

Policy and Sustainability Committee

10am, Tuesday 3 August 2021

Social Care Charging Policy

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 It is recommended that the Policy and Sustainability Committee:
 - 1.1.1 Agree the Social Care Charging Policy.

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Report

Social Care Charging Policy

2. Executive Summary

- 2.1 The purpose of this report is to propose an updated Social Care Charging Policy which is attached at appendix 1 of the report.
- 2.2 The updated policy has been developed in consultation with the social care transactions team and the finance team.

3. Background

- 3.1 The Social Care Charging Policy was last updated some time ago. The policy has been reviewed by stakeholders in January 2021 and the only change being proposed is to update the policy to reflect the 2021/22 charges. No other changes have been made to the policy as it remains fit for purpose.
- 3.2 The Convention of Scottish Local Authorities (COSLA) produce guidance on an annual basis defines a set of principles to underpin the development of local charging policies for social care support for people at home. It is managed by the COSLA Charging Guidance Working Group and the Council is represented on this group. The guidance is intended to help determine whether to charge a person for social care support at home. The policy at appendix 1, is in line with the guidance developed by COSLA.

4. Main report

- 4.1 The information contained with the Social Care Charging Policy has been agreed with stakeholders who undertake the charging process on behalf of the Edinburgh Health and Social Care Partnership (i.e., the transactions team and finance team).
- 4.2 This policy applies to all individuals who may require a social care service that is subject to charging.

5. Next Steps

- 5.1 The updated policy will be published on the Council's Policy hub on the website and also stored on the Council's intranet site on approval from Policy and Sustainability Committee.

6. Financial impact

- 6.1 The updated policy ensures that the correct charges are allocated for services and provides individuals who require chargeable services guidance, on the costs that would be applied.

7. Stakeholder/Community Impact

- 7.1 Consultation has been undertaken with the team who undertake the charging processes (i.e., the transactions team and finance team) on behalf of the Edinburgh Health and Social Care Partnership.
- 7.2 As part of this process the extant Social Care Charging Policy was reviewed and remains still fit for purpose. The only change to the policy at this time is the updating of charges to reflect the 2021/22 costs (and are in line with COSLA charging guidance and remained the same as 2020/21 charges for care at home services). These charges have previously been agreed at Full Council on 18 February 2021 ([link here](#)). Based on this we have been advised that a new IIA is not required at this time.

8. Background reading/external references

- 8.1 [COSLA Charging guidance](#)

9. Appendices

Appendix 1- Social Care Social Care Charging Policy

Social Care Charging Policy

Implementation date [date policy comes into force as this may differ from approval date]

Control schedule

Version control

Approved by	Policy and Strategy Committee		
Version	Date	Author	Comment
0.1	24.12.20	A Ritchie	First Draft
0.2	April 2021	K Raeburn	Amendments suggested
0.3	June 2021	A Ritchie / L McFarlane	Amendments suggested
0.4	June 2021	A Ritchie	Final version to be submitted to Policy and Strategy Committee

Subsequent committee decisions affecting this policy

Date	Committee	Link to report	Link to minute
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Social Care Charging Policy

Policy statement

The Edinburgh Health and Social Care Partnership (the Partnership) will support you to ensure you are able to live as well and independently as possible. To help us provide services which meet people's identified outcomes, we may ask you to contribute to the cost of your care.

This charging policy explains how the Partnership considers and calculates the contribution to care that you will be expected to pay towards your care and support.

Charges apply regardless of whether services are provided by the Partnership or purchased from an external provider or purchased through a direct payment or individual service fund.

The charging policy will be reviewed annually and any revisions to charges and financial assessment rules are approved by the City of Edinburgh Council as part of the annual budget setting process.

The policy is based on the following principles:

- a. You will only be charged for the hours of care and support that you receive.
- b. You will not be charged more than it costs to provide the service for which your charge has been assessed.
- c. Where the charge is subject to a financial assessment, this will be based on your ability to pay, following an income maximisation assessment.
- d. You will know how and why you are being charged.
- e. You will be treated in a fair, transparent, and equitable manner.
- f. Assistance can be offered to complete the financial form and/or benefit form.

Scope

Charging will apply where you have been assessed as eligible for non-residential social care services to meet your assessed needs. These services will support you to ensure you are able to live well and as independently as possible.

These services are provided following an assessment of need and have been identified in your personal care plan to meet your identified outcomes.

The legal basis for charging non-residential social care services is the Social Work (Scotland) Act 1968 (as amended) and Community Care and Health (Scotland) Act 2002. Further information is available [here](#)

Definitions

All terms and abbreviations used have been clearly defined and explained.

Policy content

CHARGING FOR NON-RESIDENTIAL CHARGES

What is chargeable

We will charge for the following services, following a financial assessment of your ability to pay:

- a. Homecare
- b. Care at Home
- c. Housing Support
- d. Individual Service Funds In lieu of Care at Home
- e. Direct Payments in lieu of Care at Home.
- f. Alarms/Telecare

Flat-rate charges are also made for meals provided in Older People's Day Centres, and any transport required to get there. These charges are not subject to a financial assessment of an individual's ability to pay because these costs are normal living expenses.

What is not chargeable

We will **not charge** for the following services:

- a. Personal Care including meal preparation
- b. Criminal Justice Social Work Services
- c. Day Care
- d. Intermediate Care
- e. Crisis Support
- f. Some equipment

In some instances, due to specific circumstances, you may be exempt from charging:

- a. If you are subject to a Compulsory Treatment Order under the Mental Health (Care and Treatment) (Scotland) Act 2003 or a Compulsion Order under the Criminal Procedure (Scotland) Act 2003.
- b. Following a stay in hospital, any additional services will be exempt from charging for a period of up to 6 weeks if you are over 65
- c. If you are receiving end of life care, where a DS1500 form has been completed by a doctor, consultant, or other health specialist.
- d. Services provided to meet your carer's needs are exempt from charging, as per the Carers (Waiving of Charges for Support) (Scotland) Regulations 2014.
- e. Services provided to you to meet your carer's needs are also exempt from charges under the Carers (Scotland) Act 2016. For example, Section 25 of the Act suggests a break for the carer is an option to enable them to continue in their caring role, details should be identified in an Adult Carer Support Plan or a Young Carer Statement. This break could be respite care in a residential setting or community support. The charge waived would be the care element for the cared for person.
- f. If you already pay charges to the Independent Living Fund (<https://ilf.scot/>).
- g. You can apply to have charges waived by contacting the Social Care Finance Team (SCF) local health and social care office or social worker.

