
EXTRA CARE HOUSING - CHARGING IMPLICATIONS

**Responsible Cabinet Member - Councillor Veronica Copeland,
Adult Social Care and Housing Portfolio**

Responsible Director - Murray Rose, Director of People

SUMMARY REPORT

Purpose of the Report

1. Following the review of extra care housing in Darlington, Cabinet approved the outsourcing of the in-house Home Care service provided in the four extra care schemes. A procurement exercise was undertaken and Cabinet subsequently approved for the Council to enter into a contract with Making Space, to deliver personal care and domestic support to the tenants within the four extra care schemes.
2. This report seeks Cabinet approval for the full cost of the charges for this service to be charged to the tenants living in extra care housing as determined under the current Fairer Contributions Policy.
3. In making this decision, Members attention is drawn to the potential adverse impacts that, through consultation, 27 individuals have identified as a consequence of applying the Fairer Contributions Policy.

Summary

4. The Fairer Contributions Policy states that, (with a few exceptions) all individuals living in the community, in receipt of social care, should be financially assessed to determine whether they are able to contribute financially towards the cost of this support. However, depending upon their individual financial circumstances, some individuals are not required to make any contribution. The actual cost of the support delivered is used in calculating how much an individual is required to pay.
5. Historically the actual cost of the in-house service had never been determined and instead a rate of up to £11.25 per hour, (the externally commissioned domiciliary care rate) is charged to tenants within extra care. Prior to the review of Extra Care it was identified that the cost of the in-house Home Care provision was £20.42 per hour. Therefore the decision was taken to review the service and identify alternative delivery models which were more cost effective. Following this review the Council took the decision to tender for a combined contract for the delivery of both personal

care and support and domestic support services. This decision was made by Cabinet on 9 April 2013.

6. The contract was awarded to a new provider following a successful tender process. From 1 April 2014 the cost of the service under this new provider will be £14.92 per hour. There are currently 27 tenants within the extra care schemes who have been assessed as being able to contribute to the cost of their support. This means that those 27 tenants will be subject to an increase in the financial contributions they will be required to pay. Following the decision made by Cabinet on 3 December 2013 to award the contract to the new provider, officers carried out an Equalities Impact Assessment to identify the potential impacts of the increase in charges to these 27 individuals in line with the Fairer Contributions Policy.

Recommendation

7. It is recommended that:-
 - (a) The total cost of the service be charged to the tenants living within extra care housing in accordance with the Fairer Contributions Policy.
 - (b) Members note the outcome of the consultation, the Equalities Impact Assessment and the measures to be put in place to mitigate any impacts.

Reasons

8. The recommendations are supported by the following reasons:-
 - (a) The Fairer Contributions Policy ensures that all service user groups are treated fairly and equitably and contributions are determined on the ability of the individual to contribute to the cost of their support having taken into account their individual circumstances which includes their financial means.
 - (b) The application of the Fairer Contributions Policy will support the authority to maximise its income and meet its overall budget efficiencies.
 - (c) Where possible mitigating actions will be taken to reduce/ remove any potential impacts of the increased charges by carrying out reviews of financial assessments, including welfare benefit checks and the identification of Disability Related expenditure.
 - (d) The Fairer Contributions Policy allows that in exceptional circumstances the charges for Community Care may be waived.

Murray Rose
Director of People

Background Papers

Cabinet Report 19 July 2011, Review of Home Care & Cabinet Report 9 April 2013, Extra Care Housing – Strategy and Future Options for Service Delivery

Cabinet Report 3 December 2013, Contract Award for the Provision of Personal Care and Domestic Support for Tenants in extra Care Housing

Jeanette Crompton: Extension 2327

S17 Crime and Disorder	No impact.
Health and Well Being	This decision will impact the older people and disabled population living in the four extra care schemes or who may do in the future. Extra Care housing supports individuals to live independently in their own home whilst needing care and support to meet their assessed social care needs.
Carbon Impact	There are no carbon impact implications in this report.
Diversity	The consideration of the application of the Fairer Contributions Policy within this report aims to provide an equitable approach to all those presenting to Adult Social Care for support. In carrying out the impact assessment the authority has fulfilled its Public Sector Equality Duty.
Wards Affected	All wards are affected equally, as people may move from a ward without extra care housing into one where an extra care scheme is located.
Groups Affected	Older people over 50 or people with disabilities.
Budget and Policy Framework	This decision does not represent a change to the budget and policy framework.
Key Decision	This is a key decision.
Urgent Decision	No
One Darlington: Perfectly Placed	The personal care and domestic support services procured will contribute to the delivery of One Darlington: Perfectly placed; People are healthy and supported and People are financially secure.
Efficiency	By charging the tenants the actual cost of the service there will not be any loss of income to the authority via contributions from service users.

