

## AGENDA ITEM 1(a)

### EXTRACT OF MINUTE OF MEETING OF THE HOUSING AND SOCIAL CARE COMMITTEE HELD ON 31 AUGUST 2010.

#### HSC16. ELIGIBILITY CRITERIA FOR ADULT SOCIAL CARE SERVICES

There was submitted Report (circulated) dated 3 August 2010 by the Acting Director of Social Work Services providing information on the implementation of the eligibility criteria for Adult Social Care Services.

Councillor Blackwood, seconded by Councillor McNeill moved the recommendations as contained within the Report.

Councillor Meiklejohn, seconded by Councillor A MacDonald moved the following amendment –

“The implications of the eligibility criteria for the provision of adult care services will have a significant impact on service users. It can not therefore be considered in isolation of the proposal to introduce charges for community care services, therefore this item should be referred to full Council to enable all members to be fully aware on order to inform the decision making process.”

On a division, 7 Members voted for the Motion and 4 Members voted for the Amendment.

Accordingly, **NOTED**:-

- (1) the Operational Guidance which has been produced in relation to the implementation of the eligibility criteria relating to adult social care services; and
- (2) that Members will be provided with an opportunity to receive a detailed briefing on how assessment processes operate within Community Care Services.



**FALKIRK COUNCIL**

**SUBJECT: ELIGIBILITY CRITERIA FOR ADULT SOCIAL CARE SERVICES**

**MEETING: HOUSING AND SOCIAL CARE COMMITTEE**

**DATE: 31<sup>st</sup> AUGUST 2010**

**AUTHOR: ACTING DIRECTOR OF SOCIAL WORK SERVICES**

**1. INTRODUCTION**

- 1.1 This report provides Members with information on the implementation of the eligibility criteria for Adult Social Care services.

**2. BACKGROUND**

- 2.1 On 9<sup>th</sup> December 2009, Members of Falkirk Council agreed to introduce eligibility criteria relating to how adults with social care needs could access social care services, in accordance with the National Guidance which had been produced by the Scottish Government in conjunction with COSLA. The National Guidance indicates that eligibility criteria should be used as a method of ensuring that resources are targeted to those in greatest need and at greatest risk. The guidance prioritises risk into 4 bands;
- **critical risk** : this is where there are major risks to an individual's independent living or health and well-being likely to call for the **immediate\*** or **imminent\*** provision of social care services
  - **substantial risk** : this is where there are significant risks to an individual's independence or health and well-being likely to call for the **immediate\*** or **imminent\*** provision of social care services
  - **moderate risk** : this is where there are some risks to an individual's independence or health and well-being. These may call for the provision of some social care services managed and prioritised on an ongoing basis or they may simply be manageable over the **foreseeable future\*** without service provision, with appropriate arrangement with review.
  - **low risk** : this is where there may be some quality of life issues but low risks to an individual's independence or health and well-being with very limited, if any, requirement of provision of social care services. There may be some need for alternative support or advice and appropriate arrangements for review with the **foreseeable future\*** or **longer term\***.

In these definitions the timescale descriptions are used to indicate that services are likely to be required as follows:

- \* **immediate** : required now or within approximately one to two weeks
- \* **imminent** : required within six weeks
- \* **foreseeable future** : required within the next six months
- \* **longer term** : required within next twelve months or more

2.2 In deciding to implement eligibility criteria across all adult social care groups, Members also agreed that;

- priority should be given to those people whose needs and risks are assessed as critical or substantial
- a more limited approach should be taken to the provision of services when needs and risks have been assessed as moderate, with services only being provided where there is clear evidence that service provision would prevent an individual deteriorating to the point where their needs became substantial
- the Acting Director of Social Work Services would be responsible for setting levels of service which would apply, in particular where levels of need were assessed as moderate and restriction may need to be placed on service provision.
- eligibility criteria would be applied to all new service users and to existing service users at the point of review

### 3. IMPLEMENTATION OF ELIGIBILITY CRITERIA

3.1 Following the decision by Council to implement eligibility criteria, it has been necessary to develop detailed guidance to staff to ensure effective and consistent application of the criteria and to ensure consistent decision-making about the level of service which can be provided, having regard to available resources. A copy of the operational guidance which has been developed is attached (**Appendix 1**). This will be applied as new people are referred to Community Care Services and will also be applied in relation to existing service users as they are reviewed.

3.2 The purpose of eligibility criteria, as indicated above, is to ensure that resources are focussed on those people whose needs are greatest and risks highest. This means that those people who are in receipt of services prior to their review under the new criteria may experience a reduction in service levels. It is important that Elected Members have a clear understanding of the rationale behind such decisions in the event of any concerns raised by any constituents and so it is proposed that a series of briefing will be offered to Elected Members which will include information on how needs are assessed and decision reached about adult social care provision.

#### **4. RECOMMENDATION**

It is recommended that Members of the Housing and Social Care Committee

- 4.1 note the Operational Guidance which has been produced in relation to the implementation of the eligibility criteria relating to adult social care services
- 4.2 note that Members will be provided with an opportunity to receive a detailed briefing on how assessment processes operate within Community Care Services

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**Acting Director of Social Work Services**

Date: 3<sup>rd</sup> August 2010

Contact Officer: Margaret Anderson, 506525

#### **LIST OF BACKGROUND PAPERS**



# **Falkirk Council Social Work Services**

## **Eligibility Criteria Operational Procedure**

**Issued:**

**To be Reviewed:**

## **Falkirk Council Social Work Services**

### **Assessment and Eligibility Framework – Operational Guidance**

#### **1. Purpose**

This paper is designed to provide guidance on the application of the eligibility framework to provision of services to ensure equitable, transparent prioritisation and allocation of available resources from assessment to provision.

It will always be the service aim to promote the personalisation and enablement approach reflecting national policy drivers. By the end of 2010 all assessments, reviews and care planning will be carried out using an outcomes based approach. This approach starts with the outcomes people want in their lives.

#### **2. Background**

Under section 12A of the Social Work (Scotland) Act 1968 Local Authorities have a duty to assess any adult who appears to need community care services. Local Authorities are encouraged to set a low threshold for access to assessment of need. Falkirk Council provides assessments of need to people at all levels of priority.

Falkirk Council approved the introduction of the national eligibility criteria for the Falkirk area in December 2009. This paper builds upon that decision and provides guidance to practitioners on the application of eligibility criteria.

This guidance should be read and applied alongside guidance on assessment.

Following on assessment where the need is identified the next stage is the provision of services to meet assessed needs.

Falkirk Council's Eligibility Criteria for assessment of need are clear. There are defined referral and intake processes that are centred upon a Duty System that operates Monday to Friday, 9am-5pm and through the Emergency Duty team outwith these times.

The basis for assessment is through a standardised single shared assessment (SSA) process. The timescales for completion of assessment from allocation are as follows:

- Initial assessment - two weeks
- Standard Assessment - four weeks
- Comprehensive Assessments - eight weeks

As part of SSA there is a mandatory requirement to complete all IORN (Indication of Relative Need) assessments in relation to service users aged 65 and over.

There are finite budgets within community care services and there is a need to manage the assessment and provision for service within the context of existing budgets.



### **3. The Eligibility Framework**

The Eligibility Framework applies to all care groups and is set out in four bands, which describe the seriousness of risk to independence, harm or danger and the assessed outcomes or consequences if the needs are not met. Table 1 at the end of this document gives further details on the definition of risk/priority.

The bands are:

#### **Critical**

**(Priority Level 1)**

Indicates that there are major risks to an individual's independent living or health and wellbeing and is likely to require immediate provision. Immediate provision is defined as within 1-2 weeks (14 calendar days).

#### **Substantial**

**(Priority Level 2)**

Indicates significant risk to independent living or health and wellbeing and likely to require imminent provision. Imminent provision is defined as within 6 weeks, with a minimum standard of provisions within 42 calendar days from completion of the assessment of need.

#### **Moderate**

**(Priority Level 3)**

Indicates that there are some risks to an individual's independence, wellbeing or health. At this level some social care services may be managed or prioritised, with appropriate arrangements for review.

#### **Low**

**(Priority Level 4)**

Indicates that there may be some quality of life issues, with service provision possibly required within the next 12 months.

The framework is applied to all areas of response and outcomes – referral screening, allocation priority, assessment or review outcome, resourcing and delivery of care provision.

The application of the eligibility criteria should not remain static and be reviewed on an annual basis in line with the resources available to the service.

The service will, as far as possible, respect individual service user and carer choice and preference, subject to priority and best value.

## **4. Services**

There are a range of services that are provided to people who have been assessed as having community care needs and requiring support. The service is committed, wherever practical and possible, to support people in their own homes and to promote independence.

The level of priority agreed at assessment or review will indicate the nature, level and timescale for service provision to service users or carers.

The most common types of services are:-

- Assessment and Care Management
- Care at Home – including Home Care, MECS, Housing with Care, meals delivery service, shopping, rehab at home and crisis care
- Equipment and Adaptations – including Telecare
- Day services
- Short Breaks (respite care) – either at home or in another setting
- Supported accommodation
- Residential or Nursing Care in a Care Home
- Transport in relation to accessing assessed services
- Benefits and income maximisation advice

## **5. Carers**

A carer is someone who looks after and supports a husband/wife/partner, friend, relative or neighbour who could not manage without his or her help. This could be due to age, physical or mental illness or disability.

It does not mean a professional care-worker or personal assistant that gets paid for their work.

Carers should be offered an assessment in their own right. Where the assessment or review concludes that the carer requires support to continue in their caring role the eligibility framework will be applied to the outcome of the assessment and the level of provision.

## **6 Applying the Eligibility for Services Framework**

### **6.1 Care at Home**

Care at Home services support people in their own homes with a wide range of daily tasks. These can include:

- ❑ working alongside family carers to support people at home
- ❑ preparing meals or snacks
- ❑ personal care
- ❑ dress and undress

- ❑ basic health care including routine catheter/stoma care and to support medication and prescription collection
- ❑ household cleanliness
- ❑ shopping
- ❑ manage routine financial and correspondence tasks e.g. pension, benefits and bills

Care at Home services are either directly provided by the Council or are arranged to be provided from external providers.

The service works within a re-ablement framework. This means that Care at Home services are delivered in a way that supports people to increase their skills, confidence, and ability to live independently.

People, including carers, with the greatest level of need and the least help from family and friends have priority at all times.

## **Critical**

### **Priority Level 1**

Assistance can be provided with all of the functions outlined in para 6.1, however in relation to housework, provision will be to a maximum of one half hour per week or one hour per fortnight. When assistance is required with meals, two cooked meals can be provided and a third meal can be prepared, if required. In addition to this hot drinks or snacks can be provided in the context of other visits such as bedding down visit.

At this level of priority, Care at Home services can be provided to a maximum of the cost of an equivalent and appropriate care home placement. In reaching the maximum the costs to the Council of all other forms of care being provided will be taken into account.

A meals delivery and shopping service may be components of the service.

## **Substantial**

### **Priority Level 2**

Assistance can be provided with all of the functions outlined in para 6.1, however in relation to housework, provision will be to a maximum of one half hour per week or one hour per fortnight. When assistance is required with meals, two cooked meals can be provided and a third meal can be prepared, if required. In addition to this hot drinks or snacks can be provided in the context of other visits such as bedding down visit.

At this level of priority the level of provision is up to a maximum of 21 hours of care.

Services may also include a meals delivery service.

## **Moderate**

### **Priority Level 3**

Assistance can be provided with all of the functions outlined in para 6.1, however in relation to housework, provision will be to a maximum of one half hour per week or

one hour per fortnight. When assistance is required with meals, two cooked meals can be provided and a third meal can be prepared, if required. In addition to this hot drinks or snacks can be provided in the context of other visits such as bedding down visit.

