

Appendix J

Adult Social Care Charging Policy Framework Changes

Background

The Care Act legislation came into force in April 2015 and was the largest change in Adult Social Care experienced by the Local Authorities in England in over 40 years.

This legislation also delivered a reform to the way that care is paid for. However, the Act also intended to make the care and support system clearer and fairer for those who need it the most.

Aligned with national changes to welfare benefits Croydon Council have consulted on five proposals relating to changes to the Charging Policy on client contributions to ensure our policy is fully in line with the current statutory framework.

The charging policy will be set out in a way that future proofs the requirements in respect of the various financial limits and fees which will vary over time.

A consultation has taken place between 17/12/18 and 25/01/19. There have been 124 respondents to the online questionnaire, an easy read version was also in place and 44 calls received to the Charging Helpline, a meeting held at the Carers Centre / Direct Payments Service User Group and all individuals affected were written to with full details of the consulted areas and how to provide views / comments back to the council. Information relating to more detailed feedback will be provided through 'Get Involved' at a later date and a summary within the Appendix of this document.

The changes to the Charging policy is through the areas as summarised below:-

Proposal Number	Proposal	What this means?
1	Amending the point at which services become chargeable	Charging from the start of service
2	Changing the treatment of some income	Taking the full amount of the Higher rate Disability living allowance (care component) DLA, Attendance Allowance (AA) and the enhanced daily rate of Personal independence payment (PIP) into account in the financial assessment
3	Light touch financial assessments	Clients on the lowest level of income completing a light touch financial assessment to receive a faster response
4	Administration charges	Applying an arrangement fee for arranging care and support on behalf of people who pay for their own care

		and who ask the local authority to arrange their care and support.
5	Meals on wheels	Taking away the subsidy currently in place and changes to how the service is provided to people.

Revised Charging Policy

Care and support is not a free service like the NHS. Customers have always had to pay something towards the cost of their care and support. Whilst some types of care and support are provided free, as shown below, there are also areas that will be subject to a charge.

In accordance with the Care Act 2014 it instructs that local authorities are not permitted to charge for provision of the following types of care and support:

- Community equipment (aids and minor adaptations): a service which consists of the provision of an aid, or minor adaptation to property, for the purposes of assisting with nursing at home or aiding daily living. An adaptation is minor if the cost of making the adaptation is £1,000 or less;
- Intermediate care (including reablement support) services for up to 6 weeks;
- Any service or part of service which the NHS is under duty to provide. This includes Continuing Healthcare and the NHS contribution to Registered Nursing Care;
- Aftercare services provided to people under Section 117 of the Mental Health Act 1982;
- Care and support provided to people with variant Creutzfeldt-Jacob Disease;
- Assessment of needs and care planning, including the cost of the financial assessment, as these constitute 'meeting needs'
- Provision of Information, Advice and Guidance

People will only be asked to pay what they can afford. Sometimes the customer will pay the full cost, or sometimes the cost will be shared between the customer and the Council.

To decide what a person can afford to pay, the Council will carry out a financial assessment. The council will consider the person's income, and any assets they own, like investments or a house. The council will then calculate how much the person can afford to pay towards their care and support costs. The Care Act sets out a clearer approach to charging and financial assessment to inform people of the contribution they will need to pay towards their care and support.

The Act provides the Council with the power to charge for care and support. However, the Council may not charge for those services which the regulations say must always be provided free as detailed above.

After the financial assessment, the local authority will inform people whether they need to pay for all, some or none of their care costs. The council already have a

charging policy that sets out the charges made to people and it is timely to revise this policy as it has been three years since the Care Act came into force.

The detailed revised policy will be completed once the governance and decision making process has concluded and will be available in its revised version for any changes agreed to come into place from April 2019 with the key changes as below:

1. Amending the point of when services become chargeable
2. Changing the treatment of some income
3. Light touch financial assessments
4. The council can charge an annual fee for arranging and administering personal accounts for people (self funding clients).
5. Removal of the subsidiary for Meals on Wheels.

