



# Borough of Telford and Wrekin

## Cabinet Report

Thursday 15 June 2023

### Review of Adult Social Care Charging Policies

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<b>Cabinet Member:</b>	Cllr Paul Watling - Cabinet Member: Adult Social Care and Health Systems	
<b>Lead Director:</b>	Simon Froud – Director of Adult Social Care	
<b>Service Area:</b>	Adult Social Care	
<b>Report Author:</b>	Clare Hall-Salter, Service Delivery Manager: Assurance, Transformation and Financial Management Sarah Johnson, Group Specialist: Business Systems Support & Social Care Finance	
<b>Officer Contact Details:</b>	<b>Tel:</b>	<b>Email:</b>
	01952 382016	clare.hall-salter@telford.gov.uk
	01952 382461	sarah.johnson@telford.gov.uk
<b>Wards Affected:</b>	All Wards	
<b>Key Decision:</b>	Key Decision	
<b>Forward Plan:</b>	17 May 2023	
<b>Report considered by:</b>	SMT – 16 May 2023 Business Briefing – 25 May 2023	

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#### 1.0 Recommendations for decision/noting

It is recommended that Cabinet:

- 1.1 Approves as part of the suite of consultation documents, the proposed changes within the draft policies (attached at Appendix D & E);

## Adult Social Care Charging Policies Review Report

- 1.2 Agrees the approach set out in paragraphs 13.1 to 13.8 of this report in relation to consultation and engagement with people with care and support needs and their families;
- 1.3 Approves an eleven week consultation period;
- 1.4 Agrees to delegate authority to Cabinet Member: Adult Social Care and Health Systems in consultation with Director: Adult Social Care to receive the outcome of the consultation and update the policies and implementation of proposals from 01 January 2024; and
- 1.5 Agrees that the charging shall increase in accordance with inflation and / or national guidance each year thereafter until further review, as appropriate.

### **2.0 Purpose of Report**

- 2.1 In line with the Council's Medium Term Financial Strategy, recently approved by Council following public consultation, a review has been undertaken on the Adult Social Care Residential and Non-Residential Care Charging Policies. This review has identified key areas for proposed change.
- 2.2 The purpose of this report is to set out the proposed changes to the policies and the implications to both residents and the Council with reference to the financial contributions individuals, in receipt of care, should make for residential and non-residential care and support services in Telford and Wrekin, under the guidance of the Care Act 2014.
- 2.3 The Council is facing a significant financial challenge and increasing demand for Adult Social Care services. At the same time, the Council's Adult Social Care Charging Policies, compared to national Department for Health and Social Care (DHSC) maximum charging guidelines, are currently significantly more generous and are below these guidelines. In addition the current charges are not comparable with many other Local Authorities.

### **3.0 Background**

- 3.1 The Care Act 2014 focuses on improving people's independence and wellbeing. It makes clear that local authorities must provide or arrange services that help prevent people developing needs for care and support or delay people deteriorating such that they would need ongoing care and support. It states that Councils may make a charge for meeting needs, covering the cost that is incurred by the Local Authority in meeting the needs to which the charge applies. To do this, a financial assessment is required to determine an individual's contribution to their care cost.
- 3.2 The Care Act provides a single legal framework for charging for care and support under sections 14 and 17. It enables a local authority to decide whether or not to charge a person when it is arranging to meet a person's care and support needs,

except where the local authority is required to arrange care and support free of charge.

- 3.3 The following services are those for which a charge can be made:
- Personal home care
  - Day care
  - Transport
  - Housing adaptations not provided through the Disabled Facilities Grants
  - The service elements of telecare equipment
  - Carers services (currently the Council does not charge for carer services)
- 3.4 These services are excluded from the charging process as there is no legal authority to charge. These include:
- After-care services provided under Section 117 of the Mental Health Act 1983.
  - Advice and Assessment.
  - Services provided to sufferers of Creutzfeldt Jacob Disease (CJD).
  - Short term reablement services.
  - Community equipment under £1,000.
  - SEN Educational establishments (Residential Colleges).
- 3.5 The Department of Health and Social Care (DHSC) provide local authorities with guidance on the maximum amount a local authority can charge. This is provided on an annual basis.
- 3.6 For 2021/2022 we are ranked 104 (all English single tier and county councils) for income from charging for care as a % of revised gross expenditure for Adult Social Care (TWC 10.7%). The mean for All English Authorities is 12.1%; mean for All English Unitary Authorities is 12.9% and 12.7% for West Midlands Local Authorities.

### **Population Changes**

The estimated population of Telford & Wrekin is 185,842. The borough's population increased by 19,000 people between the 2011 Census and 2021 Census, an increase of 11.4%. This was the highest of all West Midlands upper tier local authorities and the 21<sup>st</sup> highest of all 151 upper tier local authorities in England.