MAIN REPORT

Information and Analysis

9. The Fairer Contributions Policy for Non Residential Services (FCP), which was adopted by Darlington Borough Council in 2011, states that all individuals living in the community, in receipt of social care, should be financially assessed to determine whether they are able to contribute financially towards the cost of this support. The aim of the FCP is to provide a reasonable and fair charging framework for all adults with an assessed eligible need for social care support.
10. The FCP states at paragraph 13 that the following services will not be charged for:-
 - (a) Aftercare in relation to an individual psychiatric need, which has been provided under s117 of the Mental Health Act 1983;
 - (b) Rehabilitation, training, employment or drop in services;
 - (c) The Council will not charge for the giving of advice about the availability of services;
 - (d) Assessment, including assessment of community care needs;
 - (e) Individuals of non-residential social services who have any form of Creutzfeldt Jacob Diseases (CJD) should not undergo a financial assessment but should be treated as automatically exempt;
 - (f) Community Equipment e.g. bath hoist, handrail;
 - (g) Carers Services;
 - (h) Reablement in accordance with the Reablement Policy;
 - (i) Other exemptions apply as per the Fairer Charging Guidance 2003 and Charging for Residential Accommodation Guide 2010.
11. The FCP sets out at paragraph 10 the type of support that is chargeable:-
 - (a) Domiciliary support
 - (b) Sitting services
 - (c) Direct payments and support to manage a direct payment
 - (d) Sleepovers
 - (e) Day Care
 - (f) Transport as provided in conjunction with the provision of community care services
 - (g) Social Activities e.g. visiting a museum, bowling etc.
 - (h) Assistive technology i.e. telecare
12. Regardless of whether the service is commissioned by Darlington Borough Council or given as Direct Payments the total cost of the package will be calculated. The individual will be financially assessed to determine the maximum contribution they need to pay towards a 100% of the total cost of their package.
13. There are four Extra care housing schemes in Darlington which provide 24/7 on call care and support they are:-
 - (a) Dalkeith House
 - (b) Mayflower Court (Owned by Hanover Housing)

- (c) Oban Court
- (d) Rosemary Court

14. Within each of the schemes domiciliary support is provided to the tenants by the in-house Home Care Team.
15. Previously minor changes have been made to the services provided within the scheme which has included staffing re structures and the outsourcing of the domestic elements of the service i.e. housework, shopping and laundry. The changes were made in an attempt to make the service more sustainable. Despite the changes being made it was not considered sustainable to continue to provide the service in house.
16. Historically the actual cost of the in-house service had never been determined and instead a rate of up to £11.25 per hour (the externally commissioned domiciliary care rate) was charged to tenants within the extra care housing schemes. This figure was used in the Financial Assessment to calculate the contribution each individual is required to pay. Any tenant who chose not have a Financial Assessment carried out was also charged £11.25 per hour.
17. A review of the service was undertaken which identified that the cost of the in house Home Care Provision was £20.42 and therefore a decision was taken to review the service and identify alternative delivery models which were more cost effective). Following the review it was considered more cost effective to have a combined contract for the delivery of both personal care and support and domestic support services. On 9 April 2013 Cabinet approved the tendering process for this combined contract.
18. At a Cabinet meeting on 3 December 2013, the decision was taken to award the contract for Extra Care services to 'Making Space' from 1 April 2014. The cost of the service with the new provider will be £14.92 per hour. Accordingly, by applying the FCP to the tenants currently residing in the extra care housing schemes some individuals will be required to pay an increased contribution to the cost of their support.
19. There are currently 154 tenants living within the four extra care settings. The Financial Assessment Team has identified that 27 individuals across the four schemes will be financially affected by applying the FCP. The remaining 127 tenants are not currently affected by these proposed changes. Of the 27 individuals affected, 15 are paying the full cost of the support they receive as they either have capital in excess of the £23,250 (the threshold for a Financial Assessment) or have declined to have a Financial Assessment carried out. (Individuals have the right not to disclose their financial details and in doing so are charged the full cost of the services provided.) These are referred to as "full fee payers". The remaining 12 affected tenants make partial financial contributions to the cost of their care.
20. Currently the financial contributions required from the 27 individuals range from £41.47 to £231.96 per week. Should the Fairer Contributions Policy be applied, then these contributions will increase between £1.56 and £47.71 per week for those who are not full fee payers. For those who are full fee payers, then the increase will be between £1.84 and £79.84 per week.

