

**Report of the Director of Adult Social Services**

**Report to Scrutiny Board (Adult Social Services, Public Health, NHS)**

**Date: 24<sup>th</sup> November 2015**

**Subject: Charging for Non-Residential Adult Social Care 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. This review of the charging arrangements for non-residential services is taking place in the context of the financial challenges facing the Council, the growing demand for Adult Social Care services and the lower income from Adult Social Care charges in Leeds compared with other authorities.
2. The proposals currently being consulted on are:
  - Changing the way that we work out how much people are asked to pay towards the services they receive
  - Removing the maximum weekly contribution which currently caps the amount anyone pays for their services at £215 per week
  - Phasing-in the increases for those people who would face the largest increases in their charge
3. The likely impact of the proposals on customers is as follows:
  - 5,200 people (66%) would see no change in their payments
  - 600 people (8%) would pay up to £5 per week extra for their services
  - 400 people (5%) would pay between £5 and £10 per week extra
  - 1200 people (16%) would pay between £10 and £50 per week extra
  - 400 (5%) will pay an extra £50 or more per week for their services.

**Recommendations**

4. Members are asked to consider the main aspects of the Adult Social Care charging consultation currently underway and to provide their comments as part of the consultation process.

## **1 Purpose of this report**

- 1.1 This report outlines the main aspects of the consultation currently underway on charging for non-residential Adult Social Care services and invites members of Scrutiny Board to provide their comments as part of the consultation process.

## **2 Background information**

- 2.1 Reviewing customer fees and charges is an important aspect of the Council's medium term financial planning to help to address the continued reductions in government funding. Although several changes have been made to the Adult Social Care charging policy, the most recent taking effect in January 2014, customers in Leeds continue to pay less than in many authorities.
- 2.2 The demands on social care services continue to increase. This reflects an ageing population with more complex needs, particularly for people with learning disabilities, together with the impact of inflation and the National Living Wage. Within this challenging financial context the Council needs to consider changes to charging to help fund the adult social care services that some of the most vulnerable people in the city rely on.
- 2.3 The Care Act which took effect in April 2015 brought charging for residential and non-residential adult social care services together into one set of charging regulations and guidance. Previously they operated under separate and different government guidance. The Care Act guidance outlines areas of discretion that councils may consider and these are included within this charging review.
- 2.4 The main non-residential adult social care services are home care and supported living, day care and associated transport, telecare services and direct payments. The current charges for services are shown at Appendix 1. There are no plans to increase these charges as part of this charging review. All customers have a financial assessment and the Government's charging regulations ensure that their charges are affordable. People pay whichever is the lower of the charge for their services and the amount the financial assessment shows they can afford. Appendix 2 outlines the financial assessment methodology.

## **3 Main issues**

- 3.1 The proposals for consultation are:
- Changing the way that we work out how much people are asked to pay towards the services they receive
  - Removing the maximum weekly contribution which currently caps the amount anyone pays for their services at £215 per week
  - Phasing-in the increases for those people who would face the largest increases in their charge
- 3.2 The Care Act charging regulations prescribe the treatment of income and allowances within the financial assessment, but give councils discretion to be more generous if they wish. Some of the figures currently used in the financial assessment in Leeds are more generous than those set out in the Care Act regulations so some people are paying less for their services than they could. We

are consulting on adopting the figures set out in the Care Act Regulations. The table in Appendix 3 sets out the five aspects of these proposals.

- 3.3 The current £215 maximum weekly contribution applies to all customers, however high their level of service, income or savings. It is based on 50% of the cost of a typical residential care package for older people. Councils can choose to set a maximum if they wish, but many do not. In recent years the trend has been for councils to raise or remove their maximum weekly charge.
- 3.4 The phasing-in proposals are for a cap of £35 per week on any increase in a person's charge for the first six months, with a further £35 on top of this for a further six months. The full charge would therefore apply a year after implementation for those people whose payment increased by more than £70 per week. This approach is consistent with previous charging reviews.
- 3.5 The likely impact on customers of the proposals being consulted on is as follows:
- 5,200 people (66%) would see no change in their payments
  - 600 people (8%) would pay up to £5 per week extra for their services
  - 400 people (5%) would pay between £5 and £10 per week extra
  - 1200 people (16%) would pay between £10 and £50 per week extra
  - 400 (5%) will pay an extra £50 or more per week for their services.
- 3.6 Following the consultation a report with final recommendations will be submitted to Executive Board. This report is scheduled for early 2016 and any changes will not take effect until April 2016 at the earliest.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 A comprehensive consultation process is taking place from 21st September to 11th December 2015. All customers in receipt of Adult Social Care services have been sent copies of the consultation documents and contact details for any assistance they require. The consultation documents have also been sent to voluntary organisations, health partners, staff and members and consultation events are being held covering these groups. The consultation is available on the Council's Talking Point consultation portal. A service user focus group is engaged in the consultation process, including reviewing the consultation feedback.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 An equality, diversity, cohesion and integration impact assessment will be undertaken involving the service user focus group before Executive Board is asked to decide on any changes to charging.

### **4.3 Council policies and Best Council Plan**

- 4.3.1 This charging review supports the Council values of spending money wisely. Through supporting the financial sustainability of Adult Social Care services it supports making Leeds the best place to grow old.