The Care Act also provides the council with the power to charge for support for carers where they have an eligible support need in their own right, whether or not, and providing the adult they care for also meets the eligibility criteria for care and support.

However, Croydon Council have chosen not to charge carers as the Council want to encourage and support carers and it is not the intention to implement this at this stage.

The changes proposed above can be viewed in more detail within Appendix One.

Options

The options associated with this paper are listed below:

- **Option 1** - Approve all of the revised policy changes as set out above
- **Option 2** - Do not approve the revised policy changes as set out above
- **Option 3** – Implement some of the revised policy changes as set out above

Summary

Any of the revisions to policy agreed above and within the next version of the Charging Policy will need to be in place by April 2019.

These revisions to policy provide the Councils policy framework for the financial elements of the Care Act to provide a transparent, consistent and fair approach to the financial support that people can expect.

There is little latitude within the Act to vary the policies and it is recommended that members approve the policy changes as set out within this paper.

The Policy may need further amendments over time and it is recommended that the power to make those amendments should they arise and do not conflict with the intention of the Care Act is delegated to the Councils Director of Finance Officer in full consultation with the Executive Director of Adult Social Care Services.

Consultation Summary

Croydon Council, as all councils across England during 2014/15, were involved in and followed the national development and implementation of the Care Act in respect of the Care Act and its final guidance which reflects this consultation. This does not mean that the Act reflects what many council's may have wanted during the writing of the national guidance for this area in 2013/14, but that full consideration has been given to the financial challenges facing councils and the budget position across Social Care services.

A consultation has been completed where people affected directly have been written too individually, an online questionnaire has been available, and an easy read document and a charging telephone helpline has been in place throughout the consultation period.

The feedback from the consultation is detailed below.

Recommendation

Council are asked to consider and approve:

1. To provide agreement to amend the policy framework to comply with the Care Act 2014 and the Acts objectives for the residents of Croydon to agree applicable charges as detailed above.

Consultation Feedback

Charging Policy – Client Contributions

1. Introduction and Background

Croydon Council asked for views on proposed changes to the Charging Policy for Adult Social Care (ASC) and support in relation to the contributions that people make to their care and support as set out in the Care Act 2014.

The Charging Policy is in place to ensure that people are aware of who would be required to pay contributions towards their care and support, while ensuring those are appropriate amounts according to the services they require and ability to pay.

The changes considered will ensure that Croydon Council's charging policy reflects the requirements of the Care Act.

Significant legal changes were introduced under the Care Act which came into effect from 1 April 2015. The Care and Support Statutory Guidance is statutory guidance to support implementation of part 1 of the Care Act 2014 by local authorities. The guidance was updated on 26 October 2018. As discussed in this document it is also necessary to have regard to the Care and Support (Charging and Assessment of Resources) Regulations 2014 ('the 2014 Regulations').

Croydon Council, alongside all Councils in England, now uses a charging policy written in accordance with the Care Act which replaces the previous *Fairer Charging for Non-Residential Services* and the *Charging for Residential Accommodation Guide*.

There have also been national changes to welfare benefits, in particular the introduction of the Personal Independence Payment (PIP), replacing the Disability Living Allowance (DLA). PIP is based on different criteria to the DLA.

In light of these changes, the changes to Croydon's Charging Policy on client contributions is to ensure the policy is fully in line with the current statutory framework and in line with other local authorities.

If the changes are in agreement, the revised policy will continue to ensure the protection of those with the least financial resources through free or subsidised care and support. However, where a customer has the financial means to pay a contribution, or to pay for their care in full they do so.

As in other parts of the country, Croydon's population is changing. The number of older people living within the borough is increasing and with advances in medical care it is evidenced that people are living longer and people are able to be supported to live at home for longer. Residential care is no longer the first option for many

people, their carers and families. There are people who want to remain at home and continue to be supported by their families.

While this of course is welcome news, as we promote choice and control and a personalised approach to support from social care and health, it also means we have to continue to think about how we provide our services. These challenges, coupled with new responsibilities due to changes in the law such as the Care Act 2014, the welfare benefit reforms and the impending green paper for social care, mean that an increasing number of people require support from the local authority.

