

NORTH LINCOLNSHIRE COUNCIL

**ADULT SERVICES
CABINET MEMBER**

SERVICE USER CHARGING SYSTEM UPDATE

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To provide an update on the operation of the revised service user charging system for self directed support approved by Cabinet Member in April 2010.
- 1.2 Consider the actions approved in the April 2010 report to ensure compliance with the council's objective that all service users are financially assessed to pay towards the cost of their services, that any contributions are fair and according to their means and that only those who have the financial means are charged.
- 1.3 To outline future revisions that may be required and propose a timetable for further consideration.

2. BACKGROUND INFORMATION

- 2.1 A report to Cabinet Member in April 2010 outlined proposals to revise the council's service user charging policy to accommodate the needs of self-directed support. One of the issues relating to the former policy was that service users with support packages of similar value were asked to make quite different contributions. This was because each type of service had different rules in relation to what was charged.
- 2.2 The proposals approved in April 2010 were designed to unify the rules so that service users were asked to make a contribution based on their ability to pay and the monetary value of the care and support needed.
- 2.3 For those living in the community, the council's Fairer Charging policy sets out the principles that apply to the assessment of a person's contribution to their care. It is based on determining their means, which is their overall income minus various disregards. The person's contribution is then calculated by comparing their means to the cost of their care package. Most service users make a contribution but there are those with low levels of means who are legitimately unable to pay any charges. A small number of service users are required to make a contribution equal to the full cost of their services.

3 PROGRESS FOR CONSIDERATION:

- 3.1.1 The financial assessments for personal budget holders have compared each person's ability to pay to the financial value of their personal budget. This is determined by the means test and application of the disregards.
- 3.1.2 Charging against a personal budget means the service user's contribution is calculated independently from how they choose to use their personal budget. This has had implications for some service users when compared with assessments for charging contributions under the previous system. Generally these implications have not been significantly detrimental to individuals as they are based on a fair means test
- 3.1.3 Most personal budgets to date have been allocated to service users requiring support for the first time. There have been relatively few personal budgets completed for existing service users with stable support packages. Reviews are planned for the second half of 2010-11 when the impact of the new policy on this group will be able to be assessed.
- 3.1.4 As a result, there have been few instances where it has been necessary to apply the agreed cap to avoid a large increase in service user contribution due to the transfer from a traditional service to a personal budget. Where it has been applied, there have been no issues expressed by service users.
- 3.1.5 As personalisation progresses, all long-term service users will be reviewed in accordance with the self-directed support process. Plans are in place to commence reviews from November 2010, but this is likely to continue into year 2011-12
- 3.1.6 In the interim, it may be necessary to develop a financial assessment system to ensure that some long-term service users without a personal budget are treated in a way more consistent with the majority who have personal budgets. This will be considered as part of the review of the agreed charging policy and the outcomes reported to cabinet member at a future meeting.
- 3.1.7 Government guidance indicates that the council is required to undertake a technical review of its means test in relation to the Fairer Charging policy in consultation with stakeholders and service users. It is proposed that this will take place over the remainder of this financial year with the outcomes to be presented as a separate report in early 2011.

4 PROPOSED ACTIONS

- 4.1 From the review of issues in paragraph 3 it is proposed that actions are taken to ensure the service user charging policy is fit for purpose. Any further implications to the charging system will be proposed in the required annual review and reported to cabinet member in March 2011.

5 RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 *Financial implications*

5.1.1 Financial modelling that was completed prior to April 2010 indicated that the overall result of charging against personal budget allocations was likely to be cost neutral. This appears to continue to be the case, however, there is ongoing specific financial monitoring to ensure that any deviation from expected income levels is identified at the earliest opportunity.

5.1.2 Due to the relatively low numbers, capping existing charges to date has had a limited impact on income to the council. However, as service user reviews are completed the impact will continue to be monitored.

5.2 *Staffing implications*

None

5.3 *Property implications*

None

5.4 *IT implications*

None

6 OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)

6.1 *Statutory implications* – None

6.2 *Environmental implications* – None

6.3 *Diversity implications*

The new charging policy is consistent across all service user groups. It reflects national guidance and good practice in relation to ensuring that people are not forced into hardship by the charges or into declining services because they feel they cannot afford the charges.

6.4 *Section 17 – Crime and Disorder implications* - None

6.5 *Risk and other implications* – The risks identified in the April 2010 report to cabinet member remain (loss of income to the council, unfair treatment of individuals, service user dissatisfaction). These risks do not appear to be significant at this time but continue to be closely monitored.

7. OUTCOMES OF CONSULTATION

7.1 There has been no consultation with service users about this report but the service, technical and policy reviews that are due to take place in the remainder of the year will have significant service user and carer involvement.

8 RECOMMENDATIONS

8.1 Cabinet member is asked to note the progress outlined in the report

8.2 Cabinet member is also asked to agree the proposed actions in section 4 above and receive an annual review report in March 2011.

SERVICE DIRECTOR ADULT SOCIAL SERVICES

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Background Papers used in the preparation of this report

Cabinet Member report April 2010