

Charging policy for non-residential services

April 2026

Contents

1. Background.....	3
2. Services and circumstances where no charge is made	4
3. Services for which Luton Council will charge in accordance with the non residential charging policy	4
4. Non residential charging financial assessment.....	4
5. Capital and savings	5
5.2. Deprivation of capital rules	6
5.3. Disregarded capital.....	6
6. Treatment of income	6
7. Assessment of disability related expenditure (DRE)	7
8. Other allowable expenses	7
9. Charge calculation	8
10. Charges for services.....	8
11. Table of charges.....	9
12. Treatment of couples	9
13. Commencement of charges.....	9
14. Review/appeal procedure	10
15. Change of circumstances	10
16. Monitoring.....	10
Appendix 1 - Assessment of disability related expenditure (DRE) – 2026/2027	11
Appendix 2 – Minimum income guarantee in 2026/2027	15

1. Background

The Care Act provides a single legal framework for charging for care and support under sections 14 and 17 of the Care Act 2014. It enables a local authority to decide whether or not to charge a person when it is arranging to meet a person's care and support needs or a carer's support needs.

Where a local authority arranges care and support to meet a person's needs, it may charge the adult, except where the local authority is required to arrange care and support free of charge. The new framework is intended to make charging fairer and more clearly understood by everyone. The overarching principle is that people should only be required to pay what they can afford.

People will be entitled to financial support based on a means-test and some will be entitled to free care. The framework is therefore based on the following principles that local authorities should take into account when making decisions on charging. The principles are that the approach to charging for care and support needs should:

- ensure that people are not charged more than it is reasonably practicable for them to pay
- be comprehensive, to reduce variation in the way people are assessed and charged
- be clear and transparent, so people know what they will be charged
- promote wellbeing, social inclusion, and support the vision of personalisation, independence, choice and control
- support carers to look after their own health and wellbeing and to care effectively and safely
- be person-focused, reflecting the variety of care and caring journeys and the variety of options available to meet their needs
- apply the charging rules equally so those with similar needs or services are treated the same and minimise anomalies between different care settings
- encourage and enable those who wish to stay in or take up employment, education or training or plan for the future costs of meeting their needs to do so
- be sustainable for local authorities in the long-term

Alongside this, Luton Council will ensure there is sufficient information and advice available in a suitable format for the person's needs, in line with the Equality Act 2010 (in particular for those with a sensory impairment, with learning disabilities or for whom English is not their first language), to ensure that they or their representative are able to understand any contributions they are asked to make.

2. Services and circumstances where no charge is made

Some services are excluded from the charging process altogether where there is no legal authority to charge. In addition, there may be exclusions of groups of people which, when applied, mean that an individual is exempt from the calculated charge. Examples of exclusions include:

- After-care services under the Mental Health Act (**Section 117**)
- Sufferers of CJD
- Any customers whose income is less than the minimum income guarantee
- Individuals receiving intermediate care or reablement services for up to 6 weeks
- Any services funded by the Local Health Authority (**Section 28A**)
- Community equipment (aids and minor adaptations). Aids must be provided free of charge when provided to meet or prevent/delay needs. A minor adaptation is one costing £1,000 or less
- Drop-in services that do not require a community care assessment
- Sitting service up to 4 hours per week

2.1. In exceptional circumstances, where a customer is deemed to be at risk to themselves or others, the Service Director of Adult Social Care may waiver part or all of any charge payable, under the waiver procedure.

2.2. At present carers are not charged for services provided to them under the Carers and Disabled Children's Act 2000 (e.g. First 4 hours of sitting services).

3. Services for which Luton Council will charge in accordance with the non-residential charging policy

3.1. The following services are charged and assessed in accordance with the non-residential charging policy:

- Chargeable elements of the personal budget allocation
- Personal home care
- Care provided under "Supported Living"
- Care provided under "Shared Lives"
- Day services
- Direct payments
- Some respite services
- Transport to and from day centres and other adult social care services

4. Non-residential charging financial assessment

4.1. To ensure that everyone is treated fairly every customer will be offered a financial assessment at the point where they are assessed as needing help from adult social care services. The charging assessment will be based on the customers overall income, certain allowable housing expenditure and costs relating to disability or ill health.

4.2. The completion of financial assessment forms is coordinated by a team of visiting officers. The preferred method for collecting the financial information is via completion of our online digital form. Alternatively, we can arrange to collect the information at an arranged appointment, normally by telephone. Customers can tell us if they need an interpreter or additional assistance for the phone call and we will make the necessary arrangements. These forms can also be completed by post or by personal face to face visit if requested.

