



Care and Support Charging Policy (Adults)

April 2025



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1. Introduction

1.1 Document Descriptor

This document sets out the London Borough of Sutton's policy for assessing the financial contribution to be made by service users in receipt of care and support services from Adult Social Care aged 18 and over.

1.2 Care Act Reference

The Care Act 2014, Regulations and Statutory Guidance provide a single legal framework for charging for care and support. When arranging care and support to meet needs, the London Borough of Sutton can charge, except where required to provide care and support free of charge.

1.3 Personal Budgets

The Care Act requires Councils to provide all users of adult social care services with a Personal Budget. A personal budget states how much money will be available to meet the person's assessed needs. The total amount includes the portion the Council will pay and what amount, if any, the adult will pay following a financial assessment

1.4 Ability to Pay

This policy makes charging fair and clearly understood. The principle is that people should only be required to pay what they can afford. Service users will be entitled to financial support based on a financial assessment and some will be entitled to free care following the outcome of the financial assessment process where eligible needs are identified.

1.5 Residential & Community Differences

The approach to charging in the Care Act depends on whether someone is receiving care in a care home or their own home or another setting, which is set out in the sections below.

1.6 Review and Evaluation

This policy is reviewed annually to reflect the changes in self-funding rates, benefits and other allowances published by the DWP and Department of Health and Social Care .

2. Legal Basis for Charging & Financial Assessment

2.1 Care Act Reference General

London Borough of Sutton's policy is based on and is consistent with the Care Act 2014 and the Care and Support Statutory Guidance that ensures fairness and equity in application.

2.2 Care Act Reference S14

Section 14 of the Care Act 2014 provides Councils with the power to charge service users for meeting eligible care and support needs, where the Council is permitted to charge for the service being provided. Councils also have power to make a charge for putting in place arrangements for meeting needs in certain circumstances.

2.3 Care Act Reference S17

Section 17 of the Care Act 2014 requires Councils to undertake an assessment of financial resources, if it decides to exercise its power to charge service users for meeting eligible care and support needs. The financial assessment will determine the level of the service user's financial resource, and the amount (if any) which the service user is considered able to contribute towards the cost of meeting their needs through care and support services.

2.4 Care Act Reference Refer to Regs

The Council will refer to Care and Support Regulations (Statutory Instruments) and Care and Support Statutory Guidance and Annexes issued under the Care Act 2014, in all regards for specific guidance relating to charging and financial assessment, and as such, these statutory regulations form the basis of this policy.

2.5 Case Law relating to the application of the Care Act 2014

The policy takes into consideration recent case law relating to charging for care services. This includes (T(SH) V Norfolk County Council (2020) and RW V Royal Borough of Windsor and Maidenhead (2023)

2.6 The Localism Act 2011

The Localism Act 2011 allows local authorities to charge for services they provide to people, but with certain restrictions. The Act has been used to allow the Council to charge for services not mentioned in the Care Act including Assistive Technology and the Appointeeship service

3. Policy Aims

3.1 Framework - Independence Social Inclusion

This policy provides a framework for charging and financial assessments for all service users who receive care and support services, where a Council is permitted to charge for the service provided. The policy aims to do this in a reasonable and fair manner, whilst promoting independence and social inclusion.

3.2 Financial Assessment Overview

Ability to pay is assessed through a Financial Assessment which considers both income and expenditure. The policy sets out how contributions will be calculated in an open and transparent manner to ensure fairness and equity. The Local Authority has no power to assess couples or civil partners according to their joint resources and each person will therefore be treated individually.

3.3 Employment Opportunities Excluded

This policy ensures that service users are actively encouraged to either maintain their existing employment or seek suitable employment opportunities. To support this aim, employment earnings will not be included as part of the financial assessment.

3.4 Carer Respite Exclusion

To reflect the significant contribution that carers make, the Council does not charge for services provided to carers in their own right as a result of a Carers' Assessment. It does not include support for the 'cared for' that is included in their care and support plan.

3.5 Benefits Maximisation

The Financial Assessment process incorporates a benefit maximisation check at the time of their financial assessment to provide service users with information and advice about welfare benefits that they may be able to receive, and where necessary will offer help with claiming these.

4. Principles of the Policy

4.1 Fair & Reasonable Assessment

The contributions requested will be fair and reasonable. Due care will be taken in assessing the service user's finances and their ability to contribute towards their care and support.

4.2 Financial Contribution Expectation

Where a service user is assessed as having the means to make a financial contribution to the cost of their social care support, they will be expected to make that contribution.

