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Appendix 5 - Local Authority charging polices: Chartered Institute of Public Finance and Accountancy Group

The Chartered Institute of Public Finance and Accountancy (CIPFA) is a membership and standard setting body. Local Authorities are grouped by their demographics and service provision – our Adult Social Care group consists of: Cambridgeshire, Devon, Essex, East Sussex, Hampshire, Leicestershire, North Yorkshire, Nottinghamshire, Oxfordshire, Somerset, Staffordshire, Suffolk, Warwickshire, West Sussex and Worcestershire. Some areas of the charging policy have been evaluated against how our peers currently charge for Adult Social Care.

Background

When a local authority (LA) chose to charge for Adult Social Care, they must ensure they do so within the Care Act 2014 and its statutory guidance framework.

Within this framework, LA's have discretion:

- To allow people to retain more of their income than the nationally set Minimum Income Guarantee
- How they consider and disregard Disability Related Expenditure
- To charge an administration fee to self-funders
- To charge for carer's support
- To consider the way they charge for respite and short break services
- Provide information in an accessible way

They also must consider council processes such as:

- How appeals and waivers are processed through the council

A summary of the research:

Minimum Income Guarantee and income retention

The Minimum Income Guarantee is a nationally set amount that LA's must protect when assessing how much a person is asked to pay for their care. This figure is agreed by Central Government to meet the cost of a person's daily living expenses.

The Care Act 2014 says: "*The government considers that it is inconsistent with promoting independent living to assume, without further consideration, that all of a person's income above the minimum income guarantee (MIG) is available to be taken in charges."*

We intend to understand how the MIG is impacting people through the consultation, and we have completed a desk-based exercise on our CIPFA group.

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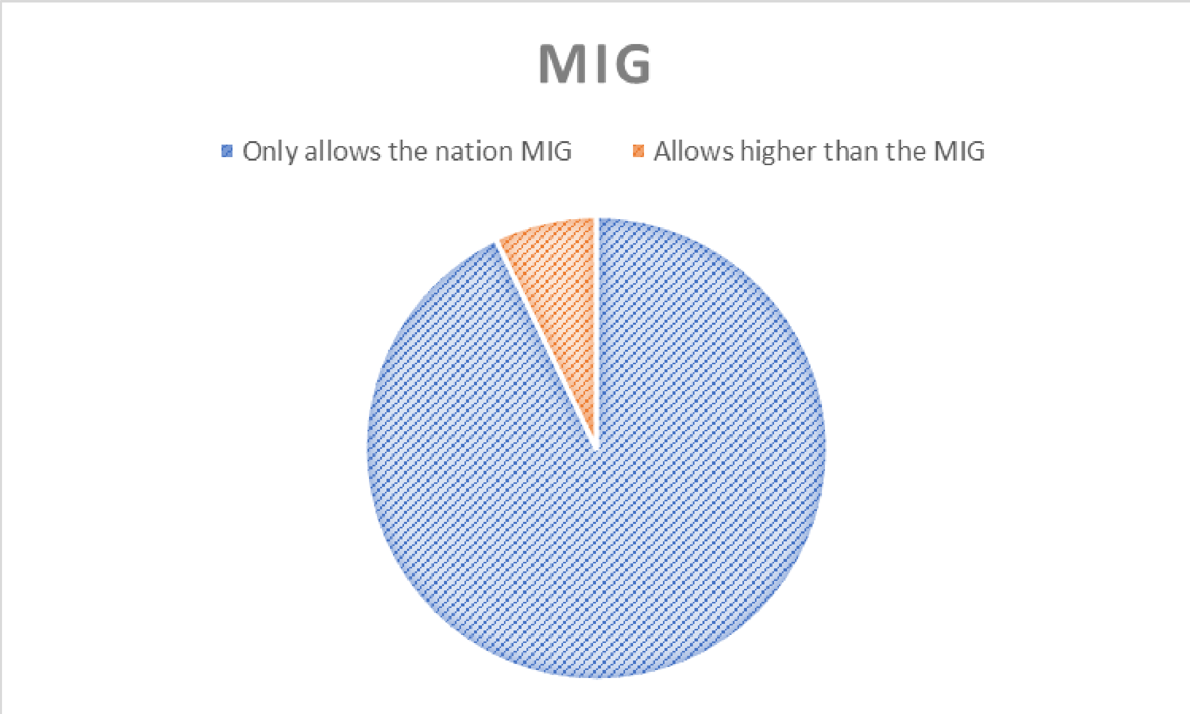
Thirteen (93%) of our CIPFA group LAs only allow the nationally set minimum income guarantee for their financial assessment. One authority protected an addition 5% of net income



Disability Related Expenditure (DRE)

DREs are additional expenses, which are above and beyond additional living costs due to a person's disability. Or it may be disability equipment, such a wheelchair.

These costs are disregarded from the financial assessment to ensure the person can afford them.

How Las assess DREs has a level of discretion – as everyone is different, their DREs and needs are different. Across these CIPRA group there are three ways these LAs allow DREs:

- Five (36%) assess individually through an audit of receipts.
- Four (28.5%) assess when a person with a qualifying benefit, they have a standard amount disregarded (either monetary value, or percentage of benefit entitlement).
- Four (28.5%) assess when a person with a qualifying benefit, they have a tiered amount disregarded per their level of entitlement (eg, someone with higher rate PIP will receive more disregard than a person on lower rate PIP). This is a "banded approach".

