

# Charging and paying for your social care

## Non-Residential care

## Who this is for

The information in this leaflet is for adults who receive non-residential care and support from the council's Adult Social Care services.

Examples of non-residential care include (but are not limited to) –

- [Home care](#) (also known as domiciliary care) includes support around the home with tasks, personal care and/or any other activity that enables you to maintain both your independence and quality of life.
- Care and Support in Extra Care Housing.
- Day care services.
- [Telecare services](#) (sensors and pendent alarms that can be fitted in your home.

These sensors can alert your family or emergency services if you are hurt and/or fall).

Do I receive non-residential care & support?	
I receive care and support and -	
Live in my own home	✓
Live in Extra-Care/Flexi-Care accommodation	✓
Live in shared living accommodation	✓
Live in a nursing home	✗
Live in residential Care home	✗
If you live in a nursing or residential care home you should read our 'Charging and Paying for Your Social Care, Residential Care' leaflet	

## Services that need to be paid for (chargeable services)

The below table provides examples of care and support that must be paid for, and care and support that is free –

Chargeable Non-Residential services	Free services
Homecare Extra Care Shared lives accommodation Supported accommodation Day care services Telecare Transport	Information and advice Needs Assessments and Care and Support Planning Services of the following advocates- <ul style="list-style-type: none"> <li>▪ Independent Advocates</li> <li>▪ Independent Mental Capacity Advocates</li> <li>▪ Independent Mental Health Advocates</li> </ul> Services provided to Carers Minor <a href="#">Equipment and gadgets to help you in your home</a> (up to value of £1,000)

We also do not charge for the following care and support:

- **Rehabilitation and reablement** support if you are in hospital or at home and require support to:
  - help recover from illness or injury at home so that you do not go into hospital unless you really need to
  - settle back into living in your home if you have recently left hospital
  - improve functionality, remain independent, safe and well at home and prevent the need for you to require longer term care

Rehabilitation and reablement support generally lasts up to six weeks but may be ended earlier or even in some circumstances extended. You can find more information on the council's [Rehabilitation and reablement](#) webpages.

- **Aftercare services.** If you have been detained in hospital under the Mental Health Act for treatment or sent to hospital by a court or from prison we will not charge you for Aftercare services related to your mental disorder when you are discharged. However, we will charge you for the cost of meeting needs which arise from your physical health or for reasons unrelated to your mental disorder if we assess that these needs must be met. You can find more information on Aftercare services in our [s117 Aftercare](#) leaflet

## Calculating the Cost of meeting your care and support needs

### *Personal budget*

If we assess that you have [Care Act Eligible needs](#) that the Local Authority needs to meet we will develop a [Care and Support plan](#) with you.

We will use your Care and Support Plan to understand how much it will cost to meet your needs. The cost of meeting your needs is called a personal budget.

How a personal budget is paid for depends on your financial or personal circumstances. If you have sufficient capital, you will need to pay for all of the cost of your personal budget. Most people, however, are assessed by the council as only having to pay for part of their personal budget with the Council covering the rest of the cost. In some circumstances, the council pays the total amount of your personal budget.

Your personal budget amount will change over time. This is because –

- We may not be able to immediately provide you with an accurate personal budget. We will only be able to provide you with our best guess of how much it will cost to meet your needs. This best guess is called an indicative budget. We may not be able to provide you with an exact personal budget until we -
  - Identify available and suitable care and support providers to meet your specific needs
  - Agree with the care and support provider how much support you need and how much this will cost
  - Determine how much you should pay towards the cost of your personal budget
- Your needs may change over time. If your needs worsen you may need additional care. If your needs reduce we may be able to purchase less care.
- The providers of care services may increase or lower the cost of the services they provide.
- Alternative means for meeting your needs may become available, for example –
  - Suitable free services may become available
  - We may arrange for you to access equipment or gadgets which mean you are able to manage your needs without additional support
  - An alternative provider may offer more cost effective services
  - Your carer may take on additional responsibilities
- Your contribution towards the personal budget changes.

## Arranging and purchasing your care and support

### ***Council purchased care***

The council has expertise in purchasing care and support and long standing relationships with providers of care and support services. Because of this many people ask us to arrange and purchase care and support on their behalf.

If you decide that you would like the council to arrange your care and support we will arrange and pay for your care and support upfront. If we assess that you must pay for some or all of the care and support you receive we will invoice you on a 4 weekly basis. You can pay your contribution using a range of methods (see ***Paying your Contribution***).

## **Direct payments**

You may decide that you (or a trusted party acting on your behalf) would prefer to arrange and pay for your own care and support.

We can pay you the value of your personal budget through a Direct Payment. If for example we calculate that it will cost £500 a week to meet your care needs (your personal budget), we will make a direct payment to you of £500 per week less the value of your contribution (see **Paying your Contribution**). If your contribution is £30 per week, we will pay £470 and you will pay £30.

If you opt for a direct payment we will create a pre-paid card account for you and credit our payments to this account. You can then use your pre-paid card to purchase services.

You are responsible for paying your contribution to the care provider. If you fall behind in your contributions we may terminate your direct payment.

### **Mixed option (council purchased care and direct payments)**

If you decide that you would like us to purchase some of the services you need, but you would like a direct payment to arrange certain care and support this is also possible. If we assess that you must contribute towards your personal budget we will pay you the direct payment minus

## **Direct payments**

**Direct payments can be paid** to you or someone you consent to manage the payment on your behalf (a family member, friend, carer or even some care providers). We will not be able to provide you with a direct payment in some circumstances (for example, you are an offender and subject to court orders or you have been detained under mental health legislation). We can advise you on this

**Direct Payments can be used to pay** for services to meet your eligible needs, such as care and support to help you live in your own home, to employ a personal assistant to help you with activities, or short breaks and leisure activities.

**Direct Payments cannot be used** to pay for household bills, residential care, health services, gambling or anything illegal.

## **Mixed Option Personal Budgets**

You have a personal budget of £500 per week. We assess that you must contribute £30 towards your personal budget.

You arrange care that costs £200 per week. You pay for this using a direct payment. Because you must pay £30 towards your personal budget we make a weekly payment of £170 to you. You top this payment up by £30 per week to bring the total payment to the provider up to £200 per week.

Meanwhile the council arranges and pays for care that costs £300 per week using the remainder of your personal budget.

your contribution (as with the above example, if your contribution is £30 per week, we will pay £470 to you).

### **Third Party Managed Service**

A third party managed service may benefit you if you want the benefits of receiving a direct payment but you do not want to take on all the responsibilities of administering the account. If you opt for a third party managed service we will make the direct payment to a Third party who will manage the account on your behalf.

### **Using your direct payment**

If you purchase care and support using a direct payment you must keep up to date records of the services you purchase. On occasion we will ask you to provide proof that you are using the direct payment to purchase the care and support set out in your care and support plan.

If you are not using your direct payment to pay for appropriate services we may terminate your direct payments and opt to arrange/purchase care on your behalf. We may also refer any misuse of direct payments to the council's Anti-Fraud and Internal Audit Service to investigate, this could result in the council taking legal action against you to recover any misused funds.

### ***Self Funders***

If you are responsible for fully funding your care and support we can still support you in identifying care providers and negotiating care packages on your behalf. Alternatively you can make your own arrangements. We do not need to be involved at all if you prefer.

If we arrange care and support on your behalf you will need to pay an arrangement fee of £200 for the service. You will need to pay another arrangement fee if we need to arrange new services for you at a later date as a result of a significant change in your circumstances.

You will need to pay for your own care and support if you have access to capital in excess of the upper capital limit (currently £23,250). Over time the value of your capital may fall below the upper capital limit. If the value of your capital falls below this threshold we can assess your income to determine how much the council should pay for meeting your needs and how much you must contribute.

You are responsible for letting us know when the value of your capital has fallen to close to the upper capital limit of £23,250. The sooner you let us know the sooner we can arrange to assess how much we can pay towards meeting your care and support. We will only pay towards the cost of meeting your care and support at the point we complete the financial assessment with you. If you approach us when your capital falls below the capital limit (for example you approach us when the value of your capital falls to £15,000) we will not consider how much we would have paid for your care if you had approached us earlier.

For more information see *Income and Capital*.

## Calculating how much you will need to pay for your care and support

### ***Financial assessment***

You must complete a financial assessment to determine if you need to pay for some or all of your assessed care and support.

You should complete the financial assessment as soon as possible. This is to ensure that you know if you need to contribute to meeting the costs of your care and support, and if so, how much you must pay. If we are unable to calculate your contribution in a timely fashion we will backdate any money that you owe us to the time that you first received the care and support. This may mean that you are owed money for costs going back weeks or months.

We will ask you to complete a full financial assessment if it appears that you may not have to pay for any of your care and support or you may be required to make a contribution.

If it is likely that you will need to pay for all of your care and support (because your income and capital clearly exceeds the thresholds set by the government) we may conduct a light touch assessment with you. This is so that we do not ask you unnecessary additional questions and have on record information about your finances that we do not need to have.

You will need to pay for all of your care and support if you do not complete a financial assessment or if we cannot complete a light touch financial assessment with you.