4.3. The Financial Assessment Team will process a completed financial assessment form and send out a charge notification letter, accompanied by a breakdown detailing how their charge has been calculated. Customers will be informed that should their circumstances change, they must notify us so that we can review and revise their assessed charge. Information will be made available in large print or community languages if no other alternatives are available to the service user.

4.4. Customer charges will be reviewed every year in April in line with the Department for Work and Pensions annual benefit review. However, Luton Council reserves the right to review a customer's financial circumstances at any time. It is the customers' responsibility to advise the Financial Assessments Team of any change to their financial circumstances promptly in order for a reassessment to be completed.

4.5. If information relating to a change in financial circumstances is not provided to the council at the time of the change, which results in an increase to the assessed charge, the council retains the right to backdate the increased charge to the date of the change.

4.6. If a customer or their appointed representative chooses not to disclose their finances to Luton Council or fails to correctly disclose their finances, then they will be charged up to the full cost of care incurred by the council.

4.7. There is a minimum charge of £2.50 per week; this means that any charge that is calculated as being less than £2.50 will not be invoiced to the customer.

4.8. Any customer who has capital/savings in excess of £23,250 (the maximum figure as set out in the Care Act 2014) will be charged up to the full cost of care incurred by the council.

5. Capital and savings

The Care Act 2014 and Care and Support Statutory Guidance published by the Department of Health and Social Care allow us to assess a customer's ability to pay and have regard to their assets.

5.1. Examples of capital and savings taken into account include:

- Cash
- Funds held in any type of bank, building society and post office account
- Saving bonds, premium bonds
- Stocks and shares, ISAs, and cashable investments
- Capital held by the Court of Protection or a deputy appointed by that court or capital held by a power of attorney
- Funds that derive from a payment for personal injury (with the exception of payments made under the vaccine damage scheme –see 5.3). This includes funds held in trust or administered by a court.
- The value of any additional land or property owned by the customer will be taken into account as capital.

5.2. Deprivation of capital rules

Decisions on the deliberate deprivation of capital/savings with a view to reduce or avoid a charge are made by the Financial Assessment Team. Where a customer or their representative deliberately deprives himself or herself of capital they will be treated as though they still possess that capital/savings for the purpose of the financial assessment. When considering deprivation, it is up to the customer or their representative to prove to the local authority that they no longer have the asset.

5.3. Disregarded capital

- Capital of less than the lower capital limit of £14,250 defined in the Care and Support Statutory Guidance will be disregarded
 - The value of the main residence currently occupied by the customer is disregarded in the assessment. Please refer to 5.1 for additional properties
- 5.4.** If savings or capital is held in joint names, an equal proportion will be assumed unless there is evidence to prove otherwise.

5.5. If savings or capital held by the customer drop below the upper threshold limit of £23,250 it is the responsibility of the customer to notify Luton Council of this change in circumstances.

6. Treatment of income

6.1. The following income will be disregarded:

- All income derived from paid employment, including self-employment
- Earnings replacement payments paid by critical illness policies
- The mobility component of Disability Living Allowance or Personal Independence Payment mobility component
- War pensioners mobility supplement
- The nighttime element of the care component of Disability Living Allowance, and Attendance Allowance, or the enhanced element of the Personal Independence Payment unless night care is part of the care provision assessed by Luton Council and identified in the support plan.
- War Disablement Pension and War Widows Pension, however any Constant Attendance Allowance paid will be treated as income (as per Attendance Allowance)
- War Widows Supplementary Pension
- Savings Credit element of Pension Credit
- Working Tax Credit
- Disabled Person's Tax Credit
- Child Tax Credit
- Child Benefit
- Dependent child element of Widowed Parent Allowance

(Note: This list is not exhaustive)

All of a partner's income is also ignored unless:

The partner is in receipt of a couple's rate of benefit, including premiums relating to the customer. In these circumstances, half the couple's income would be taken into account as income.

6.2. All income not disregarded will be taken into account as assessable income in the assessment. Assessable income will be calculated on a weekly basis. This also includes tariff income from savings and capital. Please refer to 6.4 for further information on tariff income.

6.3. We will include any source of income that a customer is entitled to, even if they choose not to avail themselves of that income. This includes state benefits that they are entitled to claim, but choose not to do so, and it will be counted as "notional" income.

