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**Meeting:** Social Care, Health & Housing Overview & Scrutiny Committee  
**Date:** 2 March 2010  
**Subject:** Review of the Charging Policy for Non - residential Social Care Services  
**Report of:** Cllr Mrs Carole Hegley , Portfolio Holder for Social Care & Health  
**Summary:** The purpose of this report is to advise the Social Care, Health and Housing Overview and Scrutiny Committee about the plans to review the policy on charging for non-residential social care services, and to invite its comments on the public consultation process.

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**Contact Officer:** Tim Hoyle, Head of Business Systems  
**Public/Exempt:** Public  
**Wards Affected:** All  
**Function of:** Council

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## **CORPORATE IMPLICATIONS**

### **Council Priorities:**

The delivery of responsive adult social care services meets with the Council's vision to 'improve the quality of life of all in Central Bedfordshire' and its priority of 'supporting and caring for an ageing population'.

### **Financial:**

Income from charging for non-residential services is likely to be in the region of £775,000 in the full year 2009-10. The average charge paid by customers for home care is £24 per week but the variation is large.

The review will consider the implications of a range of charging options which conform to the council's overarching policy. It is not possible to accurately predict the outcome of the review but a target of increased annual income of £250k has been included in the budget-setting process for 2010-11.

### **Legal:**

The legislative authority for councils to charge for non-residential care services is set out in Section 17 of the Health and Social Services and Social Security Adjudication Act 1983. (HASSASSA Act 1983). Councils are not obliged to charge customers for non-residential care services, but where they do the policy must be within the terms of guidance issued by the government under Section 7 of the Local Authority Social Services Act 1970, and set out in the document 'Fairer Charging Policies for Home Care and other non-residential Social Services: Guidance for Councils with Social Services Responsibilities'.

### **Equalities/Human Rights:**

Central Bedfordshire Council is required to implement a range of equality legislation which requires the Council to:

- understand issues relating to disability, gender, gender reassignment, race, religion or belief, age and sexual orientation;
- engage with service users and their carer(s), local communities, staff, stakeholders and contractors to identify and implement improvements;
- tackle barriers which restrict access to services or lead to poorer outcomes when using services, (e.g. inaccessible buildings, poorly publicised services and lack of employee understanding about the needs of particular groups);
- address abuse of vulnerable adults which can include discriminatory abuse, including racist, sexist, that based on a person's disability and other forms of harassment, slurs or similar treatment.

The consultation process planned will ensure that a full range of stakeholders are involved in the process. The policy options considered by officers will be analysed for their impact on equalities matters and this will be taken into account in the recommendations to the Executive. The final policy will be the subject of an Equalities Impact Assessment and any benefits or adverse impact will be identified and reported to the Executive as part of the process of consideration of the policy.

### **Sustainability:**

There are no significant sustainability implications of the review but proposals for policy changes will have this aspect considered as part of their evaluation.

### **RECOMMENDATIONS:**

- 1. The Committee is asked to endorse the planned approach to the review of charging for non-residential care services**
- 2. The Committee is asked to advise officers as to the level and type of involvement its members wish to have in the public consultation process**
- 3. The Committee asks officers to present a report on the outcome of the review and the draft policy prior to submission to the Executive**

## Background

1. Councils are allowed (but not obliged) to require customers in receipt of non-residential social care services to make a financial contribution to the cost of providing those services. Where a council does decide to charge for these services then it must follow the principles set out by the Department of Health in the document 'Fairer Charging Policies for Home Care and other non-residential Social Services: Guidance for Councils with Social Services Responsibilities'. This is generally referred to as 'Fairer Charging'

The main constraints set out in Fairer Charging are as follows:

- Councils may not impose a 'blanket' charge for services - charges must take into account the customer's ability to pay.
- Councils may not charge for services provided to people under section 117 for the Mental Health Act 1983
- Councils may not charge for the provision of advice and assessment
- Charges for services should not leave the customer with an income of less than their Income Support entitlement plus 25%
- Councils may set a maximum charge
- In determining customers' means any income from employment is disregarded, as are certain disability-related benefits
- Councils must take into account specific disability-related expenditure as an allowable expense
- Councils may take into account customers' savings and capital in assessing their income but cannot take into account the value of the customer's main home.
- Councils may ask those whose savings and capital exceed standard limits to pay the full cost of services.

The guidance also states that at the time of assessment customers should receive a comprehensive benefits check and advice about claiming. It is estimated that in around 40% of cases this check leads to the customer receiving increased benefits.

It is estimated that of the 152 councils with social services responsibilities around 1/3<sup>rd</sup> charge for services; the rest do not.

2. The council's current policy takes into account both the customer's means and the level of service that they receive. Means-testing is conducted using a financial assessment. Following this assessment customers can then be considered to fall into one of three categories:

- **Nil charge:** people whose means are such that they are assessed to pay no charge
- **Assessed charge:** people who are required to contribute to a proportion of the cost of their services
- **Full cost:** people whose means are such that they have the resources to pay a sum equivalent to the full cost of the service(s) they receive

In addition there will be a group of people who decide that they will fund their own care directly – this group are known as **self-funders**.