Financial Assessment

Contribution to services is determined on an individual basis by completion of a financial assessment form. This will take account of your income, savings, and other capital to work out how much you can afford to pay toward the cost of the services you receive. Individuals will be signposted to agencies who can help with benefits.

The form can be completed by a spouse / partner, agent (e.g., a lawyer) or with the assistance of the support worker and Council staff will help if required. If you do not complete the financial assessment form, it will be assumed you have sufficient income to meet the full cost of the services you receive.

There is a section on the form whereby you can choose not to complete the form and by signing this section you accept responsibility for paying the full costs of services.

Level of Contribution

The amount a person will pay will vary from individual to individual. All an individual's income will be considered when calculating the maximum level of contribution. If you have capital over £28,750, you will be assessed to pay the full cost of your services unless the services are free such as free personal care. If you have capital between £10,000 and £28,750 a capital tariff will be applied. £1 per every £500 will be added to the calculation of the weekly income.

The upper capital figure is in line with the residential threshold and is up rated annually by the Scottish Government.

Capital and Saving 2021-2022

Over £28,750	Will be assessed to pay the full cost of the services unless the service is free.
£10,000 to £28,750	This is considered in the financial assessment and tariff income is applied. Tariff income is calculated at a rate of £1 for every £500.
£0 to £10,000	This will not be considered in the financial assessment.

Backdated Department of Work and Pensions (DWP) payments will be disregarded for a year.

Property

The value of the home in which you live (e.g., the main residence), is disregarded in full. The value of second and subsequent properties will be considered as capital.

Weekly Income

Both your and any spouse / partner's income and capital are taken into the calculation and will include:

- a. all DWP benefits and allowances, including Pension Credit.
- b. some income from capital / savings
- c. all earned and un-earned income

Certain types of income are disregarded and not considered when assessing an individual's ability to contribute including:

- a. Disability Living Allowance or Personal Independence Payment (PIP) mobility component.
- b. First £20 of earned income (such as salary) and then 20% over £100 or any monies earned through permitted work in line with DWP assessment.
- c. Payments from war disablement pension or made under the Armed Forces Compensation Scheme.
- d. Bereavement Allowance is disregarded.
- e. Fifty per cent of a spouse/partner's earned income or occupational pension is disregarded.
- f. All a spouse/partner's DLA/PIP/Attendance Allowance (AA) is disregarded.
- g. If you are in receipt of high rates of DLA care component, AA or PIP enhanced daily living component,

We will only consider the middle rate of DLA or the standard rate of PIP or lower rate of Attendance Allowance, provided you are not in receipt of overnight care.

- a. Independent Living Fund payment
- b. Carer's allowance
- c. Benefits paid for or on behalf of your children or your partner (e.g., elements within Universal Credit, child benefits)
- d. All interest from savings (tariff income considered instead, detailed below)
- e. Partner's earnings (under state pension age)

Allowable weekly expenses

Deductions will be made from your assessed income for the following allowable expenses:

- a. Rent - This is the amount you pay after any deductions of housing benefit. If the tenancy is not in your name, the rent contribution is the actual rent paid divided by the number of adults in the household.
- b. Mortgage payments on first homes, not second homes. This is the amount you pay. If the property is not owned by you, your contribution is the amount of mortgage paid divided by the number of adults in the household.
- c. Council tax
- d. Child Maintenance Payments
- e. Exceptional costs associated with a disability can also be considered (e.g., extra heating, special diet etc.).

Personal allowances

To ensure you are not forced below recognised subsistence levels, an income protection threshold is applied. This ensures that the person will always be left with enough money to pay household expenditure items and general living expenses.

The threshold is set at DWP pension credit level plus a buffer of 25% and is up rated annually. This applies to all clients regardless of age.

Personal Allowances 2021-2022			
Personal Allowance singles	£220.00 per week	Personal Allowance couples	£338.00 per week

Contributions

To determine how much an individual is financially assessed to contribute:

Capital and Savings over £28,750	Will be assessed to pay the full cost of the services unless the service is free.
Capital and Savings less than £28,750	Will be financially assessed and will not contribute more than can afford.
Tariff income from capital £10,000 to £28,750	
Plus:	
Weekly income	See weekly income
Minus:	
Allowable weekly expenses	See weekly expenses
Equals	Available Income

Minus taper*:	
<ul style="list-style-type: none"> • 30% of the first £20 of available income, plus • 50% of the second £20 plus • 70% of any remainder. 	
Equals	Assessed Maximum Contribution

* A taper is a further disregard that is applied to available income.

The assessed maximum contribution is the most you will contribute. You will not contribute more than the cost of the service.

Before arrangements are put in place to start charging, you will be sent information about the contribution you are asked to make. If you do not agree with the financial assessment, you can ask for the financial assessment to be reviewed, explaining why you consider the original calculation is not acceptable.

If you remain dissatisfied with the outcome, you can appeal the decision and further information can be found here. Individuals should seek independent advice if they are in any way concerned about the financial assessment.

Service Charges

Service	Dept	Charges in 2021-2022
Home Care/ Care at Home, and Care and Support	Edinburgh Health and Social Care Partnership	£17.73 per hour
Direct Payments in lieu of a Care at Home service	Edinburgh Health and Social Care Partnership	Financial contribution assessed on Care at Home hourly equivalent of Direct Payment amount
Community Alarm	Edinburgh Health and Social Care Partnership	Standard Alarm - one pendant: £5.80 per week, two pendants: £7.54 per week; Enhanced Alarm: £8.40 per week.
*The Council agrees the rates each year as part of the City of Edinburgh Council's budget submission.		

