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**A REVIEW OF THE APPLICATION OF FAIRER CHARGING GUIDANCE FOR  
ADULT SERVICES IN DARLINGTON**

**REVISED PROPOSALS FOLLOWING AN EXTENDED PERIOD OF  
CONSULTATION**

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**Responsible Cabinet Member - Veronica Copeland, Adult Services Portfolio**  
**Responsible Director - Cliff Brown, Director of Community Services**

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**SUMMARY REPORT**

**Purpose of the Report**

1. The proposals for changes to the Charging Policy for Adult Social Care Services, included in the MTFP were deferred by Cabinet in February 2008 to enable further consultation to be undertaken. The purpose of this paper is to outline the proposed changes in the policy and practice of charging for non-residential adult social care services, following extensive consultation.

**Summary**

2. The report outlines proposed changes to the current charging policy for non-residential care services in respect of equitable charging, charges for home care, day care, refreshments, frozen meals and transport.
3. The Proposals have been re-considered and amended following extensive consultation and the outcomes of the Disability Equality Impact assessment.

**Recommendation**

4. It is recommended by Cabinet that Council approve:
  - (a) Proposals 1, 3, 4 and 5, as detailed in the submitted report, for implementing changes to the charging policy for non-residential Adult Social Care Services;
  - (b) charges for Home Care Services, as outlined in Proposal 2 in the submitted report, be agreed, at a flat rate of £10.61 per hour, phased in over the period 2008/09 to 2011/12;
  - (c) Proposal 6, as detailed in the submitted report, in respect of charges for transport be not proceeded with;

- (d) a period of at least three months be allowed for financial assessments to be completed prior to implementation.

## Reasons

5. The recommendations are supported by the following reasons:
- (a) The proposals will eliminate inequalities in the current charging policy for non-residential Adult Social Care Services.
- (b) The proposals have been amended as a result of extensive consultation with Service Users and Carers and the completion of a Disability Equality Impact Assessment.

**Cliff Brown**  
**Director of Community Services**

## Background Papers

Jane Robinson: Ext 3873  
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S17 Crime and Disorder	Providing Social Care enables local vulnerable adults to remain safe and secure in their homes despite changing needs over time.
Health and Well Being	The provision of Adult Social Care optimises independent living for many local vulnerable people and reduces the incidence of hospital and care admissions. Social Care can act as a catalyst to facilitate early discharge or prevent admission from/to hospital.
Sustainability	The provision of Adult Social Care can contribute to continued and diverse sustainability of local communities by supporting vulnerable people in their neighbourhood.
Diversity	Adult Social Care is targeted at vulnerable local people with assessed care needs.
Wards Affected	All
Groups Affected	Predominantly, elderly, and disabled.
Budget and Policy Framework	This will impact positively on the Adult Social Care Budget and is in line with the relevant national policy for charging for non-residential Care services.
Key Decision	This is a key decision.
Urgent Decision	This is not an urgent decision.
One Darlington: Perfectly Placed	Implementing the Charging for non-residential care policy changes contributes to a number of key themes such as; Healthy, Aspiring, Safer and Prosperous Darlington.

## MAIN REPORT

### Information and Analysis

#### Fairer Charging for Social Care Services

6. Government guidance regarding charging for non-residential services was brought into its current format in April 2003. Since then, only minimal measures have been taken to conform to the guidance and consequently charging arrangements are inconsistent across service user groups and bear no meaningful relationship to the cost of provision.
7. The Government is currently moving forward on the personalisation agenda, promoting Direct Payments and Individual Budgets. This is being progressed from within existing resources, which at least in the short to medium term, will lead to increased costs as economies of scale in procurement of services is reduced.
8. Under the current Charging Policy an individual is subject to a financial assessment once their needs assessment has been completed, the purpose of which is to establish what if any contribution they are required to make towards the cost of their care. However, Charging Policy in Darlington is inconsistent. For instance:
  - (a) All clients are assessed for financial contributions to the cost of Homecare, Community Houses, Sitting Service, except for those with a learning disability.
  - (b) Charges for day care bear no relationship to cost of provision. Only nominal charges are made for refreshments.
  - (c) No service user is currently charged for transport to services.
  - (d) Meal provision in own home. Current contributions are £1.75. In contrast, tenants in Extra Care pay up to £27 per week, equivalent to nearly £4 per day for a two-course lunch.

