

8 July 2019

Agenda Item: 5

REPORT OF THE SERVICE DIRECTOR, STRATEGIC COMMISSIONING, SAFEGUARDING AND ACCESS

INDIVIDUAL CONTRIBUTIONS TOWARDS THE COST OF CARE AND SUPPORT

Purpose of the Report

1. This report provides a summary of progress and support to service users in respect of the implementation of phase one of the changes to the individual contributions towards the cost of care and support.
2. The report also seeks to provide assurance that phase two of the implementation, which will commence in November 2019, will proceed smoothly applying lessons learnt through phase one.

Information

Background

3. At Policy Committee on 17th October 2018 it was agreed to adopt in full the national Department of Health and Social Care guidance to councils about the benefits they can take into account and the Minimum Income Guarantee levels that can be applied when determining the amount people are asked to contribute towards their care costs. 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.
4. This decision was due to come into effect on 12th November 2018, however, as a result of feedback received from some service users, their carers and other people in their support networks, it was recognised that more time was needed to enable people to adjust to the impact of the changes. In the light of this feedback, Adult Social Care and Public Health Committee on 10th December 2018 agreed to postpone the implementation of the policy until 8th April 2019 and to introduce the changes in two stages: phase one in April 2019 and phase two in November 2019. A further report, seeking the amendment to the Policy, was approved at Policy Committee on 13th February 2019.
5. From 8th April 2019 the Council began 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 in full. Previously when a person was in receipt of the highest rate of Attendance Allowance, Disability Living Allowance (Care Component) or Personal Independent Payment a £28.30 disregard was applied.

6. There has also been a phased 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 reflects the mid-point between the previous level used by the Council of £189 and the proposed level of £151.45. This phasing will apply between April and November 2019.
7. The Department of Health Guidance sets out the amount of money people are allowed to keep to cover their daily living costs. This is called the Minimum Income Guarantee (MIG). Prior to April the Council had one allowance for all service users of £189.00 per week. From April a second rate of £170.23 was introduced for people aged 18 years to under pensionable age. From November 2019 the allowance will be reduced to £151.45 based on the guidance from the Department of Health and Social Care.

Implementation update on progress and support to service users from Phase One

8. From the outset the Adult Care Financial Services Team (ACFS) has taken the lead in implementing the changes, supported by the Corporate Communications Team, Corporate Complaints Team, the Benefits Team, the Transformation Team and a Project Manager from the Programmes and Projects Team.
9. On 25th February 2019 letters were sent out to approximately 3,500 service users advising them of the new level of contribution that they would be asked to make towards their care costs. This work was subject to a tight timescale and it was anticipated that there would be a high volume of calls and contacts from people needing advice and guidance about the changes.
10. In preparation for the letters being received, a project team and process for managing the queries and responses was put in place. ACFS increased the numbers of experienced officers dedicated to answering telephone calls from one to four; this was to ensure that people could feel assured they were being listened to and confident that their queries and concerns would be dealt with in a timely manner. The policy change has created significant customer demand upon ACFS; from 13th February 2019 to 13th June 2019 a total of 2,200 calls have been received.
11. A daily project team Skype meeting was put in place to oversee the process, manage communications and to assess any issues that may need to be escalated to senior managers. A number of letters came in from service users, family, carers, MPs and Elected Members; these were acknowledged immediately and responded to within the required timescales.
12. A total of 25 letters have generated a formal complaint. In the context of 721 service users being asked to contribute for the first time, some of whom have not contributed for many years since receiving care and support, it was understandable that a significant alteration in disposable income created upset and challenge and, in some cases, difficult conversations.

13. Throughout the phase one of implementation, the ACFS team has worked with service users to maximise their benefits. In some cases ACFS and operational teams made home visits to undertake financial assessments and review care and support packages. From 13th February to 13th June 2019 a total of 341 people has requested a review of their financial assessment – looking at their income and expenditure. 7 people have had visits to help them complete their income and expenditure forms.
14. The team has also been successful in identifying unclaimed benefit entitlements for service users and have received thank you letters from people who have had backdated monies amounting to thousands of pounds.
15. Since December 2018 this additional income that people have received, due to advice from ACFS, amounts to approximately £5,000 per week. This equates to £250,000 per annum.
16. Every person is provided with a standard extra Disability Related Expenditure Allowance of £20 per week by the Council. Further to the policy change 155 people have requested additional disability expenditure, half of which have been approved.
17. The Benefits Team has been working proactively with approximately 17 service users who were referred to them for a review of their benefits. In one instance they identified an entitlement to Attendance Allowance of £58.70 per week, and supported the service user to successfully claim this. This subsequently led to an entitlement to Pension Credit which meant that they no longer had to pay council tax. This will undoubtedly have helped the service user to effectively contribute towards their care contributions.
18. The Customer Service Centre has received a smaller proportion of the total of 2,200 calls since the introduction of the changes in April and have worked closely with ACFS and operational teams to ensure that people are appropriately supported with their queries where they have not been able to resolve them at the point of contact.

Implementation Phase Two

19. Phase two 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
20. 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.
21. As described in **paragraph 10** ACFS will again increase the availability of trained experienced staff to answer individual queries.
22. The Council continues to keep the impact of implementing the contributions policy under review and lessons learned from phase one will be incorporated into the next phase.

Other Options Considered

23. The Council could have maintained 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 agreed to amend the policy and phase its implementation as set out in the body of the report.

Reason/s for Recommendation/s

24. The report provides assurances about the individual support provided to people affected by the policy and preparations for phase two.

Statutory and Policy Implications

25. 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

26. 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

27. 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, 20 would contribute more and 3 would pay the same
 - of the 429 people aged 18 to under 25 years who were not contributing, 196 would come into charging but 233 would continue to contribute nothing.
28. 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

- 1) That the Committee considers whether there are any further assurances required in relation to implementation of phase two of the policy, which will commence in November 2019.

Paul Johnson

Service Director, Strategic Commissioning, Safeguarding and Access

For any enquiries about this report please contact:

Kathy Ross

Project Manager, Programmes & Projects Team

T: 0115 9775716

E: Kathy.ross@nottsc.gov.uk

Constitutional Comments (LW 26/06/19)

29. Adult Social Care and Public Health Committee is the appropriate body to consider the content of the report.

Financial Comments (DG 21/05/19)

30. As a result of the changes in the contribution levels, £2.6m has been factored into the budget for 2019/20 and a further £1m will be included in 2020/21. At this time, the department is expecting to realise the saving, although this will be monitored each period. The savings arise from both an increase in income from client contributions and a reduction in the Direct Payment costs. The 2019/20 budget for client contributions is £36.2m and the net budgeted costs for Direct Payments are £34m.

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.

Changes to the way the Council calculates individual contributions towards the cost of care and support - report to Policy Committee on 17th October 2018

Individual contributions towards the cost of care and support - report to Adult Social Care and Public Health Committee on 10th December 2018

Individual contributions towards the cost of care and support - report to Policy Committee on 13th February 2019.

Electoral Division(s) and Member(s) Affected

All.

ASCPH651 final