Meals and Transport

Meals and transport provided in Older People's Day Centres are not means tested and standard charges will continue to be applied in addition to any assessed weekly contributions. These expenses are normal living expenses.

Service	Charges in 2021-2022
Older People Daycentre	£7.50 per day towards lunch and transport
Be Able	£3.00
* This rate is review annually by the Council as part of the budget submission.	

Appeals and Complaints

Anyone who is dissatisfied with, or who disagrees with the assessment of charges, will be encouraged to discuss their concerns with a member of staff from the social care finance team. They may be invited to write to a senior manager outlining why they do not agree with the assessed contribution.

If they are still not satisfied, they can use the Council's complaints procedure and obtain independent advice and assistance to do so.

Cost Examples

Mark is over 65 and lives on his own. He has £14,000 in savings and each week he receives £155.60 from his state pension and Guarantee credit. Mark has had his care needs assessed and it is agreed that he requires 10 hours per week care at home, 4 of which are non-personal care. His service costs 4 x £16.00 = £64.00 per week.

Income

State pension	£119.30
Guarantee credit	£36.30
Savings - Add £1 for every £500 of investment over £10,000	£8
Total (A)	£163.60

Allowances

Single personal allowance	£220.00
Total (B)	£195.00

Weekly assessed charge based on (A-B) **-£31.40**

Assessed weekly charge **£0.00**

As Mark's assessed weekly charge is zero, he will not pay anything towards the four hours of chargeable service.

Example 2 - John and Julia are both over 65. They have £11,000 in savings and each week they receive £298.94 in pensions, Attendance Allowance. John has had his care needs assessed and it has been agreed that he requires 7 hours homecare, 2 of which are non-personal care. His service costs 2 x £16.00 = £32.00 per week.

Income

State pension	£140.00
State pension	£99.00

Attendance allowance	£55.10
Occupational pension	£71.00
Savings add a £1 for every £500 of investment over £10,000	£2.00
Total (A)	£367.10
Allowances	
Couples Allowance	£297.00
Council Tax	£25.00
Total (B)	£338.00
Remaining income (A-B)	£29.10
Apply taper (30% of first £20 plus 50% of the second £20 and 70% of the remainder)	30% of £20 = £6 50% of the second £20 = £10.00 70% of the remaining £5.10 = £3.57
Assessed weekly charge	Total = £9.53

John pays £9.53 because the actual cost of £32.00 is higher than his assessed weekly charge of £9.53 per week.

Disability Related Expenditure Guide - Disability Related Benefits

The City of Edinburgh Council includes up to the middle rate Disability Living Allowance (DLA), standard rate Personal Independence Payment (PIP) and the lower rate of the Attendance Allowance (AA) when assessing care charge as per the COSLA Guidance.

The Council will take these benefits into account as the benefits are to help with personal care tasks such as eating, getting in and out of bed, going to the toilet, and washing. The higher rate Disability Living Allowance and Attendance Allowance may also be included if the council provides 'night-time' services.

While Councils have the power to charge for non-residential services, charges must be "reasonable and practicable" for an individual to pay, and it is essential that councils take account of Disability Related Expenditure as part of the financial assessment.

The City of Edinburgh Council applies higher allowances to adults below pension age than is recommended by COSLA.

Adult Charging Threshold - This equates to an additional £63 to a single adult person and £96 to an adult couple to enable them to cover their disability related costs.

	Single	Couple
COSLA Adult	£138.00	£210.00
COSLA Older People	£222	£338.00
City of Edinburgh Council (all service users)	£222.00	£338.00

	Disregard Capital Below	Weekly Tariff Income
COSLA Adult	£6,000	£1 per £250
COSLA Older People	£10,000	£1 per £500
City of Edinburgh Council (all service users)	£10,000	£1 per £500

Personal care is free for all ages

Disability Related Expenditure - Further consideration will be given for additional expenses a service user may have over and above the additional allowances included within the financial assessment.

Additional Disability Related Expenditure may relate to, but will not be restricted to:

- additional heating requirements
- purchase, maintenance, and repair of disability related equipment
- special dietary requirement
- specialist clothing
- help with cleaning and other domestic tasks.

The City of Edinburgh Council will consider additional costs in the following circumstances:

- The service user is in receipt of disability related benefit such as DLA, PIP or AA
- The extra cost is needed to meet a service user's specific need due to a condition or disability as identified in an individual care assessment / care plan.
- The cost is reasonable and can be verified by way of receipts and bank statements.
- It is not reasonable for a lower cost alternative item or service to be used.
- Checks will be made to ensure that the services / costs cannot be met by an alternative means example additional DWP benefits, health services or assistance from a Voluntary Organisation.

It is expected that the retained income will cover everyday living costs such as:

- Food
- Drink
- Board and Lodge
- Transport costs
- Other expenditure such as personal debts and arrears
- Hairdressing
- Bedding
- Clothes
- TV Licence and subscriptions to satellite or digital TV companies
- Spectacles
- Dentistry
- Window Cleaners
- Repairs and maintenance of buildings
- Insurances including building, contents, mortgage protection, life
- Utility bills such as Water, gas, electricity, and telephone
- Alternative therapies/Treatments
- Gardening – other than basic gardening costs allowable under DRE

CONTRIBUTIONS FOR RESIDENTIAL SOCIAL CARE SERVICES

Moving to a care home

A care home is a place where people can live and have their care needs met by trained staff in homely surroundings. Care homes offer a wide range of support:

- a. nursing care homes have trained nurses and additional equipment if you need it.
- b. residential care homes do not provide nursing staff, but you can ask a community nurse to visit you if needed.

The City of Edinburgh Council will assess your care needs. If it is decided that you need to live in a care home, we will assess whether you need a nursing home or a residential home.

- a. If you have been assessed for residential care and move to a residential care home, we will pay the national care home rate.
- b. If you have been assessed for residential care and move to a care home that only accepts the nursing rate, we will pay the national care home rate.
- c. If you have been assessed for nursing care and move to a nursing care home, we will pay the national care home rate.