The age profile of the borough's population has increased at a greater rate than regionally and nationally. Compared with 2011 there has been a 35.7% increase in the number of people aged 65 and over, with 32,700 in 2021 compared with 24,090 in 2011. This is the greatest increase in the West Midlands and compares to a regional increase of 18.1% and nationally of 20.1%. The higher percentage change can be seen in people aged 70 to 74 with the population increasing by 51.8% between 2011 and 2021.

1 in 5 of the borough's age standardised population (20.5%, 36,526 people) were disabled in 2021. This was greater than the proportion of the population for England (17.7%) and the West Midlands region (18.4%) and meant that the borough ranked 29 out of 150 upper tier local authorities in England.

[\(Telford and Wrekin Insight webpage, 2023\)](#)

3.7 Adult Social Care faces significant additional pressures, including from the increase in number of people needing access to social care services and specialist care. This includes older people and people with complex care and support needs and increasing pressures in the care market, specifically workforce pressures and costs.

3.8 Whilst additional investment totalling over £7.26m net of savings into Adult Social Care in 2023/24 has been agreed, it is not possible to continue providing the same services in the same ways. In order to ensure that the Council can continue to meet the assessed needs of vulnerable adults in our community, it is necessary for new approaches to be taken to deliver better outcomes for people and to ensure that we operate as efficiently as possible.

### 4.0 Principles of the Care Act in relation to charging for care

4.1 The Council currently seeks financial contributions from individuals towards the cost of their care services, in line with the **charging principles of the Care Act** as follows:

- Ensure that people are not charged more than it is reasonably practical for them to pay;
- Be comprehensive to reduce variation in the way people are assessed and charged;
- Be clear and transparent, so people know what they will be charged;
- Promote wellbeing, social inclusion, and support the vision of personalisation, independence, choice, and control;
- Support carers to look after their own health and wellbeing and to care effectively and safely;
- Be person-focused, reflecting the variety of care and caring journeys and the variety of options available to meet their needs;
- Apply the charging rules equally so those with similar needs or services are treated the same and minimise anomalies between different care settings;
- Encourage and enable those who wish to stay in or take up employment, education or training or plan for the future costs of meeting their needs to do so; and
- Be sustainable for local authorities in the long-term.

4.2 Our current Charging Policies can be found here:

- [https://www.telford.gov.uk/downloads/file/11187/charging\\_policy\\_for\\_adults\\_in\\_non\\_residential](https://www.telford.gov.uk/downloads/file/11187/charging_policy_for_adults_in_non_residential)
- [https://www.telford.gov.uk/downloads/file/11186/charging\\_policy\\_for\\_adults\\_in\\_residential\\_and\\_nursing\\_care](https://www.telford.gov.uk/downloads/file/11186/charging_policy_for_adults_in_residential_and_nursing_care)

### 5.0 Summary of proposed changes

5.1 The Care and Support Statutory Guidance (DHSC) sets out the principle that Adult Social Care charging policies be “sustainable for local authorities in the long-term”

## Adult Social Care Charging Policies Review Report

(Care and Support Statutory Guidance, chpt 8.2). The review of the Telford and Wrekin Adult Social Care Charging Policies has identified seven areas of proposed change detailed within this section and further detail in **Appendix A**.

5.2 It is acknowledged that any change to existing Telford & Wrekin Charging Policies requires consultation and engagement with stakeholders including people with care and support needs, family, and carers.

5.3 The proposed changes are:

	<b>Area of charging</b>	<b>Brief description of proposed change</b>
<b>1</b>	Minimum Income Guarantee (MIG) (non – residential)	To change the calculation of the Minimum Income Guarantee (MIG) figure used in the non-residential financial assessment to the level permitted by the Department of Health & Social Care (DHSC).
<b>2</b>	Implement Tariff Income (non-residential)	To introduce tariff income in the calculation of the financial assessment for non-residential care. (Tariff income is a weekly amount added to a person's income to take account of the notional income they receive from their capital).
<b>3</b>	High-rate Attendance Allowance & Disability Living Allowance	To include as income the high rates of Attendance Allowance and Disability Living allowance in the financial assessment.
<b>4</b>	Charging self-funders for brokering and administration of care	To introduce an ongoing annual administrative charge to self-funders for sourcing, arranging and the administration of care.
<b>5</b>	Telford & Wrekin Appointee and Deputy Services	To introduce a weekly administrative charge for people in receipt of Appointee Services provided by the Council. To be increased annually in line with inflation.  To pass on charges for bank and prepayment card charges for people in receipt of Deputy and Appointee Services provided by the Council.  To introduce an annual property management fee to people in rented accommodation who are in receipt of Deputy services provided by the Council.
<b>6</b>	Community Alarms	To introduce a charge for the monitoring and administration charge for Council funded Community Alarms.
<b>7</b>	Deferred Payment Agreement	To increase Deferred Payment Agreement fees and introduce an annual administration charge.