21. The FCP states that in exceptional circumstances the charges for Community Care services may be waived. Such cases will be considered individually based upon the effect upon the individual. In such cases the Care Manager and their Team Manager will submit a report outlining the client's circumstances and the reasons why they believe that the charges should be waived to the Assistant Director Adult Social Care for approval. Approval can be given retrospectively or for a period of time to give the individual the opportunity to reassess their own position on paying for their care.
22. Following the Cabinet decision on 3 December 2013 further consultation has been carried out with tenants via:-
 - (a) Letters
 - (b) Face to face meetings
23. The outcome of the consultation is included later in this report.

Financial Implications

24. Following the contract award, if the actual cost of care is not applied to tenants in the extra care schemes as per the FCP, this will result in approximately £40k of lost income for the Local Authority per year.

Legal Implications

25. Under section 2 of the Chronically Sick and Disabled Persons Act 1970, the Local Authority has an absolute duty to provide services which it is satisfied are necessary to meet the identified person's ordinarily assessed social care need. In providing this support the Local Authority needs to ensure that if eligible for social care, a full financial assessment of that person is undertaken and the fairer contributions policy is applied. This will ensure that a consistent approach is provided across the board to all individuals with an assessed eligible need for social care support.

Equalities Considerations

26. When making its decision, Members will be aware of the requirement to have 'due regard' to the Public Sector Equality Duty under section 149 Equality Act 2010. This duty requires the Council, when exercising its functions to have 'due regard' to the need to:-
 - (a) Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited under the Act;
 - (b) Advance equality of opportunity between those who share a 'protected characteristic' and those who do not share that protected characteristic, and
 - (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it (this involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote

understanding).

27. Section 149 (3) of the Act states in general terms that having 'due regard' to advancing equality of opportunity involves having due regard to:-
 - (a) The need to remove or minimise disadvantages;
 - (b) Taking steps to meet the needs of people from protected groups; and
 - (c) Encouraging people from protected groups to participate in public life or other activities where their participation is disproportionately low.
28. Following consultation, an Equalities Impact Assessment has been carried out taking into account the impacts from the representations received. Members are required to read this document (**Appendix 1**) prior to taking its decision on this proposal and address their minds to the requirements of the Public Sector Equality Duty.
29. The key impacts identified by the Equalities Impact Assessment are as follows:-
 - (a) Financial hardship
 - (b) Impacts on health and wellbeing
 - (c) Reduction in savings/ capital
 - (d) Reduction in care being received
30. It has been identified that some mitigations can be put in place to minimise the impact on specific individuals.

Opportunities to Reduce the Perceived Negative Impact

31. All of those tenants who are full fee payers were given information regarding financial assessments and advised that when their capital reduces below the threshold of £23,250 they should contact Adult Social Care so that a financial assessment can be carried out.
32. Similarly those individuals who have previously taken the decision not to have a financial assessment (often because they did not wish to disclose their income) were given information regarding the financial assessment process and were offered the opportunity to have the financial assessment carried out.
33. Where individuals were agreeable, a request for a financial assessment to be carried out has already been made to the Financial Assessment team and appointments arranged with the individuals concerned and where applicable any Disability Related Expenditure will be identified.
34. All individuals who are affected financially will be advised by officers of the opportunity to request that consideration be given under the FCP to the waiving of their charges.