### **4.4 Resources and value for money**

4.4.1 These proposals would generate estimated net additional income to the Council of £3.8m in a full year. As with previous charging reviews, the additional income arising from the proposals within this review will be reinvested to help protect adult social care services and mitigate future financial pressures within Adult Social Care services.

#### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 None.

#### **4.6 Risk Management**

4.6.1 None

### **5 Conclusions**

5.1 This review of the current charging arrangements is taking place in the context of the financial challenges facing the Council, the growing demand for Adult Social Care services and the lower income from Adult Social Care charges in Leeds compared with other authorities.

### **6 Recommendations**

6.1 Members of Scrutiny Board are asked to consider the main aspects of the Adult Social Care charging consultation currently underway and to provide their comments as part of the consultation process.

### **7 Background documents<sup>1</sup>**

7.1 None.

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<sup>1</sup> 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.

### **Standard Rates for Adult Social Care Services**

These are the amounts that people pay if their financial assessment calculates that they can pay for their service in full.

<b>Type of Service</b>	<b>Charge</b>
Home Care and Supported Living	£13.80 per hour
Housing Support Services	£18.50 per hour
<b>Day Centres</b>	
Older People	£25.40 per day
Physical Disabilities	£44.50 per day
Learning Disabilities	£44.50 per day
<b>Transport</b>	
Transport to services	£5.40 per day
<b>Shared Lives Sitting Services</b>	
Outreach - daytime support	£8.00 per hour
Outreach - waking night-time support	£9.60 per hour
Day Support Service	£8.00 per hour
<b>Mental Health Services</b>	
Day Services - group session	£9.30 a session
Day Services - one-to-one support	£18.50 per hour
<b>Telecare Services</b>	
Telephone monitoring of Telecare pendant alarm	£2.60 per week
Mobile response service for Telecare pendant alarm	£0.50 per week
Telephone monitoring of Telecare pendant alarm with additional Telecare sensors	£3.10 per week
Telephone monitoring of Telecare pendant alarm with additional Telecare sensors and 'GPS' systems	£9.30 per week
Mobile response service for Telecare	£3.10 per week

## **Financial Assessment Methodology**

The financial assessment calculates how much someone can afford to pay towards their services. The way this is done is shown below:

Income:	Earnings ignored Mobility allowances ignored Benefits and pension income included Notional income based on capital included
Less:	Personal allowances (for daily living costs) Housing costs Disability related costs
Equals:	Assessed weekly contribution (the amount the financial assessment shows that they can afford)

If the financial assessment shows that a person can afford to make a contribution they will actually pay the lower of two amounts, either:

- The amount the financial assessment shows that they can afford, or;
- The charge for their services at the standard rates (for people receiving direct payments this would be the amount of the direct payment).

## Consultation Proposals – Changes to the Financial Assessment Methodology

What do we do now?	What are we thinking of doing?
<p><u>Disability Benefits</u></p> <ul style="list-style-type: none"> <li>For people who only have day time care needs who receive the high rate of Disability Living Allowance (care component), Attendance Allowance or Personal Independence Payment (daily living component) of £82.30 per week, only £55.10 of this income is included to work out what someone could afford to pay for their services.</li> </ul>	<p><u>Disability Benefits</u></p> <ul style="list-style-type: none"> <li>For people who only have day time care needs the full amount of Disability Living Allowance, Attendance Allowance or Personal Independence Payment (£82.30 per week) that a customer receives would be included as income in the financial assessment. This means that the assessed weekly contribution would increase by £27.20.</li> </ul>
<p><u>Living Costs</u></p> <ul style="list-style-type: none"> <li>Allowances to cover daily living costs vary depending on the benefits a person gets. For working age customers the allowances in Leeds are higher than those in the Care Act regulations. For most people they are £24.62 higher.</li> </ul>	<p><u>Living Costs</u></p> <ul style="list-style-type: none"> <li>All customers of working age will be given the same allowance for daily living costs using the figures in the Care Act regulations. This means that the assessed weekly contribution would increase by £24.62 for most people.</li> </ul>
<p><u>Children</u></p> <ul style="list-style-type: none"> <li>For those responsible for children no extra allowance for daily living costs is made in working out what someone could afford to pay for their services financial assessment for daily living costs.</li> </ul>	<p><u>Children</u></p> <ul style="list-style-type: none"> <li>An extra allowance for daily living costs of £83.65 per child per week will be given to those responsible for children. This means that the assessed weekly contribution would reduce by £83.65 so most people would no longer have to pay for their services.</li> </ul>
<p><u>Water Costs</u></p> <ul style="list-style-type: none"> <li>An allowance is given for water charges to work out what someone could afford to pay for their services.</li> </ul>	<p><u>Water Costs</u></p> <ul style="list-style-type: none"> <li>No allowance for water charges will be given unless they are especially high because of a person's disability. This means that the assessed weekly contribution would increase by the amount of the water charges.</li> </ul>
<p><u>Housing Costs</u></p> <ul style="list-style-type: none"> <li>An allowance is given for housing costs to work out what someone could afford to pay for their services. These costs are divided between the numbers of adults living in the property.</li> </ul>	<p><u>Housing Costs</u></p> <ul style="list-style-type: none"> <li>An allowance for housing costs is only given for the person legally liable to pay the housing costs. This means for some people the assessed weekly contribution would not change, for some it would go up and for others it would go down.</li> </ul>

