

KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

DECISION TO BE TAKEN BY:

Cabinet Member for
Adult Social Care and Public Health

DECISION NO:

24/00048

For publication

Key decision: YES

Title of Decision Adult Social Care Charging Policy - Self-Funding Arrangement Fee

Decision: As Cabinet Member for Adult Social Care and Public Health, I propose to:

- a) **APPROVE** the changes to the Adult Social Care Charging Policy ;and
- b) **DELEGATE** authority to the Corporate Director Adult Social Care and Health to revise the Adult Social Care Charging Policy and to take relevant actions, including keeping the policy updated as necessary, to implement the decision.

Reason(s) for decision:

Kent County Council (KCC) is proposing to introduce a one-off Self-Funding Arrangement Set up Fee for new self-funders. This fee would be in addition to the existing annual Arrangement Fee.

KCC provides adult social care services to approximately 16,394 residents aged over 18 years old (data taken January 2024). Approximately 15,806 of these people receive chargeable social care services, this includes providing services like residential care and support and care in a person's own home or in the community.

When people living in Kent need adult social care, as well as assessing their care needs, we also assess their income to decide how much they pay towards their care. This is known as means testing. Some people do not need to contribute towards their care, some pay a contribution, and there are people that pay for all of their care (these people are known as full payers).

If the person has more than £23,250 in savings and other capital (not including the value of their main or only home) they must pay the full cost of their care and support. Self-funders can choose to arrange their care themselves or ask the council to do it on their behalf.

Where KCC makes arrangements for self-funders' care the Care Act 2014 enables us to charge an "Arrangement Fee" to cover the cost to the council for doing this work. This only applies to non-residential care and support and only for certain categories of people who would pay the full cost of their care and support. KCC currently charges self-funders an annual Arrangement Fee (paid weekly).

Financial Implications .

The latest budget monitoring presented to Cabinet on 21 March 2024 shows £30m budget gap for 2023-24, of which £31.3m relates to the ASCH directorate before management action and one-off use of reserves are considered. Members have agreed the immediate actions needed to reduce spending in the short term and have set the course for getting the council back to financial sustainability, securing the services that residents in Kent need the most.

Forecast spending growth in the 2024/2025 budget approved by full Council is £209.6m (excluding externally funded). The net change to the budget is £113.9m (matched by funding increases through

government grants, council tax, etc), leaving £95.7m savings and reserves to balance the budget.

Of the above, the spending growth in Adult Social Care (including the services for 18-25 year olds) 2024/2025 is £115.8m as stated in the 2024/2025 budget. The net change to the budget is £61.7m (matched by funding increases through government grants, council tax, etc), leaving £54.1m in savings/additional income which needs to be found, of which this proposal is included within.

The proposed one-off set-up fee would be for all new self-funders only. In 2023 there were 400 new self-funders. Based on this figure (400 new self-funders), it has been estimated that the proposed change, introducing an arrangement fee of £352, could raise approximately £140,800 a year.

The review of the Arrangement Fee is to ensure it reflects the current activity levels, time and staff grade involved in arranging care and support, and therefore ensuring the council is able to cover all the costs involved, thus contributing to the ability to protect front line services.

There is increasing demand for care and support services and financial pressures on the council to manage public funds. To make sure that services are available to those that need them, the council must make the very best use of the resources it holds and consider every option to bring in more income

Legal Implications:

If the person has more than £23,250 in savings and other capital (not including the value of their main or only home) they must pay the full cost of their care and support. Self-funders can choose to arrange their care themselves or ask the council to do it on their behalf.

Where KCC makes arrangements for self-funders' care, the Care Act 2014 enables us to charge an "Arrangement Fee". This only applies to non-residential care and support and only for certain categories of people who would pay the full cost of their care and support. KCC currently charges self-funders an annual Arrangement Fee (paid weekly).

The Department of Health and Social Care (DHSC) gives all councils statutory guidance on how to work out the amount people may have to pay towards their social care services and how much they should be left with for living expenses. This is called the Care and Support Statutory Guidance⁶ which was issued with the Care Act. All councils must also comply with the primary legislation (Care and Support (Charging Assessment Resource) Regulations 2014). How much people pay towards their care is determined through a means tested financial assessment.

Equality Implications:

An initial Equality Impact Assessment (EqIA) was published alongside the consultation document on Let's talk Kent. This has since been updated to reflect the views of consultees and other stakeholders from the consultation. This is a live document and will continue to be reviewed and updated.

Age, disability, sex, race and carer's responsibilities have been identified as having potential for negative impact if we were to implement the proposed change. The EqIA has identified that the highest proportion of self-funders currently paying the Arrangement Fee are older people aged 61 to 101 and females.

There are specific health, economic and ethnic inequalities that need to be considered in terms of the impact of raising charges for social care. Some people may not want to pay the proposed Self-Funding Assessment Set up Fee and may choose to put their own arrangements in place. This may not be of the same quality of care organised by the council. Alternatively, those impacted may decide not to access the right levels of care and support or may decide to not access care and support at all. As a result, any Carer may be required to provide more unpaid care, thereby affecting their economic, social and emotional wellbeing. This might also result in an increased need for

support from other KCC services.

The proposed changes could increase self-neglect and/or safeguarding as some people may choose to reduce or refuse care and support due to the increased cost. Some may decide to reduce or end their service resulting in their needs potentially not being met. There is limited evidence to suggest that this could happen, and this was not reflected through feedback during the consultation.

There is also the potential impact on wellbeing as some people may choose to not access care and support due to the Arrangement Fee which could have an impact negatively on the persons mental health due to increased isolation, their ability to maintain personal relationships and participation in leisure activities, and contribution to society. As wellbeing is individualistic this would need to be determined for each person. Older people are especially vulnerable to loneliness and social isolation – and it can have a serious effect on health.

The Equality Impact Assessment sets out how the above impacts have been considered and taken into account alongside any mitigations to reduce the impact.

Data Protection Implications

A full Data Protection Impact Assessment was carried out and signed off by the Information Governance Lead and the Corporate Director Adult Social Care and Health

Cabinet Committee recommendations and other consultation:

KCC undertook a public consultation from 6 February to 7 April 2024. The consultation was hosted on KCC's [Let's talk Kent](#) website, with hard copies and support available for those who could not participate online.

The proposed decision will be discussed at the Adult Social Care Cabinet Committee on 15 May 2024 and the outcome included in the paperwork which the Cabinet Member will be asked to sign.

Any alternatives considered and rejected:

Alternative/additional option considered	Why the option has not been taken forward to consultation
Increase the weekly Arrangement Fee only (no new initial set-up fee)	<p>The majority of the work is the initial set up of care and support arrangements by KCC, which is reflected in the proposed one-off set-up fee.</p> <p>Despite current self-funders not having had to pay a set-up fee it was felt that it would be unreasonable to increase the cost of the weekly fee to cover work that had taken place in the past and unfair to include a one-off cost in an annual fee.</p>
Introduce a fee for changing provider	<p>The review of other councils showed some had introduced a fee for changing provider. Changing a provider adds additional work and costs in making changes to care and support arrangements.</p> <p>This option was considered as part of the review, but due to the complexities in applying this fee, it was agreed not to progress this further.</p>
Do nothing	<p>Due to the significant financial challenge being faced by KCC, we need to ensure we make the best use of our resources. By introducing the proposed initial set-up fee, we will cover the costs associated with supporting new self-funders. If we continue to not</p>

	fully cover these costs, then other options will need to be considered.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

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signed

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date