Options for Monitoring

35. All individuals who have had a financial assessment have an annual review to confirm that the contribution that the individual is required to make is correct, taking

into account their income and personal circumstances. A financial assessment can also be reviewed at any time should an individual request it.

36. The impact of the application of the Fairer Contributions Policy on the 27 tenants will be monitored via feedback and complaints should individuals at a later date feel that they are unable to make the increased payments.
37. The Council's process to assess the proposed application of the Fairer Contributions Policy against the nine protected characteristics of the 2010 Equality Act and the local Disability Equality Scheme has been closely followed with the 27 identified individuals and their families and carers have been consulted to obtain their views and any potential impacts, positive and negative.

Consultation

38. All of the tenants within the extra care schemes were previously consulted between February and March 2013 regarding the proposed outsourcing of the service and an equality impact assessment was carried out prior to the report being submitted to Cabinet. However at this stage, neither the provider nor the cost of the service was known. It was therefore deemed necessary to carry out further consultation and equality impact assessment in relation to any increase in financial contribution.
39. Consultation took place with tenants between 7 January and 7 February 2014. Letters were sent to all tenants within the four extra care schemes (including those not financially affected by this proposal). Further, face to face meetings were arranged with the 27 tenants (and their carers where applicable) who will be financially affected by the increase in hourly rate. These meetings were by appointment in the tenants own homes at times which were convenient to them. It was not possible to meet with one of the tenants potentially affected as she was in hospital at the time the consultation was carried out.
40. To ensure that all potential impacts and comments were captured and not to detract from the discussion, two officers attended the meetings with one acting as a "scribe". An "easy to read" Briefing Paper of the proposed changes to the charges was also sent to the tenants and their carers prior to the one to one meetings and the specific questions asked of tenants is contained in this document (**Appendix 2**).

Outcome of Consultation

41. The meetings held with the tenants who will be potentially affected confirmed that they all, without exception, valued the care and support that they receive both from the in-house and from the independent provider staff teams. Those tenants who were identified as full fee payers said that whilst they would be able to afford to pay the additional costs, this would mean that their savings would reduce at a faster rate than was currently the case. This would also mean that they would reach the threshold for assistance from the Council sooner than if they had continued to pay the reduced contribution
42. Some tenants that had previously declined a financial assessment and hence were charged the current full cost of their support said that they would now be willing to have a financial assessment carried out to determine whether they would have a

reduction in the amount they would be required to pay. These financial assessment visits will now be arranged.

43. During the process of talking to the tenants who will be affected if the proposal to apply the FCP is implemented, the following financial themes emerged with more than one individual identifying the following as a potential impact:-

Theme	No. of people identifying impact in theme area
Financial hardship	3
Health and Well being including mental health?	4
Increased demand on family carers?	0
Reduction in care received	3
Reduction in savings / capital	4

NB. As identified above, the full impacts and comments received from the consultation are contained within Appendix 2 of this report.

44. In addition to the impacts identified by individuals, tenants also gave general comments regarding the increase in charges. Many were concerned at the amount of the increase, with one individual saying it was “savage and unacceptable”. Another went on to say “It started off at £224 per month and then doubled, it’s a massive increase”. However other tenants were more accepting of the increase, stating “I have to pay the new rate and will have to manage the increase” and “My mum gets Attendance Allowance and that will cover the rise in charges”.

Options

45. Members may consider the following options in reaching their decision about the application of the Fairer Contributions Policy to tenants living within the extra care schemes:-
- (a) Approve the application of the Fairer Contributions Policy to the extra care housing schemes (currently affecting 27 individuals) with effect from 1 April 2014, having given “due regard” in the decision making process to the potential equality impacts which have been identified as part of the engagement and consultation. In applying the Fairer Contributions Policy to the extra care housing schemes, Members acknowledge that officers will advise all individuals who are affected financially of the opportunity to request that consideration be given under the Fairer Contributions Policy to the waiving of their charges.
 - (b) Not to apply the Fairer Contributions Policy to the extra care housing schemes (currently 27 individuals) with effect from 1 April 2014 with a loss of income to the authority, estimated to be £40,000 per annum.
 - (c) Agree to “phase in” the increase in charges over a 12 month period which would also result in a loss of income to the authority.