Home Care and Home Support Service, which will include Direct Payment Packages of Care, except those detailed in Paragraph 19.
- Day Care Services. (Note, payments for meals at the day centre will be charged for separately).
- Domestic help, including laundry services.
- Supporting People Services, as detailed in Paragraph 12.
- *Community Alarms (if part of a Package of Care).

*N.B. If a Service User only receives Community Alarm Services under Supporting People (and are not in receipt of Housing Benefit), they will be charged at a flat rate. However, Service Users can request a Financial Assessment under the Fairer Charging Policy.

The policy will add together the total cost of the Package of Care for all of the above services and will assess the Service User’s ability to pay, examples shown in Appendix 4.

7.2 Services for meals at home or in a day care setting will be charged at a flat rate and paid direct to the provider. This can be justified, as such charges substitute for ordinary living costs.

8 KEY PRINCIPLES OF THE FAIRER CHARGING POLICY

The purpose of the Welsh Assembly Government policies for social care is to promote independence and social inclusion. The Charging Policy should be seen within the overall context. The Fairer Charging Policy should ensure that there is no perverse financial incentive for Service Users to leave their own homes. The key principles of Newport City Council’s policy are:-

- Charges will not exceed the full cost of providing the service.
- Charges will be applied only after a Financial Assessment has been undertaken to ensure that no Service User is charged more than they are able to pay.
- Charges will apply from the start of service.
- Charges will not reduce a Service User’s disposable income below basic levels of Income Support plus a 25% buffer.
- No disregard for disability related expenditure will be given pending further guidance from Welsh Assembly Government.
- Service Users who have above the upper capital limit defined in the National Assistance (Assessment of Resources) Regulations 1992 and the
Charging for Residential Accommodation Guidelines 1992 (CRAG) will be expected to pay the total cost of the service/s they receive.

- Service Users with capital between the tariff rates set by (CRAG) currently £12,250.00 to £20,000.00 will be charged a tariff rate.
- The value of the property that a Service User lives in will not be taken into account in the Financial Assessment process.
- Services will not be stopped if a Service User refuses to pay or appeals against their charge, however, charges will continue to accrue.
- An Appeals Process, as detailed in paragraph 14, will be available to all Service Users.
- Income will be assessed net of any Income Tax and National Insurance Contributions payable and net of housing costs and Council Tax. Housing costs and Council Tax should be assessed net of any Housing Benefit or Council Tax Benefit payable.
- The disregards applied for Income Support purposes to War Disability Pensions and War Widows Pensions (currently £10.00 weekly – April 2002), and to War Widows Supplementary Pension, (currently a complete disregard), should, as a minimum, be applied in assessing income as part of the charge assessment.
- An assessment of a Service User’s need for care will not be confused with the Service User's ability to pay a charge.

9 THE CHARGING PROCESS

9.1 Following an assessment of need, a Service User will be provided with a Package of Care determined by the Care Management Process. The Service User will be financially assessed to determine their charge towards the cost of this package.

9.2 Service Users will be required to provide details of income, assets and outgoings to enable a Financial Assessment to be undertaken, which will determine the amount they are able to pay towards the cost of their Package of Care.

9.3 A Service User who declines a Financial Assessment will be required to pay the full cost of their Package of Care.

9.4 A Service User with capital above the capital limit defined in the National Assistance (Assessment of Resources) Regulations 1992 and the charging for Residential Accommodation Guidelines 1992 (CRAG), will be required to pay the unit cost of their Package of Care.

Tariff Income will be applied to capital between the lower and upper capital limits as defined by CRAG, (currently £1.00 for every £250.00).

The value of a Service User’s capital is calculated excluding the value of their property or main residence.

- The total income details will be collected and used for calculating the Assessed Weekly Charge. Income to be included:-
  - Income Support or Minimum Income Guarantee.
- Severe Disability Premium of Income Support.
- Attendance Allowance.
- Disability Living Allowance – care element only.
- Exceptionally Severe Disablement Allowance.
- Occupational Pensions.
- Incapacity Benefit
- Retirement Pensions.
- Personal savings/capital of more than £12,250.00 or over, but less than £20,000.00 will result in an assessment of tariff income of £1.00 for every £250.00 (or part of) for capital exceeding £12,250.00.
- Personal savings/capital of £20,000.00 or over will result in the Service User being assessed to pay the maximum charge for the service/s provided or as set by the Authority.
- A share of joint savings.
- Income from stocks, shares, bonds, annuities, etc.
- Income from personal trusts.
- All state benefits not detailed in paragraph 9.5.