You must discuss the rates with your chosen care home as we are unable to pay more than we have assessed your rate to be.

If, after the assessment, we think that you do not need a place in a care home, you can still choose to move into a care home, but you will not be entitled to funding from us. This means you will have to pay the full cost of your care and accommodation.

If your needs change while you are in the Care Home, you can ask for a reassessment of your needs at any time through Social Care Direct by telephoning 0131 200 2324.

Who needs to pay?

Everyone pays a contribution towards their care and accommodation. When you are choosing a care home it is important to know that care home costs can vary widely. Care home fees range from:

- £574 to £1,600 a week
- £24,700 to £85,800 a year
- £74,100 to £257,400 for three years.

You should check the cost of the care home before accepting a place to make sure that you can afford to move there

Your contribution will be based on your income and on any savings and investments you have.

Individuals with savings / investments of less than £28,750 and do not own property

Individuals may be entitled for local authority funding.

We have national care home rates that we will pay to care home providers to cover their fees. If you have savings and investments of less than £28,750 and do not own property you can choose a care home from a list of the providers who accept our standard care home rates if they have a place for you.

We will pay the care home our national care home rate including any Free Personal Care or Free Personal and Nursing Care payments. You will pay an assessed contribution based on your income and savings. How we work out your contribution is explained later in this section.

You can choose to reside in a care home of your choice, but should this exceed this approved National Care Home Contract rate applied by the City of Edinburgh Council, it is the responsibility of the resident or third party to agree to pay this costs and this contract is solely between the resident or third party and the care home.

To enable us to calculate your contribution towards your care we will ask you to fill in a financial data collection form. You can ask someone else to fill in the form but you or your Attorney or Financial Representative will need to sign it to confirm the information is accurate.

You will need to provide us with a photocopy of the following:

- a. bank and/or building society statements
- b. Department for Work and Pensions letter
- c. War Pension letter, detailing war pension breakdown (if applicable)
- d. evidence of any investments and the terms and conditions of any trusts
- e. documents about any power of attorney or financial guardian We may
- f. require you to provide further information.

You should contact us if you have any difficulty with the form as we can help. You can find our contact details at the end of this booklet. If you decide not to fill in the form, you will be charged the full cost of your care, less any Free Personal Care or Free Personal and Nursing Care payments. We will ask you to sign a written agreement which shows the cost of the care home and the amount you have been assessed to contribute

Outgoings

As part of our Financial Assessment process most of your income will go towards paying for your care, therefore you should review any outgoings you have to ensure that you are able to pay your assessed contribution towards your care home fees.

This means you will need to consider your current outgoings such as Direct Debits for rent, council tax and TV/phone packages etc, as many of these may need to be cancelled or have a period of notice given as soon as your care home move has been confirmed.

You will be able to keep a specified amount for personal expenses. This is called the personal allowance. This allowance is to cover any day-to-day personal expenses, such as cigarettes, clothing, newspapers etc. as all other costs regarding food, gas and electricity will be met by the care home.

If you have an outstanding debt from living in the community, such as a store card or loan, you may need to contact the creditor and reduce your debt repayments to a manageable amount as these repayments will need to come from your personal allowance.

The council cannot support repayment of these debts by offering a disregard of your income in your Financial Assessment.

Calculating your contribution

We assess you on an individual basis. We include income from:

- a. State Pension, Pension Credit (Guaranteed and Savings) and any other benefits you receive
- b. Occupational Pensions, personal pension, and Widows/Widowers Pensions
- c. Attendance Allowance and Personal Independent Payment/Disability Living Allowance (care component) for the first four weeks of your stay in the care home as these benefits stop after four weeks
- d. any other income

Department for Work and Pensions information

It is your responsibility or that of your financial representative to contact the Department for Work and Pensions directly to advise them of a move to a care home, seek advice regarding eligibility for the benefits you are currently receiving or apply for additional benefits you are entitled to. If you have a spouse/partner remaining at home, they should also contact the Department for Work and Pensions to discuss eligibility of benefits. Their telephone number is 0800 731 0469.

We assess you based on you receiving the appropriate benefits which may include Pension Credit. If you are not receiving the benefits included in your assessment it is your responsibility to make a claim for the benefit. We will not refund you if you fail to claim.

The Council is unable to advise the Department for Work and Pensions on your behalf. We do not include:

- a. half of your occupational or personal pension if your spouse/partner continues to live at home (but you must ask us to do this in writing or tick the relevant box in section C of the Financial Data Collection form). Please note, this does not apply to your state pension.
- b. your husband, wife, or partner's pension
- c. the mobility component of Personal Independent Payment/Disability Living Allowance

- d. up to £6.75 if your weekly income is more than £208.67 a week or if you receive Pension Savings Credit. We will add this to your weekly personal allowances
- e. up to a maximum of £6.00 for life Insurance
- f. £10.00 of a War Pension or a civilian injury pension.
- g. a personal allowance of £29.30 per week.

War pensions

We may be able to ignore more than £10.00 of your war pension from the assessment. If you receive a war pension, please send us a photocopy of the war pension entitlement document.

Occupational or Personal Pension Disregard

If you are married or have a partner and they are remaining at home, you can ask us to disregard 50% of your occupational or personal pension as being paid to your spouse/partner. This may affect your spouse/partner's eligibility for certain Department for Work and Pensions benefits. Your spouse/partner can contact the Department for Work and Pensions on 0800 731 0469 to discuss this.

We cannot advise whether or not you should give 50% of your occupational or personal pension to your spouse/partner or how this is managed.