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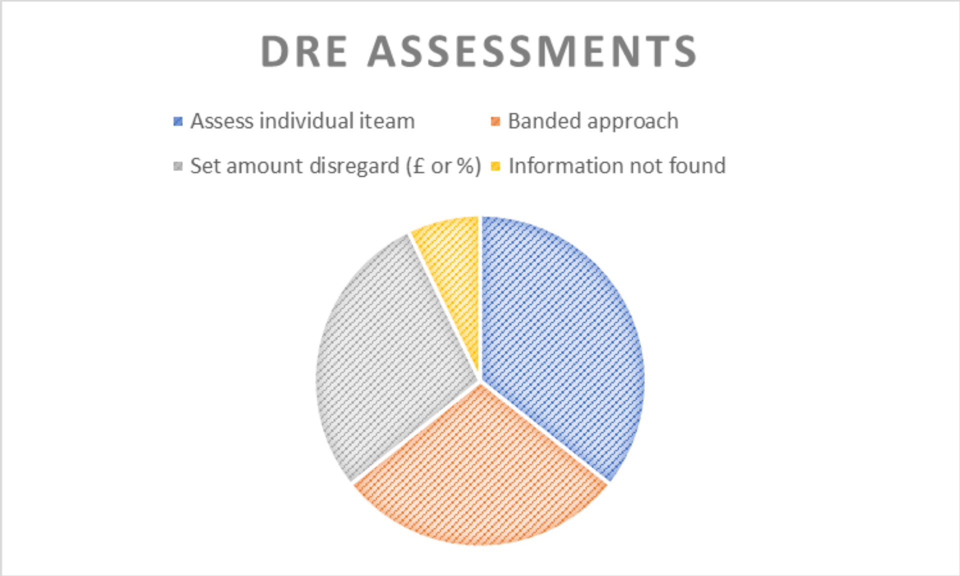
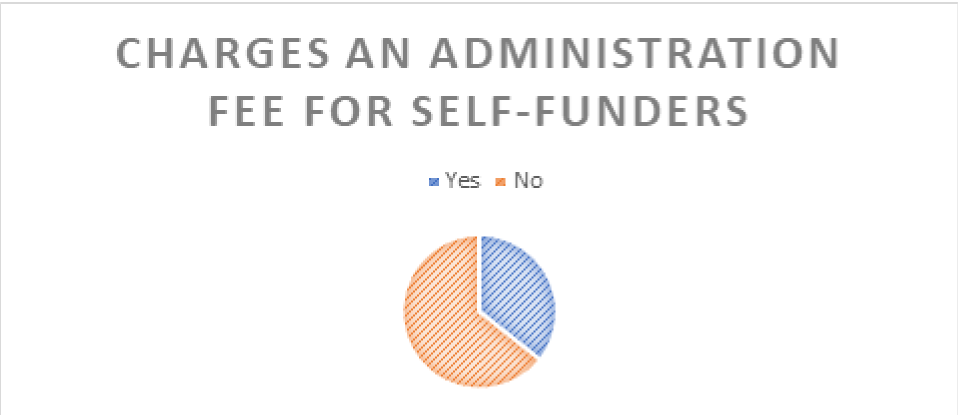


Self-funding administration charge

When a person has over £23,250 in capital, they are assessed as being able to afford the full cost of their care. This cohort of people are called “self-funders.”

Self-funders can request the care assessment, arrangement of services and monitoring of these services to be complete by the LA. When the LA arranges and monitors the service, they can charge an non-profit administration fee.

Five (36%) of the CIPFA LAs charge a self-funding administration fee



Charging unpaid carers to meet their needs

All LAs in the CIPFA group **do not** charge to meet the needs of carers.

Respite charges

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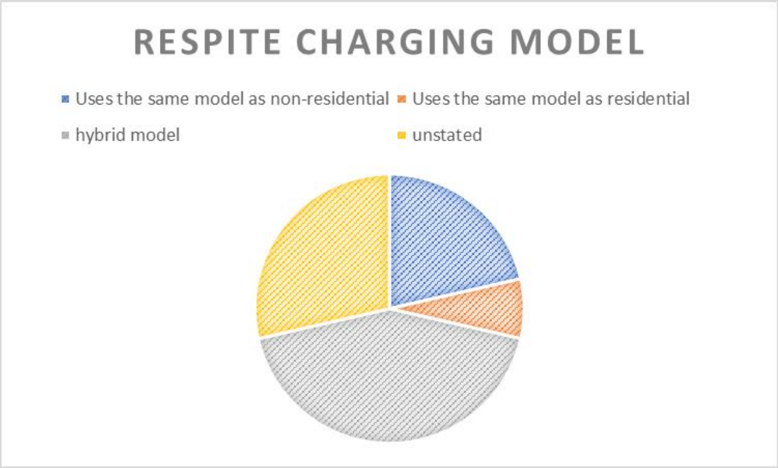
Respite is a short term or temporary stay in a care home. In many cases, it is used preventatively to allow someone to recover enough to remain home. How an LA charges for respite can vary the amount of income a person retains while in their temporary stay.

- 3 (21%) use the same model as non-residential charging
- 1 (7%) uses the same model as residential charging
- 6 (43%) use a hybrid model of residential charging and allowing additional expenses for at home running costs.



One LA went to consult to change the way they charge for respite. The originally charge in a similar model to non-residential and wanted to change this to a residential model. Following consultation, the residential model was not adopted.

Appeals and waivers.

All other local authorities have a similar appeals and waiver process. When a person requests an appeal: