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By: Graham Gibbens, Cabinet Member, Adult Social Care & Public Health  
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To: Social Care & Public Health Policy Cabinet Committee – 10 May 2012

Subject: **AMENDMENTS TO THE CHARGING POLICY FOR HOME CARE AND OTHER NON-RESIDENTIAL SERVICES**

Classification: Unrestricted

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**Summary:** This report notes that it is intended to make amendments to the Charging Policy for home care and other non-residential services. This is because it has proved impractical to invoke the charge as set out in the original decision.

The report also informs Members that the implementation of the other elements of Phase 2 has been re-scheduled to come into effect from Monday 23 July 2012.

**For decision:** The Cabinet Committee is asked to consider and either endorse or make recommendations on the Cabinet Member decision to amend the Charging Policy for home care and other non-residential services to exclude service users and services for people attending grant funded organisations and transport from the Charging Policy for home care and other non-residential services as approved under decision 11/01645.

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## Introduction

1. (1) The purpose of this report is to inform the SCAPHCC of the intention to make amendments to the Kent County Council's (KCC) Charging Policy for home care and other non-residential services. This was discussed at the 30 March 2012 Adult Social Care & Public Health Policy & Overview Committee and comments by the members of the POSC have also informed this updated report. The report also informs the Committee on the Phase 2 implementation of the policy.

(2) The Cabinet Member for Adult Social Care and Public Health took a decision (11/01645) on 23 September 2011 to implement changes to the Charging Policy for home care and other non-residential services in two phases. The first phase from 12 December 2011 and the second from April 2012.

(3) Phase 1 of the changes involved increasing the amount of 'available income' taken into account for charging purposes and reducing the standard weekly amount allowed for the Disability Related Expenditure.

(4) Phase 2 of the changes involves bringing in aspects of mental health, day care and transport services under the charging policy in the same way as all other non-residential services.

(5) The policy was introduced in stages with changes relating to the amount of 'available income' taken into account for charging purposes and, a reduction of the

standard weekly amount allowed for the Disability Related Expenditure first to be implemented. The first part of the changes to the KCC's Charging Policy for home care and other non-residential services came into effect from Monday 12 December 2011. The second phase relates to aspects of mental health, day care and transport services, which were planned for implementation from April 2012.

(6) The report explains why it is planned to make amendments to the Charging Policy for home care and other non-residential services. The reasons are because it has proved impractical to invoke the charge as set out in the original decision as KCC only pays a contribution towards the full cost of the support that is received from a grant funded organisation. We are therefore not able to make a charge on an individual basis. Furthermore, on cost effective grounds, transport is also to be excluded from the charging policy. The result of the planned amendments is that service users and services for people attending grant funded organisations and transport would be excluded from the Charging Policy for home care and other non-residential services as approved under decision 11/01645.

(7) The report also brings Members up to date on the implementation of the other elements of Phase 2 which are now scheduled to come into effect from Monday 23 July 2012.

(8) Should the Cabinet Member for Adult Social Care and Public Health approve the recommendation, it is proposed that service users either attending grant funded organisations (such as Age Concern) and/or receiving transport will not be charged by Kent County Council for either of those particular elements of their care.

## **Policy Context**

2. (1) The legal framework within which councils may recover some charges in respect of home care and other non-residential services is based on section 17 of the Health and Social Services and Social Security Adjudications Act 1983.

(2) Fairer Charging Policies for Home Care and other non-residential Social Services (2003) and the Fairer Contributions Guidance (2010) provide further guidance by the Department of Health. The 2010 'Fairer Contributions Guidance' supplements the earlier guidance and does not replace it.

(3) KCC considers prevention and early intervention as central to its transformational programme and the support to voluntary organisations is regarded as one of the important components of targeted investment to promote the health and wellbeing of the community.

## **Amendments to the Charging Policy for Home Care and other non – residential services**

3. (1) It is now deemed impractical to proceed with the application of charges for people attending grant funded organisations such as Age Concern because the grant that each provider receives does not cover the actual cost of running that particular service. Therefore, the amount that KCC pays constitutes a contribution only. It is not possible for us to accurately calculate on an individual basis the cost of a service user attending these day centres by grant funded organisation which creates a significant risk of challenge by

individuals on the basis that we are charging them more than we are actually paying for the service they are receiving.

(2) Additionally, it has been decided that transport is also to be excluded from the charging policy on cost effective grounds. This is because it is not possible to accurately calculate the cost for each individual user, and in the case of grant funded organisations KCC may not be fully contributing to the service. Furthermore, with anticipated low numbers the cost of both assessment and recovery may exceed the value of likely income to be achieved.

(3) Should the Cabinet Member for Adult Social Care and Public Health approve the recommendation, it is proposed that service users either attending grant funded organisations (such as Age Concern) and/or receiving transport will not be charged by Kent County Council for either of those particular elements of their care.