4.3 Contributions Equity based on Delivery Method (Council, commissioned, DP)

Contributions will be calculated in the same way regardless of whether the support is directly provided by the Council, delivered on behalf of the Council by a contracted provider or purchased by or on behalf of the service user through a Direct Payment.

4.4 Right to Review

service users have the right to request a review of their contribution if they feel it is incorrect or if there has been a significant change in their financial situation.

4.5 Action to Recover

The Council will take steps to recover any unpaid service user contributions, in line with Appendix D of the Statutory Guidance . This could include, where appropriate, legal action.

4.6 Service user Lacks Mental Capacity

Where a service user lacks capacity to provide information for a financial assessment to be undertaken, the Council will consult with a suitable person.

A suitable person is someone who holds:

- Enduring Power of Attorney (EPA), or
- Lasting Power of Attorney (LPA) for Property and Affairs, or
- Lasting Power of Attorney (LPA) for Health and Welfare, Property and Affairs, or
- Deputyship under Court of Protection, or
- Any other person dealing with the resident's affairs (e.g. someone who has been given Appointeeship by the Department of Work and Pensions (DWP) for the purpose of benefits payments).

In the event that a suitable person is not available, a social worker may refer to the appropriate team in the Council for arrangements to be made for Appointeeship or the appointment of a Deputy when there is no suitable member of the family available or willing to make the necessary application.

4.7 Payment Calculation Lowest of Care Cost, or Assessed Contribution

The amount a person pays will be the lower figure of either a) their weekly contribution (outcome of their financial assessment) or b) the cost of their care and support. In keeping with Annex C of the Care Act Statutory Guidance and the Care and Support (Charging and Assessment of Resources) Regulations, the Council will ensure that the person's income is not reduced below a specified level after charges have been deducted . It will also take into account a person's particular circumstances and consider whether to exercise its discretion to set a higher level of minimum income guarantee (MIG)

5. Non-Chargeable Services

5.1 The following services are not charged:

- Intermediate Care and Reablement Services for up to 6 weeks,
- Any services which are provided as part of an individual's aftercare under section 117 of the Mental Health Act 1983,
- Any care funded under Continuing Health Care by the Health Authority,
- Equipment, aids and minor adaptations, aids are provided free of charge. A minor adaptation is one costing £1,000 or less,
- Support into Employment,
- Housing Related Support,
- Professional Support,
- Carers' Services,
- Respite for the Carer,
- Care and support provided to people with Creutzfeldt-Jacob Disease.

5.2 List of Charges applicable to Self Funders*

● Set up Fee for Domiciliary Care Services	£310**
● Weekly Management Fee for domiciliary care	£15.50**
● Deferred Payment Set Up Charge (includes valuation and legal charge costs)	£2255.00
● Annual Deferred Payment Administrative fee	£300.00
● Assistive Technology Services - Connection Fee	£33.95
● Assistive Technology Service - weekly charge per household	£8.57
● Hot meals service	£7.00 per meal
● Cold meal service	£3.50 per packed Tea

* charges are reviewed annually and will be subject to change.

** charges are subject to VAT

5.2 Appointeeship Charges

The council charges for its appointeeship service based on rates charged by the Court of Protection for Deputyship service.

5.3 These rates are included in the Council's fees and charges register and will be reviewed annually as part of the budget setting exercise

6. The Financial Assessment Process

6.1 Overview

The Financial Assessment team will contact the service user or designated person to make arrangements to complete a Financial Contributions Form and supply supporting evidence to detail their income, savings and expenditure.

6.2 Light Touch Assessment

Paragraph 8.22 of the statutory guidance makes it clear that in certain circumstance the Council may choose to treat someone as if a financial assessment has been carried out but it must be satisfied on the basis of evidence provided by the person that they can afford and will continue to afford any charges due This process is known as the light touch financial assessment.

6.3 Information Refusal

If the service user declines a financial assessment, or does not engage with the process within four weeks of the initial assessment, the Council will undertake a 'light touch assessment'. This will include the council making Benefit checks from DWP records as required. This will lead to a provisional assessment that can be updated at a later date once additional information is obtained. A full cost assessment will be applied when it is ascertained from DWP records that the service user is not in receipt of means tested benefits

6.4 Refusal to Engage

The Financial Assessment Team will make reasonable attempts to contact the service user to undertake a financial assessment. If after **two attempts** the financial assessment has still not taken place or is still incomplete due to lack of information or supporting documentation, the service user will be assessed as requiring to contribute the whole amount of their Personal Budget. Where a service user chooses not to complete the financial assessment it will be assumed that they are fully funding their own care and that the assessed financial contribution is the same as the gross Personal Budget.