6.4. Tariff income on savings will be charged in accordance with the Care and Support Statutory Guidance. The tariff charge is £1 for every £250 held in capital above £14,250 and below £23,250.

7. Assessment of disability related expenditure (DRE)

7.1. People with a disability will be charged against their full assessable income but will be given extra allowances for disability related expenditure.

7.2. In assessing disability related expenditure, the council will make an allowance for the actual expenditure where applicable as detailed in Appendix 1 and under good practice guidance from National Association of Financial Assessment Officers (NAFAO).

7.3. Allowable disability related expenditure will be for services deemed necessary as a result of disability, ill health or for health and safety reasons. Disability related expenditure arising simply from a matter of personal choice or where a reasonable alternative is available at lesser cost will not normally be allowed.

7.4. Reasonable evidence of expenditure will be requested when we carry out the financial assessment. From time to time, we will review this and any disability related expenditure that has been allowed in the financial assessment, it is important that the receipts are retained for this purpose.

7.5. In some cases, only 50 per cent of expenditure may be allowed if it is deemed to be a joint expenditure. However, if the expenditure is due to the fact that a carer is not able to undertake the task due to the amount of time they are caring then 100 per cent of the expenditure will be allowed.

8. Other allowable expenses

8.1. Allowable expenses other than disability related expenditure will include:

- Rent, where a customer has a legal liability to pay rent minus any Housing Benefit or housing costs element of Universal Credit
- Mortgage interest payments minus any Income Support/Pension Credit mortgage interest payments (the capital element of a mortgage is not allowable)

- Some service charges for housing services - not covered by Housing Benefit or Universal Credit
- Council Tax, minus any Council Tax Support

The above allowable expenditure will be divided proportionally between all adult occupants of the property. Adult occupants will be expected to have a shared liability for these allowable expenses, regardless of whether they actually contribute or not. Evidence is required on all the above items of expenditure.

9. Charge calculation

9.1. The charging guidance allows for expenses listed above, plus the minimum income guarantee.

9.2. Disability related expenditure and allowable expenses are then deducted from the assessable income to give an amount which will be deemed to be chargeable income or available income. If the cost of the total care package is less than the chargeable income, then the actual cost of the care package will be the maximum weekly charge.

10. Charges for services

10.1. Home care and day care will be charged at a standard hourly charge. All charges will be reviewed annually. The rates for 2026/2027 are as follows and in the table of charges below:

- Home care and supported living charge: £21.22 per hour for each carer, that is £42.44 per hour for two carers, sometimes referred to as double up care
- Day Centre charge: £41.29 per day, (including part day attendance)
- There is a charge of £5.81 per journey (£11.62 for a return trip) for people who use council provided transport to and from day care and other adult social care services
- If you do not receive all your service, for instance if you go into hospital, your charge may be adjusted. It will only reduce if the cost of that week's service goes below the amount you usually contribute towards the cost of your care
- Day centre meals are charged at £6.32 per meal. This charge is not subject to a financial assessment

10.2. Chargeable customers who are in receipt of direct payments will be financially assessed in the same way as other customers. The amount of the direct payment will be reduced by the amount of the calculated weekly charge and the payment will therefore be made net of the assessed charge.

10.3. Social activities charged through a direct payment are done so at an hourly rate per carer therefore on a 1:1 basis the charge is £16.41 and on a 2:1 ratio of care to client the charge is £32.82 per hour.

11. Table of charges

Day centres (per half day)	£41.29
Day centres (per day)	£41.29
Home care (per hour)	£21.22
Home care - two carers (per hour)	£42.44
Transport to day care (per journey/trip)	£5.81
Transport to day care (per round trip)	£11.62
1 to 1 support for social activities - direct payment personal assistant per hour	£16.41
2 to 1 support for social activities - direct payment personal assistant per hour	£32.82
Day centre meals	£6.32

12. Treatment of couples

If only one member of a household is assessed as needing care, only their *individual income and assets can be taken into consideration in the financial assessment. If both members of the household receive the service a couple's assessment is required. *See also point 6.1.

13. Commencement of charges

If you receive a service as listed in point 3.1, you will be charged for these services from the date your services start, in line with your ability to pay. This will be determined when you are financially assessed as per point 4. Please be aware the first bill may cover a backdated period.

Charges will be calculated as a weekly charge and will be invoiced on a four-weekly basis. A week is classed as running from Monday to the following Sunday.