We include savings and investments from:

- a. money in bank, building society, Post Office, and savings accounts
- b. half of any jointly held accounts. If the joint account is with someone other than your spouse or partner, that person will need to show that they have paid money into the account
- c. premium bonds (at purchase price)
- d. shares (at the current market rate)
- e. National Savings Certificates
- f. any other savings and investments

We may include:

- a. Savings or income bonds (full details will need to be provided)
- b. Money held in trust (we will need to see a copy of the trust deed)

Investments

We may be able to ignore your investment capital in the assessment provided that you can prove that the investment includes an element of life insurance. If you have such a product, please send us a photocopy of the policy documents showing that life insurance is included. You should clarify this with us as soon as possible, as inclusion/exclusion of this product in our assessment may affect the funding status and/or care home choice.

We will check the date the investment was bought and only disregard this if it is not seen as deprivation of capital. The care fees should cover all your care needs, but you should

check with the care home if you will have to pay any other charges such as outings, hairdressing, and activities. The personal expenses allowance of £28.75 is set by the Scottish Government and cannot be increased to cover additional expenditure for example to buy cigarettes or alcohol.

We may need to reassess the level of client contribution payable, in light of additional information. For example, if you find that the amount of funds held in a bank account is greater (or less) than you initially believed. This reassessment may be backdated to date of admissions to the care home.

We may need to reassess the level of client contribution payable, in light of additional information. For example, if you find that the amount of funds held in a bank account is greater (or less) than you initially believed, this reassessment may be backdated to date of admission to the care home. We will review your charges every year to include any increases in costs or any changes to your income or savings. You can ask us to review your charges at any time.

Paying your bills

If you are a resident in a private care home, the care home will issue an invoice for the client contribution. They will talk you through the payment options including any third-party contribution, if/where applicable. Our contribution will be paid directly to the care home.

If you are a resident in a City of Edinburgh Council care home, we will send you an invoice for your client contribution once the financial assessment is completed and you have received the outcome letter. We will also send you information on our invoicing process.

Savings & investments of between £18,000 and £28,750

If you have savings and investments between £18,000 and £28,750 you will contribute all your weekly income except your personal allowance of £28.75 a week. You will also pay £1 a week extra for every £250 or part of £250 you have between £18,000 and £28,750.

This is called Tariff Income. The amount you pay will reduce as your savings reduce provided your savings are spent on acceptable expenditure. For information on expenditure that we do not accept to reduce your savings please see Depriving Yourself of Capital section. When your savings reach £18,000 you will no longer pay a weekly charge from your savings, but you will still pay a contribution from your income.

Example 1

George is over 65, has less than £18,000 in savings and has an income of £173.75 from his pension and Pension Credit. George will pay £145.00 per week towards his care home costs.

Income

State pension	£134.25
Pension Credit (Guaranteed)	£42.85
Total (A)	£177.10
Allowances	
Personal Allowance	£29.30
Total (B)	£29.30
George's contribution is (A-B)	£147.80

Example 2

Elizabeth is over 65 and has an income of £155.62 from her pension and Pension Credit. She has savings of £20,500. Elizabeth will pay £134.00 per week towards her care home costs.

Income	
State pension	£134.25
Pension Credit (Guaranteed)	£18.50
Pension Credit (Savings)	£2.87
Tariff Income from capital of £20,500 ($£20,500 - £18,000 = £2,500$ divided by £250)	£10.00
Total (A)	£165.62
Allowances	
Personal Allowance	£28.75
Savings credit disregard	£2.87
Total (B)	£31.62
Elizabeth's contribution is (A-B)	£134.00

The care fees should cover all your care needs, but you should check with the care home if you will have to pay any other charges such as outings, hairdressing, and activities. The personal expenses allowance of £28.75 is set by the Scottish Government and cannot be increased to cover additional expenditure for example to buy cigarettes or alcohol.

We may need to reassess the level of client contribution payable, in light of additional information. For example, if you find that the amount of funds held in a bank account is greater (or less) than you initially believed. This reassessment may be backdated to date of admission to the care home.

We will review your charges every year to include any increases in costs or any changes to your income or savings. You can ask us to review your charges at any time.

Savings investments of less than £28,750 and own property

If the value of your savings and investments is less than £28,750, and you own a property, you will be responsible for the full cost of your care home fees less any entitlement to Free Personal Care or Free Personal Nursing Care payments because your property is capital you own.

Investments

We may be able to ignore your investment capital in the assessment if you can prove that the investment includes an element of life insurance. Please send us a photocopy of the policy documents showing that life insurance is included.

You should clarify this with us as soon as possible, as inclusion/exclusion of this product in our assessment may affect the funding status and/or care home choice. We will check the date the investment was bought and only disregard this if it is not seen as deprivation of capital.

Any property, land, and buildings you own are types of capital and their value is included with your savings and investments when we work out your contribution. If you own a part share in a property, only the value of your share is included when we work out your contribution. In some circumstances part shares of property may not be included as capital.

We may decide not to include the value of your home if there is someone still living in your home.

This could include:

- a. your husband, wife, or partner
- b. a relative over 60
- c. a relative under 16 who you support financially
- d. a relative who is disabled
- e. a divorced or estranged partner who is a single parent with a dependent child
- f. the person who looked after you before you moved into the care home if they had given up their own home to move in and care for you.

Please note we may request evidence of the above including how long someone has been living in your home.

If we have disregarded your property or your share in a property, you must advise us if you are planning to sell the property or change the title. We would expect you to receive your share of the net proceeds from the property sale and therefore a financial reassessment may be required.

We would expect that if your property were sold and another property is purchased, you would still own the same share and any residual funds will be split accordingly.

If property maintenance/renovation is unmanageable it is your responsibility to consider other options e.g., sell the property. We cannot subsidise the maintenance or renovation of the property.

You can choose which care home you want to move to as long as they have a place for you however you should check the cost of the care home before accepting a place to ensure that you can afford to move there.

You will need to work out how long you will be able to afford to stay in the home. Some care homes need you to prove that you have enough money to cover the care fees for three to five years. The fees you pay are more expensive than the standard rate that we pay.

Private Care Homes

The care home may ask you to sign a contract agreeing to their terms and conditions and we would advise you that this agreement is solely between you and the care home, the City of Edinburgh Council is in no way party to this agreement.

