

**REPORT OF THE CHAIRMAN OF THE ADULT SOCIAL CARE AND PUBLIC
HEALTH COMMITTEE****INDIVIDUAL CONTRIBUTIONS TOWARDS THE COST OF CARE AND
SUPPORT****Purpose of the Report**

1. The report seeks approval to an amendment to the Policy agreed by Policy Committee on 17th October 2018 setting out how the Council will calculate individual contributions towards costs for care and support, and for a phased implementation of the revised policy from 8th April 2019.

Information**Background**

2. Policy Committee on 17th October 2018 approved changes to the way the Council undertakes Financial Assessment for Individual Contributions for Care and Support. Specifically, this policy changed the approach to assessing the contribution that people can afford to pay towards their care and support costs by revising the benefits that are taken into account and establishing new Minimum Income Guarantee levels. This was a decision taken following eight weeks of public consultation in summer 2018 and in the context of the financial pressures the Council is facing.
3. The public consultation survey gave people the opportunity to provide additional comments about the changes being proposed. Some of the people who provided comments about the then proposed changes to the Minimum Income Guarantee levels said that they did not feel that age alone made a difference to someone's living costs and that other factors should be taken into account, such as the nature of someone's disability or their accommodation status. This view was referenced in the report about the outcome of the consultation that was presented to the Adult Social Care and Public Health Committee on 8th October 2018.
4. Whilst, the Council recognises that these changes are not universally popular, in order to maintain services for the most vulnerable in the community, it was considered appropriate to make the changes and to work with the people affected by the changes to support them to manage the impact. The revised policy agreed by Policy Committee brought the Council

into line with the approach taken by many other Councils which reflects national guidance from the Department of Health and Social Care.

5. As a result of further feedback received from some service users and their carers through a variety of routes, it was recognised that sufficient time was needed to enable people to adjust to the impact of the changes. The Council listened to what people were saying and these concerns were taken into account by the Council. A decision was taken by the Adult Social Care and Public Health Committee on 10th December 2018 to agree to postpone the implementation of the changes until 8th April 2019 and to introduce the changes in two stages: in April 2019 and November 2019.
6. A petition with 1,600 signatures was presented to Full Council on 13th December 2018. The petition stated that it was 'to protest against the changes to the way the Council calculates individual contributions to their costs for care and support'. The petition, which was compiled in November and December 2018, was received after the decision of the Adult Social Care and Public Health Committee to postpone the implementation date of the changes. The petition asks that the Council reverses the revised way of calculating contributions to the costs for care and support in Nottinghamshire.
7. Whilst acknowledging the strength of feeling, the reasons underpinning the decision to agree the changes remain. Nottinghamshire County Council, like other councils with social care responsibilities, faces significant challenges in meeting increased demand for its care services, whilst absorbing significant reductions in the amount of funding it receives, for example:
 - whilst it is very positive that younger adults with disabilities are living longer, the amount the Council needs to invest in their care has increased
 - each year there is an increase of 4.5% in the number older people over the age of 85 years living with long-term conditions and disabilities
 - the Council is supporting more people overall, whether they are in their own homes, in supported living or in care homes
 - next year there will be a further rise in costs, including £7.5 million for the National Living Wage, £3 million to support an increase in the number of disabled adults under 65 years and just over £1 million for older people.

All of these factors contribute to the Council's current forecast budget shortfall of £64 million.

8. The Council currently spends £113.3 million a year (gross) on packages of care to support approximately 7,000 people to live at home or in the community. Currently, of this figure, the Council recovers £6.8 million (6% of the total) in contributions. The revised contribution policy agreed by Policy Committee on 17 October 2018 would help the Council to recover a further £3.8 million a year in contributions by 2020/2021, taking the total to £10.6 million (9% of the total) and helping the Council to continue to deliver vital services for vulnerable and elderly people in the future. The Council would still fund 91% of care package costs. Modelling has shown that, even after the changes have been fully introduced, 42% of people in receipt of adult social care and support from the Council would still not need to contribute towards their care costs.

9. The Equality Impact Assessment undertaken on 9th July 2018 (and revised on 2nd October 2018 and 17th January 2019) in respect of the changes, identified that changing the Minimum Income Guarantee levels used by the Council had a greater financial impact on people aged 18 to under 24 years and aged 25 years to under pension credit age, than it had on people of pension credit age and over; with the greatest financial impact being on people aged 18 to under 25 yrs.
10. The Minimum Income Guarantee levels that were approved at Policy Committee on 17th October 2018 were:
- 18 to under 25 years £132.45
 - 25 years to under pension credit age £151.45
 - Pension credit age and over £189.00
11. The rules governing charging for social care and support are set out in Care and Support (Charging and Assessment of Resources) Regulations 2014. An annual circular, Social Care – Charging for Care and Support, from the Department of Health and Social Care provides a notification of any update to the regulations. Councils have some discretion within the regulations to agree their approach to assessing the contribution that people can afford to pay towards their adult social care and support costs.

Proposed amendment to Policy

12. The Council has reflected on the comments provided by people in response to the public consultation in summer 2018, subsequent feedback and letters received from service users, their carers and people in their support networks, including the petition presented at Full Council in December 2018. At the request of the Chair and Vice Chair of Policy Committee further consideration has been given to the policy and its implementation.
13. The Equality Impact Assessment looking at specific impact on individuals and groups has been reviewed. It is recognised that the Policy as agreed in October, if implemented in full, would have a disproportionate impact on adults aged 18 to under 25 yrs. Therefore it is proposed to amend the agreed Policy to apply two Minimum Income Guarantee levels – one for people aged pension credit age and over and one for people aged 18 years to under pension credit age. The recommendation made in this report is that the revised Policy would take effect from 8th April 2019.