6.5 Joint Income & Savings

Only the service user will be assessed for contributions, since only the user is liable to contribute, a disregard of joint income and savings will be made in certain circumstances in accordance with Care and Support Statutory Guidance).

6.6 Notification of Contributions

Once the financial assessment is complete, the service user will be notified in writing of their maximum weekly contribution. The details of the assessment and an explanation of how the charges are calculated will be provided.

6.7 Revision and Appeals

If the service user believes a mistake has been made in the financial assessment or the financial assessment has not taken full account of their circumstances, they can request a revision with the financial assessment team by calling 0208 770 5280 or by emailing fapd@sutton.gov.uk

6.8 Payment Process

Contributions towards Personal Budgets are invoiced every four weeks in arrears unless the service user elects to receive all or part of their Personal Budget through a Direct Payment. In these cases the contribution will be deducted prior to the receipt of their Direct Payment and the service user must pay their contributions into the designated account to receive Direct Payments.

6.9 Overpayments

The contributions that service users make are based on their ability to pay. The payment is a contribution towards the costs of services to meet assessment needs. Where it is ascertained that the service user has overpaid their contribution a refund will be made

6.10 Non-Payment

All service users who are assessed as having to make a contribution towards the cost of their care must pay the amount required. Where a service user does not pay the amount required the Council's debt recovery procedures will apply.

6.11 DP Non-Payment

A service user receiving a Direct Payment is required to pay their contribution into their Direct Payment account. Where a service user fails to pay their contribution into their Direct Payment account their support plan will be reviewed and a risk assessment undertaken. This may result in a decision that Direct Payment is no longer an appropriate way of meeting the resident's needs.

6.12 Deputyship

Where a service user is deemed self-funding but lacks the mental capacity to arrange their own care and support, and does not have a person with Lasting Power of Attorney or who can act as a deputy, The council will only make arrangements for the appointment of a Deputy if an attorney wasn't appointed by the person when he had mental capacity it is no longer possible for an attorney to be appointed

7. Income

7.1 Income Examples

Income is calculated net of any Tax or National Insurance contributions, but other deductions, such as charitable donations that the individual has chosen to make, will not be considered.

7.2 Income Examples

Treatment of different income types in the financial assessment, including any capital treated as income, is treated in accordance with the Care and Support Statutory Guidance Annex C on treatment of income. The list below is not exhaustive.

- Disability Living Allowance (Care Component only) (DLA)
- Attendance Allowance (AA)
- Personal Independence Payment (Care Component only) (PIP)
- Severe Disability Premium
- Income Support
- Pension Credit
- Pension paid by an employer
- Incapacity Benefit
- Employment Support Allowance (ESA)
- Industrial injuries disablement benefit
- Carer's allowance
- Widow's benefit
- Bereavement allowance
- Disability working allowance
- War disability pension (less £10 disregarded)
- Severe disablement allowance
- Exceptionally Severe Disablement allowance
- Notional Income from Savings
- Universal Credit
- Maternity Allowance
- State Retirement Pension
- Working Tax Credit
- Private or Occupational Pension
- Income from Rent
- Income from Bonds

7.3 Deprivation of Income

In line with the Care Act 2014, where a service user has deliberately deprived themselves of income, in order to avoid care charges they will be treated as having that income, as notional income for the purposes of the financial assessment. Steps will be taken by the council to recover charges from the person who has benefited from the disposal which amounts to a deprivation of assets. Deprivation will be considered in accordance with the Care Act Statutory Guidance Annex E.

7.4 Income Disregards

The following forms of income are wholly disregarded for assessment purposes. The list is not exhaustive (see Care and Support Statutory Guidance Annex C for further details).

- Employed and self-employed earnings of the individual
- Guaranteed income Payments made to Veterans under the Armed Forces Compensation Scheme
- The mobility component of Disability Living Allowance

- The mobility component of Personal Independence Payments
- Child Support Maintenance Payments and Child Benefit
- Child Tax Credit
- Christmas Bonus
- Discretionary Trust
- Gallantry Awards
- Guardian's Allowance

Partially Disregarded Income:

- £10 per week of War Widow's and War Widower's Pension
- £10 per week of War Disablement Pension
- £10 per week of Guaranteed income Payments from the Armed Forces Compensation Scheme
- £10 per week of Civilian War Injury Pension
- £10 per week of payments to victims of National Socialist persecution (paid under German or Austrian law)
- Pension Credit – savings element only

A disregard will be made for recipients of personal budgets who are in receipt of

- Higher or enhanced rates of disability benefits (PIP DLA or Attendance Allowance) and
- Not in receipt of 24 care service

8. Savings & Capital

8.1 Savings & Capital Examples

Examples of savings and capital taken into account as part of the financial assessments are set out below. This list is not intended to be exhaustive.