These capital limits may change each financial year – as advised by the Welsh Assembly Government.

The rate at which Attendance Allowance or Disability Living Allowance care component are paid will need to be determined, if in respect of day or night care. As it is unlawful and unfair for councils to treat as income available for day care charges for Disability Living Allowance/Attendance Allowance paid for night care.

9.5 Income to be disregarded for charging assessment:-

- Any income of CJD victims.
- War Widows Supplementary Pension.
- Payments to Far Eastern former POWs and Vaccine Damage Payments.
- The first £10.00 of War disability Pensions and War Widows pensions.
- Mobility component of Disability Living Allowance (as opposed to the care component) and War Pensioner’s Mobility Supplement.
- Invalid Care Allowance.
- Working Families Tax Credit.
- Disabled Person’s Tax Credit.
- Any employment earnings of disabled people.
- Christmas bonuses.
- Winter fuel payments.
- Child benefit.
- Housing benefit.
- Council Tax benefit.
- Paid expenses at work.
- The value of your home.
- Savings/capital of less than £12,250.00.
- Your partner’s income or savings (in the main).
10  **CALCULATING THE CHARGE**

The calculation to identify disposable income will be undertaken as follows:-

Total Income  
Less basic levels of Income Support plus a 25 per cent buffer  
Less allowances or disregards  
Equals disposable Income

Those Service Users that have a disposable income will then be charged in accordance with the matrix shown in Appendix 2.

Examples of the calculations are shown in Appendix 4.

It is important to note that:-

10.1  No Service User will have a Weekly Assessed Charge that brings their income below basic Income Support levels plus a 25 per cent buffer.

For example, if a Service User’s disposable income is calculated as £11.00 per week and when using the matrix shown in Appendix 2 identifies the charge as £14.00 per week, the Service User will **only** be charged £11.00 per week.

10.2  The Service User will be charged the total cost of care if:-

- A Service User has decided not to disclose their financial circumstances.
- A Service User’s capital is more than the upper capital limit (currently £20,000.00).

10.3  When a Financial Assessment is completed, information on benefits will be given, by a Visiting Officer. If further assistance or a more detailed benefits check is identified, Service Users will be given information on the Pension Services and/or relevant organisations or agencies that can assist them.

11  **COUPLES, INCOME AND SAVINGS**

11.1  Section 17 of the HASSASSA Act 1983 envisages that councils will have regard only to an individual user’s means in assessing ability to pay a charge.

11.2  This means that parents and other members of an adult user’s family cannot be required to pay the charges, except in certain legal circumstances, for example, where a family member maybe managing the Service User’s own resources.

11.3  **In some circumstances, the Service User may have a legal right to share in the value of an asset, for example a bank account, even if it is not in their name.**
If the council has some reason to believe that the Service User does have means other than those initially disclosed, a request will be made for the Service User to arrange for the partner to disclose their relevant resources.

If there is no such disclosure the Service User may be treated as having sufficient reliable access to resources beyond those held in their own name for them to be regarded as part of their means and a contribution level calculated, which will take assumed capital or income into account.

12 SUPPORTING PEOPLE

Supporting People was introduced on 1st April 2003 by Central Government as a new way of managing housing related Support Services, including Warden costs, Housing Support Workers and Community Alarm Systems.

Before 1st April 2003, the cost of support provided by the Warden in Sheltered Housing Schemes was included as part of the rent. From 1st April 2003, Housing Support charges will no longer be collected as part of the rent. All Support Services will be financially assessed using this Policy.

Service Users who are in receipt of Housing Benefit will not be charged for Supporting People Services, however, they will be financial assessed if they receive non-residential service.

Service Users who have Supporting People Services not in receipt of Housing Benefit who:

- Receive no non-residential services will be offered a Financial Assessment, if they decline they will be charged the full cost.
- Receive other non-residential services will be assessed on their total Package of Care, including Supporting People services.

13 RE-ASSESSMENTS

Service Users who have received a Financial Assessment will be re-assessed on a minimum of an annual basis.

If a Service User's financial circumstances change as a result of:

- Increased benefits.
- Increased income or capital.
- Decreased benefits.
- Decreased income or capital.

They should inform the council so that a reassessment can be undertaken.
14 APPEALS PROCESS

The Appeals Process for dealing with the outcome of a Financial Assessment and the Weekly Assessed Charge is as follows:-

14.1 If Service Users think they have been treated unreasonably, they can ask for a formal review of their case. If they are still dissatisfied, they can make a formal appeal.