12 Week Funding

If you have savings and investments of less than £28,750 and own a property, you may be entitled to 12-week funding.

You can choose a care home from a list of providers who accept the national care home rate if they have a place for you. You can choose a more expensive care home if you wish but you will need to make your own arrangements with the care home to meet the extra costs.

For the first 12 weeks of your stay, we will pay the care home up to the national care home rate, including any Free Personal Care or Free Personal and Nursing Care payments, and you will pay an assessed client contribution based on your income and savings, excluding the value of your home.

12-week funding is subject to a financial assessment, and we can only pay up to the national care home rate less a client contribution. 12-week funding is only available for the first 12 weeks of your stay.

So that we can calculate your contribution towards your care we will ask you to fill in a financial data collection form. You can ask someone else to fill in the form but you or your Attorney or Financial Guardian will need to sign it to confirm the information is accurate. You will need to provide us with copies of:

- a. bank and/or building society statements for the last six months
- b. Department for Work and Pensions letter
- c. War Pension letter, detailing war pension breakdown (if applicable)
- d. evidence of any investments and the terms and conditions of any trusts
- e. documents about any power of attorney or financial guardian.

You should contact us if you have any difficulty with the form as we can help you to complete it.

If you decide not to fill in the form you will be self-funding and charged the full cost of your care less any Free Personal Care or Free Personal and Nursing Care payments.

We will ask you to sign a written agreement which shows the cost of the care home and your assessed contribution. You may be entitled to Free Personal Care (worth £193.50 per week) or Free Personal and Nursing Care (worth £280.60 per week) if you are entitled to both. The Council will pay these amounts to the care home and not directly to you.

You will not be entitled to Free Personal Care or Free Personal and Nursing Care payments if we have not assessed you or if we assess that you are not eligible. Payments of Free Personal Care or Free Personal and Nursing Care only begin from the date of assessment or date of admission to the care home, whichever is later.

If you sell your home within the 12-week funding period,

You will be responsible for the full cost of your care, less any Free Personal Care or Free Personal and Nursing Care payments, from the date of the sale.

You will be self-funding and responsible for the full cost of your care, less any Free Personal Care or Free Personal and Nursing Care payments from week 13, whether or not your home has been sold

When the total value of your savings and investments is approaching £28,750 you must ask us for a financial review. This is known as a New Threshold.

You can request a review by emailing hsc.financialassessment@edinburgh.gov.uk or by phoning 0131 529 5900

We are required to give the care provider four weeks' notice of a change in funding.

During the financial review we will ask you for evidence of all the capital you held at the date of your admission to care, all the income you have received since being in care and all the care fees paid. We will also ask for details of personal expenditure. If we are satisfied that you have spent your income (excluding mobility benefits) and capital on care home fees and up to £3,500 a year on personal expenditure, then we will help you with your care home fees.

From the date we calculate that you are eligible for help, you will pay an assessed contribution based on your income and savings and we will pay the balance of the fees up to national care home rate

If you are in a more expensive home that does not accept our national care home rates then you will need someone who is willing and able to pay the extra costs for as long as you stay there, or in some circumstances, you may have to move to a different home

If we are not satisfied that you have used your income and capital on care home fees we will investigate further. We will accept that half of your occupational or personal pension is given to your husband, wife, or partner if they continue to live at home. Please note, this does not apply to your state pension

If you own a property, you will not be eligible for help unless we disregard the property from the financial assessment. Please contact us to discuss this or Further information can be found under Interim or Deferred Payment Agreement funding options.

Interim Funding Definition

Interim Funding is a short-term loan from the Council to fund part of your care costs until your property is sold. You can apply for Interim Funding of your care home fees when your capital (excluding the value of your home) falls below £8,000 and any 12-week funding has ended.

You are not automatically entitled to Interim Funding. To be considered for this you must make an application to us in writing. Your property must be on the market for sale, you must be the legal owner of the property and the Council must be satisfied that the property is suitable for lending purposes.

You will need to provide us with a copy of the Home Report. We will place a Charging Order on the property as security for the loan and you will be responsible for the legal costs associated with this (around £600).

During Interim Funding, you will pay an assessed contribution towards your care based on your income and savings. The Council will pay the balance of the fees up to that national care home rate. If the care home charges more than the national care home rate, you will have to make your own arrangements with the care home to meet the extra costs.

You must supply financial information to allow a financial assessment to be completed. The Interim Funding loan will be repaid from the sale of your property or from your Estate.

Deferred Payment Agreement Definition

A Deferred Payment Agreement is a loan from the Council to fund part of your care costs.

You can apply for a Deferred Payment Agreement when your capital (excluding the value of your home) is below £18,000 and any 12-week funding has ended. This type of loan is usually requested if you do not wish to sell your property immediately.

You are not automatically entitled to a Deferred Payment Agreement. To be considered for this you must make an application to us in writing. You must be the legal owner of the property and the Council must be satisfied that the property is suitable for lending purposes.

You will need to provide us with confirmation of the valuation of the property. We will place a Charging Order on the property as security for the loan and you will be responsible for the legal costs associated with this (around £600).

During the Deferred Payment term, you will pay an assessed contribution towards your care based on your income and savings. The Council will pay the balance of the fees up to the national care home rate. If the care home charges more than the national care home rate, you will have to make your own arrangement with the care home to meet the extra costs.

You must supply financial information to allow a financial assessment to be completed. The Deferred Payment loan will be repaid from the sale of your property or from your Estate.

Previously a Deferred Payment request involved placing a Standard Security over the property which would be actioned by a solicitor, this is no longer required.

It is up to you to advise the private care home that you are applying for Interim Funding or a Deferred Payment. You should also discuss with the private care home regarding deferring the difference between your agreed rate and the national care home rate if applicable.

Savings & investments of more than £28,750

You will be self-funding if the total value of your savings, investments and property exceeds £28,750 and you will be responsible for the full cost of your care home fees less any entitlement to Free Personal Care or Free Personal and Nursing Care payments.