By 2019 government cuts mean that the council's like for like funding will have been more than halved compared to 2010 levels. At the same time, Adult's services currently support more than 4500 residents per year, and this number is increasing.

Efficiency savings have been made across the council in the last three years whilst continuing to deliver high quality services to residents. Further cuts to Government funding, in addition to other social pressures, including a rapidly growing ageing population, have left Croydon Council with a further budget gap which we need to fill by 2020.

This means that we have to look at new ways of working to provide adult social care and support and make some difficult decisions about what the council can provide going forward.

Croydon Council is focused on changing the way that adults services currently operates by trying to work in a different way; helping residents stay active, healthy and independent for longer, and working with their strengths.

We want to help people who need our advice or support in a more holistic way, closer to their communities through locality working. Also, through new digital channels to support people to reduce dependency on long term care and support where people are healthy and safe.

At the same time, we also want to encourage a greater contribution from people and organisations with an interest in keeping Croydon a healthy and safe place to live, whilst remaining at home for as long as possible where appropriate to do so.

A further review of legislation and guidance has been undertaken to consider proposals which could raise additional income to support the future sustainability of essential social care services.

The proposed changes included:

Proposal Number	Proposal	What this means?
1	Amending the point at which services become chargeable	Charging from the start of service
2	Changing the treatment of some income	Taking the full amount of the Higher rate Disability living allowance (care component) DLA, Attendance

Proposal Number	Proposal	What this means?
		Allowance (AA) and the enhanced daily rate of Personal independence payment (PIP) into account in the financial assessment
3	Light touch financial assessments	Clients on the lowest level of income completing a light touch financial assessment to receive a faster response
4	Administration charges	Applying an arrangement fee for arranging care and support on behalf of people who pay for their own care and who ask the local authority to arrange their care and support.
5	Meals on wheels	Taking away the subsidy currently in place and changes to how the service is provided to people.

2. Consultation

Local authorities have a general duty to provide the best value to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness at all times.

As part of the decision making process under current financial challenges all Local Authorities are facing decisions on how to fulfil the provision of the best services it can provide within the finances available.

A consultation exercise has been completed as the proposed changes to Social Care charging would impact across all service user groups, a consultation exercise and an Equality Impact assessment have been undertaken as agreed with Council Members and Senior Management Team in ASC.

3. Key Principles

It is considered good practice for consultation to be:

- Undertaken at a time when proposals are at early development stage;
- Including sufficient reasons / background for particular proposals to allow groups of people consulted to give intelligent consideration and an intelligent response;
- Include time for responses to be provided; and
- The product of consultation must be conscientiously taken into account when the ultimate decisions are made to implement them.

4. The Consultation Methodology

The consultation had a number of ways in which people could respond and details are outlined below:

- Within the Croydon Council public website
- An on line survey was in place within the website
- The consultation was promoted through electronic communications to the workforce on a number of occasions
- An easy read version was also made available and on line
- A Charging Helpline was set up for people to speak to someone should they wish to do so and was available between 10am to 12pm and 2pm to 4pm on Tuesday, Wednesdays and Fridays, there was also an in built answer machine facility available for people to leave views / comments in between these times and;
- if people wanted to request a hard copy of the survey
- Engagement meetings with people were held at the Carers Centre and through the Direct Payments User Group.
- All people directly affected were written to individually outlining the consultation and process to respond across the Borough.
- In line with the Accessible Information Standard it was stated that the above documents were also available in other formats and could be requested.
- People were also redirected for any further information relating to advice and guidance to the Care Act which is the underpinning legislation of the department and the link below was provided:

Care Act Statutory Guidance

<https://www.gov.uk/government/publications/care-act-statutory-guidance/care-and-support-statutory-guidance>

The consultation was for anyone in Croydon to participate in – service users, their carers and wider Croydon residents to understand the impact of the changes to the contributions people may make now and in the future, but to also provide the context in relation to the challenges and complexities of the changes and budget pressures facing all councils across England.

The consultation was open from 17/12/18 to 25/01/19 (6 weeks).