3. The council's current policy was inherited from Bedfordshire County Council and dates back to 2003. Although this policy is functional there are several drivers for a review:

- The need to ensure that the policy is aligned with Central Bedfordshire Council's objectives and priorities
- The need to ensure that the policy is fair and equitable
- The need to ensure that the policy will support the introduction of the social care "Transforming People's Lives" agenda and ensure compliance with guidance on this.
- The need to consider how changes to the charging policy would improve the council's financial position and to make informed decisions in light of this information
- The need to develop a policy which is 'owned' at all levels in the council
- The need to deliver greater clarity in a small number of areas where the existing policy is ambiguous

4. The social care services which will be considered as part of this review are:

- Home Care
- Day Care
- Respite Care
- Transport to Day Care
- Meals on Wheels
- Personal Budgets
- Direct Payments
- Enablement and Re-ablement

- Telecare
  - Services and support specifically to carers
5. Given the council's overarching charging policy, a focus of the review will be to examine the extent to which the current policy achieves the council's objective that all "*service users should make a direct contribution to the cost of providing services*". Any proposed departures from this objective should fall within one or more of the caveats in the policy (see Appendix 1).

## Scope

6. The review will examine the following:
- Which services should be charged for
  - The rate of charges for services
  - The details of the means-testing process
7. As part of the review, all options will be analysed in terms of the cost of collection as well as the likely income gained. Examples of policy outcomes that may not be cost effective are:
- collecting very small sums from customers
  - undertaking complex financial assessments of a lot of customers which result in a large proportion of them paying no charge

## Notes

8. Charging for long term residential care services is governed by different legislation which is far more prescriptive than the Fairer Charging guidance and is therefore excluded from this review. However it will be necessary to consider how any policy proposals would act as a financial incentive or disincentive for customers to access long term residential care
9. The government is currently taking through parliament legislation designed to provide for free personal care to those with the highest care needs (the Personal Care at Home Bill). Although this legislation, if enacted, would have a significant effect on the council's ability to charge for services it does not obviate the need to review the policy.

As the bill goes through its legislative stages its progress will be tracked and the implications incorporated into the revised policy as required. Once clear guidance is issued this matter will be the subject of separate reports.

## Consultation

10. A public consultation giving customers and other stakeholders a clear input is important in the development of a policy that is responsive to customers' needs.

Although it is not a statutory requirement to undertake public consultation on changes to charging policy it is seen as good practice by the Department of Health and is referred to extensively in its guidance.

The consultation design has yet to be completed but is likely to include:

- Publishing a draft policy and consultation questionnaire in hard copy and on the council's website.
- Meetings to be held with customers and stakeholder groups

The participation of members of the council, either formally or informally, would be welcome.

### **Timescales and Process**

11. The following process and timescales are envisaged:

Officer group to evaluate policy options	March 2010
Officer group to develop draft policy	April 2010
Conduct public consultation on the draft policy (focussing on the proposed changes)	April – July 2010
Present updated draft policy and results of consultation to Social Care Health and Housing OSC	July 2010
Final draft policy prepared and presented to Executive for approval	August 2010
Revised policy is implemented	October 2010

### **Appendices:**

Excerpt from Central Bedfordshire Council Charging Policy

### **Background Papers:** (open to public inspection)

1. Fairer Charging Policies for Home Care and other non-residential Social Services: Guidance for Councils with Social Services Responsibilities (Department of Health 2003)
2. Fairer Contributions Guidance (Department of Health 2009)
3. Charging Policy for Home Care and other non-residential Social Services (Bedfordshire County Council 2003)
4. Central Bedfordshire Council Charging Policy

**Location of papers:** Priory House, Chicksands

## Appendix 1: Excerpt from Central Bedfordshire Council Charging Policy

The review will be cognisant of the council's corporate charging policy 'Central Bedfordshire Council Charging Policy which states:

*It is the Council's policy that service users should make a direct contribution to the cost of providing services (both discretionary and statutory) at their point of use unless:*

- *it is not legal to do so.*
- *circumstances arise where the service in question is delivered to all residents or householders equally and which could therefore be considered to be funded from Council Tax. This will mainly apply where there is no discretion as to use of the service on the part of the householder.*
- *circumstances arise where the administrative costs associated with making a charge would outweigh any potential income.*
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- *circumstances arise where making a charge would be directly contrary to achieving the Council's corporate objectives as expressed in agreed strategies.*

*The charge levied should, in general, be such that it covers the full economic cost of providing the service (including support services). The level of charge will, however, have regard to:*

- *any relevant Council strategies or policies (e.g. Equality Scheme, Anti-Poverty Strategy, Sports and Physical Activity Strategy etc.) and any subsidy or concessions which may be appropriate*
- *market conditions and prices charged by competitors and/or other local authorities*
- *the need to avoid any potential distortion of the market which might otherwise occur from pricing services below the levels charged by private sector concerns for similar services*
- *the need for all charges imposed by the Council to be reasonable, given the Council's objectives, whilst retaining the flexibility to charge commercial organisations a fair price*
- *the need to avoid any exploitation of customers who have no option but to use the Council's services*
- *the desirability of increasing usage of a given service*
- *the possibility of increasing income to the Council.*
- *the views of service users and Council taxpayers in levying new or revised charges*

- *the need to change user/consumer behaviour, e.g. for health or environmental reasons.*
- *whether it is economic to apply any fee or charge.*

*It is the policy of the Council that when charges are reviewed concessions should be considered for the following groups:*

- *young people under 16 years of age*
- *full time students*
- *people with a disability*
- *people in receipt of means tested benefits*
- *senior citizens*