You may be entitled to Free Personal Care (worth £193.50 per week) or Free Personal and Nursing Care (worth £280.60 per week) if you are entitled to both. The Council will pay these amounts to the care home and not directly to you.

You will not be entitled to Free Personal Care or Free Personal and Nursing Care payments if we have not assessed you or if we assess that you are not eligible. Payments of Free Personal Care or Free Personal and Nursing Care payments only begin the date of assessment or date of admission to the care home, whichever is later.

Investments

We may be able to ignore your investment capital in the assessment if you can prove that the investment includes an element of life insurance.

Please send us a photocopy of the policy documents showing that life insurance is included. You should clarify this with us as soon as possible, as inclusion/exclusion of this product in our assessment may affect the funding status and/or care home choice.

We will check the date the investment was bought and only disregard this if it is not seen as deprivation of capital. You can choose which care home you want to go to as long as they have a place for you. However, you should check the cost of the care home before accepting a place to ensure that you can afford to move there.

You will need to work out how long you will be able to afford to stay in the home as some homes need you to prove that you have enough money to cover the care fees for three to five years.

The fees you pay are more expensive than the national care home rate that we pay. The care home will ask you to sign a written agreement agreeing to pay the fees. We will pay any Free Personal Care or Free Personal and Nursing Care payments to the care home.

Savings investments approaching £28,750

When the total value of your savings and investments is approaching £28,750, you must ask us for a financial review. This is known as a New Threshold.

You can request a review by emailing hsc.financialassessment@edinburgh.gov.uk or by phoning 0131 529 5900.

We are required to give the care provider four weeks' notice of a change in funding. During the financial review we will ask you for evidence of all the capital you held at the date of your admission to care, all the income (excluding mobility benefits) you have received since being in care and all the care fees paid. We will also ask for details of personal expenditure

If we are satisfied that you have spent your income and capital on care home fees and up to £3,500 a year on personal expenditure, then we will help you with your care home fees. From the date we calculate that you are eligible for help, you will pay an assessed contribution based on your income and savings and we will pay the balance of the fees up to our standard rate

If you own a property, you will not be eligible for help unless we disregard the property from the financial assessment. Please contact us to discuss this or see Interim Funding or Deferred Payment Agreement funding options.

If you are in a more expensive home that does not accept the National Care Home Rate then you will need someone who is willing and able to pay the extra costs for as long as you stay there, or in some circumstances, you may have to move to a different home

If we are not satisfied that you have used your income and capital on care home fees we will investigate further.

We will accept that half of your occupational or personal pension is given to your husband, wife, or partner if they continue to live at home. Please note, this does not apply to your state pension.

Paying your bills

If you are a resident in a private care home, they will talk you through their payment options including any third-party contribution, if/where applicable. We will pay any Free Personal Care or Free Personal and Nursing Care payments you are entitled to directly to the care home.

If you are a resident in a City of Edinburgh Council care home, we will send you an invoice for the care home cost less any Free Personal Care or Free Personal and Nursing Care payments you are entitled to. We will also send you information on our invoicing process.

The care fees should cover all your care needs, but you should check with the care home if you must pay any other charges such as outings, hairdressing, and activities.

Any periods you are not living in a care home

You will continue to be charged for any period/s you are not living in a care home. This includes any stays in a hospital. Your Free Personal Care or Free Personal and Nursing

Care payments stop after 14 days, and you will be expected to pay the full costs. Payments will start again when you return to the care home.

Please discuss with the care home and come to an agreement on a permanent discharge date as the care home may charge a notice period.

Outgoings

You should review any outgoings you have to ensure that you are able to pay your care home fees. This means you will need to consider your current outgoings such as Direct Debits for rent, council tax and TV/phone packages etc. as many of these may need to be cancelled or have a notice period.

If you have an outstanding debt from living in the community, such as a store card or loan, you may need to contact the creditor and reduce your debt repayments to a manageable amount.

Department for Work and Pensions information

It is your responsibility or that of your financial representative to contact the Department for Work and Pensions (DWP) directly to advise them of a move to a care home, seek advice regarding eligibility for the benefits you are currently receiving or apply for additional benefits you are entitled to. If you have a spouse/partner remaining at home, they should also contact the Department for Work and Pensions to discuss eligibility of benefits. Their telephone number is 0800 731 0469.

The Council is unable to advise the Department for Work and Pensions or make a claim on your behalf.

Depriving yourself of capital

It is common to want to pass on savings and other capital such as your home to your children or others. However, before deciding to transfer your home or capital you should consider the following points:

- a. If you have moved an asset or capital out of your name it does not necessarily mean that you will receive financial help from us. When deciding if you are entitled to financial help, we will ask you if you have ever owned property.
- b. We do checks on transfers, and we will regard a transfer of capital as deliberate if you have transferred it to someone else so that you are more likely to qualify for financial help.
- c. If we find that you have deliberately deprived yourself of capital to avoid paying care home fees (including to reduce Tariff Income), we will assess you as if you still own it; we call this 'notional capital'. We will include the value of this capital when we work out your contribution and we will not fund your care costs until your notional capital plus your actual capital falls below £28,750.
- d. There are no time limits on how far we can go back when considering if you have deliberately deprived yourself of capital. However, we usually consider
- e. Transfers that have taken place up to seven years before you move to a care

home.

- f. If you gave away capital within six months of you needing residential care or whilst you were in care, we can ask the people who received it to pay for your care.

We will also look for other ways you might have deliberately deprived yourself of capital, such as:

- a. a lump-sum payment has been made to someone else (for example, as a gift or to repay a debt for someone else)
- b. a lot of money has been spent on something (for example on an expensive holiday)
- c. money has been spent on third party top-up care home costs
- d. the title deeds of a property have been transferred to someone else
- e. money has been put into a trust which cannot be revoked
- f. money has been changed into another form that we would normally disregard (for example, personal possessions)
- g. capital has been reduced by living extravagantly (for example, following a much higher standard of living than you could normally afford)
- h. capital has been used to buy an investment bond with life insurance.

How do we decide

We consider each case individually and on its own merit. There may be several reasons why you transferred capital assets and we will consider each of them.