At this level of priority the level of provision is up to a maximum of 7 hours.

Services may also include a meals delivery service.

## **Low**

## **Priority Level 4**

At this level of priority no care at home service will be provided. Information about other sources of assistance will be provided.

### **6.2 Day Support**

Day Support services are offered to people who require assistance with a wide range of tasks in respect of daily living. Falkirk Council provides day services which enable service users to improve their independent living skills and assists them in leading more productive and meaningful lives. This may include assisting them to access community activities during the day, including access to education, training and employment. The service will sometimes include support with personal care.

Day services will be offered as close to people's homes as possible. Personal choice will be considered within the application of best value.

Day services may be provided for people who are resident in supported accommodation where day activity is not part of the funding arrangement for care.

People resident in a care home will not ordinarily be eligible for day services on the basis that day support and services are already funded as part of the care home fee.

## **Critical**

## **Priority Level 1**

Day Services can be provided up to a maximum 5 days per week.

## **Substantial**

## **Priority Level 2**

Day Services can be provided up to a maximum of 3 days of day care.

## **Moderate**

## **Priority Level 3**

Day Services can be provided up to a maximum of 1 day.

## **Low**

## **Priority Level 4**

Day Services will not normally be provided. Information about other sources of assistance such as lunch clubs, local groups and community centre activities will be provided.

### **6.3 Transport**

Transport to and from day services or other services will only be provided where there are no other means of transport available. The decision about provision is based on the person's ability to use public transport or subsidised transport such as Dial a Journey.

Where mobility allowance is payable there is an expectation that this will be used for transport to and from services.

### **6.4 Equipment and Adaptations, including MECS and Telecare**

The purpose of any equipment or adaptation is to increase or maintain functional independence. At all levels of priority the equipment or adaptation will meet essential needs only.

Equipment or aids to support people to manage more independently and safely can include bath boards, toilet frames, bath lifts, seating or Mobile Emergency Care Service (MECS) alarm unit.

Minor adaptations to a house can include items such as grab rails at the front door and banisters inside the house.

A major adaptation is any permanent work to a home costing over £1,500, which is carried out to help people with disabilities to remain independent. Major equipment and adaptations include alterations to the fabric of the building, stair lifts, hoists and ramped access.

Major adaptations are complex and have longer lead in times. Funding for major adaptations comes from either Grant application from the Local Authority or provision of the adaptation by the relevant landlord.

#### **Critical**

#### **Priority Level 1**

Essential equipment will be provided within 2 working days of receipt of requisition at the JLES following the completion of the assessment.

Where a minor adaptation to the home is required the process of contracting the works will be initiated within 48 hours of carrying out the initial assessment. In the interim assistance will be provided to reduce and manage any immediate risk.

Where a major adaptation to the home is required the plans should be agreed (where planning permission is not required) and progressed either by referral for a grant application or request to the landlord within 3 months from completion of the assessment. These are timescales for assessment not the completion of the work carried out in a person's home.

#### **Substantial**

#### **Priority Level 2**

Equipment will be provided within 8 weeks of the completion of the assessment.

Where a minor adaptation to the home is required the process of contracting the works will be initiated within 8 weeks. In the interim assistance will be provided to reduce and manage any immediate risk.

Where a major adaptation to the home is required the plans should be agreed (where planning permission is not required) and progressed either by referral for a grant application or request to the landlord within 3 months from completion of the assessment.

## **Moderate**

## **Priority Level 3**

**We will aim to meet the needs of this category if this would avoid provision of/or dependence on services.**

## **Low**

## **Priority Level 4**

Equipment and adaptations will not be provided at this level of priority.

### **6.5 Short Breaks- Respite Care**

The definition of a short break is:

“Respite care is a means of support to give a carer and the person they care for a break from their normal routine and the often stressful demands of their caring situation. People without a carer can also benefit from a break from their home circumstances. Short breaks are an essential part of the overall support that families and carers need to help them care for a family member, partner or friend.”

Short breaks should deliver positive outcomes for both the carer and the person with care needs.

Outcomes might include:

- A break from day-to-day routines
- Time to rest and ‘recharge the batteries’
- Opportunities to meet new people and build friendships
- Time to pursue personal interests, leisure or cultural activities
- Time to learn and experience new things
- Improved health, physical and mental wellbeing
- Greater independence and self confidence

Short breaks should offer opportunities and experiences tailored to individual needs in a variety of settings.

Breaks can involve either time apart or time together with extra support and can vary from several hours to several weeks. They can be provided on a planned basis, as a holiday or in emergencies”.

(Shared Care, 2009)

Personal choice will be considered within the application of best value.

## **Critical**

## **Priority Level 1**

A short break at this level of priority is often in response to a crisis, or to prevent the breakdown of the home situation.

Short breaks can be provided to people living in their own home up to a maximum of six weeks (315 hours) per year.

Short breaks can be offered at a level and frequency, which ensures that the person can be supported and stay in their own home for as long as possible.

Short breaks will not be available to people already resident in supported accommodation or a care home.

## **Substantial**

## **Priority Level 2**

Short breaks may be provided to people living in their own home up to a maximum of four weeks (210 hours) per year.

## **Moderate**

## **Priority Level 3**

Short breaks may be provided up to a maximum of two weeks (105 hours) per year.

## **Low**

## **Priority Level 4**

Short breaks may not be offered at this level of priority.

## **6.6 Care Home - Residential or Nursing Care**

Where people cannot remain or be maintained in their own home due to significant health and risks a care home placement will be offered.

As noted above care home placements may also be offered where the costs of maintaining someone at home are in excess of the net cost of the care home placement.

A nursing home placement should only be offered to people who require nursing care, which requires to be overseen by a health care professional.

For all older people care home placement will be subject to the completion of an Iorn scoring at level F and above.

Where a placement of first choice is unavailable, people will be asked to identify second and third choices of care home. Placement will be offered to the first available vacancy.

## **Critical**

## **Priority Level 1**

Care home placement will only be offered at this level of priority.

**Substantial**

**Priority Level 2**

Care home placement will not be offered at this level of priority.

**Moderate**

**Priority Level 3**

Care home placement will not be offered at this level of priority.

**Low**

**Priority Level 4**

Care home placement will not be offered at this level of priority.

**6.7 Community Advice Services (offers welfare benefits and debt advice)**

Referrals for welfare benefits advice can be made through our Welfare Benefits Helpline on 01324 501404. We will prioritise welfare benefit referrals based on the required need, taking into account whether the service user has any income at all or if there are any specific time limits determined by the Department for Work and Pensions (DWP) or Her Majesty's Revenues and Customs (HMRC), or by the Tribunal Service (TS).

Referrals for debt advice can be made through the Debt Helpline on 01324 506735 or through the local Social Work Office. We will prioritise referrals based on the required need.

**Critical**

**Priority Level 1**

This priority level will be relevant where a service user is facing eviction, house repossession, court summons or any other legal action for recovery of debt.

**Substantial**

**Priority Level 2**

This priority level will be relevant where a service user is in a multi-debt situation with either no or little disposable income, mental health problems or where the creditors are threatening legal action for recovery of debt.

**Moderate**

**Priority Level 3**

This priority level will be relevant where a service user is in a multi-debt situation but is managing to keep payments up to date but requires enter a debt management strategy to reorganise their finances.



## **Low**

## **Priority Level 4**

General advice and guidance is given to individuals with this priority. Individuals in categories 1, 2 or 3 above will be given priority and be seen before individuals requiring a low service input.

### **6.8. Direct Payments**

Direct Payments are cash payments made by the Local Authority, sometimes including payments from Health, to people who have been assessed as needing help from Social Care Services (and Health Services), and who would like to arrange and pay for their own care and support services instead of receiving them directly from Health or the local Council.

A person must be able to give their consent to receiving direct payments and be willing and able to manage them even if they need help to do this on a day-to-day basis. Support to manage a direct payment is available from local support organisations.

The payment made will be the equivalent of the costs to Falkirk Council (and NHS Forth Valley) to provide the level of care required. To establish the level of care the eligibility framework will be applied as if the Council was providing the care.

### **7. Authorisation outwith maximum criteria**

There will be instances where a service users care package will potentially exceed the maximum limits set in this guidance note. If this situation arises the discussion to offer additional funding for all cases should take place with the Team Manager and a clear view given of the necessity exceeding the limits set by the eligibility criteria. The Team Manager should forward the request and information to the Service Manager for approval. The following timescales should be applied:

Critical	- Decision within 24 hours
Substantial	- Decision within 10 days
Moderate	- Decision within 4 weeks

### **8. Review Process**

The above guidance applies to both existing and new service users and carers across all care categories. In order that fairness and equity is applied across Community Care services.

### **9. Complaints**

Any complaints by a service user / carer should be dealt with through the Social Work complaints procedure. Enquiries from Elected Members will be dealt with following the guidance for Members enquiries / complaints.

**Table 1: Definitions of Risk / Priority**

**Risks relating to neglect or physical or mental health**

CRITICAL	SUBSTANTIAL	MODERATE	LOW
(High)		(Medium/ Preventative)	(Low/ Preventative)
Major health problems which cause life threatening harm or danger to client or others.	Significant health problems which cause significant risks of harm or danger to client or others.	Some health problems indicating some risk to independence and/or intermittent distress. Potential to maintain health with minimum interventions.	Few health problems indicating low risk to independence, potential to maintain health with minimum interventions.
Serious abuse or neglect has occurred or is strongly suspected and client needs protective intervention by social care services (includes financial abuse and discrimination).	Abuse or neglect has occurred or is strongly suspected (includes financial abuse and discrimination).	Vulnerable person need to raise their awareness to potential risks of abuse.	Preventive measures including reminders to minimise potential risk of abuse.

**Risks relating to personal care / domestic routines / home environment**

CRITICAL	SUBSTANTIAL	MODERATE	LOW
(High)		(Medium/ Preventative)	(Low/ Preventative)
Unable to do vital or most aspects of personal care causing a major harm or danger to client or others or major risks to independence.	Unable to do many aspects of personal care causing significant risk of danger or harm to client or others or there are significant risks to independence.	Unable to do some aspects of personal care indicating some risk to independence.	Difficulty with one or two aspects of personal care, domestic routines and/or home environment indicating little risk to independence.
Unable to manage the most vital or most aspects of domestic routines causing major harm or danger to client or others or major risks to independence.	Unable to manage many aspects of domestic routines causing significant risk of harm or danger to client or others or significant risk to independence.	Able to manage some aspects of domestic activities indicating some risk to independence.	Able to manage most aspects of basic domestic activities.
Extensive/complete loss of choice and control over vital aspects of home environment causing major harm or danger to client or others or there are major risks to independence.	Substantial loss of choice and control managing home environment causing a significant risk of harm or danger to client or others or a significant risk to independence.	Able to manage some aspects of home environment, leaving some risk to independence.	Able to manage most basic aspects of home environment.

**Risks relating to participation in community life**

CRITICAL	SUBSTANTIAL	MODERATE	LOW
(High)		(Medium/ Preventative)	(Low/ Preventative)
Unable to sustain involvement in vital aspects of work/ education/ learning causing severe loss of independence.	Unable to sustain involvement in many aspects of work/ education/ learning causing a significant risk to losing independence.	Unable to manage several aspects of involvement in work/ learning/ education and this will, in the foreseeable future, pose a risk to independence.	Has difficulty undertaking one or two aspects of work/ learning/ education/ family and/or social networks indicating little risk to independence.
Unable to sustain involvement in vital or most aspects of family/ social roles and responsibilities and social contact causing severe loss of independence.	Unable to sustain involvement in many aspects of family/ social roles and responsibilities and social contact causing significant distress and/or risk to independence.	Able to manage some of the aspects of family/ social roles and responsibilities and social contact that pose some risk to independence.	Able to manage most of the aspects of family/ social roles and responsibilities and social contact that pose some risk to independence.

**Risks relating to carers**

CRITICAL	SUBSTANTIAL	MODERATE	LOW
(High)		(Medium/ Preventative)	(Low/ Preventative)
Carer has major physical/ mental health difficulties due to the impact of their role as a carer causing life threatening harm or danger to themselves or others.	Carer has significant physical/ mental health difficulties due to the impact of their role as a carer causing significant risk of harm or danger to themselves or others.	Carer able to manage some aspects of the caring/ family/ domestic/ social roles. Potential risk to breakdown of their own health identified.	Carer able to manage most aspects; has difficulty undertaking one or two aspects of their caring/ domestic role but with low risk.
There is a complete breakdown in the relationship between client and carer and carer is unable to continue caring or has difficulty sustaining vital or most aspects of their caring role.	There is a significant risk of breakdown in the relationship between client and carer and carer is unable to sustain many aspects of their caring role.	Relationship maintained although at times under strain between client and carer limiting some aspects of the caring role.	Relationship maintained between client and care by limiting aspects of the caring role.
Carer is unable to manage vital or most aspects of their caring/ family/ work/ domestic/ social roles and responsibilities.	Carer is unable to manage many aspects of their caring/ family/ work/ domestic/ social roles and responsibilities.	Carer is able to manage some aspects of their caring/ family/ work/ domestic/ social roles and responsibilities.	Carer is able to manage most aspects of their caring/ family/ work/ domestic/ social roles and responsibilities.



**FALKIRK COUNCIL**

**Subject: DEVELOPMENT OF A CHARGING POLICY FOR NON-RESIDENTIAL ADULT SOCIAL CARE SERVICES**  
**Meeting: FALKIRK COUNCIL**  
**Date: 7<sup>th</sup> SEPTEMBER 2010**  
**Author: ACTING DIRECTOR OF SOCIAL WORK SERVICES**

**1. PURPOSE**

- 1.1 The purpose of this report is to advise Members on the findings from a recent consultation exercise relating to charging for non-residential social care services and to make proposals for how a fair and equitable charging policy can be developed and implemented in Falkirk Council.

**2. BACKGROUND**

- 2.1 Since 2006, the Social Work overspend has increased incrementally as outlined below:

	%
• 2006/07 £0.505m	0.9
• 2007/08 £1.663m	2.7
• 2008/09 £3.249m	4.9
• 2009/10 £2.889m	3.6

These increases reflect increased demand for services as well as increased costs of services. The increased demand is certainly expected to continue in future based on current demographic projections, with there now being the additional pressure arising from anticipated reductions in levels of grant provided to Local Authorities.

- 2.2 On 10<sup>th</sup> February 2010 in recognition of the demographic and financial pressures facing the Council as a whole and Social Work services in particular, Members agreed in principle to the development and introduction of a charging policy for non-residential social care services, with the aim of achieving an income of circa £1m. It was further agreed that the policy should be consistent with the COSLA guidance and should be developed in consultation with key stakeholders.
- 2.3 At the time of the report in February 2010 it was anticipated that the promoted use of Independent Living Fund (ILF) monies would assist in reducing financial pressure on the Social Work budget. However, since that time the Independent Living Fund has been closed to all new applications due to the increasing financial pressures. No new applications will be considered this year (2010/11) and existing recipients of these funds will not be eligible for any increased funds should their care needs increase – other than in exceptional circumstances (guidance is not yet clear on what these might be). The ILF is under ongoing review, which may well see further restrictions on the levels of funding that will be afforded existing recipients.

- 2.4 The combination of factors highlighted in 2.1 and 2.3 bring ever increasing pressure on the Social Work budget both in the current year and in coming years. The Independent Budget Review (IBR) was released on 29<sup>th</sup> July 2010 and it highlights the pressures being faced by all Public Sector bodies. The purpose of the Review was to inform public and Parliamentary debate in advance of the next UK Comprehensive Spending Review (which will cover the four years 2011-12, 2012-13, 2013-14 and 2014-15) about the challenges and choices which will exist in a significantly constrained public spending environment.
- 2.5 The Independent Budget Review cites the appropriate use of charging (increase to existing charges and introduction of eligible new charges) as a principal tool for ensuring that vital services remain available to as wide a section of our communities as possible. The view expressed is that by charging those who can afford to pay we are better equipped to continue to subsidise the costs for those who cannot. This is the foundation for a robust but fair charging policy.
- 2.6 It should be noted at this stage that while personal and nursing care are free to people aged 65 and over, the Independent Budget Review does recommend that this will have to be given further consideration. The decisions made as a result of the Comprehensive Spending Review will indicate if there are likely to be changes in this policy. Accordingly, any agreed charging policy will be subject to possible change from April 2011.
- 2.7 The charging policy will sit alongside the national eligibility criteria previously agreed by Council and which is in the process of implementation. It is worth noting that the eligibility criteria cover all care groups within Community Care provision and this paper will propose that the charging policy does the same. This will ensure coherent and joined up policy across all groups for eligibility and charging.
- 2.8 The charging arrangements for residential care are covered by detailed national guidance. By contrast, the arrangements relating to non-residential social care services have been much more variable, resulting in inequities between service users whose needs are such that residential care is required and those service users who are still able to live in their own homes and communities. The implementation of a charging policy for non-residential care services would assist the Council to address this issue.
- 2.9 COSLA produces annual guidance relating to non-residential social care services. The COSLA guidance is not intended to be prescriptive. It provides a framework based on common principles and practice across Scotland. It is intended to assist Councils in demonstrating local accountability, in developing charging policies to support service objectives locally and in demonstrating they have followed best practice in arriving at locally determined charges.
- 2.10 A copy of the 2010-2011 guidance is attached at **Appendix 1**. The guidance describes the rationale for charging and acknowledges that charging policies have been developed in response to serious concerns about shortfalls in funding arising from limited budgets, growing demand and additional responsibilities. Charging policies have the primary objective of offsetting the costs of providing services and it is unusual for charges to cover the full economic cost of providing the service.
- 2.11 The guidance provides very helpful advice on how charging policies should be developed with the key messages being that Councils should:
- think strategically about charging policy and relate this to overall plans and objectives
  - develop new charging policies on the basis of a reliable information base
  - take account of a sufficient range of advice



- undertake appropriate stakeholder consultation
  - manage the implementation process
  - ensure that policies are reasonable.
- 2.12 The guidance describes the current legal framework for charging and clarifies that Councils have the power to charge for the following adult non-residential care services:
- Practical assistance in the home and meals provided to physically disabled people
  - Lunch clubs
  - Domiciliary services, including meals on wheels
  - Community alarms
  - Laundry services for disabled people
  - Day care
  - Equipment and adaptations for disabled people
  - After care services for people with a mental illness
  - Wardens in sheltered housing.
- 2.13 Charges cannot be made for:
- Advice and information about the availability of services
  - Assessment of care needs or care management
  - Elements of food preparation for older people
  - Services and support of people with a mental illness who are subject to a Community Care Order or a Supervision Order
  - Nursing care and personal care for people aged over 65
  - Criminal Justice Social Work Services.
- 2.14 The guidance suggests a common approach to how income and capital is treated and also recommends that policies are developed relating to cases of hardship and relating to income maximisation. It recommends that policies should:
- adopt common age thresholds that should maintain a link with the Department for Work & Pensions (DWP) thresholds
  - have a common income threshold at which charges should apply, with the income level having a 16.5% “cushion” built-in to ensure that service users’ disposable income does not fall below subsistence levels of benefits
  - allow for a spectrum of charges that can be applied, depending on the percentage of excess income which may be charged. This is referred to as the taper level.

### **3. CONSULTATION**

- 3.1 A consultation exercise was undertaken across existing homecare and community care service users and carers. This was done through a mix of sample surveying and focus groups. In addition, the views of representative and provider groups were also consulted through a focus group meeting. The consultation focused on the principles of a fair charging policy and the value that stakeholders placed on the services they receive or may need in the future.
- 3.2 The consultation was conducted by the Council for the Voluntary Sector (CVS) to provide an independent process into which participants could feel comfortable in making open and honest expressions of views. The consultation was done from within existing resources in CVS and there were no additional costs to Falkirk Council in carrying out the process.

3.3 The findings of the process are appended to this report (**Appendix 2**) and the general themes are summarised as follows:

- Charging is generally accepted as being appropriate given the significant change in the financial climate
- Strong acceptance that where a person receives benefits which are specifically designed to be used to pay for care needs, then these funds should be used to contribute to the cost of care provided by the Local Authority
- There are differing views on which specific services should be charged for but overall the indication is that charging should see all those receiving services making a contribution to meeting costs rather than meeting the whole of the costs – based on the provision that individuals have been assessed as being able to afford to contribute
- Any charging policy introduced must be fair, open and transparent
- There should be a clear policy on how people with multiple services will be charged to ensure that no-one is paying more than they can afford
- The Council should ensure that all financial assessments are streamlined
- While current services are generally well regarded there should be a focus on maintaining and where possible improving the choice and quality of provision – charging will bring an increased sense of accountability
- The change period for introducing charging should be handled sensitively and if possible charges should in some way be limited – at least in the short term. This is to assist people in financially managing during the change to a charging regime
- People should receive detailed information on the cost they are being asked to fund – in particular people should receive some form of detailed invoice specifying what their charge relates to
- There is a need for continued dialogue and communication during the implementation of any charging policy

#### 4. GENERAL PRINCIPLES FOR THE CHARGING POLICY

4.1 In developing a fair charging policy for non-residential adult social care services the underlying principles of the policy should reflect the key messages from the consultation exercise and should therefore:

- be equitable across care groups
- be affordable for service users
- include measures to ensure income maximisation
- be cost effective.

There was an expressed interest by a number of consultees to be involved in ongoing discussions during the implementation stages and the service will ensure a commitment to maintain communication.

4.2 The consultation set out to seek the views on key areas. These included:

- what services should be eligible for a charge;
- the levels of charges and whether this should be full cost or a contribution and;
- affordability and whether this should be based on full financial assessments or based on a capped fixed amount (linked to care related benefits).

The consultation findings would indicate the policy should cover:

- **all services**
- **reasonable cost\*, where there is available disposable income**

- **full financial assessments.**

\* The consultation indicated that there were very mixed views on whether charges should be in any way limited other than by affordability to the individual. Only just over 25% indicated that they felt charges should be capped below full cost recovery. However, the largest group response was ambivalence on the issue. The main deciding factor seemed to be affordability for the individual rather than across the board charging limits.

- 4.3 On the basis of the consultation findings it is recommended that the scope of the policy should be all adult non-residential care services listed in paragraph 2.12, with the exception of warden services as these are not applicable in Falkirk and equipment and adaptations as these are covered by separate policies. A separate policy relating to transport for service users should be developed which clarifies what transport is provided and which also makes proposals for how the costs associated with this should be met.
- 4.4 Following on from 4.2 the consultation suggested that while in the longer term limits to charges should be more influenced by affordability to individual circumstances, there should be across the board capping in the short term. This is to allow people to adjust gradually to charging. The national guidance on charging also notes that charges are not normally set at levels which cover the full cost of service provision.
- 4.5 There is however, a need to ensure that charge levels are set in a way that will achieve realistic and effective income against the true cost of the care being provided.
- 4.6 Where charges are not specifically for care but instead relate to food costs in day care services, meals on wheels and lunch clubs, it is proposed that there would be a move towards full cost recovery. This reflects the fact that whether or not people are in receipt of care services, their state benefits are intended to cover the cost of food.

