



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

**Report to Executive Board**

**Date: 10<sup>th</sup> February 2016**

**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 checked="" type="checkbox"/> Yes	<input 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**

This report sets out the outcomes from the consultation on the review of charging for non-residential adult social care services and makes recommendations for changes to charging. The main services that this charging review relates to are home care and supported living, day care and associated transport, telecare services and services provided through direct payments.

The demands on social care services continue to increase and it is clear that the Council will face substantial reductions in government funding over the next five years in addition to those incurred over the last five years. Adult Social Care customers in Leeds continue to pay less than in many authorities. Within this challenging financial context the Council needs to consider changes to charging to help fund the adult social care services that people rely on. 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. The Care Act guidance outlines areas of discretion that councils may consider and these are included within this charging review.

The initial proposals that were included in the consultation process 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 proposed increases for those people who would face the largest increases in their charge.

An extensive stakeholder consultation has taken place overseen by a Service Expert Advisory Group. Consultation documents outlining the proposals and seeking feedback on their potential impact were sent to 7,589 customers and 712 were returned. Consultation discussions were held with a range of stakeholder groups. The main concerns raised in the consultation relate to the affordability of the proposals. For some people these affordability concerns led to them expressing the view that they would cancel or reduce their services if the consultation proposals went ahead. There were also concerns about the proposed removal of the maximum weekly charge and the proposals relating to housing costs where Adult Social Care customers live with members of their extended family.

Some changes have been made to the original proposals to take account of the feedback received during the consultation. An alternative proposal on housing costs for those customers living with extended family members is proposed, with a flat-rate allowance in the financial assessment of £18.29 per week. It is now proposed that the maximum weekly charge is increased to £375 per week, rather than being removed. In the light of the concerns expressed in the consultation about affordability, mitigating actions are being put in place to support customers to make their money go further. £100k of the additional income generated from these proposals will be set aside to ensure that this support is available for all customers who need it.

An Equality, Diversity, Cohesion and Integration Impact Assessment has been produced in consultation with the Service Expert Advisory Group. This identified that the people that the proposals will affect will all be older and/or disabled people, but that no other equality characteristics were impacted upon disproportionately. A range of actions are included to mitigate the impact of the proposals recommended.

This review supports the Best City Outcome of people living with dignity and staying independent for as long as possible. It also supports the Best Council Plan value of spending money wisely and the breakthrough project to make Leeds the best place to grow old in. Scrutiny Board (Strategy & Resources) have conducted an inquiry into fees and charges across the Council. This review is consistent with the approach recommended by Scrutiny Board.

The proposals would generate estimated net additional income to the Council of £3.7m in a full year, with a part-year effect in 2016/17 of £1.5m. 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 the service.

## **Recommendations**

Executive Board is recommended to:

- a) Note the outcomes of the consultation and the way in which they have been addressed as set out in sections 4 and 5.
- b) Note the outcomes of the equality impact assessment and the way in which they have been addressed as set out in section 7.2.
- c) Note the proposed increase in charges from April 2016 and future years as set out in section 6.5.
- d) Approve the changes to charges for non-residential services as set out in section 5 to be implemented starting from April 2016.
- e) Approve £100k being set aside from the additional income generated to support those customers who need help with making their money go further.
- f) Note that the Head of Finance (Adult Social Care) will be responsible for implementing these recommendations.

## 1. Purpose of this report

### 1.1. The purpose of this report is to:

- Set out the reasons for this review of charging for non-residential adult social care services.
- Set out the consultation process and the outcomes, including an Equality, Diversity, Cohesion and Integration Impact Assessment.
- Set out the implications for service users and for the Council's income from the proposals.
- Make recommendations for changes to charging for non-residential adult social care services.

## 2. Reasons for the Review and Options Considered

- 2.1. 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. The demands on social care services continue to increase and it is clear that the Council will face substantial reductions in government funding over the next five years in addition to those incurred over the last five years. Within this challenging financial context the Council needs to consider changes to charging to help fund the adult social care services that people rely on.
- 2.2. The Spending Review 2015 included the option for councils with adult social care responsibilities to levy a social care council tax precept of up to 2.0% each year. Whilst this is welcome and will offer some mitigation against the continuing significant cuts to overall council funding from central government grants, the cost pressures in Leeds in 2016/17 from the growing demand for our services, inflation, the impact of changes to employer's national insurance and the introduction of the national living wage are in the region of four times the amount that the precept will raise.
- 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. Based on a comparison with Core Cities using 2013/14 data, Leeds was 6<sup>th</sup> out of 8 for adult social care client contributions per head of population. The proposals in this report would increase client contributions by 15% and make a significant contribution towards closing the gap with other core cities.
- 2.5. Paragraph 8.43 of the Care and Support Statutory Guidance (October 2014) sets out the three areas of discretion the local authority may consider:
- Disregard additional income
  - Maximum charging
  - Charge a percentage of disposable income

At paragraph 8.46 the guidance states that "Local authorities should consult people with care and support needs when deciding how to exercise this discretion. In doing this, local authorities should consider how to protect a person's income. The government considers that it is inconsistent with promoting independent living to assume, without further consideration, that all of a person's income above basic levels of Income Support or the Guarantee Credit element of Pension Credit plus 25% is available to be taken in charges."

- 2.6. With regard to the discretion available to the Council as set out at section 2.5 above, four possibilities have been considered as options in formulating this charging review:
- a) To make no changes to the current charging arrangements
  - b) To ask people to pay less than they can afford towards their services
  - c) To ignore more of people's income than the Government's minimum requirements when we calculate how much people can afford to pay for their services
  - d) To set a limit on the amount anyone is asked to pay towards their services

These are explained in more detail below. The consultation included these four options and the reasons for the proposed changes.

### 2.7. Make no changes

Maintaining the current arrangements is not proposed as the potential additional income raised from the proposals set out below would help to protect adult social care services as Government funding to the Council continues to reduce.

### 2.8. Ask people to pay less than they can afford

In 2013 a charging review considered whether people should continue to pay 10% less than they could afford towards their services. Following a customer consultation Executive Board decided that people will be asked to pay as much as they could afford towards their services. As the Council is facing greater financial constraints than in 2013 no changes to our current arrangements are proposed. This will help to maintain essential adult social care services.

### 2.9. Ignore more of people's income than the minimum set by the Government

The proposals in this charging review include using the Government's figures for the amount of people's income we ignore when we work out how much they can afford to pay for their services. Again, this will help provide funding to sustain vital adult social care services for those people who rely on them.

### 2.10. Set a limit on the amount anyone is asked to pay

This charging review consultation proposed removing the weekly limit of £215 on the amount anyone is asked to pay towards their services to help to protect funding for adult social care services.

- 2.11. Having considered the four options and for the reasons set out above, the consultation proposals covered the areas of discretion set out at 2.9 and 2.10 above.

## **3. Current Charges and Initial Proposals**

- 3.1. This charging review relates to non-residential adult social care services, the main services being home care and supported living, day care and associated transport, telecare services and services provided through direct payments. The current charges are set out at Appendix 1 and Appendix 2 outlines how customer's contributions are calculated.

- 3.2. The initial proposals that were included in the consultation process 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 proposed increases for those people who would face the largest increases in their charge

- 3.3. As outlined above, 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. The table at Appendix 3 explains these proposals in more detail.
- 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. Appendix 4 shows the position for our neighbouring authorities with regard to the consultation proposals compared with the current arrangements in Leeds. It shows that Leeds is out of step with the majority with the maximum weekly charge of £215 per week. Leeds is the only authority of the seven that bases the living costs allowance for working age adults on Employment and Support Allowance, which is a higher level of benefit, rather than on Income Support. Three of the six other authorities have indicated that they are considering taking high rate Attendance Allowance, Disability Living Allowance and Personal Independence Payment into account as Leeds is proposing.