Implementation of Policy

Phase 1

14. From 8th April 2019 the Council will begin to take into account higher rate disability benefits in the assessment of what a person can afford to contribute towards the cost of their care and support. Contributions will be calculated on the basis of two Minimum Income Guarantee levels. One for those under pension credit age and one for those above.
15. It is proposed to phase the implementation of the new Minimum Income Guarantee level used when calculating contributions for people aged 18 years to under pension credit age. From April 2019 the rate used will reflect the mid-point between the current level used by

the Council of £189 and the proposed level of £151.45. This phasing will apply between April and November 2019.

16. The Minimum Income Guarantee levels applied by the Council from 8th April 2019 will therefore be:
- 18 years to under pension credit age £170.23
 - Pension credit age and over £189.00

Phase 2

17. Phase 2 will start on 4th November 2019. From this date the Council will implement the changes to the Minimum Income Guarantee levels in full. These are:
- 18 years to under pension credit age £151.45
 - Pension credit age and over £189.00
18. As described in earlier reports, advice and guidance will continue to be available to service users who contact the Council at any time between April and November, and beyond.
19. The Council will continue to keep the impact of the contributions policy under review.

Other Options Considered

20. The Council could maintain the decision already taken and apply three Minimum Income Guarantee levels as previously agreed by Policy committee. Having listened to feedback from service users and their carers the Council is proposing to amend the policy and phase its implementation as set out in the body of the report.

Reason for Recommendation

21. The proposal for the Council to apply two Minimum Income Guarantee levels, one for people aged over pension credit age and one for people aged 18 years to under pension credit age, rather than three, will allow the Council to address some of the financial challenges it faces but in a way that will not disproportionately affect people aged 18 to under 25 years compared to people aged 25 years to under pension credit age.

Statutory and Policy Implications

22. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

23. As reported to Adult Social Care and Public Health Committee on 10th December 2018, phasing the introduction of the revised policy for the way the Council calculates individual contributions towards the cost of care and support will mean that the full £3.8m per annum will not be realised until 2020/21. The impact in 2018/19 was reported as around £1.5m and the impact for 2019/20 was reported as a reduction in cost of around £2.8m rather than £3.8m, so a reduction of £1m. The proposal to apply two Minimum Income Guarantee levels, rather than three, will reduce the income to the Council by a further £200,000 a year.

Implications for Service Users

24. The Council's previous modelling showed that **7,069** people were receiving adult social care and support services to help them to remain independent at home. **452** people were aged 18 to under 25 years and of these **23** paid a contribution towards the cost of their care and support and, based on the outcome of their financial assessment, **429** did not pay a contribution. Applying three levels of Minimum Income Guarantee meant that:
- of the **23** people aged 18 to under 25 years who were contributing, that **20** would contribute more and **3** would pay the same
 - of the **429** people aged 18 to under 25 years who were not contributing, that **196** would come into charging but that **233** would continue to contribute nothing.
25. Applying two Minimum Income Guarantee levels, one for people aged over pension credit age and one for people aged 18 years to under pension credit age, rather than three, will reduce the financial impact of the changes for people aged 18 to under 25 yrs. Modelling as at January 2019 shows that **422** people aged 18 to under 25 years are receiving adult social care and support services to help them to remain independent at home. Applying two levels of Minimum Income Guarantee will mean that **165** people aged 18 to under 25 years will come into charging, **31** people will be asked to pay an increase in their contribution and that **226** people will continue to contribute nothing.

RECOMMENDATION/S

That Committee:

- 1) agrees a revision to the Contributions Policy as approved by Policy Committee on 17th October 2018 to reflect two levels of Minimum Income Guarantee, rather than three, to be used in the calculation of care contributions as set out in **paragraph 17**.
- 2) agrees to further phase implementation of the new rate for people under pension credit age between April and November 2019 as set out in **paragraph 16**.

Councillor Stuart Wallace

Chairman of the Adult Social Care and Public Health Committee

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Constitutional Comments (SLB 01/02/19)

26. Policy Committee is the appropriate body to consider the content of this report.

Financial Comments (KAS 04/02/19)

27. The financial implications are contained within paragraph 23 of the report. The reduction in income will be factored into the 2019/20 budget.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Report to the Adult Social Care and Public Health Committee on 9 October 2017: [Adult Social Care and Health Consultation](#)
- Report to the Adult Social Care and Public Health Committee on 8 January 2018: [Adult Social Care and Health Consultation](#)
- Report to the Adult Social Care and Public Health Committee on 12 March 2018: [Outcome of the Adult Social Care and Health Consultation](#)
- Report to the Adult Social Care and Public Health Committee on 9 July 2018: [Changes to the way the Council calculates individual contributions towards the cost of care and support](#)
- Report to the Adult Social Care and Public Health Committee on 8 October 2018: [Changes to the way the Council calculates individual contributions towards the cost of care and support](#)
- Report to Policy Committee on 17 October 2018: [Changes to the way the Council calculates individual contributions towards the cost of care and support](#)
- Report to the Adult Social Care and Public Health Committee on 10 December 2018: [Individual Contributions Towards the Cost of Care and Support](#)
- [Equality Impact Assessment for the changes to the way the Council calculates individual contributions towards the cost of care and support, updated on 19 January 2019.](#)
- [Care and Support \(Charging and Assessment of Resources\) Regulations 2014](#)
- [Department of Health and Social Care, Local Authority Circular: Social Care - Charging for Care and Support, January 2019](#)

Electoral Division(s) and Member(s) Affected

All.

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