The survey questionnaire consisted of questions and contained a variety of open and closed questions - some required the respondent to provide views / comments in free text areas and others were from a selection from a list of possible answers.

A scale was used to rate the extent to which respondents strongly agree / agree / Neither agree or disagree / strongly disagree with the proposals and open questions were used to allow respondents to say how they felt the proposals would impact on them as well as provide any further comments.

5. Responses Received

A total of 174 responses were received broken down as:

On Line Survey Questionnaire's Completed	Charging Helpline – calls received	Hard Copy Questionnaires received
124	44 (11 of which were requests for paper version of the questionnaire)	6

6. Analysis of Findings

To what extent do you agree or disagree that, when people can afford to do so, they should be asked to pay their contribution towards care, from the date when they begin to receive a service?

Broken down: Majority in agreement with the proposal

58.87% Strongly agree / Agree
 8.06% Neither agree or disagree
 33.07% Disagree / Strongly Disagree

This single response question was answered by 124 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	14	11.29%
Agree	59	47.58%
Neither agree nor disagree	10	8.06%
Disagree	18	14.52%
Strongly disagree	23	18.55%

The consultation also gave respondents options to provide their views as to how the proposals would impact on them and to write any other comments.

The questionnaire asked a series of questions. An analysis of the responses is detailed below with a small sample of agreed and disagreed feedback for each survey question included.

Agree:

'If they have savings over £23,500.00 they should make a contribution towards their care'

'This is a fair and equitable policy which ensures funding is available for the most needy'

'The money saved would help people who cannot afford the care at all'

Disagree:

'Need time to make plans and assess income'

'If you can clearly afford to pay and it will not mean you end up penniless then yes. However I do not think if you have paid into the system you should then end up with nothing after paying for care when you are getting

'Care is expensive and most who need to be cared for don't earn money so shouldn't be expected to pay for something that's essential'

Charge from start of service - Summary:

- Most people are in agreement but there is concern that as a result of delays people will receive large back dated invoices which is unfair.
- Clients should be aware of the cost of care / assessed contribution from the outset so that they can budget for their care costs.
- Financial Assessments need to be completed at a faster pace.
- Feedback indicates that people have concerns about the quality of care that people are being asked to pay for across Croydon.
- Misconception that we are going to take away the up to 6 weeks free care for reablement so information and advice needs to be more robust and much clearer.

To what extent do you agree or disagree that the higher rate of Attendance Allowance or the higher rate of Disability Living Allowance care component should be taken into account in full when calculating someone's contribution towards care?

Broken down: Majority not in agreement with the proposal

18.27% Strongly agree / Agree
 16.35% Neither agree or disagree
 65.38% Disagree / Strongly Disagree

This single response question was answered by 104 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	6	5.77%
Agree	13	12.50%
Neither agree nor disagree	17	16.35%
Disagree	21	20.19%
Strongly disagree	47	45.19%

Agree:

'Any assessment made of a person's ability to pay should be based on their whole income - regardless of the source'

'I believe all income, regardless of what it is composed of, must be considered when assessing contribution towards care and support'

'This would be preferable to option 1. However, I hope any older or disabled people not in receipt of disability benefits will be supported to apply as many do not know about them'

Disagree:

'Homes often take other costs from people on benefits on top of the council payments'

'People need to be able to look after themselves without worry about care cost which they may withdraw any support given and which they badly need'

Higher Rate DLA - Summary:

- High numbers of people who disagree with the HR DLA /AA proposal
- Confusion relating to which benefit provides money for what purpose / Ensure that robust information, advice and guidance is in place for full clarity.
- Concerns have been raised in terms of taking the night time money paid by DWP into account within the financial assessment. Clients are concerned they will not be able to pay for items they are currently paying for, e.g. medicines not covered by the NHS has been mentioned and meals etc. Information links to provide detail around this and Disability Related Expenditure is required to ensure understanding around the purpose of DWP payments and financial assessment allowances.
- The Council needs to ensure people fully understand and are informed that the disregard is meant to pay for night time care that they may not in fact be in receipt of currently.
- There are allowances given under existing policy; 'protected income and allowances' to ensure service users have money for day to day living covering costs of meals etc. Disability Related Expenditure will address the additional costs – medicines for example. Information and clarity of these areas will be strengthened.