#### **4. Consultation Process and Outcomes**

- 4.1. The consultation process has been overseen by a Service Expert Advisory Group. This group has reviewed the overall consultation approach and the consultation documentation that was sent to customers. It has considered the feedback received through the consultation process and has prepared a report on this. The group has also supported the preparation of the Equality, Diversity, Cohesion and Integration Impact Assessment. Members of the group feel overall that the consultation that has been undertaken on the charging proposals has been wide-ranging, open and transparent, offering stakeholders and customers the opportunity to have their say.
- 4.2. Consultation documents outlining the proposals and seeking feedback on their potential impact were sent to all 7,589 customers currently using financially assessed services with a reply paid envelope for their response. A freephone helpline was set up to assist people and the consultation documents encouraged people to ring if they were concerned or unsure about what the proposals meant for them. The helpline calls were answered by staff who undertake financial assessments and are very experienced in explaining financial matters to customers and reassuring them as appropriate. They were able to talk to people about their individual circumstances and give them a reasonably accurate assessment of how they would be affected by the proposals.
- 4.3. The consultation documents were available on the Council's Talking Point consultation portal for a 12 week period from 21st September 2015. They were also sent to 121 third sector organisations working in the adult social care field, including the Neighbourhood Networks. Many of these organisations have mailing lists that were used to publicise the consultation. Information about the consultation proposals was also provided to staff, members and health partners. All these were offered the opportunity to discuss the consultation proposals in more detail with members of the charging review project team. A total of 23 discussion sessions were held with 16 groups, including Scrutiny Board (Strategy & Resources) and Scrutiny Board (Adult Social Services, Public Health, NHS). The Adult Social Care lead members for each party group were also invited to a cross party members group to discuss the

proposals. The consultation discussions have been particularly helpful as they have enabled the project team to get a better understanding of the reasons for people's concerns about the proposals.

- 4.4. 712 customers and organisations provided feedback form responses, including 19 received through the Talking Point consultation portal. 633 responses indicated that they had been completed by service users or on their behalf, which represents a response rate of 8.3%. Whilst the percentage response rate is quite low, the total number is high enough for the responses to be considered sufficiently representative. The full recording of all consultation responses enabled the project team to identify specific concerns and this was used to shape the amended proposals outlined in section 5 and the further mitigating actions set out in section 6.
- 4.5. A comprehensive report on the consultation process and outcomes is available as a background document to this report. A summary of the main outcomes from the customer and carer feedback forms received are attached at Appendix 5, with a more detailed analysis provided in Appendix 6. The Service Expert Advisory Group has reviewed the outcomes from the consultation process and highlighted aspects that it would like Executive Board to consider. The Service Expert Advisory Group's report is attached at Appendix 7.
- 4.6. The main concerns raised in the consultation relate to the affordability of the proposals. For some people these affordability concerns led to them expressing the view that they would cancel or reduce their services if the consultation proposals went ahead. There were also concerns about the proposed removal of the maximum weekly charge and the proposals relating to housing costs where Adult Social Care customers live with members of their extended family. These general concerns were echoed by the Service Expert Advisory Group.
- 4.7. The headline figures drawn from Appendix 5 are as follows:
  - Across the seven consultation questions between 20% and 47% of respondents (142 to 332 people) identified adverse impacts from the proposals, either affordability concerns, possible ceasing or reducing service or other adverse impacts. The most commonly cited adverse impact relates to affordability.
  - 35% of respondents (252 people) said they had concerns about the affordability of the proposed changes to the financial assessment methodology.
  - 17% of respondents (120 people) were concerned about the affordability of the proposed removal of the maximum weekly charge.
  - 13% of respondents (91 people) expressed concerns about the affordability of the proposals to phase-in any increased charges in stages for those people facing the largest increases.
- 4.8. The Scrutiny Board (Strategy & Resources) final report on their inquiry into fees and charges across the Council included elsewhere on this agenda makes reference to its consideration of the Adult Social Care charging consultation proposals. Whilst the Board did not resolve to make any specific recommendations in this area, it noted the Council's position in this area in comparison to Core Cities (6<sup>th</sup> out of 8 for Adult Social Care income). The report states that "Notwithstanding the current period of consultation taking place on this matter, the Board believes it is important that Executive Board considers either increasing or removing the current cap on the amount anyone pays for their services per week."
- 4.9. The consultation feedback and benchmarking information has been shared with the Service Expert Advisory Group along with a draft alternative proposal relating to

housing costs. Mitigating actions to address the affordability concerns and whether the maximum weekly charge should be increased substantially rather than removed have also been discussed.

## 5. Proposed Responses to the Consultation Outcomes

### 5.1. Summary Proposals

Taking account of the consultation feedback expressing concerns, particularly about affordability, housing costs and the removal of the maximum weekly charge, some changes are proposed to the original consultation proposals. These are summarised in the table below and outlined in the subsequent sections.

Type of Change Proposed	Original Proposal	Revised Proposal
Disability Benefits	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) received will be included as income in the financial assessment.	No change from original proposal
Living Costs	All customers of working age will be given the same allowance for daily living costs using the figures in the Care Act regulations.	No change from original proposal
Children	An extra allowance for daily living costs of £83.65 per child per week will be given to those responsible for children in accordance with the Care Act regulations.	No change from original proposal
Water Costs	No allowance for water charges will be given unless they are especially high because of a person's disability.	No change from original proposal
Housing Costs	An allowance for housing costs is only given for the person legally liable to pay the housing costs.	Flat-rate allowance in the financial assessment of those customers living with extended family members who are responsible for the housing costs set at the minimum Housing Benefit and Council Tax Support non-dependant deduction rate (currently £18.29 per week)
Maximum Weekly Charge	Removal of the maximum weekly charge, currently set at £215 per week.	Raising it to the equivalent of 85% of the cost of a typical older person's residential placement i.e. £375 per week at current prices.
Phasing-In Changes	Cap of £35 per week on any increase in a person's charge for the first 6 months, and a further £35 on top of this for the next 6 months.	No change from original proposal

## 5.2. Housing Costs

In the group discussions as part of the consultation people were concerned that the proposals on housing costs could lead families to decide they can no longer afford to have old or disabled family members living with them, which would be disruptive for them and could significantly increase care costs for the Council. An alternative proposal is to provide a flat-rate allowance in the financial assessment of those customers living with other family members in recognition of the support these families provide and the costs to the public purse that are avoided. It is proposed that this allowance is set at the minimum Housing Benefit and Council Tax Support non-dependant deduction rate, which is currently £18.29 per week and it will apply where the Adult Social Care customer lives with an extended family member who is responsible for the housing costs. This alternative proposal was supported by the Service User Reference Group.

## 5.3. Maximum Weekly Charge

Removing the maximum weekly charge was initially proposed when the care cap was scheduled to be introduced through the Care Act effective from April 2016, but this has now been deferred until April 2020. The proposed cap on people's lifetime care costs with all subsequent costs being met by the Council would have encouraged customers who currently fully fund their own care to seek an Adult Social Care assessment so that their care costs could start to count towards the care cap. This could have significantly increased the number of people whose care costs are subsidised by the Council through the £215 maximum weekly charge, but this financial risk will now not impact until 2020. Whilst retaining a cap gives a subsidy to those with the greatest wealth, the Service Expert Advisory Group would like a cap to be retained to protect those with the highest care needs from being heavily penalised financially. Raising the cap to the equivalent of 85% of the cost of a typical older person's residential placement, currently £375, was preferred by the Service Expert Advisory Group to removing it altogether, although they would have preferred a lower maximum. Prior to the introduction of the care cap currently scheduled for April 2020 the Council may need to reconsider whether the maximum weekly charge should be removed, subject to a customer consultation.

## 5.4. Mitigating Actions

It is clear from the consultation feedback that people are concerned about the affordability of the proposals. Whilst the revised proposals for housing costs and the maximum weekly charge will address these concerns to some degree, a more comprehensive package of support is proposed. This will focus on supporting customers to make the most of their money, for example support to switch to cheaper energy suppliers. This links with the Council's anti-poverty strategy and the Council's Financial Inclusion Team has a range of material available that customers can be signposted to. However, for many of our customers this signposting will not be sufficient and they will need more proactive support. Some of this can be provided by Council staff, but it is proposed that £100k is set aside from the additional income generated through these proposals to ensure that support is available for everyone that needs it. Further work will take place before the increased charges take effect to develop the package of support for customers experiencing financial difficulties. Section 6 below outlines how the proposals will be implemented and how customers will be supported through the changes.



## 5.5. Effective Date for Changes

It is proposed that the changes to the financial assessment methodology take effect in April 2016 for new customers. As the start day for weekly customer billing is Monday the effective date for these changes will be Monday 4<sup>th</sup> April 2016. Existing customers will need to be financially reassessed before any changes can be made and this will be done between March and September 2016, with the changes taking effect on Monday 3<sup>rd</sup> October 2016. The maximum weekly charge increase does not require a financial reassessment and so it is proposed that this takes effect on 4<sup>th</sup> April 2016.

