

10 December 2018**Agenda Item: 11****REPORT OF THE SERVICE DIRECTOR, STRATEGIC COMMISSIONING,
SAFEGUARDING AND ACCESS****INDIVIDUAL CONTRIBUTIONS TOWARDS THE COST OF CARE AND
SUPPORT****Purpose of the Report**

1. The purpose of this report is to seek approval to phase the introduction of the Council's revised policy for calculating the individual contributions that a person in receipt of adult social care community based services can afford to make towards the cost of their care and support.

Information

2. At Policy Committee on 17 October 2018 it was agreed to adopt in full, as many other councils have already done, 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 consultation and in the context of the financial pressures the Council is facing, and the need to ensure the fair distribution of funding across all care services. It was always recognised that any changes of this nature will be contentious. The Council's equality impact assessment provided details of the issues and how the Council would seek to respond to the issues raised by providing as much support as possible to ensure that people continue to receive the care they need and can meet essential costs from their income. The Council had to balance this impact with the need to continue to provide essential services of an appropriate quality in the face of rapidly increasing need, demand and cost.
3. The Department of Health and Social Care guidance allows for the higher rate of disability benefits to be taken into account when calculating contributions. Prior to the policy change, in Nottinghamshire, some higher rate disability benefits have been partially disregarded. The Department of Health and Social Care guidance also sets out the amount of money a week which people are allowed to keep to cover their daily living costs, for items such as food or bills. This is called the Minimum Income Guarantee (MIG). Prior to the policy change, the Council allowed £189 a week for everyone but the Department of Health and Social Care guidance recommends different rates for different age groups. The recommended level for those who are 18-24 years old is £132.45 a week; for those aged 25 to pensionable age it is £151.45 a week; and for those over pensionable age it is £189 a week.

4. The Council currently spends £113.3 million a year gross against packages of care to support 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 policy will mean that the Council will recover a further £3.8million in contributions, taking the total to £10.6million (9% of the total). The Council will still fund 91% of package costs. The number of people who will contribute towards their care and support will increase by 862 to 4,112 (58%). 2,957 (42%) people will not contribute. The number of people who would be asked to contribute more will be 1,486.
5. The Council's decision to adopt in full the national Department of Health and Social guidance came into effect on 12 November 2018. Following Council approval of the policy change, letters were sent to everyone who receives adult social care community based services from the Council to explain the impact of the change on the level of contribution they will be asked to make towards their care costs. In response, a number of people approached the Council seeking advice about the impact of the changes and the timescales to review their arrangements. In these circumstances every effort has been taken to respond to the issues raised and where appropriate make adjustments to the contributions to be made.
6. As a result of feedback received from some service users, their carers and other people in their support networks, it has been recognised that sufficient time is needed to enable people to adjust to the impact of the changes. In the light of this feedback Committee is asked to consider the timescale over which the changes are implemented in order to allow people sufficient time to prepare and to ensure that people who wish to do so have time to fully discuss their circumstances with the Council.
7. The Government announced this month that some additional temporary funding would be made available for adult social care next year. In a letter dated 21 November 2018, the Council received confirmation of the allocation for Nottinghamshire. Whilst the conditions for this funding have not been confirmed the Council is of the view that it will provide a little more flexibility in the short term to phase in the changes to contributions over a longer period.
8. It is therefore proposed to implement the revised policy from 8 April 2019 and to introduce the changes in two stages: in April 2019 and November 2019.

Phase 1

9. From the 8 April 2019 the Council will adopt the national Department of Health and Social Care guidance to councils about the benefits that they can take into account when calculating contributions. The Council will also introduce an interim change to the Minimum Income Guarantee levels used when calculating contributions. Currently the Council allows a Minimum Income Guarantee level for all age groups of £189 a week. From 8 April 2019 the Minimum Income Guarantee levels that the Council will use to calculate a person's ability to contribute towards their care costs will be as follows:
 - 18-24 years old £160.73
 - 25 years – under pensionable age £170.23
 - Pensionable age and over £189.00
10. Every service user will be informed of their new contribution with a minimum of six weeks' notice. Advice and guidance will continue to be available as always to service users who contact the Council.

11. The Minimum Income Guarantee levels described in **paragraph 9** for 18-24 year olds and for people aged 25 to under pensionable age reflect the mid-point between the current level used by the Council of £189 and the level recommended by the Department of Health and Social Care guidance.

Phase 2

12. Phase 2 will start on 4 November 2019. From this date the Council will implement in full the Minimum Income Guarantee levels recommended by the Department of Health and Social Care guidance. These are:

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|------------------------------------|---------|
| • 18-24 years old | £132.45 |
| • 25 years – under pensionable age | £151.45 |
| • Pensionable age and over | £189.00 |

13. Every service user will be informed of their new contribution, with a minimum of six weeks' notice. Advice and guidance will continue to be available to service users who contact the Council at any time between April and November, and beyond.

Other Options Considered

14. Other models for the phasing of the changes were considered including a two stage introduction of the changes to the Minimum Income Guarantee levels in January and April 2019, or in February and November 2019. However based on feedback it was felt that people would benefit from a longer period of adjustment than this hence the proposal to introduce the changes in April and November 2019 instead.

Reason for Recommendation

15. The phasing will allow the Council to implement its approved policy for calculating individual contributions towards care and support costs but will provide time to ensure that people who wish to do so have had the opportunity to fully discuss their circumstances with the Council and to adjust their household budgets.

Statutory and Policy Implications

16. 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

17. 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.

18. The impact in 2018/19 is around £1.5m and the impact in 2019/20 is that the reduction in cost will be around £2.8m rather than £3.8m, so a reduction of £1m.

Public Sector Equality Duty implications

19. An Equality Impact Assessment is available as a background paper to this report.

Implications for Service Users

20. Although each person's circumstances will be different, by providing time for people to discuss their circumstances with the Council and to adjust to the changes, the phasing will benefit those people who will be affected by the change in Minimum Income Guarantee calculation.

RECOMMENDATIONS

1) That the Committee approves the phasing, as detailed in **paragraphs 8-13**, of the implementation of the Council's policy for calculating the individual contributions that a person in receipt of adult social care services can afford to make towards the cost of their care and support.

Paul Johnson

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Constitutional Comments (KK 30/11/2018)

21. The proposals in the report are within the remit of the Adult Social Care and Public Health Committee.

Financial Comments (KS 30/11/2018)

22. The financial implications are contained within **paragraph 17 & 18**. The impact in 2018/19 will be included within future budget monitoring reports and the impact for 2019/20 will be fed into the budget construction for 2019/20.

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](#)
- [Equality Impact Assessment for the changes to the way the Council calculates individual contributions towards the cost of care and support, updated on 2 October 2018](#)

Electoral Division(s) and Member(s) Affected

All.

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