To what extent do you agree or disagree that a 'light touch' financial assessment should be offered to residents who have the lowest level of income, to speed up the financial assessment and enable the council to refocus resources to help manage demand in this area of work?

Broken down: Majority in agreement with the proposal

63.1% Strongly agree / Agree
 20.39% Neither agree or disagree
 16.51% Disagree / Strongly Disagree

This single response question was answered by 103 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	28	27.18%
Agree	37	35.92%
Neither agree nor disagree	21	20.39%
Disagree	7	6.80%
Strongly Disagree	10	9.71%

Agree:

'As the most needy should be helped to receive a faster response'

'I think by offering this service if fairly done it would make sense for those on the lowest income'

'It makes sense to allocate council resources where they are most needed'

Disagree:

'If you have no money, waiting for the wheels of Government to turn could mean death from cold or hunger. Pay up ASAP please'

'No one on low income should have the extra worry of paying costs towards their care'

'Those who the government deem need extra money should always get support and it is very unpleasant to have finances studied and have to explain what one spends money on'

Light touch financial assessment:

- High percentage of people are in agreement.
- Comments received are expressing a need for communication / information to be clear and easy to follow. It is important that people completely understand what is happening regarding a light touch Financial Assessment.
- A common concern raised relates to the need for spot checking, reviewing and carrying out quality control checks to ensure that the right people are benefiting from this proposal and that we do not lose income as a result of it.
- CIS (Customer information system – DWP information) checking will happen upfront to help verify eligibility for anyone falling into the remit of this proposal. Annual reviews will be carried out along with spot checks to ensure validity throughout the customer journey.
- Where clients are on the lowest levels of income the council will of course also be referring and monitoring any welfare benefit claims we can help them to maximise service user's income.
- Audit and process checks will be in place to ensure detection of any fraudulent activity as per procedures already in place by the Council.

To what extent do you agree or disagree that people with capital over £23,250 should be charged an arrangement fee up to a maximum of £260.00 for the council to arrange care and support on their behalf when they have specifically requested this for non-residential services?

Broken down: People agreed and disagreed in close % for this proposal with a third of the responses neither agreeing or disagreeing

34.31% Strongly agree / Agree
 29.41% Neither agree or disagree
 36.28% Disagree / Strongly Disagree

This single response question was answered by 102 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	6	5.88%
Agree	29	28.43%
Neither agree nor disagree	30	29.41%
Disagree	17	16.67%
Strongly disagree	20	19.61%

Agree:

'I suppose if they can afford to fund the care they probably won't object to the arrangement fee'

'Self funders currently have the option of obtaining their own care services. If this is an additional cost to the council it seems logical to make a charge'

'I understand the financial restraints the council is under therefore people who can afford arrangement fees should have to pay these'

Disagree:

'The capital threshold used isn't particularly high and hardly makes the individual well off if that amounts to life savings. It should either be a free service or the threshold needs to be higher'

'It seems the wealthy are being penalised for having saved. Could a charge not be applied to everyone?'

'Please encourage people to stay in their own homes or "granny annexes". Make planning applications for "granny annexes" easy and simple. At the moment these are hell!'

Self Funding charge - Summary;

- It is clear that more information in an understandable format is needed and shared with the residents of Croydon, particularly around welfare benefits. Feedback is indicating a level of misunderstanding on what benefits are paid to cover, for which purpose aligned to the personalisation and choice, control through the Care Act 2015 i.e. people can arrange their own care as a self funder.

- Most people are in agreement – where people can afford to pay then they are happy we apply the charge if a service users assets are over £23,250.
- Ensure good communications are in place as well as a robust process to ensure that the council can clearly demonstrate what service levels have been provided i.e. to ensure the council can evidence people are getting what they have paid for.

To what extent do you agree or disagree that residents who do not require adult social care services, other than meals delivered to their home, should continue to receive a meals on wheels service, provided by the current provider, at an additional cost of £1.00 per meal?