## 5.6. Impact on Customers

The exact impact on customers will not be known until they have all been financially reassessed, but the likely impact based on a sample of customers is as follows:

- 5,240 people (68%) would see no change in their payments
- 564 people (7%) would pay up to £5 per week extra for their services
- 390 people (5%) would pay between £5 and £10 per week extra
- 484 people (6%) would pay between £10 and £30 per week extra
- 644 people (8%) would pay between £30 and £50 per week extra
- 434 (6%) will pay an extra £50 or more per week for their services.

Appendix 8 provides a summary of the impact for people of pensionable age and for working age customers. Appendix 9 shows the impact of the proposals on customers in a range of circumstances.

## **6. Implementation and Further Mitigation of the Impact of the Proposals**

### Explanation of the Changes

- 6.1 All customers will receive a written explanation of the changes to charges and how they will be implemented. This will include information on the outcomes of the consultation and how these have been taken into account in the final proposals. Some customers have relatives or carers that they have asked us to liaise with about their charges and so in these cases we will not write directly to the customer. A freephone helpline will be available for anyone who is concerned, confused or upset about the changes.
- 6.2 This written notification will be followed up with a revised financial assessment, except for those customers only affected by the increase in the maximum weekly charge. This will be done through a visit to the customer's home or other location if preferred and will enable the Assessment Officer to explain the changes. The Assessment Officer can also identify those customers who have concerns about their new charge and ensure that appropriate referrals are made to support these customers to access the financial support being put in place as outlined in section 5.4.
- 6.3 Customers will be reminded that if their financial circumstances change they can ask for a financial reassessment. Service users can ask for their assessed contribution to be reviewed if they do not feel that it properly takes account of their particular circumstances. The first stage of this is for the financial assessment team manager to review the financial assessment, with a second more formal stage if the matter is not resolved. In addition, the Director of Adult Social Services has discretion to waive customer contributions in appropriate individual circumstances.

## Monitoring Implementation

- 6.4 As any changes to service user contributions are implemented Adult Social Care has procedures in place to systematically monitor the use of services and follow-up individual customers to ensure that they are safeguarded. For all customers who cease or reduce their service when the new charging arrangements are introduced a risk assessment will take place. An initial screening will be undertaken by the service provider and if any risks or potential risks to the customer or their carer are identified the case will be referred to care management for a review. Previous changes to financially assessed charges or to the financial assessment methodology have resulted in only a very small number of customers seeking to cease or reduce their service, all of whom have been risk assessed and dealt with appropriately. Although there has been a significant reduction in Telecare pendant alarm (Care Ring) customers since a charge was introduced, this a flat-rate charge not subject to a financial assessment. No-one with eligible needs will have their service ceased or reduced due to an unwillingness to pay any increased charges if this would put them at risk of harm.

## Charges from April 2016

- 6.5 This consultation did not consider the charges for individual services. However, inflationary increases to charges for non-residential services are normally applied from April each year as part of a delegated decision "FN31 Standard Charges, Contributions, Rates and Allowances" taken by the Director of Adult Social Services. A 3% increase in charges for non-residential services from April 2016 will be included in line with the Council's 2016/17 budget proposals. Inflationary increases in future years will take place alongside the ongoing implementation of the proposals set out in this report.

## **7. Corporate Considerations**

### **7.1. Consultation and Engagement**

- 7.1.1 A comprehensive stakeholder consultation and engagement has been undertaken on the initial charging proposals. Section 4 of this report sets out the consultation process and outcomes. Section 5 sets out how the original proposals have been amended in the light of the feedback received and the mitigating actions proposed. Further mitigation of the impact of the final proposals is set out in Section 6.

### **7.2. Equality and Diversity / Cohesion and Integration**

- 7.2.1 The Council has a duty as defined in the Equality Act 2010, the main requirements being that a public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and people who do not share it

- 7.2.2 An Equality, Diversity, Cohesion and Integration Impact Assessment has been produced in consultation with the Service Expert Advisory Group and it is attached at Appendix 10. It considered the impact of the proposals on older and disabled people as a whole and sought to identify whether any other equality characteristics are impacted upon so that appropriate mitigating actions can be considered. The impact assessment identified that the people that the proposals will affect will all be older

and/or disabled people, but that no other equality characteristics were impacted upon disproportionately.

7.2.3 The main actions arising from the Equality, Diversity, Cohesion and Integration Impact Assessment are as follows:

- Revise the original charging proposals relating to housing costs and the maximum weekly charge so that the changes are more affordable.
- Signpost customers to information and advice to help them to make their money go further.
- Develop a range of support for those customers needing more than signposting and advice.

7.2.4 The Equality, Diversity, Cohesion and Integration Impact Assessment also identified the positive impact of the consultation process, providing the opportunity to better understand the potential impact of the proposed changes and identify ways in which these could be mitigated. A further positive impact is the financial assessment process. This seeks to maximise people's income through providing benefits checks as part of the financial assessment process, including completing benefits claims forms on behalf of the customer.

### **7.3 Council policies and the Best Council Plan**

7.3.1 This review supports the Best City Outcome of people living with dignity and staying independent for as long as possible. It also supports the Best Council Plan value of spending money wisely and the breakthrough project to make Leeds the best place to grow old in.

7.3.2 Scrutiny Board (Strategy & Resources) have conducted an inquiry into fees and charges across the Council. The final report on Scrutiny Board is included elsewhere on this agenda for approval. This review of Adult Social Care charging is consistent with the approach recommended by Scrutiny Board.

### **7.4 Resources and value for money**

7.4.1 These proposals would generate estimated net additional income for the Council of £3.7m in a full year. The part-year effect of the additional income in 2016/17 is estimated at £1.5m. The income projections are based on a sample of customers and the exact impact will not be known until all customers have been financially reassessed.

7.4.2 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. £100k of the additional income will be set aside to ensure that support to make their money go further is available for everyone that needs it as set out in section 5.4 above.

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

7.5.1 The proposals in this report are consistent with the Care and Support (Charging and Assessment of Resources) Regulations 2014 and the Care and Support Statutory Guidance (October 2014). The way in which these proposals have been developed and presented are in accordance with the requirements of the Equality Act 2010.

7.5.2 Executive Board is entitled to make the decisions set out in this report in accordance with Part 3 of the Council's Constitution. Legal advice has been sought in the preparation of this report from the Corporate Lawyer (Social Care). This is a key decision and is included in the list of forthcoming key decisions. The decision is subject to call in.

## **7.6 Risk Management**

7.6.1 There is some risk of customers ceasing or reducing their use of services or having financial concerns following the outcome of this charging review. The continued Welfare Reform changes increases this risk. The ways in which these risks will be mitigated and managed are set out in section 5.4 and section 6 of this report.

## **8 Conclusions**

8.1 Some changes have been made to the original proposals to take account of the feedback received during the consultation. An alternative proposal on housing costs for those customers living with extended family members is proposed and rather than removing the maximum weekly charge it is now proposed that it is increased to £375 per week. In the light of the concerns expressed in the consultation about affordability, mitigating actions are being put in place to support customers to make their money go further. £100k of the additional income generated from these proposals will be set aside to ensure that this support is available for all customers who need it.

## **9 Recommendations**

9.1 Executive Board is recommended to:

- a) Note the outcomes of the consultation and the way in which they have been addressed as set out in sections 4 and 5.
- b) Note the outcomes of the equality impact assessment and the way in which they have been addressed as set out in section 7.2.
- c) Note the proposed increase in charges from April 2016 and future years as set out in section 6.5.
- d) Approve the changes to charges for non-residential services as set out in section 5 to be implemented starting from April 2016.
- e) Approve £100k being set aside from the additional income generated to support those customers who need help with making their money go further.
- f) Note that the Head of Finance (Adult Social Care) will be responsible for implementing these recommendations.

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

10.1 Adult Social Care Charging Review for Non-Residential Services 2015 – Report on the Consultation and Engagement (January 2016)

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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

## Current Financial Assessment Methodology

Everyone has a financial assessment to work out how much they can afford to pay towards their services. The way this is worked out is shown below:

Income:	See below for income included and excluded and how capital is taken into account
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)

For example, if someone is shown as being able to afford to pay £40 per week but they only receive two hours of home care each week, they will be asked to pay £27.60 per week (2 x £13.80 per hour).