- Service Users can request a review of the charge that they have been asked to pay if either:
  - they feel that the charge has been calculated inaccurately (a review)

and/or

- they feel that the amount charged is unreasonable given their individual circumstances (an appeal)

- If a change in their personal financial circumstances may mean a change in their charge, they should contact the Finance and Income Team as soon as possible.

- It is important to note that it is the policy of the Council to make a charge for the relevant services it provides based upon:
  - The unit cost of those services (to the Council)
  - The amount of service provided.
  - The Service User’s ability to make a contribution.

- The Appeals Procedure doesn’t deal with any issue of disagreement with the General Charging Policy.

14.2 The Criteria for Reviews/Appeals

These will focus on the person’s actual ability to pay, the issues to be considered would include:-

- Where two people are being charged in the same household and are reliant on benefit packages.
- Where Attendance Allowance etc., is being used to purchase care and/or meet other high costs related to disability.

A Review

- If the Service User suspects that there is an inaccuracy in the charge calculation, they should bring it to the Finance and Income Team’s attention and request a recalculation – within 10 days of the formal notification of the original charge.
- The Finance and Income Team will complete a review and respond, in writing, advising the new charge or confirming the original one.
- In either case, an explanation will be given.

If Service Users are still concerned, after a review, they can lodge an Appeal (as long as its within the scope of the scheme).
An Appeal

- If the Service User is dissatisfied, they should request an Appeal Form from the Finance and Income Team.
- They should do so within 20 days of the formal notification of the original charge.
- There is a right to appeal against the charge and Service Users can seek a lower charge.
- They may appeal if they think the charge will cause them undue hardship, i.e. the charge set is unreasonable, (to be ‘unreasonable’ the effect of the charge must be to place them in a position of greater disadvantage than most others in a similar people and charge group).
- Their appeal will be considered by a group of senior officials, who will consider all the available information. They will determine the charge, which may be the same or lower, based only on their financial circumstances. The Service User’s assessed social care needs will not be under review.
- They will be asked to confirm acceptance; but if the Service User is still dissatisfied, there is a second stage.
- This would be to a panel of Members of the City Council who will be advised by the Head of Law and Administration or his representative.
- The Service User and Social Wellbeing will be entitled to make representations to this panel.
- The charge agreed after this stage will not be higher than the original charge, but may be higher or lower than the one determined earlier at the first stage.

15 INFORMATION TO SERVICE USERS

Leaflets that will be available are:-

- A Charging Leaflet (an example is shown in Appendix 3).
- An Appeals Leaflet.
- A Method of Payment Leaflet.
- An Explanation of a Quarterly Statement.
- An Explanation of the Calculated charge.

16 SERVICE USER’S EARNINGS

16.1 The Assembly Government’s policy is to encourage and enable those who wish to take up employment, including disabled people and their carers, to do so. Charging policies should avoid creating disincentives to work.

To ensure incentives for work, Working Families Tax Credit and Disabled Person’s Tax Credit should, also, be disregarded as income in charge assessments.

All earnings are disregarded when calculating disposable income, as well as, Working Families Tax Credit and Disabled Person’s Tax Credit.
17 INDEPENDENT LIVING FUNDS

Charges for non-residential services are netted off any charge assessed as payable to the Independent Living Funds.

18 UNIT COSTS

18.1 The calculation of the total Package of Care will be based on the unit cost of the Service, e.g. an hour of in-house home care, less any transport elements of providing the service.

18.2 The unit costs of services provided will be reviewed on a regular basis.

Unit costs are calculated on no more than the full cost of providing that service and excludes costs associated with the purchasing function and the costs of operating the charging system.

Unit costs for private providers, such as home care agencies, are based on actual costs to the council.

19 SIX WEEKS FREE HOME CARE

19.1 Newport currently operate a six weeks free home care for Service Users who leave hospital in the following circumstances:-

- They must be assessed as needing home care.
- They must be referred to the Hospital Discharge Scheme from the hospital because:
  a) they have not used Home Care prior to admission to hospital or
  b) they were receiving Home Care prior to admission, but their package has changed significantly.

Service Users may be referred to a private care agency if there is not sufficient capacity in the Hospital Discharge Scheme.