## **5 PROPOSED LEVELS OF CHARGING**

- 5.1 Having considered the national guidance and the consultation feedback the proposed charges have been set at rates which would both be reasonable for individuals, but would also realistically raise the levels of revenue required to sustain service delivery in the current financial environment and facing the increased levels of demand expected in the coming years.
- 5.2 In response to the particular request within service user feedback that charges should in some way be introduced incrementally, the following set of charges are proposed as stage 1 of a two stage process.
- 5.3 Stage 1 provides easy to understand flat rate charges which are straightforward to implement, along with very clear limits on maximum payments that people can expect to pay. Financial assessments will not be required as a matter of course. A capped level of maximum charge, however, will assist with ensuring affordability for all, while we will also ensure that no one falls below the nationally agreed income thresholds (set out in 6.2).
- 5.4 Income maximisation will be available to anyone and in particular to those at or near these thresholds to ensure that they have available all possible financial support. Charges would be subsidised up to full level, for anyone who would otherwise fall under the thresholds due to paying for services.
- 5.5 Stage 2 will be developed over the coming months and will be based on full financial assessment based on the principles set out in 2.14. It will also be developed in line with any changes following the Comprehensive Spending Review in October 2010 and in particular

with reference to whether personal care continues to be deemed to be free to all those aged 65 and over.

- 5.6 The table below sets out the proposed stage 1 charging levels for each type of service. These charges are explained in 5.7 – 5.16.

Table 1 – Proposed charges

	Current charge	Proposed charge	Maximum estimated Income P/A	Implementation Date	2010/11 max estimated income
Lunch Clubs per meal	£1.70	£2.00	£2k	1 <sup>st</sup> November 2010	£1k
Meals on Wheels per meal	£1.70	£2.00	£12k	1 <sup>st</sup> November 2010	£5k
Day Care Meal provision Per meal	£1.70	£2.00	£6k	1 <sup>st</sup> November 2010	£2k
Shopping per delivery	No charge	£5	£100k	1 <sup>st</sup> November 2010	£42k
Community Alarm Service per week	No charge	£3	£900k	1 <sup>st</sup> November 2010	£375k
Domestic only Home Care per week	No charge	£5	£90k	1 <sup>st</sup> November 2010	£37k
Care at Home/Day Care (Adults – under 65) per week	No charge	£23.90 (cap)	£735k	1 <sup>st</sup> November 2010	£306k
<b>Gross Total</b>			£1.845m		<b>£0.768m</b>
<b>Uncollectable income (10%)</b>			£0.184m		<b>£0.077m</b>
<b>Total</b>			£1.661m		<b>£0.691m</b>

- 5.7 The charge of £2.00 proposed for lunch clubs, meals in Day Care services and meals-on-wheels is an incremental move towards the recovery of the true cost of provision of two course meals (currently £2.75). Other costs associated with the delivery of these services such as transport would continue to be met by the Council.
- 5.8 There are also meals provided in the Housing with Care service but these will be reviewed during stage 2 of the charging process to ensure that charges are set for the whole of the service delivered.
- 5.9 The shopping service has been free to this point. It costs approximately £10 per person to supply which is double the cost of similar services provided by supermarkets. The introduction of a charge at £5 per delivery would therefore be in line with the alternatives open to people and would be within the principle that people should only contribute to the cost rather than meet the full cost. This remains an optional service and therefore allows individuals to elect to choose an alternative to the council service.
- 5.10 Similarly the cost of Community Alarms has until now been free to service users. The proposed charge of £3.00 per week relates to the provision and administration of the alarm system, to the initial response from the control centre, and staff time towards installing and maintaining the alarm units. It does not cover the personal care service associated with it, which will remain free of charge.

As this is a flat charge there will be no additional costs to service users regardless of how often a response is required. Again, this means that we are charging only a contribution element rather than the whole cost of the service. This will ensure that the system can be made available to as many service users as possible and we would continue to promote this very cost effective way of ensuring vulnerable people are safe in their own homes.

- 5.11 All of the above proposals require minimal administration and are therefore cost effective to collect. This was seen as being an important element to people in the consultation exercise, ensuring that monies raised can be invested in the services rather than in the administration of the services.

5.12 **Care at Home Services**

- 5.12.1 There are particular differences between the nature of Care at Home services delivered to people under 65 and those over 65. In general people under 65 receive higher levels of hours of care and the needs are usually based on physical or mental disabilities (including Learning Disabilities). Over 65's are more usually in receipt of services due to limited mobility or some other form of limited capacity related to age rather than specifically any underlying physical or mental disability.

- 5.12.2 Despite these differences the establishment of a fair rate to charge for such services should be the same. Again, taking the principle of charging based on a contribution rather than the full cost it is suggested that a capped hourly rate is applied. This would also address the fact that external Care at Home providers have varying rates – otherwise individuals could pay significantly different costs for the same level of care, purely due to the particular care provider delivering their care. Setting a rate of £9/hr would represent 60% of the current In-House Homecare rate (£14.95) and this would ensure a rate which is below any external provider rate.

- 5.12.3 While in stage 2 we will calculate contributions based on full financial assessments, in stage 1 the options proposed for each group are nominal low level fees:
- Older People (Aged 65+) – flat rate charge of £5 per week for those in receipt of domestic only Homecare. This is based on such services only being supplied for ½hr per week.
  - Adults (Under 65yrs) – capped (maximum) charge of £23.90 per week. This charge will be levied on anyone in receipt of Disability Living Allowance (DLA) – Middle or Higher Rate, and is at a rate equivalent to 50% of the middle rate of DLA. (This reflects the views expressed that benefits paid in respect of care needs should be used to contribute to the associated costs).

- 5.13 Day Care will generally be covered in stage 2 of implementation of a charging policy. However, it is often integral to care packages for under adults (under 65) who are in receipt of DLA. The cost of such Day Care is generally around £80 per day and is a considerable cost to the Council. Therefore in relation to the capped charge of £23.90 in 5.12.3, this will be set against the combined full cost of the Day Care and Care at Home costs (based on £9/hr) included in any one package.

- 5.14 Where an adult under 65yrs is not in receipt of DLA (middle or higher rate) then the charge will be suspended while an income maximisation assessment is carried out. If the person continues to not qualify for these levels of DLA then the council will meet the costs of the care package.

- 5.15 The charge will be levied to all Care at Home and Day Care service users aged under 65 and the invoice will include guidance on how to claim for exemption in a similar way to the process used for Council tax exemption.
- 5.16 A key issue in the national guidance on charging for non-residential care which was mirrored in the feedback during the consultation exercise was about fairness and equity. One area which requires to be addressed under stage 1 of this policy is the unequal practice of paying some people to attend Day Care and not others. We are therefore proposing that all such payments to individuals are stopped. In addition to bringing equality to all users of Day Care services, this also gives an equal platform on which means tested charging can be put in place under stage 2 of this process.
- 5.17 By stopping all such payments to attendees of Day Care there would be a saving of approx £18,000 per annum which is not reflected in Table 1 above. This money would be used to ensure that service users and their families have access to advice and assistance to maximise their incomes which is likely to be of considerable long term benefit.
- 5.18 The recommended options proposed to Council represent a moderate charging policy, reflecting Members aspirations and the concerns raised in the consultation process around affordability and managing the change over to a charging regime.

## 6. AFFORDABILITY

- 6.1 As already stated stage 2 of this process will introduce full financial assessments as the mechanism to ensure affordability. This process will make full use of the thresholds and associated tools set out in 2.13. It will also have regard to the treatment of any capital people may have.
- 6.2 In stage 1 we are using three tools to ensure that people do not fall below the income thresholds linked to the Department for Work & Pensions (DWP) levels. The rates set out below include the 16.5% cushion referred to in 2.14:

### 2010/11 rates

Single person under 60 years	£109
Single person over 60 years	£155
Couples under 60 years	£167
Couples over 60 years	£236

- 6.3 Firstly, we have set charges at affordable levels for each individual element of service provision.
- 6.4 Secondly, we are proposing capped (maximum) charges for care provision to both older people and adults under 65yrs. Food costs will be over and above these.
- The capped charge for older people would be a maximum **£13/week** and this would be based on someone getting a shopping service, domestic only Home Care service and also with MECS in place.
  - The capped charge for adults (under 65yrs) would be a maximum **£23.90** (and would only be payable where the person is in receipt of Disability Living Allowance (middle or higher rate))

- 6.5 Finally, anyone who would otherwise see their income fall below the thresholds set out in 6.2 will only be charged up to the amount which still protects the minimum income levels identified for their circumstances. This means that should someone have income which is only £5 above their relevant threshold, they would only be charged up to £5 even if they were in receipt of services which would attract charges higher than this. **Appendix 3** provides illustrations of how these arrangements would apply in practice.
- 6.6 In cases of hardship which arise despite these three measures, each case will be assessed on its own merits. This is in line with the national guidance and reflects the fact that in a generic charging policy not all personal circumstances can be forecast.
- 6.7 A particularly significant element of the financial assessment process will be to ensure that all service users have access to income maximisation advice. This is a process which is already undertaken by council officers.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 A target of c£1m has been set for Social Work Services to recoup through the implementation of a fair and appropriate charging policy in 2010/11. This is a significant sum which was challenging from the outset to achieve especially and this has become more difficult considering the figure was set based on a full year implementation of a charging policy and implementation to be from 1<sup>st</sup> November 2010.
- 7.2 It is acknowledged that any shortfall in the actual amount collected through a charging policy will have to met through other savings which will be extremely challenging for Social Work Services.

## **8. RESOURCE IMPLICATIONS**

- 8.1 There is already infrastructure within Social Work Services which deals with financial assessments/income maximisation and invoicing/collection, for residential charging. However, the levels of activity in these areas which would be required to cover non-residential services are clearly significant and would require additional resources.
- 8.2 The main impact of stage 1 will be increased levels of invoicing and collection of monies. We would offer and promote the use of Direct Debits for the proposed charges as this process is easier generally for service users as well as easier to administer for the Council. This should minimise the resource burden and we would look for this to be managed from within existing council resources.
- 8.3 In terms of financial assessments we will monitor the impact of the stage 1 policy but anticipate that to properly prepare for stage 2 we will require to commit additional resources at least on a temporary basis to undertake financial assessments.

## **9. EQUALITIES ISSUES**

- 9.1 The equalities impact of the proposed policy has been considered in its development. Given the nature of the services covered by the proposed policy, it will impact more on older people and disabled people than on the general community. This should be considered by Members bearing in mind the terms of Council's Equalities Scheme and the general duty on public authorities in the Disability Discrimination Act 1995.

In this context, it is important to note that consultation has been undertaken with service users. The proposed policy takes account of the consultation responses. Measures are proposed in the policy to mitigate any adverse impact of introducing or increasing charges, in particular, the adoption of protection for minimum income levels and setting of charges significantly below cost level. In addition the policy adopts an equitable approach in charging across care groups. It is considered that the policy can properly be adopted having regard to Council's duties to promote equality.

## **10. NEXT STEPS**

- 10.1 We will prepare the required resources with a view to implementation of the policy from 1<sup>st</sup> November 2010. This will be done in tandem with the work being undertaken to introduce eligibility criteria and the redesign of the community care and integrated teams and the pilot intake assessment team. The result will be a robust infrastructure and set of processes which will ensure that Social Work Services manage and deliver the changes in a coherent and planned way.
- 10.2 We will communicate with key stakeholders and in particular service user and carers throughout this period to ensure that they are fully informed and prepared for the changes. This will also include further consultation to ensure that the changes are implemented in a way that is empathetic to the needs and concerns of service users who will be affected by the changes. This was a particular issue raised in the initial consultation process – that people wanted to be kept fully informed and involved to the extent possible.
- 10.3 We will prepare a further report to Members advising of the learning and outcomes of the preparation period and any amendments that are seen as being required to make sure the implementation of charging, eligibility criteria and service re-organisation are effectively managed. This further report will also provide revised projections of income based on refined modelling and data gathering.

