

Report of the Chief Officer, Resources and Strategy

Report to the Director of Adult Social Services

Date: 9th July 2014

Subject: Billing for Care Ring Services

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. In April 2013 Executive Board approved introducing charges for Care Ring at £1.25 per week from 1st January to 30th June 2014 and £2.50 per week from 1st July 2014.
2. There have been significant delays with Care Ring billing that mainly affects sheltered accommodation tenants due to ongoing problems with the quality of customers' mailing details. The cut-off point has now been reached for running the annual bills for the Care Ring service for the period from 1st July 2014. This means that when any new bills are raised for the period from 1st January to 30th June, the system will generate a retrospective bill for this period and a bill for the forthcoming year simultaneously.
3. To avoid being particularly unfair to those customers who have not yet been billed, it is proposed that payment for the Care Ring service is not sought from them for the period 1st January to 30th June 2014.

Recommendations

4. That payment for Care Ring is not sought for the period 1st January to 30th June 2014 from those customers on annual billing who have not already been billed for this period.

1 Purpose of this report

- 1.1 The purpose of this report is to provide an update on the issues and latest position with regard to billing for Care Ring charges and to propose a variation to the approach originally planned.

2 Background information

- 2.1 Executive Board approved the introduction of charges for the Care Ring service on 24th April 2013 alongside some other new charges and changes to the financial assessment methodology. Where new charges were being introduced it was agreed that 50% of the charge would apply for the first six months so that customers could become accustomed to the new arrangements more gradually.
- 2.2 The Care Ring charges approved by Executive Board were £1.25 per week from 1st January 2014 to 30th June 2014 and £2.50 per week from 1st July 2014. These charges apply to approximately 10,000 customers, around half of them living within the Council's sheltered accommodation.
- 2.3 Concerns have been expressed about charging for Care Ring and some customers have decided to cease using the service following charges being introduced. Risks assessments are being undertaken for all those who wish to cease the service to ensure that their wellbeing is safeguarded. Around 1,500 sheltered housing tenants (30%) have said that they want to cease using Care and around 800 (16%) other Care Ring customers wish to cease the service. The lower proportion of cancellation requests for non-sheltered accommodation largely reflects these customers specifically requesting the service rather than having it provided automatically due to their accommodation type.

3 Main issues

- 3.4 There have been significant delays with Care Ring billing that mainly affects sheltered accommodation tenants due to ongoing problems with the quality of customers' mailing details. The Care Ring Team uses two computer systems, but neither link to other Council systems, so maintaining accurate and good quality records is challenging. Slightly incorrect spellings in names or addresses mean that the customer records cannot be matched with debtor records so that billing can take place and a great deal of time-consuming manual data matching has been required. These issues are more prevalent for sheltered housing tenants as their data is held in two computer systems rather than just one. Largely manual data matching has also been required to ensure that customers who have said they wish to cancel their Care Ring service are not billed in error.
- 3.1 Prior to 31st March 2014 bills were issued to 5,229 customers receiving a Care Ring or Telecare service who do not receive any other adult social care services. Of these, 264 were to tenants of council sheltered housing, 151 of which have been paid, and around 2,600 sheltered housing tenants remain to be billed for their Care Ring service.

- 3.2 Billing for people only in receipt of a Care Ring or telecare service has been done by periodic invoicing through the Council's Sundry Income system. The advantage of this is that annual billing can be done automatically through the system and where customers have set up direct debit arrangements these will roll forward to future invoicing without the need for further action from the customer or the Council.
- 3.3 Whilst periodic billing through the Sundry Income system has several advantages as set out above, the way it operates gives rise to some issues with the billing delays for sheltered accommodation. The cut-off point has now been reached for running the annual bills for the Care Ring service for the period from 1st July 2014. This means that when any new bills are raised for the period from 1st January to 30th June, the system will generate a retrospective bill for this period and a bill for the forthcoming year simultaneously.
- 3.4 There have been a steady number of calls to the Care Ring helpline from sheltered housing tenants complaining about the billing delays and these views have also been aired in tenants meetings and through written correspondence. Billing for an 18-month period all at once goes against the phasing-in approach agreed by Executive Board when Care Ring charges were introduced and it is through no fault of the customers that they would be placed in this position.
- 3.5 To avoid being particularly unfair to sheltered housing tenants due to the particular difficulties with their billing, for those who have not yet been billed it is proposed that payment for the Care Ring service is not sought from them for the period 1st January to 30th June 2014. A small number of Care Ring customers living in other housing tenures have not yet been billed and it is proposed that payment for Care Ring is not sought from them for the January to June 2014 period.
- 3.6 The two Care Ring computer systems are currently being replaced with more modern systems that will interface with other Council systems. This will provide a much more usable and robust source of data for future billing.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Whilst there has been no formal consultation on the specific change proposed in this report, this proposal is in response to the concerns about late billing that have been expressed by some sheltered housing tenants in recent months.
- 4.1.2 Extensive customer consultation took place before the Executive Board decision was taken to introduce charges for the Care Ring service. The full report on the consultation and engagement process and outcomes is available as a background document published alongside the report to Executive Board on 24th April 2013. The main concern expressed during this earlier consultation was affordability and the original consultation proposals were amended to take account of these concerns. The proposal set out in this report also addresses this concern about affordability.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Impact Assessment screening form has been produced and is attached as an appendix to this report.
- 4.2.2 Whilst people who have not yet been billed for their Care Ring service would be treated differently to other Care Ring users who were billed earlier, it would avoid being particularly unfair to them due to circumstances that are no fault of these customers.

4.3 Council policies and City Priorities

- 4.3.1 There are no specific implications for council policies or city priorities.

4.4 Resources and value for money

- 4.4.1 The projected loss of income will be £90,000 assuming all customers would have paid their bills. This income was budgeted to be received in 2013/14 as it was originally expected to be received before 31st March and so there is no impact on the 2014/15 budget.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 This is a significant operational decision and as such is not open to call in.

4.6 Risk Management

- 4.6.1 There are no significant risks associated with this proposal.

5 Conclusions

- 5.1 In view of the delays in billing for Care Ring for sheltered accommodation tenants and a small number of other Care Ring customers through no fault of theirs the most appropriate approach is not to seek payment for the period 1st January to 30th June 2014 from those customers who have not yet been billed.

6 Recommendations

- 6.1 That payment for Care Ring is not sought for the period 1st January to 30th June 2014 from those customers on annual billing who have not already been billed for this period.

7 Background documents¹

- 7.1 There are no background documents.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.