5.4 The seven proposed changes are explained in more detail in **Appendix A**.

## Adult Social Care Charging Policies Review Report

- 5.5 There are 1,882 people who are currently receiving chargeable care and support, of which 1,394 receive non-residential care and 488 receive residential care.
- 5.6 Of the 1,882 people, 943 (50.1%) are likely to be affected by one or more of the above proposed changes.

### 6.0 Alternative Options

- 6.1 Cabinet could decide not to proceed with the proposed changes to the Adult Social Care Charging Policies. To do so would however mean that the Council would adversely affect its ability to ensure that Adult Social Care is sustainable in the long term to safely meet its statutory duties.

### 7.0 Key Risks

- 7.1 Whilst no person will be required to pay more than they can afford towards the cost of their care under the new Charging Policies the changes will result in an increase in charges for some individuals. The impact may be lessened if a series of mitigations are put in place alongside the established financial assessment process. It is therefore appropriate to plan for several mitigations which will enable individuals to transition smoothly onto the new charges.

Risk	Mitigation
There is a risk that increasing charges and the perception of unaffordability may incentivise some people to seek to reduce the services they are receiving, and this may lead to unreported or unmet needs.	The Council will track the people impacted by the recommended changes to identify any trends in the reduction of service use and potential for any safeguarding issues. Where there are concerns over the welfare of a person, a review assessment and if appropriate, safeguarding procedures will be followed.
Regarding implementation of any changes, there is a risk that the person will not be able to fully understand the changes that are being made or the impact that they will have.	The proposed changes would require reviews and updates to public documents and guides concerning ASC charges.  We would also write to all people receiving chargeable care and support to inform them of the changes.  Individual notifications will also be sent to every impacted customer notifying them of any changes to their contribution.  The Financial Case management team will be fully trained on the changes and will be available via email and phone for people to call for clarification

## Adult Social Care Charging Policies Review Report

	<p>about any changes that affect them and to signpost to any support that is needed.</p> <p>Social Workers and front-line staff will also be fully aware of the changes.</p> <p>All communication would be done in accordance with the Accessible Information Standard Policy and requirements.</p>
<p>There is a risk of short-term financial disruption to service user impacted by the recommended changes</p>	<p>To introduce a notice period which would give individuals more time to plan for the changes and to engage with any additional support that they may require.</p> <p>Early notification to be provided to each customer in writing followed by a detailed and personalised notification of their own charges.</p> <p>Within the notice period, it is important to ensure that there is adequate support, information, and advice on offer.</p> <p>The contact details of the Adult Social Care Financial Case management team will be circulated in all the above communications.</p>
<p>There is a risk of financial hardship to service user</p>	<p>For people facing exceptional circumstances or severe financial hardship the policies sanction the responsible Director for Adult Social Care to approve a full or partial waiver of charges.</p>
<p>There is a risk of increased debt from unpaid care contributions</p>	<p>Benefit Maximisation - the Financial Case Management team, when completing a financial assessment, will identify any missing benefit entitlements and offer support and guidance to apply.</p> <p>Implement project to increase Direct Debit uptake.</p> <p>An integrated debt referral process between Financial Case Management, Invoicing and Collection and legal to ensure timely recovery of unpaid contributions.</p> <p>Implementation of online financial assessment will enable financial assessments to be completed more rapidly.</p>

## **8.0 Council Priorities**

8.1 This strategy will build on existing initiatives and links closely to the themes of Telford and Wrekin Council's plan to protect, care and invest to create a better borough with the priorities:

- All neighbourhoods are a great place to live in
- A community-focussed, innovative Council providing efficient, effective and quality services
- Everyone benefits from a thriving economy
- Our natural environment is protected and the Council has a leading role in addressing the climate emergency
- Every child, young person and adult lives well in their community

## **9.0 Financial Implications**

9.1 The proposed changes outlined in the report and set out in detail in Section 5 have been modelled to establish the financial implications of implementing the proposed changes for a full year. The modelling is based on the existing people within the service and the level of care they receive, as of April 2023. The level of income generated in a year is expected to be in the region of £1.8m but may vary dependent on the number, and circumstances of the people in the service, and the cost of care being delivered. In the case of transactional services provided to self-funders, community alarms etc. the number of people being supported will determine the level of income. The financial impact of these proposals are in line with the Medium Term Financial Strategy and will help support the additional investment the Council has made into Adult Social Care Services.