We will decide if paying care fees was a significant factor in your decision to transfer capital and if it was your intention to **deliberately** deprive yourself of the capital to get help with care fees.

We will also consider the **timing** of any transfers of capital and the circumstances leading up to the transfer. Our decision will be based on the available evidence including:

- a. How healthy you were at the time of the transfer and any medical evidence.
- b. Was the need for care or the move to a care home foreseeable at the time of the transfer of the capital.
- c. What explanation you can give for the transfer of the capital other than to intentionally deprive yourself of available capital to pay for care. If you gift capital to a family member or a long-term carer then we look for the reasons behind the gift.

As we treat each case individually, we cannot make a statement about what you can spend your capital on before you can receive assistance with care fees. However, we will make every effort to be reasonable.

If you disagree with our decision

You can challenge our assessment or our decision not to fund care home fees due to deliberate deprivation of capital by contacting us.

We will make every effort to communicate with you and we will meet with you to explain our decision/s. You have the right to ask for a meeting with us at any stage in this process and we will make every attempt to resolve your complaint. You also have the right to ask for a meeting with a senior manager.

If your complaint remains unresolved you can make a formal complaint to our complaints department, which we must investigate and respond to within 28 days. You can get information about making a complaint on the Council website www.edinburgh.gov.uk/socialworkadviceandcomplaints or email socialwork.complaints@edinburgh.gov.uk or call 0131 553 8395.

While your complaint is being investigated, we will charge you based on your income and your capital, excluding any capital transfers that are under challenge. However, if your complaint is not upheld or supported then we will charge you based on your income and capital including capital transfers from the date you requested funding.

If you are not satisfied with the outcome of the complaint procedure, you can then raise your complaint with the Scottish Public Services Ombudsman.

If you think that a decision was made without us properly following the law, you can apply to the courts for a judicial review using the help of a solicitor.

Seeking Independent Advice

Deliberately depriving yourself of assets can have other consequences beyond care home fees. Many older people never need to go to a care home and if you have given away most of your assets you may struggle financially in the future. Once an asset has been transferred, the new owner has complete control over it.

Giving away your home could cause other problems too. For example, if you gave your home to your children and carried on living there, and they were declared bankrupt or divorced, they might have to sell the property, potentially making you homeless. If you are thinking of giving away your assets for any reason you should always seek independent legal advice.

Acting on Someone's Behalf

If you are over 18 and there is no power of attorney and you want to help someone to manage their money, there are options open to you. It is important that these arrangements are put in place as soon as possible to prevent the person moving into the care home building up a debt.

The options available to you:

- a. You can apply to the Department for Work and Pensions to become an appointee. Benefits including the state retirement pension can be paid into an account you choose. You will become responsible for paying the care home bills and making sure the personal allowance is paid to the resident. Their telephone number is 0800 731 0469. We can cancel any appointees and access to fund arrangements if it can be shown that the money is not being used to pay care

home fees.

- b. If the resident is in a Council care home and is only receiving state benefits, we can apply to the DWP to have those benefits paid directly to the care home. We will make sure that the bills are paid and that the resident is given their personal allowance.
- c. We can apply to become corporate appointee or apply for access to funds if we cannot identify anyone willing to manage the resident's finances.
- d. You can apply to the Office of the Public Guardian (Scotland) for access to funds if the person in the care home is unable to manage their money and has savings or income such as a private pension.
- e. You can apply to the Office of the Public Guardian (Scotland) for a Guardianship order which authorises a person to act or make decisions on behalf of an adult with incapacity in relation to either their finances, welfare, or both

You must advise us if you are applying for power of attorney or financial guardianship on behalf of someone and keep us updated on the progress.

You can get further information from the Office of the Public Guardian (Scotland) through their website www.publicguardian-scotland.gov.uk or by phoning 01324 678300.

Contact Us

Please ensure you provide us with accurate, up to date financial information and inform us of any changes to your circumstances. We may confirm financial information from other departments within the Council.

Web: www.edinburgh.gov.uk/carehomecosts

Email: hsc.financialassessment@edinburgh.gov.uk

Phone: 0131 529 5900

Address The City of Edinburgh Council, Financial Assessment Services, C3
Waverley Court, 4 East Market Street, Edinburgh, EH8 8BG

Please ensure you provide us with accurate, up to date financial information and inform us of any changes to your circumstances. We may confirm financial information from other departments within the Council.

Privacy Statement

We require to collect personal data from you so that we can provide you with the service you need. The Council will ensure that we process your personal data lawfully and fairly. You can find out more information about how we will do this by reading our Privacy Notice. This is available on the Council website (<http://www.edinburgh.gov.uk/privacy>) or on request from this office.

Implementation

Implementation of the policy will be undertaken through communication with the relevant teams undertaking charging on behalf of the Edinburgh Health and Social Care Partnership.

Roles and Responsibilities

The policy has been developed by the Edinburgh Health and Social Care Partnership in consultation with key stakeholders (e.g., transactions and finance teams).

Related documents

Not applicable.

Integrated impact assessment

As part of this process the extant Social Care Charging Policy was reviewed and remains still fit for purpose. The only change to the policy at this time is the updating of charges to reflect the 2021/22 costs (and are in line with COSLA charging guidance and remained the same as 2020/21 charges for care at home services). These charges have previously been agreed at Full Council on 18 February ([link here](#)). Based on this we have been advised that a new IIA is not required at this time.

Risk assessment

The policy for charging for services are underpinned by legislation (Social Work (Scotland) Act 1968 (as amended) and Community Care and Health (Scotland) Act 2002)

The risks of not implementing this policy include:

- Individuals are subject to different charging costs which may have a detrimental impact to individuals if they are overcharged for services
- Reputational damage to the Council if undercharging or overcharging occurs as a result of the policy not being complied with.

Review

The policy document will be reviewed annually along with the web pages and the information leaflets. Feedback on this policy from key stakeholders and interested parties will be considered at review and amendments, enhancements made to the policy as appropriate.