- Bank / Building Society balances
- Stocks and Shares
- Premium Bonds
- National Savings Certificates

8.2 Shared Assets

Only the finances of the service user receiving services will be taken into account for charging purposes, and capital and assets held jointly will be apportioned dependent upon beneficial and legal ownership. The assumption is that capital and assets are owned in equal shares unless there is evidence to the contrary.

8.3 Capital Disregards 52 Week

The following payments of capital must be disregarded for a maximum of 52 weeks from the date they are received.

The balance of any arrears of or any compensation due to non-payment of:

- Mobility Supplement
- Attendance Allowance
- Constant Attendance Allowance
- Disability Living Allowance / Personal Independence Payments
- Exceptionally Severe Disablement Allowance

- Severe Disablement Occupation Allowance
- Armed Forces service pension based on need for attendance
- Pension under the Personal Injuries (Civilians) Scheme 1983, based on the need for attendance
- Income Support / Pension Credit
- Minimum Income Guarantee
- Working Tax Credit
- Child Tax Credit
- Housing Benefit
- Universal Credit
- Special payments to pre-1973 war widows

Payments or refunds for:

- NHS glasses, dental treatment or patient's travelling expenses
- Cash equivalent of free milk and vitamins
- Expenses in connection with prison visits (if circumstances apply)
- Personal Injury Payments

9. Treatment of Property

9.1 Resident's Home

The value of the property that the resident occupies will not be included in the financial assessment. However, if the resident owns a property that is not their main or only home, it will be treated as a capital asset and will be included in the assessment, unless they qualify for a statutory disregard as set out in the Care and Support Statutory Guidance.

9.2 Property Disregard

The value of the resident's main home will be disregarded if occupied by:

- The resident's partner, former partner or civil partner (except where they are estranged), or
- A qualifying relative who is:
 - aged 60 or over,
 - a child of the service user aged under 18, or
 - incapacitated.

The Council may also exercise discretion where a qualifying relative does not fit the criteria above.

9.3 12 week Property Disregard Scheme

If a resident is assessed as needing to permanently move into a residential care home And the placement is made by the Council. The resident may be entitled to the 12-week property disregard. This means that the value of their property may be disregarded for the first 12 weeks of care.

10. Allowable Expenditure

10.1 Allowable Expenses

The following expenses are considered as part of the financial assessment and allowances are given to meet these costs where applicable:

- Council Tax (net of any Council tax support)
- Rent (net of Housing Benefit)
- Mortgage Payments
- Child Support Agency Payments
- Court Imposed maintenance
- House Insurance premiums
- Boiler and Heating Insurance
- Payments in respect of County Court Judgements (CCJs)

10.2 DRE Reference

Where disability-related benefits are taken into account, the service user will be able to retain enough benefit to pay for necessary disability-related expenditure to meet care and support needs which the Council is not meeting. This includes:

- Attendance Allowance,
- the care component of Disability Living Allowance, or
- the Daily Living component of a Personal Independence Payment.

10.3 Disability Related Expenditure

In assessing disability related expenditure, any reasonable additional costs directly related to a person's disability should be included and taken into account. Careful attention should be given to all disability related expenditure (including what is necessary and identified in the support plan . (see Care and Support Statutory Guidance Annex C for further details).

10.4 Disability Benefit Disregard

Service users in receipt of the higher or enhanced rates of Disability Benefits and not in receipt of 24 Hour Care will be entitled to a disregard of £10.20 from their income. This amount will be reviewed annually and increased to reflect inflationary uplifts applicable for disability benefits (ie September cpl)

11. Financial Assessment based on Capital

11.1 Capital Excess - Light touch

Where the service user has appropriate capital valued at £23,250 or more, they will be offered a light touch assessment, and will be expected to make a contribution equal to the cost of their support up to the set maximum charge.

11.2 Capital Between Limits

Where the service user has capital valued at between £14,250 and £23,250, the financial assessment will include an amount of tariff income. This tariff income will be calculated at a rate of £1 of additional income for every £250 (or part thereof) of capital between £14,250 and the actual value of the resident's capital.