## **11. RECOMMENDATIONS**

**It is recommended that Council**

- 11.1 note the guidance produced by COSLA on charging for non-residential social care services;**
- 11.2 agree to the implementation of the stage 1 proposals as outlined in sections 5 & 6;**
- 11.3 agree to commence work to undertake financial assessments in relation to all service users under the age of 65 and those service users over the age of 65 as required (in line with decisions made in the Comprehensive Spending Review)**



- 11.4 request that the Acting Director of Social Work Services bring an update report to Housing and Social Care Committee in February 2011 to provide an update on the implementation of stage 1 of the charging policy, a progress report on the completion of financial assessments and detailed proposals for stage 2.

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**Acting Director of Social Work Services**

**Date:**

**Contact Officer:** Margaret Anderson, Acting Director of Social Work Services

#### BACKGROUND PAPERS

1. Making It Fair (Murphy, K) 2010
2. Independent Budget Review (Beveridge et al.) 2010



**Charging Guidance for Non-residential Social Care Services**

**2010-11**

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## **COSLA CHARGING GUIDANCE (2010)**

### **COSLA Guidance on charging policies for non-residential services that enable people to remain in their own home**

#### **Executive Summary**

This Guidance covers charging for non-residential care services that enable people to remain in their own homes and updates the document originally issued by COSLA in 2002 and subsequently amended in 2006 and 2009. The Guidance does not take the form of national prescription. It does not require councils to charge, nor does it prevent them from adopting a more generous treatment of service users' circumstances than is recommended in this paper. It provides a framework that aims to maintain local accountability and discretion while encouraging councils to demonstrate that in arriving at charges they have followed best practice.

#### **Revisions**

COSLA conducted a survey to determine whether there was a need to revise the guidance for 2010-2011. The results of the survey raised no new issues compared with that carried out for the previous year. As a result no substantive or policy changes have been made over and above an increase in the capital disregard, which has been increased in line with DWP thresholds from £6,000 to £10,000 and charging thresholds which have been increased thus.

	2009/10	2010/11
<b>Single person under 60 years</b>	<b>£107</b>	<b>£109</b>
<b>Single person over 60 years</b>	<b>£152</b>	<b>£155</b>
<b>Couples under 60 years</b>	<b>£164</b>	<b>£167</b>
<b>Couples over 60 years</b>	<b>£232</b>	<b>£236</b>

## **Section 1 – Status of the Guidance**

This Guidance recommends a set of principles that should underpin charging policies for non-residential care services aimed at enabling people to remain in their own home. It also describes a number of best practice steps that councils should cover in the development and implementation of their charging policies.

This Guidance is not intended to be prescriptive. It provides a framework built on the most common principles and practice. This allows local authorities to use their discretion to:

- ♦ Demonstrate their local accountability
- ♦ Develop charging policies that support service objectives locally, and
- ♦ Demonstrate they have followed best practice in arriving at locally determined charges.

In each case, there is a valid role for local elected members in making decisions about either subsidising services from overall council resources or a greater reliance on charging.

It should also be noted that Scottish Government Ministers reserve the right to direct local authorities on their charging policies. The 2002 Community Care and Health (S) Act gave the then Scottish Executive powers to regulate home care charges in order to achieve a greater level of consistency across Scotland. At that time it was agreed that self-regulation through COSLA would be permitted if that would achieve the policy objective. COSLA therefore developed its guidance covering charging for non-residential care services that enable community care clients to remain in their own homes.

The guidance has been reviewed once since it was originally issued in 2002, with a revised document being issued at the beginning of 2006 and further amendments issued in 2009. There is an understanding with the Scottish Government that the guidance will be subject to regular review; hence, a review was undertaken during 2008. At the Leaders meeting in February 2009, it was agreed that COSLA would issue guidance on an annual basis, to take account of changes in legislation, finance and local practice.

## **Section 2 – Justification for Charging Policies**

### **The Rationale for Charging**

In response to the Scottish Affairs Committee Inquiry into the Implementation of Community Care, COSLA stated that charging policies had been developed in response to serious concerns about shortfalls in community care funding, arising from limited budgets, growing demand and additional responsibilities.

Councils' charging policies are therefore designed with the primary objective of offsetting the costs of providing services. While the term 'charging' is used throughout this report, it must be stated clearly that in the vast majority of cases the charge rarely covers the full economic cost of the services provided.

### **The Current Scottish Government Framework for Charging**

Councils' charging policies have been developed within the parameters of community care legislation and guidance. This includes services provided under the Social Work (Scotland) Act 1968 and the Mental Health (Scotland) Act 1984. With regard to the initial guidance on charging, as set out in the Scottish Office Circular SWSG1/1997, and with regard to subsequent guidance, the following principles obtain:

What can be charged for:

Councils have the power to charge for the following adult non-residential care services:

- day care;
- lunch clubs;
- domiciliary services, including meals on wheels;
- wardens in sheltered housing;
- community alarms;
- laundry services; and
- aids and adaptations for disabled people.
- Practical assistance in the home and meals provided to physically disabled people could be charged for.
- Charges can be made for after-care services for people with a mental illness.

What cannot be charged for:

- Charges cannot be made for criminal justice social work services, advice and information about the availability of services, and assessment of care needs or care management.
- People with a mental illness who are subject to a Community Care Order or a Supervision Order are exempt. Councils are also encouraged to exempt people who are terminally ill.
- Nursing Care and Personal Care for people aged over 65

## **Free Personal Care: Preparation of Food**

Following a period of uncertainty around those aspects of the Free Personal Care legislation that pertains to food preparation, the Scottish Government has undertaken to take the matter to the Scottish Parliament to clarify the legal position. The will of the Scottish Government is to prevent councils from charging for the preparation of food. More specifically, charges may not be applied to the preparation of, or the provision of any assistance with the preparation of, the person's food including (without prejudice to that generality)-

- (a) defrosting, washing, peeling, cutting, chopping, pureeing, mixing or combining, cooking, heating or re-heating, or otherwise preparing food or ingredients;
- (b) cooking, heating or re-heating pre-prepared fresh or frozen food;
- (c) portioning or serving food;
- (d) cutting up, pureeing or otherwise processing food to assist with eating it; and
- (e) assisting in the fulfilment of special dietary needs,
- but not the supply of food (whether in the form of a pre-prepared meal or ingredients for a meal) to, or the obtaining of food for, the person, or the preparation of food prior to the point of supply to the person.

The statutory instrument was passed by Parliament and came into force on April 1<sup>st</sup> 2009. Councils are asked to have regard to this in designing their charging policy.

## **Housing Benefit**

Council Leaders have decided that the passporting of clients in receipt of housing benefit has created an anomaly and inequality for clients in the system. In removing the passporting mechanism, authorities have created a level playing field for all clients, widened access to financial assessment and widened the opportunity for clients to maximise their incomes. This amendment brings Scotland in line with current UK practice and ensures that COSLA policy is now congruent with national policy and practice.

Over the past two years, the COSLA policy has been that the removal of the passport protection should only apply to new recipients of a service. It is now suggested that it should be open to councils to choose whether or not to remove the protection for all clients.

## **Age Thresholds**

The guidance recommends that local authorities should adopt a common threshold at which charges would begin to apply, specifying different rates for persons over 60 and under 60. While this tiered approach has been revisited by COSLA elected members and Directors of Social Work, it has been decided that the status quo should obtain. However, councils might wish to revisit this element of the guidance if the Equality Bill (2008) is passed by the Westminster Parliament. The Equality Bill (2008) will include powers to ban discrimination against older people in the provision of goods, facilities, and services. However, provisions that benefit older people, such as free bus passes, will still be allowed. Within this context, it may be that preferential rates for people over 60 will continue to be lawful.

The issue is complicated by the fact that the DWP age thresholds are in a transitional state. The state pension age for women is set to increase from 60 to 65 between April 2010 and April 2020. As a consequence, the qualifying age for Pension Credit will also increase from 60 to 65 in line with the phased increase in female state pension age. Most benefits for people of working age will therefore be payable up to the new, higher ages: these benefits include Income Support, Jobseeker's Allowance, Employment and Support Allowance (which has replaced new claims for incapacity benefit and for income support for people who are unable to work due to sickness) and bereavement benefits.

Women's state pension age – and therefore Pension Credit qualifying age – will increase by five years in monthly increments over the ten years 6 April 2010 to 5 April 2020. The transitional arrangements will apply to people born between 6 April 1950 and 5 April 1955. It is recommended that the COSLA guidance follows these transitional arrangements.

There are a number of reasons behind the recommendation to maintain the age threshold principle in general and the DWP link in particular:-

- The COSLA Guidance on charging for non-residential social care does not take the form of national prescription. It does not require councils to charge, nor does it prevent them from adopting a more generous treatment of service users' circumstances than is recommended in this paper. It provides a framework that aims to maintain local accountability and discretion while encouraging councils to demonstrate that in arriving at charges they have followed best practice.
- Insofar as the COSLA Charging Guidance describes common practice, it is easier for a council to offer a betterment than it would be for a council to apply a detriment. In other words, councils would have little problem justifying a more generous treatment of service users' circumstances but may have some difficulty in recommending a more stringent policy.

It was in light of this reasoning that Council Leaders decided to endorse the status quo.

### **Administration and Assessment Arrangements**

- Charges should be set at a level that it is reasonable to expect the user to pay, given their other financial commitments. The full costs of providing the service should be taken account of, as well as the impact of charging on the Government's community care objectives.
- Councils are also advised to be mindful of the costs of administering complex systems, which cannot be passed on to the user.
- If a person shows that they cannot afford to pay, a council can waive or reduce the charge. In practice, means testing is usually applied.
- There is no automatic exemption for those on benefits, although mobility benefits are to be disregarded.
- Only the person receiving the service is expected to pay charges directly although it is left to the local authority to decide whether a client has reliable access to other resources such as those of a partner.
- If a person refuses to pay, the service should not be withdrawn if it would impact on their well being but the local authority can pursue the debt while continuing to provide the service.

### **Challenges to Charging Policies**

The variation in the levels and methods of charging across councils are reasonably well documented. People living at or near a local authority boundary will also know from their own experience that charges for similar services in neighbouring council areas vary. Concerns that have been raised can be grouped as follows:



## Policies

- The complexity of some charging systems, along with the potential for a lack of coherence or consistency within individual authorities over charges makes it difficult for services users to understand the policy;
- It is difficult to explain the lack of consistency between the free services provided by the NHS and charged services provided by social work when medical treatment stops;
- Differences between nationally prescribed tariffs for residential care and local charges for services in a person's own home;
- Charging policies that draw on rules and procedures from income support and residential care rather than their appropriateness for people living in local communities and benefiting from local services;

## Wider implications

- Differing approaches being taken by councils in determining whether service users can afford to contribute to the costs of the service or to exempt them from charges;
- The effect of the impact of charging on the objectives of Community Care;
- Financial pressure being the most significant factor driving charging policies;
- The difficulties in reconciling developing charging policies with corporate anti-poverty strategies;
- Concern about the possible effects of charging including the reduced use of services and the negative impact on the service users' relationships with staff;

## Other Issues

- The difficulty in assessing costs arising from disability on a case by case basis;
- Information provided about charging policies has been variable with a need for increased information on policies and on users' rights for service users and staff;
- The need for service users to receive clear written information on how charges have been calculated;
- The need for reviews and appeals mechanisms to be well publicised;
- The need for councils to publish monitoring information on the impact of their charging policies;
- Voluntary sector concern over the gap between the costs of service provision and what councils are able to afford;

This guidance cannot cover all these issues. However, councils should seek to address these concerns, as they apply to their own circumstances, when developing their own charging policies.

