



Financial Year	2017/18
Proposal no.	AC-2017-302
Directorate	Adult Social Care

Savings Programme Pre-consultation Report

Subject: Changes to the Adult Care Charging Policy

1 Recommendations

- 1.1 It is recommended that members approve for consultation changes to the Adult Care Charging Policy from April 2017 in order to achieve savings of £195,000.

Reason for recommendation

- 1.2 Changes to the Charging Policy will bring the Policy in line with recent national benefit and pension changes.

2 Background

- 2.1 The Adult Care Charging Policy was re-written in light of changes introduced by the Care Act 2014. Since then national changes to benefits and pension payments have resulted in a need to update the policy. At the same time the policy could also be amended to bring in some elements more in line with regional policy and practice, especially around charging service users who are in receipt of a Mental Health Act (1983 as amended 2007) section 117 aftercare package.

2.2 Changes to Pensionable Age

The majority of the charges for adult care and support are means tested via a financial assessment. Currently the Charging Policy links the 'minimum income guarantee' to the service users' actual age. The minimum income guarantee is the amount of income that is disregarded in the financial assessment before any charges are made. These rates are currently £131.68 per week for service users under 60

years old and £189.00 for service users 60 years and older.

National changes to pension payments have resulted in changes to the pensionable age and it is proposed to link the minimum income guarantee to the service user's *actual* pensionable age from April 2017. This will mean that any service user over 60 years old who has not yet reached their pensionable age will have their minimum income guarantee level linked to the lower amount. This will affect approximately 40 individuals, who may have to pay more for their care.

This would also mean that for short term residential care, where the charges are currently linked to the service user's age, we would also link this to the actual pensionable age. This would mean that service users who are over 60 years old but are not yet at pensionable age would pay less for short term residential care.

Service users who are not yet at pensionable age but are over 60 years old will no longer be assumed to receive pension credit therefore reducing their charges for residential care.

2.3 Changes to Disability Living Allowance

Disability Living Allowance (DLA) is being replaced by Personal Independence Payment (PIP) for people aged 16 – 64 years who have a long term health condition or disability. The care component of DLA has three different rates, low, middle and high. At present the difference between the middle and high rates is disregarded in the financial assessment, this is currently £27.20 per week. This raises the income threshold before any charges apply.

The PIP only has two rates and makes no distinction between day and night time care. Service users are being transferred from DLA to PIP on a phased basis.

It is proposed that from April 2017 the difference between middle and high rates of DLA is no longer disregarded for the financial assessment to reflect the national changes and the move to PIP. It is anticipated that this could affect up to 350 service users as they transfer to PIP, the maximum additional charge would be £27.20 per week but this will be dependent on individual's financial circumstances and ability to pay.

2.4 Section 117 Aftercare services

Currently all services provided to someone who has been detained under the Mental Health Act are not charged for, even where services do not relate to the original reason for the detention. It is proposed from April 2017 to charge service users (subject to the means test) for all services not related to the section 117 after care package. This could affect up to 336 service users depending on which services they receive and individual financial circumstances.

2.5 Current cap on charges

Currently there is a weekly cap of £300 on charges for non-residential adult care and support services. This is regardless of the income and assets a service user may have. There is no cap for charges for residential care. It is proposed to remove this cap and service users will be required to pay the full cost of their care and support where it is deemed they can afford to.

3 **Financial Implications**

The saving proposal is 0.8% of the total budget for the area of service affected.

3.1 Table 1 provides details of the Changes to the Adult Care Charging Policy Proposal.

	Savings 2017/18		Savings 2018/19		Total savings	
	£k		£k		£k	
	On-going	One off	On-going	One off	On-going	One off
Employees						
Other Costs						
Income lost						
Net savings						
Additional income generated	195		54		195	
Total savings	195		54		195	
Implementation costs	(54)					
Total savings less implementation costs	141		54		195	

Financial and potential staffing impact on another internal service

3.2 The commitment to financially re-assess the service users affected (including any assessment or reassessment for DRE) will have an impact on the Assessment & Benefit Team in Finance. It is estimated that there could be approximately 700

assessments or re-assessments to be completed. It is expected therefore there will be an implementation cost for additional staffing within the Assessments and Benefits service. This is factored into the savings.

4 Asset implications

4.1 There are no asset implications arising from this proposal.

5 Voluntary Sector impact

5.1 There are no voluntary sector implications arising from this proposal.

6 Consultation

6.1 General Public are consulted as part of this consultation

6.2 We will also write to the service users affected to consult on the saving proposals. Where service users have communication difficulties we will ask support workers to assist with this consultation.

6.3 We will ensure a telephone helpline is available during the consultation period to explain the proposals to service users, their families and legal representatives.

6.4 The Council must ensure that it remains open-minded throughout the consultation period to all alternative proposals and expressions of interest.

7 Alternatives considered

7.1 No alternatives were considered as part of this proposal. We currently follow the national guidance on “Fairer Charging” (2013) to determine the amount we can raise as a council through charges we make for care services we provide or fund.

7.2 Members could decide not to take the proposal forward and identify alternative savings proposals.

8 Risk Assessment Implications

8.1 There is a risk that services could become unaffordable and we fail to meet statutory duties. In mitigation we are developing prevention services, free at the point of contact to help people maximise benefit claims and use their own circles of support.