9.2 The deferral of Social Care Reform to 2025 will have an impact on charging for care and the implications of those changes, which are not included in this report, will be brought forward in further reports as work on the impacts progresses. The deferral has caused the income from transactional charges to be delayed and the full amount of income anticipated from brokering care for self-funders is not expected to be realised until after the introduction of the reforms in 2025.

## **10.0 Legal and HR Implications**

10.1 This report has direct relevance to the charging principles laid out within the Care Act 2014 and the accompanying Care and Support Statutory Guidance (updated 19 January 2023). The Care Act details the Local Authority's ability to charge for specific services and details those services for which no charge can be raised in accordance with the Care and Support Regulations 2014. Deferred payment agreements and associated administrative charges are addressed by The Care Act 2014 and the Care and Support (Deferred Payment) Regulations 2014, referenced within this document. The Care and Support (charging and assessment of resources) Regulations 2014 are considered in respect of the minimum income guarantee and while the use of the DHSC rate is not specifically



required, adoption of the rate amends the Council's historic position taken in reference to the DWP rate, the system of which pre-dates the Care Act 2014 and brings the approach in line with other Local Authorities.

- 10.2 The Equality Act 2010, places a clear duty on Local Authorities to assess the impact of decisions with respect to the aims of the Public Sector Equality Duty. In short, Local Authorities must pay regard to the elimination of unlawful discrimination, advancement of equality of opportunity and fostering of good relations between people who share protected characteristics. Throughout the development of the proposed changes, considerations have been made in respect to the aims of the duty. The proposed public consultation will further demonstrate compliance with the duty.

### **11.0 Ward Implications**

- 11.1 All wards will be impacted upon by these proposals.

### **12.0 Health, Social and Economic Implications**

- 12.1 It is intended that this programme of work will contribute to improving health and wellbeing outcomes within the Borough.

### **13.0 Equality and Diversity Implications**

- 13.1 The Council uses Equality Impact Analysis as a tool to ensure decision making takes into consideration the protected characteristics as outlined in the Public Sector Equalities Duty. In short, the Council must demonstrate that they pay due regard to eliminate unlawful discrimination, harassment, and victimisation, to advance equality of opportunity and to foster good relations.
- 13.2 The Council need to assess and analyse the practical impact on those whose needs are affected by changes to the way that the Council delivers services or to how the Council spends its money. The Council has adopted a proportionate approach that considers the relevance of a proposed change with regard to equality. This is a measured response recognising that the Council's resources are best aimed at dealing with those proposals that could have the most significant impact.
- 13.3 The proposed changes will directly affect people and as such, in line with the public sector expectations, a consultation will be undertaken. The consultation will provide people with information about the proposed changes, how the proposed changes may affect them and give them an opportunity to have their say.
- 13.4 The proposed consultation on the charging policies will be targeted at those specifically affected by the changes but will also engage the wider community. The consultation will be undertaken through a variety of methods to ensure people are able to have their say (and in accordance with the Public Sector Equality Duty

## Adult Social Care Charging Policies Review Report

and the Adult Social Care Accessible Information Standards). For example, a series of questions will be available through an online questionnaire, but paper copies and accessible versions will also be available. Similarly, online and face to face sessions will be facilitated to seek people's views.

- 13.5 The consultation period will be for 11 weeks, and it is anticipated that this will start on 20 June 2023.
- 13.6 To ensure that those directly affected by the proposed changes are aware of the consultation and their opportunity to have their say, direct written communication will be issued to each person.
- 13.7 The outcome of the consultation and subsequent changes will be presented to the Director of Adult Social Care and Cabinet Member for Adult Social Care and Health System (delegated authority from Cabinet) for final sign off and all people directly affected will be communicated with.
- 13.8 Please refer to **Appendix B and C** for copies of the Equality Impact Analysis and Consultation Approach along with **Appendix D and E** for copies of the draft Adult Social Care Charging Policies.

### 14.0 Climate Change and Environmental Implications

- 14.1 This report has no direct climate change or environmental impact.

### 15.0 Background Papers

- 1 Full Council - Medium Term Financial Strategy 2023/24 – 2026/27 – March 2023
- 2 Cabinet – Medium Term Financial Strategy 2023/24 – 2026/27 – February 2023
- 3 Cabinet - Care Act 2014 report – October 2014

### 16.0 Appendices

- A Charging Review Detailed Information on the Proposed Changes
- B Charging Review Equality Impact Analysis
- C Charging Review Consultation approach
- D Draft Residential Charging Policy
- E Draft Non Residential Charging Policy

### 17.0 Report Sign Off

Signed off by	Date sent	Date signed off	Initials
Director	31/05/2023	05/06/2023	SF
Finance	17/05/2023	05/06/2023	RP
Legal	25/05/2023	06/06/2023	ON