#### Background to the Proposed Changes

9. The proposed changes to the Charging Policy for non-residential services are made in the context of three key factors relating to adult social care in Darlington, namely Fair Access to Care Eligibility Criteria (FACS) the MTFP and the requirement for officers to ensure that resources are used effectively.
10. In 2007 as part of the preparation for the MTFP, the application of FACS was reviewed and during the MTFP process it was decided to continue to provide services within all four bands of care ranging from low to critical. This ensures the Council's continued commitment to not only meeting the needs of the most vulnerable individuals but also giving scope to further develop preventative services in line with current Government policy. This decision was taken in the knowledge that the majority of councils have now restricted access to care to the top two bands (Significant and Critical) and that some councils were moving to provide services only in the Critical band.
11. In respect of the Adult Services budget position there has been significant support and commitment from the Council with increases to the budget year on year to ensure the level of demand for services could be met. In 2005/06 an additional £458,000 was provided for the Adult Services budget, in 2006/07 a further £787,000 was provided and in 2007/08 an

additional £1.6 million. In 2008/09 the Council has committed to a £600,000 increase.

12. In considering changes to the current system any redesign needs to have regard to the guidance referred to earlier to ensure that arrangements produce an equitable and fair charging policy that has regard to cost of provision and ability to pay.
13. The proposed changes are based on the premise that all charges will be subject to financial assessment and ability to pay and that work will be done to maximise benefit uptake.
14. As previously stated the current policy could be challenged because not all user groups are financially assessed in the same way. For instance, all client groups are assessed for contributions to the cost of Homecare except for people with a Learning Disability. To rectify this anomaly, proposed changes to the current policy are made, which were included in the MTFP for 2008/09 for consultation.

### **Consultation**

15. Consultation on the proposals was originally planned to be completed in January and early February 2008. However, Cabinet agreed on 19 February that this would be extended to allow officers to undertake further consultation. The extended consultation period ended on 11 April 2008.
16. **Appendix 1** outlines the extensive consultation which has been undertaken.
17. Given the volume of consultation undertaken and the complexity of responses it has proved difficult to apportion responses with numbers in many cases. As an example, where an opinion has been voiced by only one person during a meeting, it is not always possible to gauge whether this was an opinion held only by that person, or more widely by the group largely or as a whole.
18. Care was taken during each of the consultation meetings to ensure that people were given information about the effect of the Fairer Charging Guidance, the financial assessment process and the application of the maximum contribution. However, it was clear from the responses during and after the meetings that many people did not understand that increases in charges for services for someone already paying their maximum assessed charge would not increase the amount they would actually pay.
19. Attendees at the consultation meetings were given reassurance regarding the statutory nature of the provision of services to meet assessed needs. Care was taken to ensure that each meeting understood that Adult Services would ensure that financial assessments were double-checked, and that welfare benefits advice would be offered in such cases.
20. Consideration has been given to the Disability Equality Duty under section 49A of the Disability Discrimination Act 1995 which provides a duty upon every public authority in carrying out its functions to have due regard to:
  - (a) The need to eliminate discrimination that is unlawful under the DDA 1995.
  - (b) The need to eliminate harassment of disabled people that is related to their disabilities.
  - (c) The need to promote equality of opportunity between disabled persons and other persons.

- (d) The need to take steps to take account of disabled person's disabilities, even where that involves treating disabled persons more favourably than other persons.
  - (e) The need to promote positive attitudes towards disabled persons.
  - (f) The need to encourage participation by disabled person in public life.
21. As part of this process a Disability Impact Assessment has been completed (see **Appendix 2**) and combined with the consultation has influenced potential amendments to the original proposals.

### **The Proposals Included in the MTFP**

22. Outlined below are each of the six original proposals, the consultation responses, any related issues and implications for implementation with revisions made to the proposals where appropriate.
23. Table 2 at the end of this section identifies the projected income from the original proposals and the revised projections in light of the amendments to the proposals following consultation. It should be noted that these figures are best projections as until financial assessments are completed an accurate position cannot be achieved.

### **Proposal 1 – Charges for Non-Residential Care Services**

24. That the Charging Policy for non-residential care services be applied to all service users equally. This would mean that service users with a learning disability would in future receive a financial assessment to determine their ability to pay for services in the same way as all other service users. This is expected to impact on approximately 84 service users.
25. Whilst it is difficult to anticipate the impact the financial assessment will have on an individual until it has been completed the case example overleaf is thought to be illustrative of the typical impact.
26. In addition to providing equity between service users, this would also assist in promoting direct payments. A financial assessment is a requirement of direct payments so where no assessment is currently carried out, this would potentially discourage service users pursuing direct payments.

### **Case Example**

27. Client A lives in a supported tenancy with two other service users and is receiving 32 hours of care a week plus seven sleepovers. The financial assessment is as follows:

<b>Income</b>		
Incapacity Benefit		£66.25
Income Support		£66.50
Disability Living Allowance Care		£43.15
Disability Living Allowance (Mobility)		£17.10
<b>Total Weekly Income</b>		<b>£193.10</b>
<b>Allowances (Disregards)</b>		
Minimum Income Guarantee (MIG) + 25%		£105.50

Severe Disability Premium Disregard	£24.23
DLA Mobility	£17.10
Disability Related Expenditure	£3.80
<b>Total Allowances</b>	<b>£150.63</b>
<b>Maximum Weekly Charge</b>	<b>£42.47</b>

28. The actual cost of care would be £830.65, the service users weekly contribution would be £42.47.

### **Consultation Feedback on Proposal 1**

29. The Disability Impact Assessment reflects that there was general agreement that the policy in relation to charging should be applied to all people who require assistance, regardless of any other feature.
30. However members of Darlington Association on Disability (DAD) expressed the view that some people would see the charge as a barrier to accessing services. A view expressed by some staff at DAD and two users of Dimensions was that charges for care services were essentially discriminating against people who need support, by virtue of the needs arising from their disability. Dimensions members expressed the view that there should be no charges made for Adult Social Care Services.
31. A view expressed by two or three carers for people with a learning disability was that they should continue to receive services exempt from charges, due to learning disabilities being a 'lifetime disability'.
32. There was a widespread view that linking the commencement of new charges to the arbitrary date of an individual annual review was unfair, as two people attending a day service could have up to 11 months difference in the start of charges. It was felt that it would be better if everyone attending a given day service was given a financial assessment, and a common start date for charges.

### **Issues**

33. The Financial Assessment Section will have to prioritise the assessments for people with a learning disability.
34. That some people who are not currently financially assessed may chose to no longer access services if a charge was to be made. This could lead to issues of social isolation and greater need.

### **Proposed Course of Action**

35. Based on the consultation it is recommended that no amendments be made and that people with a learning disability should be subject to a charging policy, in common with every other person needing assistance from Adult Social Services.
36. However, in terms of implementation, it is proposed that each person with a learning disability will be financially assessed between 3 October 2008 and 31 December 2008 and

that there should be a common date of 1 January 2009 for the commencement of charges for people with a learning disability.

## **Proposal 2**

37. The hourly rate for Home Care Services is currently a flat rate of £9.08 per hour irrespective of the cost of provision and whether specialist services are provided. Specialist services are those provided in supported living schemes for service users with learning disabilities and also those with challenging physical behaviour.
38. The proposal is to charge for the service received, based on the charges from service providers. This is anticipated to affect approximately 260 of the 867 people in receipt of homecare services. Of the 260, 165 are Older People, four have mental health problems, seven people have physical disabilities and 84 people have learning disabilities.
39. The cost of provision is based on whether the service provider meets the required quality standards. The proposed charges are:
  - (a) Normal services (compliant provider) £10.76
  - (b) Normal services (non-compliant provider) £10.61
  - (c) Specialist services, £11.10 for 2008/09 and £13.11 plus inflation for 2009/10

## **Consultation Feedback on Proposal 2**

40. The Disability Impact Assessment identified no positive impacts in relation to this proposal and the widespread view held was that the increase from £9.08 to £10.61/£10.76 was significantly greater than the rate of inflation, and of the increase in benefit rates for those dependent upon State Welfare Benefits.
41. There was a common view expressed in several meetings that the higher proposed rate for 'specialist services' discriminated against people who needed higher levels of assistance.

## **Issues**

42. If people chose not to access services on the basis of cost this could lead to an escalation in their care needs with involvement from Adult Services required at a point of crisis.

## **Proposed Course of Action**

43. The original option can be pursued or alternatively, a new flat rate of £10.61 per hour for all types and levels of homecare be introduced, this being the cost of compliant externally provided services.
44. The increased charges to be phased-in over a period of three years. The amended proposal actually shows in Table 2 an increase in the projected income, this is purely because more accurate figures have been available for use.
45. Table 1 summarises the effect of this revised proposal. It should be noted that the figures assume a 3% inflationary uplift each year.

<b>Table 1</b>		<b>Implement over three years</b>		
<b>Year</b>	<b>Actual hourly charge for Domiciliary Care</b>	<b>Proposed hourly rate for domiciliary Care</b>	<b>Increase year on year</b>	<b>% Increase per year</b>
2007/08		9.08		
2008/09	10.61	9.77	0.69	7.6%
2009/10	10.93	10.51	0.74	7.5%
2010/11	11.26	11.26	0.75	7.1%
2011/12	11.59	11.59	0.34	3.0%

NOTE: Age Concern bathing service to remain outside the charging policy. People receiving the service pay a contribution of £2.20 for an hour's assistance with bathing, paid directly to Age Concern. Contract has just been renewed until 31 March 2009.

### **Proposal 3**

46. That a charge of £10 per day is made for day services. Day services offer a range of benefits to service user's e.g. social inclusion, support, access to other community services and respite and support for carers. Service users may attend one or more times per week.
47. Currently service users only pay for refreshments and nothing for actual care.
48. The current unit cost for in house day care provision is £40 per day. Charges from the independent sector vary considerably depending on the provider and type of service.
49. There are currently 388 people accessing day services. It is anticipated that this proposal would affect 199 people, as the remaining 189 are already paying the maximum contribution for the services they receive.
50. Of the 199, 123 are older people who on average attend day care 1.3 times per week, the remaining 76 are those individuals who have either a learning or physical disability who on average attend 3.5 days per week.
51. Potentially, the greatest impact could be on those individuals with learning or physical disability. However, they are unlikely to have to pay the total amount for their care once the financial assessment has been completed and their maximum contribution determined (see illustrative example on Page 6).

### **Consultation Feedback on Proposal 3**

52. No positive impacts were identified as part of the Disability Impact Assessment.
53. For people with a learning disability, who are typically 'high' users of day services, the proposed charge (in addition to the proposed introduction of all other applicable charges for services) will have a big impact upon their finances. There was significant support from carers of people with a learning disability that these charges should be phased-in.
54. The view was expressed by staff at Dimensions that charges for 'day services' should not be applicable to the service provided at Dimensions, which was characterised as 'assessment'



rather than a service.

55. There was acknowledgement by an attendee at the Age Concern meeting that the proposed charges for day services, meals and transport were fair – ('That seems fair to me').
56. Several respondents expressed the view that the proposed £10 per day charge should include all refreshments/meals, and others also felt that the proposed travel charge should be incorporated in the overall charge.
57. The point was raised during consultation with people using mental health services that those who were referred through a medical route (GP or nurse etc) were exempt from charges, whilst those who were referred through social services would be charged. In addition, some services take self-referral, and it was felt to be unfair to levy a charge for such users, who typically 'drop-in' for short periods during the day.
58. Several respondents have expressed the view that the implementation of charges for day services will mean that some people will cease to attend on financial grounds. This may then lead to more intense (and costly) services needing to be put in place if the person became isolated, their mental and physical health deteriorated, or if carer's are unable to maintain their support.

### **Issues**

59. The implications for some users could be significant e.g. someone with a learning disability who currently pays £2.65 a day for day care and refreshments could in theory have to pay £15.42 for day care, refreshments and transport if they were financially assessed as having to make a contribution. However, as the illustrative example on page 6 shows, this would depend on the individual income. In the illustrated example, maximum contribution to charges would be £42.47 p.w.
60. There is again the risk that individuals could choose not to receive services on the grounds of cost which could lead to social isolation and a decline in their well-being.

### **Proposed Course of Action**

61. That a £10 per day charge for day services accessed through Adult Social Services, be implemented, to commence from 1 January 2009. This would not take into account transport and refreshments which are considered separately.
62. The Council would not seek to charge for those services primarily providing assessment, rehabilitation, training or employment services or those which provide 'drop-in' services.
63. The Council is entitled to exercise discretion in respect of whether or not to charge for services. It is considered that the services providing assessment, rehabilitation, training or employment and those of a drop in nature differ significantly from primarily care based day services. In line with the Disability Equality Duty it is considered that providing these services without charge promotes equality of opportunity between disabled persons and other persons.

#### **Proposal 4**

64. Charges for refreshments within Day Care Services to be charged at actual cost equitably across all services. The proposed charges in line with the MTFP are £3.42 for 07/08 and £3.50 for 08/09 per day.
65. These charges are already in place for Older People or for day services where lunch is provided except for In-house Learning Disability Services where a charge of £2.65 is made.
66. It is therefore anticipated that this will affect 45 people. As this charge is not part of the financial assessment process and we know on average that attendance is 3.5 days per week, the additional; cost per user would on average be £3.05 per week.

#### **Consultation Feedback on Proposal 4**

67. There was little comment made on the principle that people should be charged for the actual cost of refreshments. However, many people felt that the cumulative effect of the proposed day service charge, refreshments and travel would mean that they were paying a significant amount of their weekly income on these services, and that they may be forced to stop attending.

#### **Proposed Course of Action**

68. Charges for refreshments should not be part of the daily charge for day care and should remain outside financial assessment regime with an implementation date of 1 January 2009.

#### **Proposal 5**

69. That the cost of frozen meals at home is increased to the actual cost of provision. This would bring the charges in line with meals provided in Extra Care facilities where residents are charged the actual cost of provision. Charges for meals in Extra Care for 2008/09 are £24.50 per week for residents and £27.44 for non-residents.
70. Charges for frozen meals are currently £1.75 and the cost of provision is £3 (including administration) for a two-course meal.
71. The proposed charge is £3 per meal. This is anticipated to affect approximately 93 people.

#### **Consultation Feedback on Proposal 5**

72. There has been no feedback or comment on the proposal to increase the cost of frozen meals during the period of consultation. However it is anticipated by officers that the increased cost may lead to a decline in the uptake of the service, which may lead to vulnerable people missing meals.

#### **Proposed Course of Action**

73. No revision proposed with an implementation date of 1 January 2009.

## **Proposal 6**

74. That charges for transport to services are introduced for all service users. Currently transport is provided free to service users irrespective of ability to pay, whether they actually need transport or whether they have other means of transport.
75. The proposed charge is £1 per journey (which unlike other services would be a charge not subject to financial assessment).
76. This charge would be based on the principle of charging to and from a service to home and would not at this point include a charge for any journeys to other locations/activities from the service base during the course of the day.
77. This is anticipated to affect approximately 278 service users.

## **Consultation feedback on Proposal 6**

78. It was pointed-out by several respondents that we should not link the mobility component of DLA/Motability with charging, as we cannot charge for transport under the Fairer Charging Guidance. However, the proposal is that charging for transport would be outside the financial assessment. Briefing material on this proposal amended to remove the reference to DLA etc. The issue of the proposed charge for transport being outside the financial assessment (and therefore payable on-top of the assessed maximum contribution) was raised at virtually every consultation meeting. Unanimous expressed view was that this was unfair, as it was taking income from disabled people who had already been assessed for a maximum contribution to services.
79. A few respondents indicated that they thought that the proposed charge was reasonable, particularly in relation to the cost of a taxi journey.
80. One member from Dimensions stated that he had decided to try and walk to the service in the mornings and get picked up by his mother in the afternoon, because he was worried about the proposed charges. This has raised concerns as whilst it could be argued it is promoting a healthy lifestyle it doesn't indicate what impact this could be having on his mother or how the individual would cope in unfavourable weather conditions.
81. The consultation coincided with the introduction of free off-peak bus travel for eligible people. This attracted considerable comment from several respondents in relation to the use of bus passes during peak travel times to attend day services. The Council has since the time of the consultation provided additional resources to provide free bus travel for eligible people at any time.
82. Some respondents asked how the charge would be collected, which is an aspect which will require careful planning.
83. There was a view expressed that levying a charge against those eligible people who are unable to access bus transport is discriminatory.

## Issues

84. The link between transport and the proposed charge for day services has a cumulative effect, and may mean that some people would decide to cancel services rather than pay the proposed charges. This may lead to isolation and deterioration of physical and mental health, leading to more invasive interventions and greater dependency.
85. As the Council has a concessionary travel scheme in place for older and disabled people we could be challenged on charging those who by virtue of their disability/frailty are unable to access public transport.
86. Current transport services have the correct operating licence to enable a charge to be made. However, with such a nominal charge being proposed further consideration needs to be given as to how charges will be recovered from service users in such a way to ensure that the costs of managing this process do not exceed the income gained.

## Proposed Course of Action

87. If the proposed changes were part of the financial assessment process, anyone already paying the maximum charge would not be required to pay for transport. This is likely to mean that the income from charging for Transport would be minimal and outweighed by the cost associated with gathering the monies. This coupled with the issue for those that can't access free bus transport leads to a conclusion that the proposal to charge for Transport be dropped.

**Table 2 – Summary of Projected Income**

<b>Proposal</b>	<b>Original projected income 08/09</b>	<b>Revised projected income 08/09</b>	<b>Projection for 08/09 if implemented from 1.01.09</b>
<b>1</b>	80,000	80,000	20,000
<b>2</b>	19,000	30,000	7,500
<b>3</b>	20,000	10,000	2,500
<b>4</b>	5,000	5,000	1,500
<b>5</b>	16,000	16,000	4,000
<b>6</b>	58,200	minimal	minimal
<b>Total</b>	<b>198,200</b>	<b>141,000</b>	<b>35,500</b>

## Conclusion

88. Clearly the proposals outlined in this report will have different implications for individuals depending upon their personal circumstances. However, they are set against a national trend of budget pressure brought about by demographic factors and actions by other councils to address the financial impacts through Charging and Access to Care policies.
89. The report is based on a proposed implementation date of 1 January 2009 as officers will require a clear two to three month lead in time to ensure all plans are put in place to facilitate a smooth transition to the new policy and to provide sufficient time for reasonable notice to be given to service users.