



Northumberland

County Council

HEALTH AND WELLBEING OVERVIEW AND SCRUTINY COMMITTEE

Date: 6 November 2018

Charges for care and support services – consultation

Report of the Executive Director of Adult Care

Cabinet Member: Councillor Veronica Jones, Adult Wellbeing and Public Health

Purpose of report

To seek the views of the Committee on proposed changes to the Council's charging policy for non-residential adult social care services, which are currently being consulted on with service users.

Recommendations

The Committee is asked

- 1. to consider whether there are comments which it would wish to make at this stage on the proposals which are currently being consulted on;**
- 2. to note that the final decision about any changes to the charging policy will be taken by the full Council as part of its budget setting meeting in February 2019.**

Link to Corporate Plan

This report is relevant to the "Living" priority in the Corporate Plan.

Key issues

1. The consultation began in the week of 22 October, and will continue until 21 December.
2. The consultation documents propose changes to the financial assessment, which would reduce the automatic allowance made for disability-related expenditure by service users who receive the highest rates of non-means-tested disability benefits, while retaining the right for users to have a full assessment of this expenditure if they wish. The proposals would also remove an anomaly which means that couples are treated more favourably in the financial assessment than single people, in comparison with the assumptions made by the benefits system.
3. The consultation documents also propose moving further towards reflecting the full costs of all services in the charges made for them (subject to the separate assessment of what each service user can afford to pay).
4. Finally it is proposed to remove a current discount for payment by Direct Debit, and to introduce an administrative charge for people who choose to ask the Council to arrange their services when they are able and can afford to do so privately.

Charges for care and support services – consultation

BACKGROUND

1. Introduction

- 1.1 The budget proposals adopted by the Council in February 2018 included in the list of savings for year two (2019/20) changes to the charging policy for non-residential adult social care services to increase income by £450K.
- 1.2 Statutory guidance issued under the Care Act requires local authorities to consult before making changes in their charging policy. A consultation was launched in the week of 22 October, with a deadline for responses of 21 December to allow sufficient time to analyse responses and to prepare IT systems for any changes which the Council decides to implement from April 2019.
- 1.3 Appended to this report are the consultation materials which are being used:
 - a) a letter which has been sent to all current users of non-residential services, other than those who would certainly not be affected by the proposals, for instance because they are receiving after-care under the Mental Health Act which is exempt from charging
 - b) a summary sheet setting out as simply as possible the main proposed changes
 - c) a detailed consultation document explaining the reasoning behind these changes, and in some cases describing alternatives
 - d) a questions and answers document
 - e) a form for consultation responses – which we have also made available online, at www.northumberland.gov.uk/carechargesconsultation.
- 1.4 Healthwatch Northumberland have also been invited to assist with the consultation, to ensure that a wide range of views are received.

2. The proposals

- 2.1 The proposed changes to the charging policy are described in detail in the consultation documents appended to this report.
- 2.2 As the consultation document explains, experience suggests that increases in charges have two effects: as well as increasing income, they lead some people to choose to make private arrangements rather than asking the Council to organise their support. We would expect that a relatively small number of people currently receiving services arranged by the Council would decide to stop those, but that over time there might be a larger number of people who decide to make private arrangements from the point when they first need care and support. There is also some inevitable risk that there will be people who decide to do without support which they need, or to place greater burdens on family members who may find it difficult to cope. Care managers will be asked to remain in contact with anyone who they believe may be making an unwise decision not to use paid-for services, and to ensure that they are encouraged to reconsider if they are struggling.
- 2.3 The detailed consultation proposals have been reviewed in the context of the larger savings from adult social care set out in the budget proposals reported to the Cabinet on 11 September. Because of the scale of the savings expected to be required from adult social care, the consultation proposals have been based on

maximising the level of charges in most areas of significant discretion, so as to assist in achieving the overall level of saving required, either by bringing in extra income above the £450K in the budget, or by increasing the number of people who make private care arrangements rather than asking the Council to make the arrangements. It is not possible to predict reliably what the balance will be between these two effects of increased charges, but the overall financial effect will be similar whatever the balance turns out to be.

- 2.4 As referred to in the Questions and Answers document, the Government is proposing to publish a Green Paper about adult social care later this year. It is likely that the Green Paper will float proposals for capping in some way the level of care costs which people are required to pay. These proposals are expected to be available before final decisions are made about the 2019/20 budget, so the Council is likely to be able to take them into account if it judges that they are relevant. However no new legislation is expected to be in place before next financial year.

IMPLICATIONS ARISING OUT OF THE REPORT

Policy	The proposals would move the Council's charging policy closer to the minimum requirements set out in regulations under the Care Act.
Finance and value for money	The proposals are projected to save £1.1m.
Legal	As explained in the questions and answers document, the Government's advice before the implementation of the Care Act was that taking account of the highest rates of non-means tested disability benefits in the way proposed was unlawful. The advice of the Council's legal services department is that this approach does now appear to be both lawful and reasonable, although it is understood that the current position has not been tested in a judicial setting.
Procurement	There are no direct implications for procurement.
Human Resources	No direct HR implications have been identified.
Property	There are no direct property implications.
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	An equality impact assessment will be carried out before a final decision is taken. The consultation document invites comments on the potential impact of the proposals on different groups.
Risk Assessment	No risk assessment is required.
Crime & Disorder	There are no direct implications for crime and disorder.

Customer Considerations	It is unlikely that proposals to increase charges will be welcomed by most service users; the justification for the proposals is the requirement for the Council to find substantial savings in its budget.
Carbon reduction	No implications for carbon reduction have been identified.
Wards	All

BACKGROUND PAPERS

There are no background documents for this report within the meaning of the Local Government (Access to Information) Act 1985.

Report sign off.

Authors must ensure that officers and members have agreed the content of the report.

	Initials
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