11.3 Less Than Lower Limit Approach

Where the service user has capital valued at less than £14,250, the entire value of that capital will be wholly disregarded for the purpose of the financial assessment and they will be assessed on the basis of their income only.

11.4 Capital Examples

Capital includes:

- Money in bank or building society current and deposit accounts
- Post Office / National Savings and Premium Bonds
- Money owed by third parties
- Stocks and Shares
- Unit Trusts
- Capital held by the Court of Protection or a Deputy appointed by the Court
- Any other cash savings
- Trust Funds
- Land and Buildings
- Unclaimed accessible capital

This list is not exhaustive, and other forms of capital may apply.

11.5 Notional Capital

service users may sometimes be assessed as possessing capital even when they do not actually possess it. This is known as Notional Capital and includes:

- Capital which would be available if the service user applied for it (e.g. redundancy payment)
- Capital paid to a third party (e.g. friend or relative)
- Capital the service user has deprived themselves of in order to reduce the amount of charge they have to pay for their care

11.6 Capital Disregards

Some capital is disregarded. The list below is not exhaustive but is an illustration of the types that are disregarded (see Care and Support Statutory Guidance Annex B for further details).

The surrender value of any:

- Life Insurance Policy or Annuity
- Any personal possessions such as paintings or jewellery unless they were purchased with the intention of reducing capital to avoid paying care and support charges
- The value of funds held in trust or administered by a court which derive from a payment for personal injury to the person
- Any Social Fund Payment

12. Financial Assessment based on Income

12.1 Income Calculation

Where the financial assessment is calculated based on the resident's income, the maximum contribution to the cost of their care will be calculated as follows:

- Total income (including any tariff income applicable to capital – see Capital below),
- Less any allowable expenditure applicable to the setting in which care and support is provided,

- Less the appropriate minimum guaranteed income amount, personal expenses allowance, or disposable income allowance, applicable to the setting in which care and support is to be provided.

13. Care and Support in a Care Home on a Short Stay Basis

13.1 Short Stay Descriptor

A short term stay is defined as one where a resident's need to stay in a care home is intended to last for a limited period of time, and where there is a plan to return home. The resident's stay should be unlikely to exceed 52 weeks, or in exceptional circumstances, unlikely to substantially exceed 52 weeks.

13.2 Transferring from Temporary to Permanent

service users who have a temporary stay that becomes permanent will be assessed for a permanent stay from the date the care needs or capacity assessment is completed.

13.3 Temp Property Disregard

The Financial Assessment for temporary stays will completely disregard the resident's main or only home where the service user intends to return to that home.

13.4 Reasonable Costs Disregarded

The Council will ensure that reasonable payments made by the service user for the maintenance of their home, such as rent (net of any housing benefit), water rates and insurance premiums are disregarded.

14. Care and Support in a Care Home on a Permanent Basis

14.1 Introduction

Where an Adult Social Care assessment of needs identifies a long term residential or nursing care placement, the Council will exercise its discretion to charge as outlined in Section 14 of the Care Act.

14.2 Funding Eligibility during a 12 week disregard period

If the resident is a homeowner and assessed as needing to permanently move into a residential care home, they may be entitled to the 12-week property disregard. This means that the value of their property will be disregarded for the first 12 weeks of care.

In order to qualify:

- the service user needs to own their own home (or have an interest in it valued at more than £23,250),
- the service user home must have no other dependent/partner living in it, and
- the service user must have capital resources of less than £23,250.

At the end of the 12-week period, the service user will be liable to meet the full cost of their care unless they have been assessed otherwise.

14.3 Top-Up combined section

The service user can choose to stay in a care home of their preference. If the cost of the care home is more expensive than the assessed cost of their care needs, they will need to agree to a 'top-up' payment if the service user owns a property and the council agrees to a deferred payment application. If the service user does not own property and there is no deferred payment arrangement, a third party is required to pay a top up and to enter into a third party top up arrangement with the council. The top up will be collected by the council's Income and Collection Service.

When the care needs assessment has been completed, any top-up payments must be discussed with the service user and any third party involved. All such arrangements have to be agreed before placing the service user in a care home. See Section 15.

14.4 Deferred Payment (DPA) reference

Service Users who own a property may be eligible to defer care costs against the value of the property. This is known as a 'Deferred Payment Agreement'. London Borough of Sutton will make Deferred Payment Agreements available under the national scheme as set out by the Department of Health, for service users who meet the eligibility criteria. See section 16.

14.5 Personal Expendes Allowance (PEA) & Disposable Income (DIA) description

The financial assessment will take into account statutory amounts required to be retained by the service user from their income. These are known as 'Personal Expenditure Allowance' (PEA) or as 'Disposable Income Allowance' (DIA) for service users with a Deferred Payment Agreement in place. These amounts are set and reviewed annually by the Department of Health.

14.6 PEA & DIA limitations

The Personal Expenditure Allowance/Disposable Income Allowance ensures that a service user has money to spend as they wish. It must not be used to cover any aspect of care and support contracted by the Council and/or assessed as necessary to meet the resident's eligible needs.

14.7 Service users Without Income

Where a service user has no income, the Council is not responsible for providing one. The Council will, however, support the person to access any relevant state benefits or independent advocacy service.

15. Top-Ups

15.1 Introduction

If the service user chooses a long term residential or nursing home that exceeds their Personal Budget, they will be asked to provide a top-up payment, if the Council agrees to a deferred payment arrangement. Alternatively the service user will be asked to identify a third party who is willing and able to make the payments for the duration of the placement. The 'top-up' fee is calculated by subtracting the cost of the option identified by the Council from the cost of the service of the resident's choice. The top-up must normally be paid by a third

party such as a relative, friend or charity. There are also limited circumstances where the service user can top up themselves, called a 'first party' top-up.

A person who is placed in a residential home under section 117 of the Mental Health Act, could pay a top up to go to a home which exceeds their Personal Budget. Services provided under section 117 are otherwise not subject to a charge.

15.2 Conditions of top-ups

The following conditions apply to 'top-ups':

- The 'third party' or 'first party' must be willing and able to pay the difference between the assessed cost of care needs and the actual cost of the care home at the commencement and for the duration of the placement
- All the people involved in the Third Party Agreement need to consider whether they can continue to pay for the top-up in the long term before agreeing to it.
- A first Party Top Up will usually be included in the deferred payment arrangement and charge on the property
- The request for a top-up may be denied if it is determined that the Third Party is unlikely to be able to maintain payments or the value of the property of the First Party is not sufficient to secure the debt.
- The Third Party or First Party who have agreed to meet the top-up costs must enter into a Third Party or First Party Top-Up Agreement with LBS Sutton. The Council will provide the correct documents to sign.
- The Third Party or First Party will be required to pay throughout the resident's stay in the care home. If the Third Party or First Party doesn't keep up with payments the service user may have to move from their current placement to one that costs less. The Third Party or First Party is personally responsible for any debt.
- The person paying the top-up should be aware that the top-up amount may vary as service providers review their fee and this may affect the level of the top-up payment.

15.3 First Party Top-Up

A First Party Top-Up is made by the person receiving care, which they can only do in specific circumstances.

- It may be an option where the resident owns their own property and is subject to a 12-week property disregard. This is designed to give breathing space to prepare the property for sale or decide whether the resident wants to sell the property or enter into a deferred payment agreement.
- The top-up may be paid from the resident's disregarded income or savings (savings below the lower capital limit) during this period. The First Party Top-Up would be in addition to the resident's assessed contribution for the 12 weeks and a top-up agreement would need to be signed.
- The resident may also choose to pay their own top-up payments where they are receiving accommodation provided under S117 for mental health aftercare.

15.4 Conditions of third Party top-up

The following conditions apply to Third Party Top-Ups.

- The Third Party must be aware that they are committing to the payment of the top-up for the full duration of the resident's stay in a care home.

- At no point can the Third Party use the cared for resident's assets or income, including their personal expense allowance, to cover the top-up payments.
- The Council may refuse to enter into a Third Party agreement if it is not satisfied that the Third Party can meet the additional cost. This will mean the third party will be financially assessed to see if they can afford the top up
- The Council is unable to confirm a placement until the Third Party has agreed to the terms and conditions of the Third Party Top-Up agreement by completing and signing the form.
- If the Third Party can no longer continue to make the top-up, the Council must be informed of this as soon as possible, within at least 28 days of the financial situation changing.