It is important that you provide accurate information about your income and capital so that we are able to correctly calculate if – and how much – you must pay for your

assessed care and support. We will increase your charges retrospectively if we learn that we have undercharged you because –

- You provided us with incorrect information.
- Your circumstances change and you do not tell us.
- You gave your assets to other parties in order that the assets are not included in your financial assessment. For example you transfer the title deeds of your property to a family member or make significant financial gift or purchase for a friend.

### **Capital and Income**

Capital refers to most types of savings and investments. For the purpose of the financial assessment for non-residential care the home you live in is not counted as capital. However, other properties and land that you own will be included.

Income refers to money that comes to you on a regular basis, for example benefits and pensions. If you earn a wage/salary, this is not included as income in your financial assessment. Any wages you earn are yours to keep.

You will need to fully fund the care and support that you need if you own capital in excess of £23,250 (the upper capital limit. This figure is set by the government).

It is likely that you will need to contribute towards the cost of your care and support if the value of the capital that you own is less than £23,250. We will consider your income levels to determine how much you must contribute. We will also apply a tariff income of £1 for every £250 worth of capital you own between £14,250 (the lower capital limit threshold, also set by the government) and £23,250. We won't apply a tariff income if you own capital worth less than the lower capital limit, but will still assess your income.

#### **Examples of income and capital**

Capital includes (but is not limited to):

- Property (but not the home you live in).
- Bank, building society and post office savings
- Savings certificates
- Stocks, bonds and shares
- Premium bonds
- Trust funds
- ISAs

Income includes (but is not limited to):

- Employment and Support Allowance
- Universal Credit
- Attendance Allowance
- Disability Living Allowance (care)
- Personal Independence Payment (daily living)
- Pension Credit
- State Retirement pension
- Severe Disablement Allowance
- Rental income from property



The below table provides an example of how we calculate the tariff income:

You receive benefits of £100 per week (your income), and own capital worth £16,000. This means that you own capital of £1,750 above the lower capital limit of £14,250.

Value of capital in excess of the lower capital limit		Tariff charge
£250		£1
£250		£1
£250		£1
£250	equal to	£1
£250		£1
£250		£1
£250		£1
<b>Total</b>	<b>£1,750</b>	<b>£7</b>

We will apply a tariff charge of £7 against your capital, giving you an income of £107 per week.

When considering your income we will not include income from the following sources in your financial assessment –

<ul style="list-style-type: none"> <li>▪ Wages</li> <li>▪ Savings Credit of Pension Credit</li> <li>▪ Working Tax Credits</li> <li>▪ Child Tax Credits and Child Benefit</li> <li>▪ Disability Living Allowance (mobility)</li> <li>▪ Personal Independence Payment (mobility)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Armed forces Independence Payment (mobility component)</li> <li>▪ War Disablement Pensions</li> <li>▪ War Reparations Payments (the first £10 is disregarded)</li> <li>▪ War Widows Supplementary payments</li> <li>▪ Certain charitable and voluntary payments</li> <li>▪ Christmas bonus and Winter Fuel Payments</li> </ul>
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### **Protected income – the Minimum Income Guarantee**

You will always be left with a certain level of income. This figure is referred to as the Minimum Income Guarantee. The Minimum Income Guarantee is the amount that the government says you can live on.

How much you are left with depends on your circumstances and could range anywhere between £72.40 per week and £232.25 per week if you are single and have no children.

Your Minimum Income Guarantee is calculated using figures provided by the Department of Health and Social Care and takes account of:

- Your age
- What benefits you get or could get
- If you are single or part of a couple
- If you live alone or with somebody else
- If you get, or could get, certain premiums in your state benefits such as Enhanced Disability Premium and Carers Premium
- If you care for a child who lives with you

### **Disability related expenditure**

Disability related expenditure refers to the additional money that you need to spend on items/services that are specifically related to your disability. For example your electricity costs are higher because you charge an electric scooter, you pay someone for domestic tasks that you are unable to do yourself, or you need to buy specific foods/supplements due to your dietary requirements.

You will need to provide information about your Disability Related Expenditure (if you have any) in your financial assessment. How we calculate your Disability Related Expenditure depends on the need/cost in question:

<b>Cost</b>	<b>Such as</b>	<b>How we calculate it</b>
<b>Regular ongoing costs</b>	Domestic help or window cleaning	These costs are converted to weekly amounts, and usually allowed in full. Some expenses may be capped if cheaper alternatives are available.
<b>One-off equipment purchases</b>	Wheelchairs, disability aids, adaptations to your home	We will spread the cost of the equipment over its expected lifetime. If the equipment is expected to last one year, we will spread the allowance over 52 weeks (one year). So if the equipment cost £520 we will allow £10 per week in the financial assessment ( $£520 \div 52 \text{ weeks} = £10 \text{ per week}$ ).  If cheaper alternatives are available we will only make an allowance for the lower cost.