Where a direct payment is being paid to the customer, the assessed charge will be calculated as a weekly charge and will apply from the start of the direct payment. Instead of raising an invoice to the customer for the charge, the assessed contribution will be deducted from the next 4 weekly direct payment.

This calculation results in the customer being paid the net direct payment amount by Luton Council. The customer is responsible for paying their assessed contribution directly into their direct payment account. This will ensure they have enough money to pay their care bills directly to their contracted provider as per the direct payment agreement.

Customers who are assessed as eligible for a direct payment but who are assessed to pay the full cost of the service will be unable to take up a direct payment, where the deduction of the assessed charge results in a net nil payment.

14. Review/appeal procedure

14.1. The customer has the right to ask for a review of their financial assessment and the charge. In the first instance, the Finance Officer will carry out a review of the assessment to reconsider the charge. If the customer is still dissatisfied, their case will be referred to the Financial Assessment Team Manager to review.

14.2. It may also be necessary to refer customers to adult social care services team for a care review to ensure that the amount of care being charged for is still required.

14.3. Customers will be advised how to access the complaints procedure if the matter is still not resolved to their satisfaction.

15. Change of circumstances

15.1 Customers are responsible for notifying the Financial Assessment Team of any changes in circumstances that may affect their charges. Any resulting changes to customer charges will be applied from the effective day of the change.

15.2 Customers who are assessed to pay a contribution towards their care (rather than the full cost) may find that a change in care provision will not necessarily reduce the assessed charge.

15.3 There may be occasions when the carers do not need to stay for the entire allotted time. For charging purposes this will be rounded up or down to the nearest 15 minutes.

15.4 Any changes that impact on charges already invoiced for will show in the next invoice due to be issued. These are run every 4 weeks, there is no facility to issue interim or amended invoices.

16. Monitoring

16.1 Impact of the policy on any particular section of society, i.e. ethnic group will be monitored through the council's integrated impact assessment tool.

16.2 Any changes to the charging policy which are deemed to have a negative impact may be subject to consultation with customers by the council.

Appendix 1 - Assessment of disability related expenditure (DRE) – 2026/2027

Luton Council's assessment of disability related expenditure is based on the good practice guidelines developed by the National Association of Financial Assessment Officers (NAFAO). Luton Council applies some maximum limits independently under their own policy if no limits have been advised by NAFAO.

Evidence is required for all expenditure in order for it to be considered in the assessment.

Heating

Annual inflationary update based on RPI Fuel index at November 2025. At this date fuel prices had **increased by 2.6%** in the last 12 months.

Single person in flat or terraced property	£2,026.47
Couple in flat or terraced property	£2,673.61
Single person in semi-detached property	£2,152.38
Couple in semi-detached property	£2,841.48
Single person in detached property	£2,618.63
Couple in detached property	£3,451.93

ITEM	ALLOWANCE
Community alarm system	Actual cost unless included in Housing Benefit or Supporting People Grant. Evidence required.
Privately arranged respite care	Allow actual cost where this is not provided as part of the care plan, but the amount is reasonable and necessary for their care and support.
Privately arranged home care	Actual cost, with evidence provided, and if social worker confirms requirement as part of the care plan and Luton Council provision is reduced accordingly.
Private domestic help	Up to Max: 1.5 hours per week or £18 whichever is less, with evidence provided. If social worker confirms requirement as part of the care plan and no one else in the household is able to do it.
Laundry or washing powder	Allow £5.02 per week. Identified continence (or similar) condition. Customer does 5 or more loads per week.