## **Service user / staff relationships**

There are mixed views on the effect charging has on staff / service relationships. A market-oriented view suggests that 'paying' for services enhances the service users' willingness to comment on the services as a consumer. However, users can resent charging, if they feel they have paid, through taxation, for such services throughout their working lives. Others

might simply resent paying when the costs of the service have not been clearly explained. Confusion is most likely when health care services are provided free or in those cases where a service is provided jointly by the health service and the council. If councils have to pursue unpaid bills, that can further exacerbate relationships.

### **Monitoring service uptake**

Monitoring service uptake continues to be important. While councils prioritise home based services towards those with the highest needs, the impact this has on people with lower levels of need who are not allocated a home care service should be considered as should its effects on preventive work.

### **Anti-poverty, income maximisation and quality of life issues**

Past assumptions that pensions and benefits should be treated as disposable income which is available for charging have occasionally forced people below the subsistence levels of benefits and pensions (particularly where the latter have not kept up with earnings). In the original survey we were pleased to report that local authorities had generally taken steps to avoid such dangers. This allows other basic demands on income to be met, while giving an additional buffer. By ensuring sufficient means are available to individuals, financial barriers to participate in the life of the community are removed and “institutionalisation in the community” avoided.

Local authorities also had a widespread experience of developing income maximisation policies which operate alongside charging. These help people pay charges while enabling users to have a better lifestyle by ensuring they access the range of benefits to which they are entitled. Income maximisation also helps bring scarce resources into the community and helps disabled users meet the added costs of disability.

Running income maximisation services can be resource intensive for the council. Significant staff time needs to be allocated to identify entitlements, assist with applications and follow through with appeals. There are also training issues for social work staff in raising awareness and expertise in welfare rights. Income maximisation can also create high levels of expectation amongst those who are being assessed. To share the burden, partnership arrangements with the DWP may help.

## Section 3 – Substantive Guidance

### Charging Thresholds

While all Scottish local authorities have a charging policy this guidance does not require councils to charge, nor does it prevent them from adopting a more generous treatment of a service users' circumstances than is recommended in this paper. Currently the level at which individuals begin to pay for services varies widely from authority to authority. It is recommended that local authorities should adopt a common threshold at which charges would begin to apply. The use of a common threshold would still provide local authorities with discretion to set the level of charge based on the disposable income which the service user has in excess of the threshold level.

The charge threshold for a single person aged 60 years or over is determined by the Pension Credit Standard Minimum Guarantee. For the year 2010/11, this has been set at £132.60. When a buffer of 16.5% is factored in, the threshold is set at £155 (all threshold figures in this section are rounded-up).

The 16.5% add on to the Pension Credit Standard Minimum Guarantee is recommended to ensure that there is a cushion between the rate of Income Support and the income level at which charges will apply. Charging policies that reduce users' net income below these basic levels are not acceptable and will undermine social inclusion policies. The threshold figure can be revised on an annual basis by adopting the above calculation, i.e. Personal Allowance, Standard Minimum Guarantee plus 16.5% add on.

For couples over the age of 60 years the Minimum Income Guarantee is £202.40 (2009/10). The buffer of 16.5% gives a threshold of £236.

For single persons below the age of 60 years the threshold is determined by the Income Support Personal Allowance (£65.45) and the Disability Premium (£28.00). Factoring in the buffer of 16.5%, this gives a threshold of £109.

In the case of couples below 60 years of age, the threshold is arrived at with the Income Support Personal Allowance (£102.75) and the Disability Premium (£39.85). Factoring in the 16.5% buffer, this gives a threshold of £164.

Therefore the relevant thresholds for 2010/11 are:-

<b>Single person under 60 years</b>	<b>£109</b>
<b>Single person over 60 years</b>	<b>£155</b>
<b>Couples under 60 years</b>	<b>£167</b>
<b>Couples over 60 years</b>	<b>£236</b>

- It is recommended that the charge thresholds be uprated on an annual basis, using the formula outlined in the above paragraphs. The benefit uprating figures are normally announced in November each year. The timescale, therefore, allows Local Authorities to make any necessary adjustments in their charge arrangements to take effect at the beginning of the fiscal year.

### Level of Charges and Tapers

The level of charge which the service user will pay will be determined by individual Local Authorities. This will be achieved by selecting a percentage taper of the excess income which is available to the service user over the threshold figure. This could be set from 5% up to any higher percentage of the excess income that would be justified.

The charge should not exceed the cost of providing the service. For example, if the service user receives two hours of non personal care services, at say a cost of £8 per hour, the

maximum charge to the service user would not exceed £16. It is recommended that a “better off” calculation should always be carried out to ensure service users with higher incomes, who require low levels of services, are not financially disadvantaged through the operation of an income based charge.

### Illustration of Charge Tapers

**Table 1**

#### Single Person Under 60 Years

Service User Income	Threshold	Excess Income	10%	15%	20%	25%	30%	35%	40%	45%
£	£	£	£	£	£	£	£	£	£	£
120	107	13	1.30	1.95	2.60	3.25	3.90	4.55	5.20	5.85
130	107	23	2.30	3.45	4.60	5.75	6.90	8.05	9.20	10.35
140	107	33	3.30	4.95	6.60	8.25	9.90	11.55	13.20	14.85
150	107	43	4.30	6.45	8.60	10.75	12.90	15.05	17.20	19.35
160	107	53	5.30	7.95	10.60	13.25	15.90	18.55	21.20	23.85
170	107	63	6.30	9.45	12.60	15.75	18.90	22.05	25.20	28.35

**Table 2**

#### Single Person Over 60 Years

Service User Income	Threshold	Excess Income	10%	15%	20%	25%	30%	35%	40%	45%
£	£	£	£	£	£	£	£	£	£	£
160	152	8	0.80	1.20	1.60	2.00	2.40	2.80	3.20	3.60
170	152	18	1.80	2.70	3.60	4.50	5.40	6.30	7.20	8.10
180	152	28	2.80	4.20	5.60	7.00	8.40	9.80	11.20	12.60
190	152	38	3.80	5.70	7.60	9.50	11.40	13.30	15.20	17.10
200	152	48	4.80	7.20	9.60	12.00	14.40	16.80	19.20	21.60
210	152	58	5.80	8.70	11.60	14.50	17.40	20.30	23.20	26.10

In setting the percentage taper which service users will contribute, Local Authorities will be influenced by a number of factors, not least, their requirement to raise income which is required to maintain good quality services. It would be legitimate to consider current levels of charging income, take account of the settlement for free personal care, determine the difference between both sets of figures and set a taper which maintains an equivalent level of income. This action would mean that there would be no major disruption to the necessary finances required to fund the service.

### Income to be taken into Account to Establish Threshold Figure

Local Authorities should consider adopting a common approach to the treatment of income which will establish the threshold figure. This would take account of net earnings and all social security benefits with the exception of the mobility component of the Disability Living Allowance

## **Income to be disregarded in the Establishment of Threshold Figure**

Income from all sources should be taken into account with the exception of the DLA mobility component. However, there may be local circumstances, where individual local authorities might want to make local policy decisions to exclude or disregard other sources of income to reflect local needs. Examples include disregarding war pensions and gallantry awards. The use of such discretion is not limited by this guidance.

The threshold figures should be net of housing and council tax costs (if applicable). Housing costs will include rent and mortgage interest payments. Costs for Council Tax should also be deducted. Local authorities may wish to consider including in the disregard water and sewerage costs and household insurance premiums as other housing costs. Councils may also wish to disregard other specific costs of living, for instance disability related expenditure.

Recent case law suggests that where a local authority does not provide 'night time' services, it would be inappropriate in the financial assessment to have regard to the higher rate of DLA or Attendance Allowance. In these circumstances only the middle rate for DLA and the lower rate for AA should be taken into account.

## **Disregards for Dependant Children**

The original COSLA recommendations in respect of dependant children suggested there should be a £50 disregard from income for each dependant child. Following the introduction of Child Tax Credits, it is now recommended that income derived from all benefit paid for or on behalf of a dependant child should be disregarded. This in turn will remove the requirement to apply the £50 disregard for each dependant child which will no longer be required. The effect of this will remove the possibility of benefits paid for children being included in the calculation to establish a charge for their parents' service and will also considerably simplify the assessment required to establish any charge.

### **Earnings Disregard**

Where a service user or their partner is in receipt of earned income, Local Authorities when assessing chargeable income should only take account of net earnings. In addition they should also apply minimum earnings disregard of at least £20.

## **Treatment of Capital**

It is recommended that capital should be treated in a similar fashion to that for means-tested benefits. However, there should be no upper capital limit at which people would be refused a service, as a provision of non-residential services should always be based on need rather than the ability to pay.

Capital should be as follows:-

### **People under 60 years of age**

£10,000 or less	disregard
over £10,000	tariff income of £1 for each unit of £250 over £10,000

### **People over 60 years**

£10,000 or less	disregard
over £10,000	tariff income of £1 for each unit of £500 in excess of £10,000

It should be noted that where a service user has capital in excess of £10,000, and is in receipt of Income Support, there will be no requirement for the Local Authority to calculate the capital tariff contribution as this exercise will have been carried out by the Benefits

Agency with an appropriate adjustment to the amount of Income Support paid to service user.

Only available capital shall be taken into account. This precludes taking into account the value of a service user's home in charging for domiciliary home care services.

### **Cases of Hardship**

Where a service user, due to their financial circumstances, has difficulty in meeting the approved cost of the service, it is recommended that Councils use their powers to abate or waive charges on a case by case basis. This is an essential process as it is unlikely that charging policies will be able to make provision for the full range of personal circumstances. Since this would be a discretionary power, it is neither necessary nor desirable to issue guidance on how these powers would be applied. Such guidance, would in effect, remove discretion and impose prescription.

However, it is recommended that all local authorities provide adequate information on their policies for waiving and abating charges. Information should include details of how service users should apply and the mechanisms which the authority deploys to consider such requests.

In designing charging policies, councils should give consideration to the impact of such policies on the well-being of carers, many of whom experience hardship.

### **Income Maximisation / Benefit Take Up.**

It is recommended that all Local Authorities be proactive in promoting benefit take up for service users. Such practices are not only of benefit to service users, as increased incomes greatly contribute to the revenue requirements of individual Councils, and their local areas. Where possible Local Authorities should ensure that there are dedicated staff to promote and assist with Income Maximisation processes for service users. Service users' benefit entitlement should be reviewed on a regular basis.

A number of local authorities have negotiated arrangements to share information with the local benefits agency, particularly on the notification of decisions. It is recommended that all local authorities which do not have such arrangements in place should take steps to implement them.

### **Public Information.**

All Councils have a duty to provide clear and concise public information to service users on what elements of the service are free, what can be charged and what the level of charge will be. In setting out public information on charges, it will be incumbent on Local Authorities to provide plain English explanations of the basis of their charge arrangements, both in policy terms and for billing purposes. Such information should be provided in a variety of accessible formats, including translations into minority languages where appropriate.

### **Charges for other services.**

The COSLA survey carried out for this guidance indicated that a minority of councils do not charge for day care services for the elderly. As such, it is recommended that councils should be free to apply discretion on whether to charge for day care.

The majority of local authorities have policies not to charge for aids and adaptations. Those that do may wish to reconsider their policies, perhaps only charging for small personal items up to a limit of £20. Factors that have influenced such a policy include the cost of explaining the policy and collecting the money, the financial impact on the service user, a reduction in take up of services and disparity in treatment between local authorities and the NHS.

This charging guidance ends the passporting for charging for clients in receipt of housing benefit. This charge automatically triggers the need for authorities to conduct financial assessments with the express view that this focuses on pursuing income maximisation. Current trends clearly show that this has the net effect of increasing incomes that more than match any charges clients have to pay.

Local Authorities should be free to apply charges for meals which are provided as part of the care plan.