Broken down: People in agreement with this proposal

43.14% Strongly agree / Agree
 31.37% Neither agree or disagree
 25.49% Disagree / Strongly Disagree

This single response question was answered by 102 respondents.

Response	Number of Respondents	Percentage of Respondents
Strongly agree	4	3.92%
Agree	40	39.22%
Neither agree nor disagree	32	31.37%
Disagree	12	11.76%
Strongly disagree	14	13.73%

Agree:

'A reasonable proposal, given the rising costs we experience currently'

'Alternative options are available'

'From my aspect of what I have seen Croydon Council provide for my sister XX, I am very pleased and grateful for the services provided over the years. If it needs extra funding to provide this service, I am quite happy to support the motion...'

Disagree:

'It may already difficult for them to afford the service'

'Please treat people as individuals. Everyone has different circumstances and can afford different amounts'

'The provision of a meal is a simple way of ensuring that a vulnerable person has the opportunity to eat. An individual can be independent but find it difficult to shop or cook a meal for a variety of reasons'

Meals on Wheels - Summary:

- Ensure this proposal detail is clearly communicated to people across Croydon.
- Alternative options are available for people in Croydon to access a meal and information will be provided through the marketplace and also through information, advice and guidance once clients are reviewed under this proposal.
- Majority of respondents are in agreement with this proposal.

7. Summary

People were asked to comment on any impact the proposals may have or to share any other comments they may wish to make. Many comments were personal to the respondent's circumstances.

Main comments from those who agreed to the proposals included:

- That if people are able to contribute more towards their care then they should
- The proposals would help the council to continue to provide care
- That the proposals in the main were fair and equitable

Main concerns of the impacts of the proposals included:

- Being financially worse off
- Anxiety over being able to still afford to pay for their care
- For some, proposals were not clearly understood and feedback reinforced that people require more robust information relating to why their welfare benefits are in place.

Below is a further sub set of questions asked with responses:

Gender Identity:-

Gender identity

This single response question was answered by 99 respondents.

Response	Number of Respondents	Percentage of Respondents
Male (including female to male transgender men)	29	29.29%
Female (including male to female transgender women)	59	59.60%
Non-binary		
Gender variant/non-conforming		
Prefer to self-describe	3	3.03%
Prefer not to say	8	8.08%

Age:-

Age

This single response question was answered by 100 respondents.

Response	Number of Respondents	Percentage of Respondents
Under 16		
16-18		
19-25	1	1%
26-34	5	5%
35-44	7	7%
45-54	13	13%
55-64	35	35%
65+	32	32%
Prefer not to say	7	7%

Ethnicity:-

Which of the following best describes your ethnic background?

This single response question was answered by 100 respondents.

Response	Number of Respondents	Percentage of Respondents
White British	65	65%
White Irish	1	1%
White European	2	2%
Other white	3	3%
Mixed white and black Caribbean		
Mixed white and black African		
Mixed white and Asian	3	3%
Other Mixed background		
Asian or Asian British: Indian	2	2%
Asian or Asian British: Pakistani		
Asian or Asian British: Bangladeshi		
Asian or Asian British: Chinese		
Other Asian or Asian British Background	4	4%
Black or Black British: Caribbean	6	6%
Black or Black British: African	1	1%
Other Black or Black British background	1	1%
Arab		
Prefer not to say	9	9%
Other	3	3%

Disability:-

Do you consider yourself to have a disability?

This single response question was answered by 100 respondents.

Response	Number of Respondents	Percentage of Respondents
Yes	46	46%
No	45	45%
Prefer not to say	9	9%

Disability Response Provided:-

If yes, in what way(s)?

This multiple response question was answered by 48 respondents.

Response	Number of Respondents	Percentage of Respondents
Visually Impaired	16	33.33%
Hearing Impaired	15	31.25%
Mobility disability	37	77.08%
Learning disability	8	16.67%
Communication difficulty	16	33.33%
Mental health problems	13	27.08%
Other	10	20.83%