### Income Included in the Financial Assessment

Income Included	Income Excluded
<ul style="list-style-type: none"> <li>• State Retirement Pension</li> <li>• Occupational Pension</li> <li>• Guarantee Credit (Pension Credit)</li> <li>• Attendance Allowance</li> <li>• Disability Living Allowance Care Component</li> <li>• Personal Independence Payment Daily Living Component</li> <li>• War Disability Pension (first £10 per week disregarded)</li> <li>• War Widows Pension (first £10 per week disregarded)</li> </ul>	<ul style="list-style-type: none"> <li>• Earnings</li> <li>• Working Tax Credit</li> <li>• Savings Credit (Pension Credit)</li> <li>• Disability Living Allowance Mobility Component</li> <li>• Personal Independence Payment Mobility Component</li> <li>• War Widows Supplementary Pension</li> </ul>

### Taking Capital into Account

Capital is taken into account by treating people as having a weekly income on top of other income to represent them utilising their capital to contribute towards their services.

- Any capital below £14,250 is ignored
- The value of a person's home is ignored
- For every £250 of capital between £14,250 and £23,250, £1 per week will be added to a person's income to work out their contribution
- If a person has more than £23,250 in capital they are assessed as being able to pay the standard charge for their care services up to the maximum of £215 per week

Proposed Changes to the Financial Assessment

What do we do now?	What are we proposing?
<p><u>Disability Benefits</u></p> <p>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.</p>	<p><u>Disability Benefits</u></p> <p>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.</p>
<p><u>Living Costs</u></p> <p>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.</p>	<p><u>Living Costs</u></p> <p>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.</p>
<p><u>Children</u></p> <p>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.</p>	<p><u>Children</u></p> <p>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. For most people this would mean that they no longer had to pay for their services</p>
<p><u>Water Costs</u></p> <p>An allowance is given for water charges to work out what someone could afford to pay for their services.</p>	<p><u>Water Costs</u></p> <p>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.</p>
<p><u>Housing Costs</u></p> <p>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.</p>	<p><u>Housing Costs</u></p> <p>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.</p>

Comparison with Neighbouring Authorities – January 2016

	<b>Maximum Weekly Charge</b>	<b>Living costs allowance – working age customers</b>	<b>High Rate Attendance Allowance &amp; Disability Living Allowance taken into account?</b>	<b>Comments</b>
Leeds	£215	Employment and Support Allowance + 25%	No	
Bradford	No maximum	Income Support + 25%	33% of middle rate	Considering the same changes as Leeds for 2016
Calderdale	£380	Income Support + 25%	No	Considering the same changes as Leeds
Kirklees	£465.69	Income Support + 25%	No	
North Yorkshire	No maximum	Income Support + 25%	Yes	
Wakefield	£420	Income Support + 25%	No	Considering the same changes as Leeds for 2016
York	No maximum	Income Support + 25%	No	



Summary of Feedback Form Responses

APPENDIX 5

	Not Affected		Not Sure/No Comment		Affordability Concerns		May Cancel or Reduce Service		Other Adverse Impacts		Other Comments		TOTAL			
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%		
<b>Possible changes to financial assessment methodology</b>																
Q.1.1	How people may be affected		236	33.1%	88	12.4%	252	35.4%	52	7.3%	28	3.9%	56	7.9%	<b>712</b>	<b>100.0%</b>
Q.1.2	How people's use of services may be affected		253	35.5%	74	10.4%	100	14.0%	112	15.7%	64	9.0%	109	15.3%	<b>712</b>	<b>100.0%</b>
<b>Possible removal of the £215 maximum weekly charge</b>																
Q.2.1	How people may be affected		361	50.7%	87	12.2%	120	16.9%	30	4.2%	88	12.4%	26	3.7%	<b>712</b>	<b>100.0%</b>
Q.2.2	How people's use of services may be affected		348	48.9%	81	11.4%	60	8.4%	93	13.1%	50	7.0%	80	11.2%	<b>712</b>	<b>100.0%</b>
<b>Bringing in any changes made in stages</b>																
Q.3.1	How people may be affected		291	40.9%	102	14.3%	91	12.8%	31	4.4%	112	15.7%	85	11.9%	<b>712</b>	<b>100.0%</b>
Q.3.2	How people's use of services may be affected		330	46.3%	103	14.5%	26	3.7%	101	14.2%	83	11.7%	69	9.7%	<b>712</b>	<b>100.0%</b>
Q.5.1	<b>Any other comments</b>		382	53.7%	112	15.7%	51	7.2%	2	0.3%	89	12.5%	76	10.7%	<b>712</b>	<b>100.0%</b>

## Summary of Feedback Form Responses

Possible changes to the way we work out how much to charge people	No.	%
<b>Q.1.1 How people may be affected</b>		
Financial hardship / standard of living affected	166	23.3%
Will not be affected by the changes at present	120	16.9%
Not applicable	116	16.3%
Not sure about impact / need an assessment to understand	67	9.4%
Can't afford /no money left	59	8.3%
Will stop using services / will be isolated	52	7.3%
Will have to pay	32	4.5%
More expenses	27	3.8%
No comment	21	2.9%
Need the service / will pay	16	2.2%
No respite break for carers	14	2.0%
Move to a care home	7	1.0%
Will be affected after assessment	7	1.0%
Service inadequate	3	0.4%
Why change water rates charges	3	0.4%
Lower the charges	1	0.1%
Take account of all income not some	1	0.1%
	<b>712</b>	<b>100.0%</b>

Possible changes to the way we work out how much to charge people	No.	%
<b>Q.1.2 How people's use of services may be affected</b>		
Not applicable	168	23.6%
Reduce services	87	12.2%
Will not be able to afford service/ health affected	86	12.1%
Not affected	84	11.8%
No choice need the service	78	11.0%
Not sure about impact / need an assessment to understand	42	5.9%
No comment	32	4.5%
Cancel the service	25	3.5%
Change nothing / need the care	20	2.8%
Family / carers / health affected / isolated if not able to receive service	16	2.2%
Service I receive will be affected	15	2.1%
Affect standard of living	14	2.0%
Family and carers affected / family and care affected	14	2.0%
Isolated if not able to receive service	10	1.4%
Need value for money	9	1.3%
Health will be affected / health not good	6	0.8%
Moved into care home	3	0.4%
Service I receive not good / may stop	2	0.3%
Do not use services	1	0.1%
	<b>712</b>	<b>100%</b>

Possible removal of the £215 maximum weekly charge	No.	%
<b>Q.2.1 How people may be affected</b>		
Not applicable	215	30.2%
Not affected	146	20.5%
Not affordable / struggle / no money	120	16.9%
No comment	44	6.2%
Not sure about impact / need an assessment to understand	43	6.0%
Not affected now but worried	34	4.8%
Reassuring having a cap	30	4.2%
Stop services / unable to use service	16	2.2%
Health will be affected	16	2.2%
Reduce service	14	2.0%
No choice / have to pay	14	2.0%
Family and carers affected	10	1.4%
Remove cap	5	0.7%
Discriminating against disabled people	4	0.6%
House bound	1	0.1%
	<b>712</b>	<b>100.0%</b>

Possible removal of the £215 maximum weekly charge	No.	%
<b>Q.2.2 How people's use of services may be affected</b>		
Not applicable	265	37.2%
Not affected	83	11.7%
Reduce service	61	8.6%
Not affordable / struggle	55	7.7%
No comment	42	5.9%
Not sure	39	5.5%
Need the service	34	4.8%
Stop service	32	4.5%
People will suffer	30	4.2%
No choice	21	2.9%
Family and carers affected	20	2.8%
Think about alternative solutions	16	2.2%
Hope I can afford service	5	0.7%
Need more services	3	0.4%
Thought already decided	2	0.3%
People should pay if they can afford it	1	0.1%
Quality important not cost	1	0.1%
Use some service	1	0.1%
Change to cheaper provider	1	0.1%
	<b>712</b>	<b>100.0%</b>

Bringing in any changes made in stages	No.	%
<b>Q.3.1 How people may be affected</b>		
Not applicable	209	29.4%
Struggle financially	91	12.8%
Not affected	82	11.5%
Not sure about impact / need an assessment to understand	56	7.9%
No comments	46	6.5%
Will affect everything / affects everyone	34	4.8%
Makes sense to bring in stages	32	4.5%
Stop services / stop service and go into care	31	4.4%
Reduce choice / isolation	31	4.4%
Struggle	22	3.1%
No choice	19	2.7%
Family and carers affected	13	1.8%
Good to phase in	12	1.7%
Not fair	12	1.7%
I have to pay more	9	1.3%
Disabled and elderly need support not pay more	9	1.3%
What happens if not able to pay, will the service be withdrawn	3	0.4%
Phase in time too short	1	0.1%
	<b>712</b>	<b>100.0%</b>