### **Care for Older People Leaving Hospital**

Older people leaving hospital who are assessed as requiring home care should receive this free, for a limited time, if they are aged 65 or over on the day of discharge and have been in NHS in-patient care for more than one day (24 hours) for treatment, assessment or rehabilitation, or had surgery as an NHS day case. Relief from charging should not apply to discharges following admission on a regular or frequent basis as part of the person's ongoing care arrangements. This would cover, for example, admissions for respite care or for ongoing but episodic treatment. It is also proposed that only new or additional services provided after a person comes out of hospital will be free and that services that were in place pre-admission and continue after discharge will continue to be chargeable. This proposal is recommended within the context of the Scottish Executive Circular No. CCD 2/2001 "Free Home Care for Older People Leaving Hospital".

The maximum period of free home care should be four weeks (28 days), beginning on the date of discharge. People needing care for a lesser time should obviously receive relief only for that shorter period. After the 28-day period, local authorities will revert to their normal charging practices for home care services.

### **Concluding comments and implementation**

It is recommended that this guidance be implemented as soon as possible after 1 April 2010.

## **Section 4 – Policy Development**

This section highlights key issues to be considered when developing charging policies. These can be grouped into three major areas – how local authorities develop charging policies, the reasonableness of such policies and implementation.

### **How policies are developed**

Financial settlements that are late in the budgetary planning process, tightening resources and the impact of local issues can all contribute to a process that is complex and difficult. In spite of this it is suggested that good policy making should require the council to:

#### Think strategically about charging policy & relate to overall plans and objectives.

A longer term view of policy development should be taken, with time given to devising a reasonable policy, making sure information is available to communicate the policy and opportunities to consult widely and identify problems which arise as a result of the implementation of charging policy. It is also important that there are procedures in place for addressing grievances.

#### Develop new charging policies on the basis of a reliable information base.

The local authority should consider:

- demographic and financial profiles of their local populations and of current service users, and projections of these;
- the costs disabled people face in every day living and expenditure upon care services;
- current service use and how it might be affected by different kinds and levels of increase in charges;
- the cost of running a new system, including administration, collection and the pursuit of defaulters;
- the extent to which any revenue yielded is likely to outweigh these costs.

#### Take account of a sufficient range of advice

- Draw upon a sufficient range of advice in devising charging policy within and outwith the authority. The creation of a charging policy should consider not only the revenue implications but also the welfare implications of such a policy.

#### Undertake appropriate stakeholder consultation

- The authority should have a view of what is effective consultation and plan constructive and meaningful dialogue. Consideration should be given to consultation with neighbouring authorities regarding the potential for cross boundary comparison and related issues.

#### Manage the implementation process

- Give sufficient thought in advance to the implementation process and to the communication of policy and managing any unintended consequences. Adequate time should be taken to implement the policy, ensuring that front line workers dealing with service users are appropriately trained.



## The Reasonableness of policies

Local authorities are required to ensure that charging policies are reasonable. It seems unlikely that there will be hard and fast judgements about the reasonableness of authorities' policies but the following standards may assist such an evaluation.

The central criterion for assessing the reasonableness of charging policies is whether they reflect an individual's capacity to contribute to the cost of the service. This suggests that reasonable policies would make appropriate assumptions about users' incomes and any unavoidable demand on those incomes.

To go further, it might be expected that a reasonable policy would leave service users with sufficient money to have a reasonable quality of life, after the costs of their care and any extra expenses arising from disability are met. It would, essentially, recognise their right to participate in the ordinary life of the community, leaving some margin for social and leisure activities, rather than depriving and isolating them because they have to pay for services.

The idea of reasonableness also implies that local authorities' policies will be based on sound knowledge of the financial consequences of disability and the ways the social security system responds to this. There is conclusive evidence that the living standards of people with a disability are depressed by the need for extra expenses arising from their disability.

A reasonable policy could be judged to be one that ensures charges do not bring service users' incomes below the level of their income support allowances and premiums. While the policy itself will not be able to cover individual circumstances, the council should consider the trade off between a policy that is more and one that is less sensitive to individual circumstances and a policy that is simpler and one which is more difficult to understand.

Two further criteria which may be considered would be assumptions made about the amount of savings which should be retained by the service user and the basis on which charges are set. In respect of savings, a decision would be required on the treatment of interest received and of capital retained. A recommendation might be made regarding a reasonable threshold at which service users should start to put the income from their savings towards services and at what point they should pay the full cost of their service. Consideration should be given to whether the same rules should apply to people in residential and nursing home care and those living at home in respect of these issues.

## **Implementation of charging policies**

Key issues include:

- Consultation
- Information – both for internal purposes and clear information to users
- Monitoring of the impact and review of charging policies.

It may be helpful to consider the performance expectations which local benefits agency offices are required to meet. The local authority may have clear expectations about:

- The information on benefits that is available to members of the public both in general and about individual claims.
- The accessibility of the benefits system, in terms both of physical access and language.
- The manner in which customers are dealt with.
- The time by which decisions should be made.
- The accuracy of decision making
- The communication of decisions and why they are made in clear, jargon free language

- A clear process for reviews, appeals and for the judicial review of decisions.
- Consultation before changes are made to the social security system and the framework for deciding on changes to benefit rates, debating them and publicising them. It would also be useful to reflect on the importance of training and retraining of staff involved in dealing with customer care.

There are clear opportunities provided by Best Value service reviews to include charging as an integral aspect and to improve the framework for charging. The four key principles of Best Value – challenge, compare, consult, compete – can all be applied to charging policies. There are also clear connections between Best Value and charging in terms of the customer/citizen focus and increasing user involvement in shaping services.

## Section 5 – Best practice framework and principles

Any best practice framework needs to take account of the need for:

- a corporate framework to ensure consistency across Council services and to promote a joined up approach;
- involvement of elected members in establishing principles to guide charging and bringing their distinctive representative role in speaking for local interests and balancing local political priorities; and
- Information to users.

The following checklist is based on the Accounts Commission's 'The Challenge of Charging'.

Checklist	Yes	No – further action needed
<i>Consider objectives for charging and which services should be charged for</i>		
Do we have a register of existing charges?	<input type="checkbox"/>	<input type="checkbox"/>
For each service under review:		
• Is charging for this service in keeping with the Council's corporate charging policy?	<input type="checkbox"/>	<input type="checkbox"/>
• Is charging for this service in keeping with the policy objectives for this service?	<input type="checkbox"/>	<input type="checkbox"/>
• Do we know what we would be trying to achieve by charging for this service?	<input type="checkbox"/>	<input type="checkbox"/>
• Do these objectives have the support of Councillors?	<input type="checkbox"/>	<input type="checkbox"/>
• Have we assessed the extent to which this service has the capacity to generate income?	<input type="checkbox"/>	<input type="checkbox"/>
• Have we improved the quality of this service, or added new features, which could justify the introduction of, or increase in, the charge?	<input type="checkbox"/>	<input type="checkbox"/>
• Do we know at whom this service is targeted?	<input type="checkbox"/>	<input type="checkbox"/>
Have we assessed the impact of introducing or increasing charges for this service on:		
• the users the service is targeted at?	<input type="checkbox"/>	<input type="checkbox"/>
• groups of vulnerable people the Council wishes to support?	<input type="checkbox"/>	<input type="checkbox"/>
• the wider community?	<input type="checkbox"/>	<input type="checkbox"/>
• other Council services?	<input type="checkbox"/>	<input type="checkbox"/>
Should this service be charged for?	<input type="checkbox"/>	<input type="checkbox"/>
<i>Assess constraints</i>		
<i>Historical practice</i>		
Have we assessed the extent to which the current charge is based on charging levels that have been set in the past?	<input type="checkbox"/>	<input type="checkbox"/>

Checklist	Yes	No – further action needed
Have we looked at whether these are long held assumptions about the basis of the charge and, if so, whether these have changed recently?	<input type="checkbox"/>	<input type="checkbox"/>
<i>Policy considerations</i>		
Has the impact of introducing or setting the charge been assessed and discussed with Councillors?	<input type="checkbox"/>	<input type="checkbox"/>
<i>Financial considerations</i>		
Do we know the income generation requirements of the budget?	<input type="checkbox"/>	<input type="checkbox"/>
Is the budget's target for income from charges for this service realistic?	<input type="checkbox"/>	<input type="checkbox"/>
Is the level of Council subsidy for this service consistent with the policy objectives of the Council?	<input type="checkbox"/>	<input type="checkbox"/>
<i>Legal issues</i>		
Do we know whether there are any legal constraints on charging for this service?	<input type="checkbox"/>	<input type="checkbox"/>
If the legal situation is unclear, has clarification been sought?	<input type="checkbox"/>	<input type="checkbox"/>
 <i>Collect and analyse service information</i>		
Do we collect, analyse and use information on:		
• The amount of income collected from charges for this service?	<input type="checkbox"/>	<input type="checkbox"/>
• The cost of collecting the charge for this service?	<input type="checkbox"/>	<input type="checkbox"/>
• The full cost of providing this service?	<input type="checkbox"/>	<input type="checkbox"/>
• The unit cost of providing this service?	<input type="checkbox"/>	<input type="checkbox"/>
• Users' views on the quality of this service?	<input type="checkbox"/>	<input type="checkbox"/>
• The number and mix of users of this service (including concessions)?	<input type="checkbox"/>	<input type="checkbox"/>
• The patterns of use?	<input type="checkbox"/>	<input type="checkbox"/>
Do we assess whether the actual mix of users reflects the mix of users anticipated?	<input type="checkbox"/>	<input type="checkbox"/>
Do we collect and consider charges for similar services made by other Councils, the private sector and the voluntary sector?	<input type="checkbox"/>	<input type="checkbox"/>
 <i>Examine options for different levels of charging</i>		
Are different rates of charges appropriate for this service?	<input type="checkbox"/>	<input type="checkbox"/>
Have we evaluated the option of setting differential charges?	<input type="checkbox"/>	<input type="checkbox"/>
 <i>Assess the impact of the proposed charges</i>		
Have we assessed the impact of the proposed charges on:		
• The users the service is targeted at?	<input type="checkbox"/>	<input type="checkbox"/>
• Groups of vulnerable people the Council wishes to support?	<input type="checkbox"/>	<input type="checkbox"/>

Checklist	Yes	No – further action needed
<ul style="list-style-type: none"> <li>• The wider community?</li> <li>• Other Council services?</li> </ul>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
<i>Forecast income and demand for proposed charges</i>		
Have income forecasts been prepared based on anticipated numbers and mix of users?	<input type="checkbox"/>	<input type="checkbox"/>
Does the forecast income for this service meet the Councils budget requirements?	<input type="checkbox"/>	<input type="checkbox"/>
<i>Consult on proposals</i>		
Have we identified the different groups of users who will be affected by the charge?	<input type="checkbox"/>	<input type="checkbox"/>
Have we consulted with the following groups on our charging proposals, explaining the reasons underlying the change:		
<ul style="list-style-type: none"> <li>• Front line staff</li> <li>• User groups</li> <li>• Community groups</li> </ul>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Have we obtained users' views on their satisfaction with this service, and whether they feel they are getting value for money?	<input type="checkbox"/>	<input type="checkbox"/>
<i>Set the charge</i>		
Is our decision on setting the charge justified, taking account of all the key information gathered during the charge setting process?	<input type="checkbox"/>	<input type="checkbox"/>
Have the results of consultation on the proposed charges been taken into account?	<input type="checkbox"/>	<input type="checkbox"/>
Have we set and agreed timetable for committee approval and implementation of the charge?	<input type="checkbox"/>	<input type="checkbox"/>
<i>Monitor and review</i>		
Do we have systematic arrangements in place to monitor the impact of charging including:		
<ul style="list-style-type: none"> <li>• Comparing actual levels and patters of usage of the service against forecast?</li> <li>• Comparing actual income from charges with the budget?</li> <li>• Ensuring that the charge remains consistent with the Council's policy objectives?</li> </ul>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Do local managers have sufficient flexibility to take action to address, for example, any shortfall in actual service take-up?	<input type="checkbox"/>	<input type="checkbox"/>
If income targets are not met, is this information fed into the charge setting process for the following year?	<input type="checkbox"/>	<input type="checkbox"/>

# **Making It Fair**

A Report on Social Work Charging Based  
on Consultation with Stakeholders

June 2010

Kenny Murphy, CVS Falkirk and District

## Findings

This section presents our findings from the range of consultation exercises conducted. Our remit was to produce findings and not to try to draw recommendations from our activity.