9 Legal Implications

9.1 There are no legal implications arising from this proposal.

10 Personnel Implications

10.1 The proposals outlined within this report will not have any personnel implication for the Council’s workforce.

11 Equalities Impacts

Workforce Equality Impacts Assessment

- 11.1 There are no workforce equality issues arising from this report.

Equality/Community Impact Assessments

- 11.2 The following equality/community issues arise from this report as set out below:

People on low incomes and people with disabilities could be adversely affected by these proposals. In mitigation we intend to provide a more integrated service with health services, maximising people's access to benefits and their use of free, at the point of contact, community services.

EQUALITY IMPACT ASSESSMENT FOR SAVINGS PROPOSALS

1. Please state the name of the officers leading the EIA
XXXXXX XXXXXX
2. Who has been involved in undertaking this assessment?
Adult Care staff
3. What is the scope of this assessment?
To ascertain the impact of the changes on the following groups of people: People who receive the higher rate of Disability Living Allowance (approximately 350 service users) Service users who are 60+ years old and who have not yet reached their actual pensionable age (approximately 40 service users) Service users who have been detained under the Mental Health Act and subsequently receive services not relating to that detention (approximately 336 users)
4 a). What does the function currently do? b). Describe the needs which this service meets?

The Adult Care Charging Policy covers charges for all care and support that is arranged by the Adult Care Service.

It is compliant with the Care Act and the principles that underpin this:

- To ensure the charges are equitable and fair.
- The Charing Policy is sustainable for the Local Authority in the long term
- Has a charging calculation that takes into account ability to pay
- Charges for a package of care take into account the person's ability to pay and the amount of their personal budget.
- Ensure that the councils charging arrangements reflect the true cost of services

5. What proposed changes do you wish to make?

Change the Adult Care Charging Policy to bring it in line with national changes to benefit and pension payments (see report for full details)

6. Who are the key stakeholders who may be affected by the proposed changes?

Service users who are 60+ years who have not reached their pensionable age.

Service users who receive the higher rate of Disability Living Allowance

Service users who have been detained under the Mental Health Act.

Service users who are in receipt of care and support costing more than £300 per week and who are currently paying the maximum £300 per week charge.

7. What impact will this proposal have on all the protected groups?

Race Equality

There should be no differential impact in this area.

Disabled People

This proposal is likely to affect disabled people more adversely as people receiving the higher rate of Disability Living Allowance will be impacted by one element of the proposals in this report.

Carers

There should be no differential impact in this area.

Gender
Whilst there are more female than male customers receiving this service, the proposed change will affect all service users equally, irrespective of gender.
Age
There should be no differential impact in this area.
Armed Forces and Ex-Armed Forces Personnel
Whilst it is recognised that a small number of Ex-armed forces personnel may be receiving Adult Care services, the changes will affect all groups equally and there will be no greater impact on this group.
Religion or Belief
There should be no differential impact in this area.
Sexual Orientation
There should be no differential impact in this area.
Gender Reassignment
There should be no differential impact in this area.
Pregnant Women or Those on Maternity Leave or Those who have given Birth in the Previous 26 weeks
There should be no differential impact in this area.
Marriage or Civil Partnership
There should be no differential impact in this area.

8. Conclusions and Recommendations

What are the main conclusions and recommendations from this analysis?

The change will affect certain groups of adult care service users who may be asked to pay more or start to pay for the care and support services they receive.

The majority of charges are subject to a means test which assesses the individual's ability to pay their charges and ensure that any charges levied are affordable, equitable and transparent.

People who are asked to pay for their care and support and who feel they incur additional expenditure as a result of their disability or frailty can request that this expenditure be taken into account as 'Disability Related Expenditure' and if agreed this can be disregarded and will reduce their requirement to pay for the services they receive.

This 'DRE' disregard can be promoted to service users who are asked to pay more for their care to ensure all related costs are taken into account in the financial assessment.

9. In the box below please provide details of who you will consult with on the proposals, when you consult, and the methods which you will use to consult. In the box below

The Consultation and Inclusion Methodology Used

Consultation with the general public via the consultation hub.

We will also write to the service users affected to consult on the saving proposals. Where service users have communication difficulties we will ask support workers to assist with this consultation.

We will ensure a telephone helpline is available during the consultation period to explain the proposals to service users, their families and legal representative.

10. Produce an action plan detailing the mitigation measures that you propose to put in place to address any adverse impacts.

Mitigation Measure	Action	Responsible Officer	Implementation Date	Review Date	Evaluation Measure
Financial re-assessments	All service users affected will have a full financial re-assessment to ensure any charges are in line with the agreed Policy.	XXXXXX XXXXXX	March 17	May 17	Ensure all service users have been re-assessed
Disability Related Expenditure (DRE) disregards	The DRE disregard element of the charging policy will be promoted to service users to ensure they are claiming for any expenditure they incur. Staff will be trained so they can promote this.	XXXXXX XXXXXX	March 17	May 17	Evaluate the take up of DRE
Service user	If service users cancel their care	XXXXXX XXXXXX	March 17	May 17	Ensure that anyone who has

review	due to the charges they will be referred to a social care practitioner for review to ensure this does not substantially increase their risk of harm and impact on wellbeing.				cancelled their service due to increased charges have been reviewed by a Social Care Practitioner
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