15.5 What happens If the Third Party stops paying the Top-Up

If a Third Party Top-Up is not paid, this is likely to result in the resident being moved to alternative accommodation where the costs are within the resident's Personal Budget. The following action will be taken:

- The Council will try to negotiate on behalf of the resident to see if the provider will accept an amount within the Personal Budget to meet the care and support needs prior to any move taking place.
- If the care home is unwilling to reduce the cost the Council will undertake a review of the resident's care and support needs before considering moving the resident to an alternative care home.
- The Council will take action to recover any unpaid monies from the person that signed the Third Party Agreement.
- The provider must notify the Council within 28 days of not being able to collect the top-up and demonstrate that they have made a reasonable effort to collect from the Third Party.
- If the Third Party is no longer able to pay the top-up they can terminate the agreement by giving the Council 4 weeks' notice. They should be aware that by doing this the Council will undertake a review of the resident's care and support needs and that the resident is likely to be moved to an alternative care home.

15.6 What happens when the Care Home increases the Fees

An increase of fees has to be negotiated between the council and the home and agreed pursuant to the terms of the placement agreement. Should an increase of fees be agreed a commencement date would be agreed and the third party given immediate notice of the increase or in accordance with the Third Party top up agreement,. Any increase in fees may result in a need to review the Third Party top-up.

15.7 Care Home increase the Fees

There is no guarantee that an increase in the provider fees will automatically be shared evenly between the Council and Third Party, should the provider's costs rise more quickly than the amount the Council would have increased the resident's personal budget. The Third Party top-up amount may only increase by agreement between the Council and the Third Party.

16. Deferred Payment Agreements

16.1 Introduction

The Deferred Payment scheme enables the resident to defer the cost of residential or nursing care, where they have been assessed to pay the full cost because they are a homeowner, and cannot afford to pay the full cost because most of their capital is tied up in their home. The scheme permits homeowners who do not wish to sell their home during their lifetime to pay for their residential/nursing care.

16.2 Basis

This takes the form of a loan from the Council and a legal charge is placed on the property to secure the loan. There is a management charge for requesting a deferred payment, which is listed in (Appendix Link with MIG and benefit rates for the financial year). The deferred payment builds up as a debt – which is cleared when the money tied up in the resident's home is released. For many service users, this will happen when their home is sold, either immediately or later on.

16.3 Application & Advice

The Council will provide information and advice regarding the Deferred Payment Agreement process, in line with its legal duties. The Council will request that residents seek independent financial advice prior to awarding a DPA.

16.4 Offered and Refused Reasons

The Council may refuse a Deferred Payment in the following situations:

- The Council is unable to secure the first charge on the property.
- The property is uninsurable.
- The resident wants to defer more than they can provide adequate security for.
- The resident refuses to engage in the Deferred Payment process.

16.5 Discontinue Reasons

The Council may decide to discontinue the Deferred Payment Agreement where:

- The upper limit is reached.
- The terms of the agreement are not met such as the requirement to insure and maintain the property.

16.6 Repayment and Termination

Any deferred fees are to be repaid to the Council as soon as practically possible. Interest will continue to accrue until full repayment.

The deferred payment agreement could be terminated at any time by repayment of the full amount outstanding during the person's lifetime or upon the death of the service user. The estate of the deceased service user is required to repay the amount due to the Council.

17. Care and Support in the Community

17.1 Introduction

The Financial Assessment compares the total income from all relevant sources (including an assumed amount of income derived from savings and other financial assets – 'relevant income') with normal living expenses and any additional costs arising from the resident's disabilities (Disability Related Expenditure, DRE – 'relevant expenses'). No-one will be expected to contribute more than the amount by which 'relevant income' exceeds 'relevant expenses' (known as their Net Disposable Income, NDI). If relevant expenses exceed relevant income then the NDI will be 'Nil' and no contribution will be payable.

17.2 MIG

Living expenses such as food and clothing are covered within the Minimum Income Guarantee set by the Department of Health. Housing related costs are supplementary to living expenses and in combination represent the normal living expenses for the individual. Housing related costs include any mortgage repayments, payments by way of rent or ground rent, Council tax and service charges (other than service charges which are ineligible under Schedule 1 to the Housing Benefit Regulations 2006).

Service users will retain a level of income equal to their appropriate minimum guaranteed income amount, as set out in the Care and Support (Charging and Assessment of Resources) Regulations.

17.3 Services Included & Excluded

All services funded from Personal Budgets will be subject to an assessed contribution. Services not funded from Personal Budgets may be subject to alternative charging arrangements. This includes Meals on Wheels which will continue to be invoiced for separately at a flat rate that is reviewed annually. The current rate is available on the Council's website.

17.4 Universal Services

Services designated as 'Universal services' are to be provided for free and are available to all service users. These services include information and advice, signposting and benefit maximisation.