Cost	Such as	How we calculate it
<b>Utility costs</b>	Gas, electricity and water charges above what is considered 'normal' usage.	<p><b>Electricity and gas costs</b></p> <p>We compare how much you spend over a whole year with the average cost for your type of property. If you spend more than the average cost we will allow the difference between what you spend and the average cost.</p> <p><b>Water charges</b></p> <p>Excess water costs, perhaps because you have to do more loads of laundry, can be taken into account if you are on a metered water connection. If you are on a metered connection, this means you pay for water you use and the amount you spend can go up or down. We will compare how much you are charged with the average for your household and allow the difference between the two.</p> <p>If you are not on a meter, you are charged a standard amount and the amount of water you use does not affect how much you pay. Normal water costs are an everyday expense and are not allowed as disability related costs.</p> <p>If there is more than one adult receiving care living in the same property, the excess amount is usually shared equally between each adult. If there is a cheaper tariff available to you, the council will calculate the excess based on the cheaper tariff and not on what you are paying.</p>
<b>Future costs</b>	Plans to replace a piece of equipment at some point in the future	<p>An example of a future cost is if you want to replace your wheelchair next year, you have not incurred any costs yet, so nothing can be allowed in your financial assessment.</p> <p>We will not make an allowance for future costs (items or services that have not yet been paid for) unless there are exceptional circumstances. These costs will only be allowed as part of the appeals process.</p>

## Paying your contribution

We recommend that you pay your contributions by **direct debit** (this is often the preferred and easiest method of payment), however you can also pay using the following methods:

- **Debit or credit card** either over the phone or online at our website. Please see the back of your invoices for information on how to pay.
- **Standing order** which you set up with your bank. You are responsible for changing the amount of your standing order if your charge changes. This method of payment is not recommended unless you have online banking and are being charged the same amount each month.
- A **swipe card** is similar to a gas or electric card or key. You must contact us to request this method of payment. We can only agree to this method if you meet certain criteria (for example you must have a Post Office account).
- **Cheque** payments should be crossed and made payable to Southwark Council.

## Useful contacts

If you require further information about how to pay your assessed charges, contact the **Collections Team** on **020 7525 1111** or by email at [collections@southwark.gov.uk](mailto:collections@southwark.gov.uk).

If you have questions about the financial assessment process or the amount you are asked to pay, contact the **Charging Team** on **0800 358 0228** or by email at [ChargingTeam.adultsocialcare@southwark.gov.uk](mailto:ChargingTeam.adultsocialcare@southwark.gov.uk).

The below table includes the details of independent financial advisors or organisations that you might find helpful.

Organisation	Contact details
Age UK	<b>Tel:</b> 020 7701 9700 <b>Website:</b> <a href="https://www.ageuk.org.uk/lewishamandsouthwark/">https://www.ageuk.org.uk/lewishamandsouthwark/</a>
The Money Advice Service (now called Money Helper)	<b>Tel no:</b> 0800 138 7777 <b>Typetalk:</b> 18001 0800 915 4622 <b>Website:</b> <a href="https://www.moneyhelper.org.uk/en">https://www.moneyhelper.org.uk/en</a>
Citizens Advice Southwark	<b>Tel:</b> 0344 499 4134 <b>Website:</b> <a href="https://www.citizensadvice.org.uk/southwark/">https://www.citizensadvice.org.uk/southwark/</a>
Southwark Disablement Association (for adults with physical disabilities)	<b>Tel no:</b> 020 7358 7744 <b>Website:</b> <a href="http://www.sdail.org">www.sdail.org</a>
Southwark Wellbeing Hub (for adults with a mental illness)	<b>Tel no:</b> 020 3751 9684 <b>Website:</b> <a href="https://www.together-uk.org/southwark-wellbeing-hub/directory">https://www.together-uk.org/southwark-wellbeing-hub/directory</a>
Society of Later Life Advisors	<b>Tel no:</b> 0333 2020 454 <b>Website:</b> <a href="https://societyoflaterlifeadvisers.co.uk/">https://societyoflaterlifeadvisers.co.uk/</a>
Southwark Information and Advice Team (for adults with special educational needs and disabilities)	<b>Tel no:</b> 020 7525 3104 <b>Website:</b> <a href="https://localoffer.southwark.gov.uk">https://localoffer.southwark.gov.uk</a>
Department for Work and Pensions	<b>Website:</b> <a href="https://www.gov.uk/government/organisations/department-for-work-pensions">https://www.gov.uk/government/organisations/department-for-work-pensions</a>