Bringing in any changes made in stages	No.	%
<b>Q.3.2 How people's use of services may be affected</b>		
Not applicable	252	35.4%
Not affected	77	10.8%
No comment	59	8.3%
Stop service / unable to use service	52	7.3%
Reduce service	49	6.9%
Not sure	44	6.2%
Cause stress and will struggle	31	4.4%
Need service	28	3.9%
Not affordable	26	3.7%
Isolated without service	24	3.4%
No choice	22	3.1%
Family and carers affected	14	2.0%
Affordable and value for money	9	1.3%
Have to move into care home	8	1.1%
Easier in stages but with a struggle	6	0.8%
You will still go ahead and make changes	5	0.7%
More money for children and elderly care	2	0.3%
Use private provider	2	0.3%
Don't use services	1	0.1%
Not worth it	1	0.1%
	<b>712</b>	<b>100.0%</b>

	No.	%
<b>Q.5.1 Any other comments</b>		
Not applicable	365	51.3%
No comment	76	10.7%
Family and carers affected / need value for money for cared for person	51	7.2%
Form difficult to understand / not sure about impact	36	5.1%
Health and standard of living will be affected / affect on family and carer	31	4.4%
Struggle financially	28	3.9%
Standard of living will suffer	23	3.2%
Spend more on social care and cancel other areas	18	2.5%
Not affected	17	2.4%
Should not have to pay for being disabled / was not told I had to pay	11	1.5%
A fair assessment	11	1.5%
Worked hard / contributed National Insurance / now have to pay	10	1.4%
Will increase anyway, why ask	7	1.0%
Those who are able to should pay	7	1.0%
Health will be affected	5	0.7%
No problem	4	0.6%
Care reduction struggle	2	0.3%
Taking account of benefits	2	0.3%
Health not good	2	0.3%
Upsetting mentally	2	0.3%
Assessment completed	1	0.1%
Explain form	1	0.1%
Stop spending on migrants	1	0.1%
Will not pay	1	0.1%
	<b>712</b>	<b>100.0%</b>

**Adult Social Care**  
**Charging Review for Non-Residential Services 2015**  
**Consultation and Engagement**  
**Report of the Service Expert Advisory Group**

**1. Introduction**

The Service Expert Advisory Group has seven members and we have worked with officers from Adult Social Care on the Charging Review since July 2015. We continued to meet with officers on a regular basis until the January 2016.

We started by looking at the information leaflet and feedback form to be sent to all customers during the consultation. We then looked at the analysis of the outcomes of the consultation and engagement activity.

This report has been written by the group to provide details of the work that we have done and the influence that we have had on the proposals made by the Council.

**2. Summary messages**

Members of the group feel overall that the consultation that has been undertaken on the charging proposals has been wide-ranging, open and transparent, offering customers and other interested parties a range of opportunities to have their say.

We understand the Council's difficult financial situation and support the need to maintain spending on Adult Social Care services. However, we think that the services that people depend on for their very existence should not be charged for. Most services provided by the Council are to varying degrees optional, but personal care is different and people cannot choose to opt out of having essential personal care needs met.

As a group we think that it is good that people in Leeds currently pay less than in neighbouring authorities for adult social care services. We would encourage it continue to be a compassionate city and exercise its discretion in how it charges for services.

We are pleased that the officers working on this Charging Review have listened to our views and made some changes to the original proposals. We would have liked some bigger changes as explained later in this report, but we understand why the Council needs to raise more money from Adult Social Care charges.

**3. How we arrived at our views and opinions**

The Service Expert Advisory Group was asked to advise on four aspects of the Charging Review:

- i) The accessibility and clarity of the consultation documents and process.
- ii) The accessibility and clarity of the report of the consultation findings
- iii) The impact that the proposals will have on people that would be affected by any changes which would contribute to the Equality, Diversity, Cohesion and Integration Impact Assessment
- iv) The important points that the group would like to draw to the attention of councillors before they decide on any changes to Adult Social Care charging

To assist in this process officers provided members of the group with details of the proposals, information on the potential financial impact on people and benchmarking undertaken with other local authorities.

Throughout the main consultation period, September to December 2015, officers provided members of the group with updates on the feedback from the consultation with service users, carers and other interested parties. This offered the group a number of opportunities to raise issues in relation to the consultation process; discuss the potential impact on people of the proposals and other factors that may need to be considered alongside the proposals; and provide an opinion on how the Council could potentially mitigate against some of the negative impacts on people.

#### **4. The work of the group**

##### **4.1 The accessibility and clarity of the consultation documents**

In July 2015 we met to look at the draft consultation documents. We were concerned about the size of the papers, but we felt that it was more important to give people all the information they needed than to make the documents shorter. The group contributed some important suggestions that improved the clarity of the documents and minimised the anxiety that they would raise with service users. For example, a contents page was introduced to help people to find the information they wanted and the format of the examples was changed to make things much clearer. Many suggestions were also made on points of detail.

Although big efforts were made to make the consultation documents understandable for people, the low response rate and the comments received during the consultation indicate that many people did not understand the proposals and how they might be affected.

##### **4.2 The accessibility and clarity of the consultation process.**

Officers provided the group with details of the engagement strategy for this Charging Review. The views of the group in relation to the process are:

- Consulting with a peer group (the Service Expert Advisory Group) was valuable and it brought together people in different circumstances and with different views
- Within the group there was a good range of representation and it was useful to have members who had been involved in previous reviews.

- Issues were raised at meetings and officers acted on the views of the group during the consultation period.
- The process was transparent and open and fully involved people.
- The benchmarking information was useful to understand the position of Leeds City Council in relation to other neighbouring authorities. We would have liked to see information from a much wider group of other councils but officers explained that this is difficult to get.
- It is important that service users do not worry about charges until they know exactly how they will be affected. It is important that accurate information is made available to people and the Freephone helpline was important in providing this.
- From the consultation feedback it is clear that many people did not understand the proposals and how they might be affected. We are concerned about this, but we think that people generally gave their views on a “worst case” basis and so the feedback was still useful.

#### 4.3 The accessibility and clarity of the report of the consultation findings.

The report prepared by the Council on the outcomes of the consultation process reflects the feedback that has been received from service users, carers and other interested parties, as has been reported to us in the Service Expert Advisory Group.

The Council has been transparent in the reporting of issues arising through the consultation process. We support a summary of the consultation process and outcomes being produced that will be accessible to the people of Leeds.

#### 4.4 The impact that the proposals will have on people that would be affected by any changes.

The purpose of the consultation was to find out how the proposals would impact on services and the people who use them. The outcomes from the consultation can therefore feed directly into the Equality, Diversity, Cohesion and Integration Impact Assessment.

The feedback from the consultation has identified a number ways that the proposals could impact on service users, carers and/or family members, Adult Social Care services and the wider health and wellbeing sector.

The people who are in receipt of Adult Social Care services are older and disabled people and so there appears to be an immediate impact on identified sectors of the population of Leeds. Within these broad categories, we have looked at whether there is a potential impact on people with other protected characteristics, such as age, gender and ethnicity, and the results of this work are reflected in the Equality, Diversity, Cohesion and Integration Impact Assessment.

### **5. The Service Expert Advisory Group’s perspective on the proposals and the consultation outcomes.**

As members of the Service Expert Advisory Group we bring with us our own experience of using services or of caring for people who use services. Some of us represent other



people or through our links in the community we gain some understanding from others on how the proposals may affect people.

This is our opportunity to bring to councillors' attention our views on the proposals and how they may impact on people.

The consultation with service users and other interested parties has highlighted a number of impacts that the proposals may have.

Members of the group have been provided with full details of the analysis of the consultation feedback forms and the key issues from the discussion meetings held during consultation. This has enabled us to decide what the key messages are that they would like to bring to the attention of the Executive Board. Details are provided below.