Dietary	Discretionary as special dietary needs may not be more expensive than a normal diet. Details of special purchases required from customer and are compared to normal weekly spend on food. Max: up to £6.07 per week maximum allowed.
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ITEM	ALLOWANCE
Gardening	Discretionary: Allow actual based on individual costs of garden maintenance, and there is no one else in the household capable of gardening. Evidence required. Max: £5.90 per week. Based on 8 months of gardening per year only.
Window cleaning	Discretionary: Allow actual based on individual cost of cleaning and there is no one else in the household capable of completing the task. Evidence required. Max allowance of 6 cleans per year. £3.40
Wheelchair	Allow £5.24 per week for a manual wheelchair. Allow £12.71 per week for a powered wheelchair or mobility scooter. These are set allowances to cover the purchase cost and repairs and maintenance.
Powered bed	Actual cost divided by 500 (10 yr life) - up to a maximum of £5.78 per week. Evidence of purchase required. These are set allowances to cover the purchase cost and repairs and maintenance
Turning bed	Actual cost divided by 500 (10 yr life) - up to a maximum of £10.12 per week. Evidence of purchase required. These are set allowances to cover the purchase cost and repairs and maintenance
Powered reclining chair	Actual cost divided by 500 (10 yr life) - up to a maximum of £4.59 per week. Evidence of purchase required. These are set allowances to cover the purchase cost and repairs and maintenance.
Stair-lift	Actual cost divided by 500 (10 yr life) - up to a maximum of £8.17 per week. Evidence of purchase is required. Covers the purchase cost and repairs and maintenance.
Hoist	Actual cost divided by 500 (10 yr life) - up to a maximum of £4.02 per week. Evidence of purchase is required. These are set allowances to cover the purchase cost and repairs and maintenance.

Prescription / medical charges	Discretionary allowance up to a maximum of £2.94 per week. (E.g. non-prescription items, additional vitamins, bandages etc for identified medical condition.)
Taxis	Allow for essential trips only (hospital / doctor / shopping) where client has no other means of transport. Allow costs exceeding Disability Living Allowance mobility element only (where in payment) up to a maximum of £13.22 per week.
ITEM	ALLOWANCE
Chiropody	Allow actual cost for 1 session every 2 months. Where medical condition is known allow up to £3.35 per week maximum.
Paid carers expenses	Allow actual cost incurred for paid carers expenses, where care plan identifies certain activities, and backed up by 3 monthly receipts for review. Allowed only by a Senior Financial Assessment Officer or Financial Assessment Manager.
Incontinence related expenditure (1)	<p>Evidence of cost is required for all items. Customer should have an identified continence issue. Common items listed below can be allowed up to the max shown only. Mattress replacement: Actual cost divided by 156 (3 yr life) - up to a max of £1.60 pw double bed or 80p per week for a single bed. Linen, mattress protectors and duvets: Allow actual cost up to max of: Sheets: Allow max 8 per year Single fitted sheet: at £2.99 each or 46p per week Single flat sheet: at £3.99 each or 61p per week Double fitted sheet: at £3.99 each or 61p per week Double flat sheet: at £5.99 each or 92p per week Duvets: 3 per year Single: at £5.99 each or 35p per week Double: at £7.49 each or 43p per week Protectors: 2 per year Single: at £9.99 each or 38p per week Double: at £14.99 each or 58p per week Total max for bedding type items at £3.50 per week</p>

<p>Incontinence related expenditure (2)</p>	<p>There is discretion to allow other items of disability related expenditure shown below. No maximum applies if evidence is provided. Other: e.g. disinfectants, replacement flooring, waterproof cushions, special slippers or shoes that cost more than normal shoes. Allow actual (difference) where evidence is provided.</p> <p>Continence pads: Evidence is required. Actual cost allowed for the period from date of referral to the continence service for up to 12 weeks, or until customer is visited by continence service, whichever is sooner. Pads are not allowed if the customer chooses to buy them, when the continence service would otherwise provide them.</p> <p>These are discretionary items to be agreed with the Financial Assessment Manager</p>
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There will be no allowances made in the assessment for the following, which should be paid from the minimum income guarantee amount:

- Water rates
- Insurance
- Loans including hire purchase and catalogue debts
- Normal household expenses e.g. standard household fuel bills, television licence, telephone
- Normal food and shopping bills, including meals-on-wheels and meals at day centres

Appendix 2 – Minimum Income Guarantee in 2026/2027

The government has declared that everybody being charged for non-residential services must be left with a minimum basic income threshold (MIG). In Luton we currently allow a person to keep more of their income for daily cost of living expenses than the minimum income guarantee set by the government in their guidance “Social Care – Charging for Care and Support 2026 to 2027: Local Authority Circular”.

The basic minimum income guarantee amounts for 2026/2027 are:

Adults under pension age	£171.95
Adults under pension age and in receipt of enhanced disability premium	£197.10
Couple under pension age with disability premium	£257.88
Couple under pension age with enhanced disability premium	£295.69
Adult over pension age	£283.88
Couple over pension age	£433.25

Additionally, the nighttime element of Disability Living Allowance, Attendance Allowance and Personal Independence Payment is also disregarded if no night care is being provided. The nighttime element of these benefits is **£37.90** per week in 2026/2027.