The engagement we had led us to the following findings:

1. During discussions in focus groups it was clear that the introduction of charging was considered to be inevitable and did not face much opposition. Participants understood that charging was a reasonable thing for the Council to do, particularly in the current economic climate (indeed, some services are already being charged for amongst some recipients);
2. There was an understanding that Falkirk Council through low Council tax and providing most services free at the point of need, had a track record in striving to do the most it could for its citizens – participants were hopeful that this would continue and be reflected in the Charging Policy;
3. There was a fairly clear acceptance that those people in receipt of benefits/allowances to pay for care should be expected to pay that to the local authority for the provision of that care, otherwise, the public sector is paying twice for that person to receive care. Indeed this can sometimes cause real issues with people in terms of exceeding certain income thresholds for entitlements to other allowances/benefits/reductions etc.;
4. The engagement was welcomed by most with calls for further, ongoing consultation, particularly as some of the detail starts to take shape;
5. As might have been expected there were very differing views on how important some services were across the range of participants – some citing MECS as critical, some Day Care, others Home Helps and so forth;
6. People see this as an opportunity to improve the quality of services, with service users taking greater ownership and valuing services more – this is likely to lead to them wanting to have a greater say and be more willing to complain;
7. Ideally, generating income should lead to an improved range of choices as well as improved quality;
8. Some users said that some services would have to improve if they were to be expected to pay for them (a significant amount of satisfaction and praise was offered across a range of services from various participants, but there were clearly people who had received unsatisfactory levels of service based on their expectations);
9. The Council should ensure it has looked at areas of potential waste (across all Departments, not just within Social Work) and reduces its own costs where it can before introducing charging (many examples of potential waste were cited, but some of these perceptions were likely to be based on misunderstandings, misconceptions or prejudices);
10. Assessment of need was a key factor in suggestions around ensuring only those that really needed services were getting services. Most of these comments were based on changes in circumstances rather than deliberate fraudulent actions. It was felt important to conduct comprehensive reviews on an annual basis, or when circumstances change significantly for a service user or technological/service development;
11. Falkirk Council should look at how data is shared to ensure assessments are not overly intrusive, that all relevant information is taken into account and that a change in circumstances in one part of the system could trigger a review in another part of the system;

12. There was concern that some people may opt out of services if charges are introduced. The primary concern was that they would still need that service and their safety or quality of life could be significantly worse as a result. This could also affect the sustainability of some services if people start opting out of them, potentially increasing the costs for those who have little or no choice in receiving the service;
13. Wider engagement with more people would be advantageous;
14. Consideration needs to be given to the concept of subsidisation of some services by other services considered more 'profitable,' softer or politically easier targets (an analogy given was that road tax revenue should be going to road repairs and maintenance and not 'propping up' other parts of the public sector);
15. Consideration must be given to those who receive multiple services to ensure that it doesn't become too expensive to receive the kinds of service they should expect to receive. Suggestions were given around a reducing scale for higher quantities of service (i.e. first two services are charged at 100%, next two services at 50% and so forth);
16. Sufficient support should be put in place to introduce the charging policy, to help people to understand it (staff and service users), to conduct comprehensive assessments and to process appeals;
17. Options to integrate assessments should be explored, so that people are not subjected to multiple assessments for different purposes;
18. With any engagement with a wide audience, there will be a range of views. On the issue of who should pay there was broad acceptance that everybody should be asked to pay something but that the amount should be based on ability to pay (i.e. those on very limited resources pay a 'token' amount for services, or in exceptional circumstances receive a 'zero' invoice to reinforce the concept that things need to be paid for and that these are services which can, and in some cases, are charged for);
19. In contrast, there was a significant emphasis placed on the importance of high quality assessment of both need and financial position, with some citing the financial assessment as intrusive. It seems likely that a degree of intrusion may be unavoidable to prevent abuses of the system and to ensure the fair application of the policy;
20. Transparency and honesty were oft-requested behaviours of Council staff from service users and voluntary organisations, e.g. show how charges have been derived, demonstrate efficiency savings and service improvements, and communicate regularly and clearly with 'customers';
21. Ensure charges are reasonable – seek to subsidise some services rather than necessarily seek to recover what they actually cost (this is more important with the initial introduction as people go from paying nothing to suddenly have to start paying) – it would be good to phase the introduction with ideas suggested on doing this by service, by category of need and potentially by amount of money (i.e. people start paying 50% of the specified cost for a period which then increases until they are paying the amount being sought by the Council);
22. Falkirk Council's Social Work department should work with other public service delivery organisations (public and voluntary sector) to ensure that people are receiving the best possible service regardless of provider and that the earliest, most empowering interventions are considered first rather than, for example, putting in place arrangements which are easier to put in place rather than those which help people to retain independence, build their capacity or cost a little bit more in the short term;
23. If people 'opt out' of services because they choose not to (or can't afford to) pay for them then we must ensure that they don't become 'forgotten about' and slip through the net – their needs



may still be very real and they could be more vulnerable as a result of the cancellation of the service(s) they need;

24. Need to communicate clearly what is being done, by whom, when and what it will mean for people receiving services (consideration must be given to producing this in accessible formats, working with the voluntary sector to cascade information and public presentations with opportunities for questions and answers). People are keen to know where money is being spent and therefore be able to understand better some of the pressures facing the Council and why they are being asked to pay for things which have historically been provided at no cost to them;
25. There was an interest in receiving detailed invoices to show what is being charged for;
26. Where somebody has been assessed as needing to pay for a service there needs to be a speedy, effective appeals process with some independent members to minimise anxiety and further health complications amongst service users;
27. A Charging Policy per se is not considered unfair, but elements of it could be considered unfair by some, depending on the detail of the implementation (particularly costs, services affected, means testing methodology and criterion applied to determine who pays);
28. Service users and voluntary organisations would welcome opportunities to work with Social Work colleagues to find effective ways through tough decisions to ensure high quality services are delivered to those who need them, when they need them;
29. A range of issues were raised which were more in connection with services received from Social Work rather than the introduction of a charging policy. We'd suggest other ways are explored to engage with service users and get qualitative feedback which should lead to service improvements;
30. As more detail emerges, different perspectives may emerge and it will be important to seek further consultation with meaningful, honest engagement with communities.



<b>Case</b>	<b>age</b>	<b>Income</b>		
<b>Mr A</b>	<b>24</b>	Employment Support Allowance	£	91.40
		DLA Care (middle rate)	£	47.80
		<b>TOTAL INCOME IN PAYMENT</b>	<b>£</b>	<b>139.20</b>
		<b>Threshold</b>	<b>£</b>	<b>109.00</b>
		<b>Available balance</b>	<b>£</b>	<b>30.20</b>
		<b>Cost of services to FC</b>		
		Care at Home (5 hrs @ £14.95ph)	£	74.75
		Day Care (2 days at £80)	£	160.00
		<b>TOTAL</b>	<b>£</b>	<b>234.75</b>
		<b>Possible Charge</b>		
		Care at Home (5 hrs @ £9ph)	£	45.00
		Day Care (2 days at £80)	£	160.00
		<b>TOTAL</b>	<b>£</b>	<b>205.00</b>
		<b>Actual Charge</b>		
		Combination of C@H & Daycare	restricted to "cap" of £23.90	
		<b>TOTAL</b>	<b>£</b>	<b>23.90</b>

Care at Home charge restricted to "capped maximum charge". Total charge will still leave service user with income above the "threshold"

<b>Case</b>	<b>age</b>	<b>Income</b>		
<b>Mrs B</b>	59	Income Support	£	89.45
		DLA Care (middle rate)	£	47.80
		DLA Mobility (high rate)		disregarded
		<b>TOTAL INCOME IN PAYMENT</b>	<b>£</b>	<b>137.25</b>
		<b>Charge Threshold</b>	<b>£</b>	<b>109.00</b>
		<b>Available balance</b>	<b>£</b>	<b>28.25</b>
		<b>Cost of services to FC</b>		
		Care at Home (3 hrs @ £14.95h)	£	44.85
		Shopping	£	10.00
		Community Alarm service	£	4.16
		<b>TOTAL</b>	<b>£</b>	<b>59.01</b>
		<b>Possible Charge</b>		
		Care at Home (3 hrs @ £9ph)	£	27.00
		Shopping	£	5.00
		Community Alarm service	£	3.00
		<b>TOTAL</b>	<b>£</b>	<b>35.00</b>
		<b>Actual Charge</b>		
		Care at Home (3 hrs @ £9ph)		
		Shopping		restricted to "cap" of £23.90
		Community Alarm service		
		<b>TOTAL</b>	<b>Restricted to "available balance" of £23.90</b>	

**Combination charge restricted to "capped maximum charge".**

<b>Case</b>	<b>age</b>	<b>Income</b>		
<b>Mr C</b>	<b>91</b>	Pension Credit	£	34.44
		State Pension	£	98.16
		Attendance Allowance high rate	£	71.40
		<b>TOTAL INCOME IN PAYMENT</b>	<b>£</b>	<b>204.00</b>
		<b>Charge Threshold</b>	<b>£</b>	<b>155.00</b>
		<b>Available balance</b>	<b>£</b>	<b>49.00</b>

**Cost of services to FC**

1hr x 7 days C@H including dom care	£	104.65
Shopping	£	10.00
Community Alarm service	£	4.16
<b>TOTAL</b>	<b>£</b>	<b>118.81</b>

**Possible Charge**

Domestic only Home Care (flat rate charge)		
Personal Care element non-chargeable	£	5.00
Shopping	£	5.00
Community Alarm service	£	3.00
<b>TOTAL</b>	<b>£</b>	<b>13.00</b>

**Actual Charge**

Domestic only Home Care (flat rate charge)	£	5.00
Shopping	£	5.00
Community Alarm service	£	3.00
<b>TOTAL</b>	<b>£</b>	<b>13.00</b>

Total charge £13.00 maximum capped weekly rate. Total charge is still below "available balance" therefore leaving service user with income above the "threshold"

<b>Case</b>				
<b>Mrs D</b>	<b>age</b>	<b>Income</b>		
	70	State Pension	£	115.00
		AA low rate	£	47.80
		<b>TOTAL INCOME IN PAYMENT</b>	<b>£</b>	<b>162.80</b>
		<b>Charge Threshold</b>	<b>£</b>	<b>155.00</b>
		<b>Available balance</b>	<b>£</b>	<b>7.80</b>
		<b>Cost of services to FC</b>		
		1hr x 7 days C@H including dom care	£	104.65
		Shopping	£	10.00
		Community Alarm service	£	4.16
		<b>TOTAL</b>	<b>£</b>	<b>118.81</b>
		<b>Possible Charge</b>		
		Domestic only Home Care (flat rate charge)		
		Personal Care element non-chargeable	£	5.00
		Shopping	£	5.00
		Community Alarm service	£	3.00
		<b>TOTAL</b>	<b>£</b>	<b>13.00</b>
		<b>Actual Charge</b>		
		Domestic only Home Care (flat rate charge)		
		Shopping		restricted to "available balance" of
		Community Alarm service	£7.80	
		<b>TOTAL</b>	<b>£</b>	<b>7.80</b>
		<b>Total charge of £7.80 for. Restricted charge relevant to ensure that service user left with income above the "threshold"</b>		