- i) The responses have shown that the main issue raised by people is that they do not think that they will be able to afford the cost of the proposals. Many people will not really have a choice about whether they will be able to afford the cost of the proposals. They will have to afford them as they need the services. However, meeting the charges could have an impact on other vital activities that maintain them in their own home, for example an opportunity to socialise and be active members of their local communities. This will affect their quality of life and many disabled people already have a reduced quality of life. People have to have their basic needs met in order to remain living at home.
- ii) Some people will cancel services because of the proposed changes and this will have an impact on their health and wellbeing. If people do cancel or reduce services there will be a significant impact on them and on their carers and the Service Expert Advisory Group is concerned about this. We are concerned that the impact on individual lives will go unnoticed in many cases or will not become apparent until it is too late and there is a crisis. If people do cancel services this will incur greater costs in the medium term as people's conditions or impairments get worse through a lack of support and they will need to use more intensive and more expensive services. It is therefore very important that Adult Social Care makes sure that people who cease services are not putting themselves at risk.
- iii) People are being affected by a number of changes that are making their financial situation worse. There are rising costs, for example essential utilities like water, power and food together with falling levels of benefits and lower wages. We know that there are more welfare benefit changes to come and these will make things worse for people. Eligibility for disability benefits is being tightened so new claimants will receive less than existing claimants and over time the amounts paid to existing claimants is likely to reduce.
- iv) We do not support the high rates of disability benefits being taken into account in the financial assessment and we are concerned about the affordability for customers of the proposed changes to the living costs allowance for working age adults. Because of the difficult financial position we acknowledge the reasons for the Council making these proposals.

- v) We are very concerned about the impact of housing costs consultation proposal where Adult Social Care customers live with other family members who are legally responsible for housing costs. We are worried that service users will no longer be able to make a financial contribution towards housing costs so their families may decide not to have them living there any longer. We are pleased that officers are recommending a change to the original proposals.
- vi) We think it is very important that the maximum weekly charge is not removed as it gives disabled people reassurance that if their care needs increase their charges can only go up so far. It limits the extent to which disabled people are financially penalised for having high care needs. We are pleased that officers are now recommending that a maximum weekly charge is retained, but we would have preferred the maximum to be lower than the £375 per week that is being proposed.
- vii) It is important that increased charges are spread out rather than happening all at once to give people a chance to adjust their budgets. It is important that there is a long lead in time between people being notified of the changes and the changes being implemented.
- viii) There is less incentive for individuals to save as this will result in people having to either contribute or to contribute more towards the cost of their care, whilst people who have not saved often make no financial contribution at all.
- ix) We are concerned about the fees paid for personal assistants and the variability of the rates. We would like the Council to use some of the money raised from this charging review to address these concerns.
- x) We are concerned that people who fund their own care without any Adult Social Care involvement do not benefit from the Council's support. As a result they may pay more for their care than is necessary and the service quality is not monitored on their behalf. We would like the Adult Social Care to take steps to encourage self-funders to approach the Council for support.

## IMPLICATIONS OF PROPOSALS ON CUSTOMERS

	Number of Service Users Paying Increased Charges								Total Paying Increased Charge
	No Change	Less Than £5	£5 to £9.99	£10 to £19.99	£20 to £29.99	£30 to £49.99	£50 to £99.99	Over £100	
People of pensionable age	3,357	396	323	90	182	345	193	124	1,653
Working age adults	1,883	168	67	117	95	299	112	5	863
	5,240	564	390	207	277	644	305	129	2,516
	67.6%	7.3%	5.0%	2.7%	3.6%	8.3%	3.9%	1.7%	32.4%

**Impact of the Proposals on Customers****Example 1- Disability Benefits**

Mr A is 35 years old and lives alone. He receives 3 hours of home care each week. He has £5,800 in savings that are ignored in the financial assessment. Mr A's weekly income is £322.70 per week, including £82.30 Disability Living Allowance (high rate care component).

Mr A currently pays £24.82 per week towards his home care service and with the proposed changes this would increase by £16.58 to £41.40 per week.

As Mr A's increase is less than £35 per week he would pay the extra £16.58 in full from 1<sup>st</sup> October 2016.

**Example 2 – Living Costs**

Miss B is 25 years old and lives alone. She attends a day service for people with learning disabilities 5 days per week with transport there and back. Miss B has £3,000 in savings that are ignored in the financial assessment. Her weekly income is £263.80, including £186.90 Employment and Support Allowance.

Miss B currently pays £85.69 per week towards her day service and with the proposed changes this would increase by £24.62 to £110.31 per week.

As Miss B's increase is less than £35 per week she would pay the extra £24.62 in full from 1<sup>st</sup> October 2016.

**Example 3 - Housing costs**

Mr C is 69 years old and lives with his son and daughter-in-law in the home that they own. His son pays a mortgage of £120.96 per week. Mr C attends a day service for older people twice a week with transport there and back. His weekly income is £261.40 per week.

Mr C currently pays £32.08 per week towards his home care service and with the proposed changes this would increase by £22.03 to £54.11 per week.

As Mr C's increase is less than £35 per week he would pay the extra £22.03 in full from 1<sup>st</sup> October 2016.

#### Example 4 – Maximum weekly contribution

Mrs D is 78 years old and lives alone. She qualifies for a direct payment of £240 per week for someone to provide care for her at home. Mrs D has savings of £49,000. As her savings are more than £23,250 she pays for her service in full.

Mrs D currently pays £215 per week towards her care package and with the proposed changes this would increase by £25.00 to £240.00 per week.

As Mrs D's increase is less than £35 per week she would pay the extra £25.00 in full from 1<sup>st</sup> October 2016.

#### Example 5 – Bringing in any changes in stages

Mr E is 78 years old and lives alone. He qualifies for a direct payment of £295 per week for someone to provide care for him at home. Mr G has savings of £25,000. As his savings are more than £23,250 he pays for his service in full.

Mr E currently pays £215 per week towards his care package and with the proposed changes this would increase by £80.00 to £295.00 per week.

As Mr E's payment would go up by more than £35 per week it would be brought in in stages as shown below.

	Weekly Payment	Increased Amount
First 6 months	£250	£35.00
Next 6 months (£35 + £35)	£285	£70.00
After 12 months (£35 + £35 + £10)	£295	£80.00

## Equality, Diversity, Cohesion and Integration Impact Assessment

As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration. In all appropriate instances we will need to carry out an equality, diversity, cohesion and integration impact assessment.

This form:

- can be used to prompt discussion when carrying out your impact assessment
- should be completed either during the assessment process or following completion of the assessment
- should include a brief explanation where a section is not applicable

<b>Directorate:</b>	<b>Service area:</b>
<b>Lead person: Ann Hill</b>	<b>Contact number: 0113 2478555</b>
<b>Date of the equality, diversity, cohesion and integration impact assessment:</b> November – December 2015	

<b>1. Title: Review of process for the assessment of charges for non-residential services.</b>
Is this a:
<input type="checkbox"/> <b>Strategy /Policy</b> <input type="checkbox"/> <b>Service / Function</b> <input checked="" type="checkbox"/> <b>Other</b>
<b>If other, please specify:</b> Changes to the calculation of charges for financially assessed non-residential Adult Social Care services and the maximum weekly charge that can be levied.

## 2. Members of the assessment team:

Name	Organisation	Role on assessment team e.g. service user, manager of service, specialist
Kuldeep Bajwa.		Specialist
Howard Beck.		Specialist
Richard Graham.		Specialist
Ann Hill.		Specialist
Mariam Akullo		Service User/Carer representative
Amtul Cheema		Service User/Carer representative
Lily Cheng		Service User/Carer representative
Joy Fisher		Service User/Carer representative
Philip Gleeson		Service User/Carer representative
Adora Maynard		Service User/Carer representative
Shirley Parker		Service User/Carer representative
Nigel Rushton-Booth		Service User/Carer representative
Emma Stewart		Service User/Carer representative
Irene Wyatt		Service User/Carer representative

## 3. Summary of strategy, policy, service or function that was assessed:

The services referred to in this assessment are home care or supported living services, day care and transport to day care, tele care services and services delivered through direct payments. Note: Reablement services are free of charge and not affected .

As a result of funding reductions from Central Government along with a growing demand for services a number of changes to charging for non-residential adult social care services were proposed:

- 1) Changing how the contribution is calculated by changing benefits and costs that can be taken into account when calculating the appropriate affordable charges for services
- 2) Removing the maximum weekly contribution cap presently £215 per week
- 3) Mitigating the impact by phasing in the increase for pre-existing customers

The details of the changes are detailed in the Information Leaflet developed to support the consultation.