(4) Consequently, Phase 2 of the implementation will only include:

- Relevant day care (other than grant funded), including those receiving in – house services, those receiving directly commissioned independent sector day care for all service user groups and those receiving a direct payment which is used for day activities
- Mental Health Community Support, supported accommodation and direct payments.

4. (1) As mentioned earlier in paragraph 1.4 above, the implementation of the other elements of Phase 2 are now scheduled to come into effect from Monday 23 July 2012, subject to approval of the Cabinet Member. A number of reasons have contributed to this position. These include:

- The need for Finance to having focus on achieving the deadline for Phase 1 which was achieved within the expected time. Financially, this was the greatest contributing part of the savings.
- The numbers of service users affected were greater than originally anticipated.
- Various issues were also identified with data quality and it was not possible for Finance to begin the financial assessment until all relevant data is entered on the SWIFT client database.

5. (1) People using non - residential services broadly fall into three categories.

- (a) Firstly, there are those who are financially assessed as not required to make any contribution towards the cost of the service they receive, approximately 4 in 10.
- (b) Secondly, people who are financially assessed to make some contribution towards the cost of the service they receive. The majority of people in this category, approximately 5 in 10 would have been assessed to pay the maximum contribution according to the national rules, to arrive at a figure of 'available income', after certain allowances.
- (c) Thirdly, people financially assessed to pay the full cost of the service they receive, approximately 1 in 10, as a result of having savings above the threshold of £23,250 or the cost of the service is less than their assessed

charge. The value of the home is not taken into account when calculating the charge.

## **Financial Implications**

6. (1) The estimated loss of income is £247K, however this calculation is based on the original estimates of £700K for day care and £160K for mental health. As all of the costs of the care packages are not yet on the system it is not possible to confirm how accurate the original estimate of £860K was. The loss of income will be balanced by other areas of the budget within the Directorate. Service users who are subject to a charge will not be charged more to make up the reduced income.

## **Legal Implications**

7. (1) The following contain the legal provisions that enable councils to arrange community care services. In general, councils may provide community care services to individual adults with needs arising from physical, sensory, learning or cognitive disabilities, or from mental health needs. In this regard, councils' responsibilities to provide such services are principally set out in the:

- National Assistance Act 1948
- Health Services and Public Health Act 1968
- Chronically Sick and Disabled Persons Act 1970
- National Health Service Act 2006
- Mental Health Act 1983

(2) Councils also have a power to provide services to carers under the Carers and Disabled Children Act 2000.

(3) Democratic Services have confirmed that the decision to amend the policy falls within the meaning of 'important category, it is necessary therefore to take this forward through the established governance process.

## **Equality Impact Assessments**

8. (1) There are no specific equality and diversity implications from the proposed amendments. The revision is in line with impact assessment carried out in relation to decision 11/01645 that made changes to the Charging Policy for home care and other non-residential services.

(2) In response to a specific query, it is confirmed that Direct Payment recipients and people that KCC directly provides or arranges support services (managed support) will be treated equally by this proposed amendment. The process for assessment of need and financial assessment of ability to pay is the same whether the individual will accept the offer of direct payments or have managed support.

## **Sustainability Implications**

9. (1) There are no specific sustainability implications.

## **Risk and Business Continuity Management**

10. (1) Operational Task and Finish Implementation Group is responsible for the implementation Phase 2 of the policy changes. The necessary information for the public and staff would be made available accordingly.

## **Conclusion**

11. (1) This report informs this Committee of the intention to make amendments to the Charging Policy for home care and other non-residential services. The reason for this is that it has proved impractical to bring into effect the charge as set out in the decision 11/01645, as KCC is not able to make a charge on an individual basis for people attending grant funded organisations. Transport is also to be excluded from the charging policy on the ground of cost effectiveness. Service users and services set out in paragraph 3.2 above would therefore be excluded from the charging policy.

(2) As mentioned earlier in paragraph 1.4 above, the implementation of the remaining elements of Phase 2 are now scheduled to come into effect from Monday 23 July 2012, subject to approval of the Cabinet Member.

## **Recommendations**

12. (1) The Cabinet Member for Adult Social Care and Public Health will be asked take a decision to amend the Charging Policy for home care and other non-residential services as approved under decision 11/01645, to:

a) exclude service users and services for people attending grant funded organisations and Transport from the Charging Policy for home care and other non-residential services.

b) re-schedule the implementation of the other elements of Phase 2 to come into effect from Monday 23 July 2012.

(2) Members of the Social Care & Public Health Cabinet Committee are asked to consider and either endorse or make recommendations on the decision to be taken by the Cabinet Member for Adult Social Care & Public Health.

### *Background Documents:*

Charging Policy for Home Care and other Non-residential Services (Decision No. 11/01645).

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