19.2 A Financial Assessment is completed at the time of discharge to determine the loss of income for the Council. If the Service User still continues to receive service after six weeks, following a Care Review, the charging assessment will be in line with this policy.
## APPENDIX 2

### POLICY FOR NON-RESIDENTIAL WEEKLY CHARGES

<table>
<thead>
<tr>
<th>SERVICE LEVEL</th>
<th>NON-CHARGABLE BAND UP TO INCOME SUPPORT RATES PLUS 25% BUFFER</th>
<th>CHARGABLE BAND ALL OTHER INCOME</th>
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Our charges for services are going to change, and it may affect you. At the moment, Newport City Council charge for some social care services, these include:

- Home Care and Home Support Services (including Direct Payment Users).
- Day Care (note: payments for meals are charged separately and made directly to the provider).
- Supporting People Services.

The Welsh Assembly Government has now told councils that they must treat all adults (everyone over 18) in the same way. This means we have to make some changes to our Charging Policy in the financial year 2003/2004.

Residential services are not included in this, as there are separate government rules for charges relating to residential care costs.

Why are these changes necessary? The government expects us to charge for some services and so deduct them from the money they give to the Council. They expect Newport City Council to use charges as a way of making up the difference.

We need to make sure that all Service Users are charged in the same way, in line with the government’s Fairer Charging Policy. We charge for services so that we can provide support to more people in their homes and to develop new and improved services.

To ensure that everyone is treated fairly, every individual will have a Financial Assessment at the point where the Package of Care has been agreed. The assessment will look at the overall finances and personal needs.

When a Financial Assessment is completed, information on benefits will be given, by a Visiting Officer. If further assistance or a more detailed benefits check is identified, you will be given information on the Pension Services and/or relevant organisations or agencies that can assist you.

*Service Users do not have to disclose their financial affairs, but if they choose not to, the full cost of the services will be charged. By telling us the financial circumstances, a Service User may be assessed to pay a lower charge. If there is in excess of £20,000.00 in capital/savings, the full cost for all services received will be charged.*

The Financial Assessment will work out a maximum weekly charge that a Service User could be asked to pay. In some cases, this might be more than is currently being paid and, in others, less. If the total weekly cost of the services received is less than the maximum weekly charge, the Service User will only pay for the services received.

Every Service User will be left with the minimum amount of income to cover living costs — this will be the equivalent of basic Income Support plus 25%. We will count other benefits as income that we can charge from. We do, however, disregard any earnings in the Financial Assessment, as well as the value of a Service User’s house.
Proposed Changes to Current Policy

Our current policy has four bands, these take account of the Service User’s income levels.

Charge Band A  Up to income support level will result in no charge.

Charge Band B  Retirement Pension or Invalidity and Other Income.

Charge Band C  In receipt of Disability Living Allowance/Attendance Allowance.

Charge Band D  Savings over £10,000.00.

The new charging model uses the same framework as our current policy, but takes account of the first phase of Welsh Assembly guidance. The new charge bands would be as follows:

Charge Band A  Uses the defined basic levels of Income Support plus 25% as the applicable amount. Therefore, Service Users with income less than Income Support plus 25% will not be charged.

Charge Band B  All other income, including benefits and Occupational Pensions, but excluding all earnings.

Charge Band C  Savings over £12,250.00 and up to £20,000.00 will be charged on a tariff income basis. There will be a full charge for savings over £20,000.00, which is, therefore, treated in line with the legislation Charging for Residential Accommodation Guide (CRAG).

The rationale for these proposed changes will meet the requirements of the Welsh Assembly guidance and, also, address the unfairness of our current system. This can be explained as follows:

Charge Band A  This will be the minimum requirement of the Welsh Assembly Guidance.

Charge Band B  This will merge the current two bands B and C to ensure greater fairness when assessing Service User’s Income.

Charge Band C  This will be the minimum requirements of the Welsh Assembly Guidance and will result in a lesser charge for Service Users with capital, as the level of savings will change from £10,000.00 to £12,250.00.

• We will have a review process, if the assessed charge has been calculated incorrectly.
• There will be an appeals process if the level of charge set, after the Financial Assessment, will cause financial hardship.
The Next Phase

The Welsh Assembly are going to implement a second phase of the Fairer Charging Policy from April 2004. The Assembly have established a working party to look at the issue of allowing a disregard for costs that are related to disability. When the Assembly have collected information on this issue, they will forward guidance to Local Authorities on how to administer these disregards. The guidance is expected by the end of the year.
### APPENDIX 4

**Cost of Package of Care £52 per week for a Service User Aged 70 and Living Alone**

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<tr>
<th></th>
<th>Income Support Only</th>
<th>Income Support plus Attendance Allowance</th>
<th>Occupational Pension</th>
<th>Savings £13,000.00</th>
<th>Savings £19,950.00</th>
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<td>Attendance Allowance</td>
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**Cost of Package of Care £100 per week for Service User aged 55 and living alone**

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