**4. Scope of the equality, diversity, cohesion and integration impact assessment**

(complete - 4a. if you are assessing a strategy, policy or plan and 4b. if you are assessing a service, function or event)

**4a. Strategy, policy or plan**

(please tick the appropriate box below)

The vision and themes, objectives or outcomes

The vision and themes, objectives or outcomes and the supporting guidance

A specific section within the strategy, policy or plan

**Please provide detail:**

**4b. Service, function, event**

please tick the appropriate box below

The whole service  
(including service provision and employment)

A specific part of the service  
(including service provision or employment or a specific section of the service)

Procuring of a service  
(by contract or grant)

**Please provide detail:**

**5. Fact finding – what do we already know**

Make a note here of all information you will be using to carry out this assessment. This could include: previous consultation, involvement, research, results from perception surveys, equality monitoring and customer/ staff feedback.

(priority should be given to equality, diversity, cohesion and integration related information)

Consultation has indicated that there is considerable concern regarding the proposed changes relating to housing costs, the removal of the separate allowance for water charges and the removal of the maximum weekly charge. Though those on housing benefit should



be protected, a number of groups may suffer a disproportionate impact. One example is younger individuals living with their parents in owner occupier properties dependent upon who is legally responsible for the house costs i.e. whose name is the house in and what benefits do they receive and what if any tenancy agreement exists for example in shared or supported accommodation.

Conversely older people living with a son or daughter who are owner occupiers may as a group be disadvantaged.

However, should the individual be legally responsible for the cost of the house i.e. hold the mortgage etc. they will get the full amount allowed as opposed only to a part hence in that case they will be better off.

The Service User Reference Group also felt that self-funders could also be disadvantaged by the removal of the maximum weekly charge when they have eligible needs. An individual who self-funds a service and is then assessed as being eligible would only pay up to the maximum weekly charge whereas under the proposal they could pay the full amount.

Additionally it has been identified by the IFS (Institute for Fiscal Studies) in its 2015 annual poverty and inequality report that some social groups – including disabled people, lone parents and social housing renters – appeared to be disproportionately affected by rising material deprivation, meaning that they were more likely than others to struggle with the cost of basic goods and services. This indicates that this may be a group who may be disproportionately represented in Adult Social Care service user group and hence be impacted upon.

As to the range of the increase and the numbers affected, the figures in the following table have been estimated by the finance team based on a sample of 1,581 financial assessments (25% of the caseload) using the changes proposed in the consultation.

Customer Numbers	Pension	Working	TOTAL
	Age	Age	
Increase under £5 per week	396	168	564
£5 to £10	351	74	425
£10 to £20	142	130	272
£20 to £30	182	95	277
£30 to £50	345	299	644
£50 to £100	193	112	305
Over £100	124	5	129
<b>Total Affected by Increased Charges</b>	<b>1,733</b>	<b>883</b>	<b>2,616</b>
Customers not Affected	3,357	1,883	5,240
<b>Total Customers</b>	<b>5,090</b>	<b>2,766</b>	<b>7,856</b>

Another area of concern expressed in the consultation indicated that those individuals who will face the largest increases are older people with savings who will be impacted by removal of the maximum weekly charge who perceive that they are being penalised for being prudent financially during their working lives. A number of respondents have commented on the fact that they have saved for old age and paid national insurance etc. and now feel they are being penalised for this by having to pay more for care services than from someone who did not.

Outcomes of the monitoring on the implementation of the 2011 changes to the charging policy for non-residential care services have been considered in this assessment and copies of this information can be obtained from Ann Hill. Close monitoring took place to identify any customers who have ceased or reduced their service following the increase in charges. 89 (8%) of customers affected by the increases said that they wanted to cancel or reduce their services due to the charging increase. Subsequently 22 people decided to retain their service and the final cancellation percentage was 6%, almost all users of day care services. Those service users who actually cancelled their service were all followed up to ensure that they or their carer were not at risk. Many found alternative services.

The same approach was adopted in 2013, again the information can be obtained from Ann Hill, when new charges were introduced for mental health day services, Shared Lives and Telecare services. The only significant reduction in service use was for the Telecare pendant alarm. This particularly affected people living in sheltered accommodation and many of those cancelling the service were couples who could help each other in the event of an emergency.

**Are there any gaps in equality and diversity information**

**Please provide detail:**

The service user reference group pointed out that no one knows how the benefits system will look in the future, and what the impact of this in tandem with the changes considered here will be.

**Action required:**

To keep the charging policy and framework under review with the Service User Reference Group so that any issues that are identified due to changes in the benefit system have a path through which their impact can be considered.

**6. Wider involvement – have you involved groups of people who are most likely to be affected or interested**

Yes

No

**Please provide detail:**

The Service User Reference Group has provided input into the completion of this Equality Impact Assessment and has overseen all aspects of the consultation process.

We have sent out 7,589 questionnaires to our service users and in addition we have linked to 121 groups who have also sent out questionnaires or provided comment. In addition a range of groups have been involved in face to face consultations.

All consultation responses received have been recorded in full and all returned questionnaires have been retained, by the Leeds City Council Adult Social Care Consultation and Engagement team. A comprehensive report has been produced on the consultation process and outcomes. The Service User Reference Group has also prepared a report, highlighting those aspects that it would like Executive Board to consider when decisions are made on any changes to Adult Social Care charging.

**Action required:**

Involvement of the service reference group in development of mitigating actions.

**7. Who may be affected by this activity?**

please tick all relevant and significant equality characteristics, stakeholders and barriers that apply to your strategy, policy, service or function

**Equality characteristics**

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> Age       | <input checked="" type="checkbox"/> Carers  | <input type="checkbox"/> Disability         |
| <input type="checkbox"/> Gender reassignment  | <input type="checkbox"/> Race               | <input type="checkbox"/> Religion or Belief |
| <input type="checkbox"/> Sex (male or female) | <input type="checkbox"/> Sexual orientation |   |
| <input type="checkbox"/> Other                |   |   |

(Other can include – marriage and civil partnership, pregnancy and maternity, and those areas that impact on or relate to equality: tackling poverty and improving health and well-being)

**Please specify:**

Adult Social Care provides services to older and disabled people and so we know that these groups will be affected by the proposals. The proposals may also have an impact on Carers, both as people who may use services and as people who provide unpaid care and support to service users. The provision of any service is related purely to identified or assessed need and as such, religion, sexuality, culture, ethnicity should not impact upon the provision of services however it may impact upon how and where those services are provided.

**Stakeholders**

- |  |                                    |   |
|--|------------------------------------|---|
| <input checked="" type="checkbox"/> Services users       | <input type="checkbox"/> Employees | <input type="checkbox"/> Trade Unions         |
| <input checked="" type="checkbox"/> Partners             | <input type="checkbox"/> Members   | <input checked="" type="checkbox"/> Suppliers |
| <input checked="" type="checkbox"/> Other please specify |                                    |   |

**Potential barriers.**

**Built environment**

**Location of premises and services**

**Information and communication**

**Customer care**

**Timing**

**Stereotypes and assumptions**

**Cost**

**Consultation and involvement**

**Financial exclusion**

**Employment and training**

**specific barriers to the strategy, policy, services or function**

**Please specify**

Carers looking after individuals receiving services, personal assistants, and service suppliers e.g. home care providers. Actual or perceived cost of services could act as a barrier to individuals accessing service which would improve their quality of life and promote independence and choice in how they receive care services.

**8. Positive and negative impact**

Think about what you are assessing (scope), the fact finding information, the potential positive and negative impact on equality characteristics, stakeholders and the effect of the barriers

**8a. Positive impact:**

The consultation has provided an opportunity to understand clearly the potential impact of this review and to identify potential mitigating actions and clearly understand the fears of those potentially affected allowing us to develop measures to address and to reassure those people.

The financial assessment process has positive benefits for customers as they include a benefits check and the completion of any relevant claim forms.

As Government funding for the Council continues to reduce the additional income will help to protect the Adult Social Care services that people rely on.

**Action required:**

Utilise the information gathered to develop a package of support to mitigate the identified impact of any increases charges and help people to make their money go further.

**8b. Negative impact:**

Financial hardship due to increased care costs, decreased quality of life and impact on wellbeing due to financial hardship.

Individuals refusing services all together or opting for a lower level of service due to cost increases this could lead to an increase in requirements for higher cost services, individuals falling, as well as an overall reduction in wellbeing etc.

Fear of approaching Adult Social Care early due to a perceived inability to be able to afford services until a crisis has been reached resulting in either admission to hospital or higher cost services.

Individuals not approaching Adult Social Care as they are unaware of the services and support that can be offered until a crisis develops and high cost services are required.