17.5 Self Funder Arranging Care

Service users who can afford to pay the full cost of the services and support living in the community are able to ask the Council for assistance in arranging and managing that support. The Council charges set up and arrangement fees for this service

17.6 Requirement to Pay

For care and support in the community service users will be required to pay the lowest of the following:

- the actual cost of care and support, or
- the assessed weekly contribution.

The cost of support is based on their support plan and is set out in their personal budget

17.7 Contributions Start Date

Financial Assessment decisions will apply from the Monday following the 'date of change' in line with all DWP benefits and other means tested assessments such as housing benefits.

18. Disability Related Expenses

18.1 Introduction

Where disability-related benefits are taken into account, the council will allow the service user to keep enough benefit to pay for necessary disability-related expenditure to meet any needs which are not being met by the council.. Claims for Disability Related Expenses will be considered in accordance with Paragraph 39 Annex C of the Care Act Statutory Guidance and associated case law

18.2 Link to Support Plan

When a claim for a particular type of expense is made, the eligibility of this claim will be assessed against the resident's needs, taking into account the Social Care eligibility assessment and support plan alongside documents from other professionals and/or other relevant evidence. However DRE applications may be considered for expenditure not included on the Care Plan

18.3 Evidence Required

Evidence of DRE will be requested in order to assist the Council in ensuring that the policy is applied fairly and consistently. If, despite a request to keep receipts, a person does not do so, and there is doubt about the expenditure, the cost will not be included in the assessment.

18.4 Excluded

A DRE allowance will NOT be made for the following expenditure:

- Items or services that are required or used by the general population and would be considered regular expenditure, and not incurred due to illness or disability.
- Any item or service met by a payment from a grant (e.g. Disability Facilities Grant) or where another funding source has been provided.
- The difference between the actual cost and the lower cost alternative where the Council considers it was reasonable for a lower cost alternative.
- Where an item or service is reasonably available free of charge or at a nominal rate (e.g. where medicines, therapies or equipment are available through the NHS or Council, the Council will not agree to the cost of private purchase).

18.5 Combined General & DRE Cost

Where a particular item of expenditure combines more than one item or service the Council will only disregard the costs of the elements that meet the resident's specific need due to disability or medical condition. For example, if the service user paid a hairdresser, the hair washing cost will be considered if the service user could not do this task themselves but the

hair cutting costs would not be allowed as this is a service used by the general population and would be excluded.

19. Review of the Financial Assessment

19.1 Request at Any Time

A financial reassessment can be requested at any time by the service user if they feel that their circumstances have changed or they feel the financial assessment is incorrect.

19.2 Change of Circumstance

Where a new benefit claim is successful the financial assessment will be reviewed, and where appropriate, the benefit income (where applicable) will be included in the financial assessment from the date that the benefit claimant is notified of the award by the Department for Work and Pensions (DWP) or HMRC.

19.3 Annually each April

The council reviews contributions each year to reflect the increase in Benefit Rates and Allowances published by the Department of Work and Pensions and the Department of Health and Social Care. Service Users will be written to each March with a provisional contribution and offered to redeclare their financial circumstances should they feel that these have changed since their last assessment

19.4 Treatment of Retrospective Changes

The Council's Financial Assessments Team is to be notified of all changes in income within one month of the change. All changes in income (benefits) will be taken as applying from the date of change (increase or decrease) and not the date of notification. The financial assessment team can be contacted by calling 0208 770 5280 or by emailing fapd@sutton.gov.uk

20. Appeals & Complaints

20.1 Queries & Review

If the service user believes that there has been a mistake made in the financial assessment or the financial assessment has not taken full account of their circumstances, they can request a revision with the financial assessment team by calling 0208 770 5280 or by emailing fapd@sutton.gov.uk

20.2 Complaints process

If the service user disagrees with the financial assessment after being fully assessed and provided the full information relating to their income and expenditure, or they are dissatisfied with the way in which they have been treated during the financial assessment process, or with the service that they have received, they have the right to make a complaint. The Council has a statutory complaints process to ensure that service users' views and concerns are considered and dealt with appropriately and that the Council holds itself accountable to the highest standard. (See [LBS Complaints and Feedback](#).)

21. Use of Financial Information & Privacy

21.1 Data Protection

The Council will store the information it collects from service users electronically. It will store and use this information in line with the requirements of the UK General Data Protection Regulation/Data Protection Act 2018. (See [LBS Privacy Notice and Data Protection webpage.](#))