**Action required:**

1) Leeds Adult Social Care have a legal responsibility to meet identified need under the Care Act and will continue to meet this duty by ensuring no one is asked to pay what they cannot reasonably afford. This will be done through the application of the financial assessment and through looking at individual circumstances where customers are facing difficulties.

2) Signposting and support to access financial advice and advocacy in its broadest sense is one of the key mitigating factors we have identified to the issues raised in the consultation. Leeds has been addressing poverty and deprivation as key issues for some time and is particularly well placed to provide support advice and guidance to those in, or those likely to face, financial difficulty.

Such signposting and support is key and hence we need to ensure information about ways of addressing financial deprivation is easily available is kept up to date and distributed as widely as possible for example to neighbourhood networks. We will ensure service users experiencing difficulties are able to access the help that they require. This information to be distributed through one stop shops and any other front facing service, including to social workers, financial assessment teams, advocacy etc. Work with appropriate commissioned services and third sector organisations to promote further exposure of the support services. Citizens and communities lead on financial inclusion work and information on the support available to people about managing their money/finances is available on the Leeds Money Information Service <http://www.leeds.gov.uk/c/Pages/leedsmic/default.aspx>.

There are also links to this site on the Leeds Directory which include much of the same information as well as care and support providers that can assist people to manage their money/get information on benefits etc. (including a number of the neighbourhood networks).

It is also important that there is a pro-active service to provide practical advice and support to individuals to ensure that they are able to maximise their income and

minimise their outgoings. Financial Assessment staff will provide signposting information and help to identify those customers needing additional support.

3) To consider how all communication, web, written and spoken is presented in a simple easily understood way and it is carried out in a manner, at a pace and where necessary with appropriate support that allows service users to understand and question the information they are being given, seek clarity and decide how to proceed.

4) There is a continuing programme looking to develop new and innovative ways of providing services through mobilising community resources such as, local luncheon or coffee clubs or grouping service users together to provide more bespoke services to address social isolation.

5) Analysis of the profile of available service across Leeds to identify which areas have high levels of support and which do not, for example areas covered by neighbourhood networks, credit unions, advice and advocacy networks. This is to be considered as part of the commissioning process for new services to ensure equity of access to such services across Leeds.

6) Look at the possibility of identifying funding to either commission new or extend existing services to address any access equity issues by providing city wide proactive advocacy/support services for individual's facing financial difficulty or material deprivation.

7) Consider with members and senior officers the level and degree of the changes we are proposing in light of the concerns raised and look to identify any potential changes to the proposal that could reduce anxiety or actual financial hardships.

**9. Will this activity promote strong and positive relationships between the groups/communities identified?**

Yes

No

**Please provide detail:**

Conversely individual perception of others getting services free that they have to pay for may cause a decrease in social cohesion.

**Action required:**

Dissemination of clear unambiguous information regarding who receives social care and how what they are asked to contribute is calculated.

**10. Does this activity bring groups/communities into increased contact with each other?** (e.g. in schools, neighbourhood, workplace)

Yes

No

**Please provide detail:**

Some of the services included in the review are designed to reduce social isolation and thus reduction in uptake for these services could impact upon the social inclusion of individuals

**Action required:**

Closely monitor people's use of services following the implementation of any changes to charging to ensure that customers do not become socially isolated.

Carry out work to identify the impact on the use of high cost services, any changes in demand curves etc.

**11. Could this activity be perceived as benefiting one group at the expense of another?** (e.g. where your activity/decision is aimed at adults could it have an impact on children and young people)

Yes

No

**Please provide detail:**

Some of the questionnaires and consultation discussions indicated a perception that new migrants and new migrant communities are "taking resources" without paying into the system.

**Action required:**

Explain the Council's legal duties to provide care and support for people from all communities.

Ensure that we share clear and transparent information about the entitlement to services with all communities' in particular new migrants. In addition provide open and transparent information on how such entitlements are calculated that challenge inaccurate perceptions and prejudices with one aim of dispelling some of the present myths around what migrants are entitled too and replace those myths with clear and accurate understanding.

This could be achieved by providing staff with training and support so staff can confidently and clearly respond to queries and comments and challenge where applicable.

**12. Equality, diversity, cohesion and integration action plan**

(insert all your actions from your assessment here, set timescales, measures and identify a lead person for each action)

<b>Action</b>	<b>Timescale</b>	<b>Measure</b>	<b>Lead person</b>
Dissemination of continuously updated information regarding support for those experiencing financial difficulties outlining options and sources of support, including use of the Leeds Directory	Starting with the notification of the decisions arising from this review and ongoing	Comprehensive strategy developed for disseminating information about the support available	Head of Finance (Adult Social Care) and Chief Officer (Commissioning)
Ensure that services are available to support people facing potential financial difficulties, including developing or commissioning services if required	Recommendation to be made to Executive Board in February 2016 for some of the additional income generated by the charging review to be set aside for use as required	Included in the report and approved by Executive Board	Head of Finance (Adult Social Care) and Chief Officer (Commissioning)
Proposal to increase rather than remove the maximum weekly charge	Recommendation to be made to Executive Board in February 2016	Included in the report and approved by Executive Board	Head of Finance (Adult Social Care)
Amend the proposal relating to housing costs.	Recommendation to be made to Executive Board in February 2016	Included in the report and approved by Executive Board	Head of Finance (Adult Social Care)



<b>Action</b>	<b>Timescale</b>	<b>Measure</b>	<b>Lead person</b>
Use simple easily understood language to communicate with people, allowing individual's time and space to absorb and process information and ask questions.	Starting with the notification of the decisions arising from this review and ongoing	Number of enquiries from customers and carers who do not understand the information they have been provided with	Head of Finance (Adult Social Care)
Develop new and innovative ways of providing services through mobilising community resources such as, local luncheon or coffee clubs or grouping service users together to provide more bespoke services to address social Isolation.	Ongoing	Reduced need for Adult Social Care packages required for social isolation	Chief Officer (Commissioning)
Analysis of the profile of available service across Leeds to identify which areas have high levels of support and which do not, for example areas coverage by neighbourhood networks, credit unions, advice and advocacy networks. This is to be considered as part of the commissioning process for new services.	Ongoing	Support available across all areas of Leeds	Chief Officer (Commissioning)

<b>Action</b>	<b>Timescale</b>	<b>Measure</b>	<b>Lead person</b>
<p>Provide clear information regarding who receives what social care services and how what they are asked to contribute is calculated. Explain the Council's legal duties to provide care and support for people from all communities.</p>	<p>Starting with the notification of the decisions arising from this review and ongoing</p>	<p>Reduced number of comments from customers about perceived unfairness</p>	<p>Head of Finance (Adult Social Care)</p>
<p>Closely monitor people's use of services following the implementation of any changes to charging</p>	<p>From the notification of the decisions arising from this review and ongoing</p>	<p>The number of customers who have ceased or reduced their service The number of new customers who decline a service.</p>	<p>Head of Finance (Adult Social Care)</p>

**13. Governance, ownership and approval**

State here who has approved the actions and outcomes from the equality, diversity, cohesion and integration impact assessment

Name	Job Title	Date
Steve Hume	Chief Officer Strategy & Resources	20 <sup>th</sup> January 2016
<b>Date impact assessment completed</b>		18 <sup>th</sup> January 2016

**14. Monitoring progress for equality, diversity, cohesion and integration actions** (please tick)

- As part of Service Planning performance monitoring
- As part of Project monitoring
- Update report will be agreed and provided to the appropriate board  
Please specify which board
- Other (please specify)

**15. Publishing**

Though **all** key decisions are required to give due regard to equality the council **only** publishes those related to **Executive Board, Full Council, Key Delegated Decisions** or a **Significant Operational Decision**.

A copy of this equality impact assessment should be attached as an appendix to the decision making report:

- Governance Services will publish those relating to Executive Board and Full Council.
- The appropriate directorate will publish those relating to Delegated Decisions and Significant Operational Decisions.
- A copy of all other equality impact assessments that are not to be published should be sent to [equalityteam@leeds.gov.uk](mailto:equalityteam@leeds.gov.uk) for record.

Complete the appropriate section below with the date the report and attached assessment was sent:

For Executive Board or Full Council – sent to <b>Governance Services</b>	Date sent: 21 <sup>st</sup> January 2016
For Delegated Decisions or Significant Operational Decisions – sent to appropriate <b>Directorate</b>	Date sent:
All other decisions – sent to <a href="mailto:equalityteam@leeds.gov.uk">equalityteam@leeds.gov.uk</a>	Date sent:

