

## Consultation on a draft Adult Social Care Charging Policy

Southampton City Council is consulting on proposals to update the Adult Social Care Charging Policy. We want to make sure the policy is clear, and that our charges are fair, consistent and up to date.

We would like to hear your thoughts on the proposals and any impacts or alternative suggestions you would like us to consider. Now is your opportunity to have your say.

An online version of this questionnaire can be found on Southampton City Council's website at [www.southampton.gov.uk/consultations](http://www.southampton.gov.uk/consultations)

You can also email your consultation feedback or queries to [yourcity.yoursay@southampton.gov.uk](mailto:yourcity.yoursay@southampton.gov.uk), or contact us on this phone number: 02394 016 633. Phone lines are open Monday to Friday excluding bank holidays, from 8:30am (9am Wednesdays) to 5pm (4:30pm Fridays).

We will be holding a number of online and face-to-face events if you would like to provide feedback or raise questions in person. These are:

- Wed 11 October 7-8pm Medwall Court, Thornhill, SO19 6JS
- Tue 24 October 11am-12 Potters Court, 538 Wimpson Lane, Maybush
- Mon 30 October 5:30-6:30pm Southampton Central Library Civic Centre Southampton SO14 7LW

This consultation closes **Sunday 05 November 2023**.

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### ***Background***

The Adult Social Care (ASC) provided by Southampton City Council is regulated by the Care Act 2014. This includes guidelines on how we charge for certain types of care.

The council has an Adult Social Care Charging Policy which sets out the details of these charges when arranging to meet a person's care and support needs, or a carer's support needs.

We are proposing changes to this policy which will be outlined in this questionnaire. However, the full draft policy is also available online: [www.southampton.gov.uk/ChargingPolicyASC](http://www.southampton.gov.uk/ChargingPolicyASC)

The Care Act 2014 requires that we do not charge anyone more than they can afford. The proposed changes to the policy do not change this.

When describing the proposed changes, potential impacts are often related to how care is funded. We refer to the following groups in the proposals:

- Paying a contribution: People being invoiced monthly, for a contribution towards the cost of their care
- Paying the full cost: People being invoiced monthly for the full cost of their care
- Direct Payment: People receiving a direct payment every 4 weeks, and arranging their own care

## ***Broad proposals***

We are proposing to make the following changes to the Adult Social Care Charging Policy:

1. Improvements to the process for managing people's disability-related expenses. (This does not apply to those paying the full cost of their care, or people in long-term residential care).
2. Changes to the way we charge for care which is cancelled. In many cases charges will stop. Where charges do not stop, we will explain why.
3. Explaining how charges get going when care starts. If there is a delay in obtaining a person's financial data, we will explain how long we wait before we start charging the full cost.
4. Changing the method for calculating the cost of non-residential care, from an average rate to the actual cost. (Actual costs are already used for residential care charges).
5. Introducing charges for transport.
6. Increasing the administration charges for processing deferred payment loans. (This affects those paying the full cost of their care only).
7. Changing the "Minimum Income Guarantee" rate used for new customers aged between 60 and state pension age. This brings us back into line with government guidance.
8. Improvements to the general structure and accessibility of the ASC Charging Policy document. This includes:
  - simpler wording
  - changing the order of information in the document so that it reflects the order of events for a new customer
  - including more diagrams and examples
  - including a glossary to explain terms which people might not know
  - collecting all the rates and fees we use into one Rates Document.
  - explaining how these rates and fees are updated each year.

If you wish to read more on each of the proposed changes, the following sections of the questionnaire will provide further detail on the proposals and the potential impacts. Alternatively, you can skip straight to the end of the questionnaire to give us your quick feedback.

The full draft policy is also available online: [www.southampton.gov.uk/ChargingPolicyASC](http://www.southampton.gov.uk/ChargingPolicyASC)

## ***Proposal 1. Improvements to the process for managing people's disability-related expenses.***

This will affect customers who pay a contribution and use Direct Payments. This will not affect customers who pay the full cost.

You can claim disability-related expenses (DREs) if you receive disability benefits and have extra living expenses due to your disability, which are not covered by the normal living allowance. DREs reduce what you pay towards your care.

We are now proposing to assess your DRE claim as part of your financial assessment, so you will get a decision more quickly.

The draft policy also explains more clearly what typical DREs look like and how we decide what is reasonable. Wherever possible we propose to base this on national data sets to make sure our decisions are fair and consistent.

For more detail on Proposal 1, please read Appendix 1.

### **Q. To what extent do you agree or disagree with the proposed changes?**

- |   |                                   |  |
|---|-----------------------------------|--|
| <input type="checkbox"/> Strongly agree | <input type="checkbox"/> Neither  | <input type="checkbox"/> Strongly disagree |
| <input type="checkbox"/> Agree          | <input type="checkbox"/> Disagree |  |

### **Q. What impact do you feel this may have on you or your family?**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> A very positive impact   | <input type="checkbox"/> No impact at all         | <input type="checkbox"/> A very negative impact |
| <input type="checkbox"/> A fairly positive impact | <input type="checkbox"/> A fairly negative impact | <input type="checkbox"/> Don't know             |

### **Q. If you disagree, or have any comments, impacts, suggestions or alternatives you feel we should consider, please provide details:**

## ***Proposal 2: Changes to the way we charge for care which is cancelled.***

This will affect customers paying a contribution and those paying the full cost. This will not affect customers who use Direct Payment.

In the draft policy, we are proposing to clarify what happens if you need to cancel your care, for example if you go into hospital.

Currently, if you normally receive care at home and it has to be cancelled, you may continue to be charged. In the new draft policy, we propose you will not be charged.

We may carry on charging you for anything which the provider continues to charge us for. This is usually because they are holding your place open until you return.

For more detail on Proposal 2, please read Appendix 2.

### **Q. To what extent do you agree or disagree with the proposed change?**

- |   |                                   |  |
|---|-----------------------------------|--|
| <input type="checkbox"/> Strongly agree | <input type="checkbox"/> Neither  | <input type="checkbox"/> Strongly disagree |
| <input type="checkbox"/> Agree          | <input type="checkbox"/> Disagree |  |

### **Q. What impact do you feel this may have on you or your family?**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> A very positive impact   | <input type="checkbox"/> No impact at all         | <input type="checkbox"/> A very negative impact |
| <input type="checkbox"/> A fairly positive impact | <input type="checkbox"/> A fairly negative impact | <input type="checkbox"/> Don't know             |

### **Q. If you disagree, or have any comments, impacts, suggestions or alternatives you feel we should consider, please provide details:**

### ***Proposal 3: Explaining how charges get going when care starts.***

This will affect customers paying a contribution and those paying the full cost. This will not affect customers who use Direct Payment.

If you need care, we will try and arrange it as quickly as possible. If you need to pay anything towards the cost of your care, charges will apply from your care start date.

However, there may be a delay issuing these charges. In order to work out what you can afford to pay towards your care, we need to complete a financial assessment. This cannot start until you supply your financial information.

We have proposed changes to the policy to explain what we will do while we wait:

- For residential care we will continue to invoice you with a temporary charge and rectify this when the financial assessment is done.
- For non-residential care, we cannot issue an invoice until the financial assessment is done, so as now, you may receive a back-dated invoice.
- If after 8 weeks you have not sent us your financial information, and have not been in touch to explain the problem, we would issue full-cost invoices. These could be rectified later if you send in your financial information, and it becomes clear that you can only afford to pay a contribution towards your care.

For more detail on Proposal 3, please read Appendix 3.

#### **Q. To what extent do you agree or disagree with the proposed change?**

- |   |                                   |  |
|---|-----------------------------------|--|
| <input type="checkbox"/> Strongly agree | <input type="checkbox"/> Neither  | <input type="checkbox"/> Strongly disagree |
| <input type="checkbox"/> Agree          | <input type="checkbox"/> Disagree |  |

#### **Q. What impact do you feel this may have on you or your family?**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> A very positive impact   | <input type="checkbox"/> No impact at all         | <input type="checkbox"/> A very negative impact |
| <input type="checkbox"/> A fairly positive impact | <input type="checkbox"/> A fairly negative impact | <input type="checkbox"/> Don't know             |

#### **Q. If you disagree, or have any comments, impacts, suggestions or alternatives you feel we should consider, please provide details:**

## ***Proposal 4: Changing the method for calculating the cost of non-residential care, from an average rate to the actual cost.***

This will affect customers who pay the full cost. This will not affect customers who pay a contribution or those using Direct Payment.

This proposed change applies to you if you are not in a care home, and either:

- a) You have been assessed as able to afford to pay the full cost of your care, or
- b) You are paying the full cost of your care because it is less than the amount we have assessed that you can afford to pay. This can happen with very small packages of care.

Up to now we have worked out the cost of your care using an average cost.

From April 2024 we propose to pass on the actual cost to you – this is the amount we pay the provider (excluding any VAT).

Some people's charges may go up as a result. But no-one would be charged more than they can afford.

For more detail on Proposal 4, please read Appendix 4.

### **Q. To what extent do you agree or disagree with the proposed change?**

- |   |                                   |  |
|---|-----------------------------------|--|
| <input type="checkbox"/> Strongly agree | <input type="checkbox"/> Neither  | <input type="checkbox"/> Strongly disagree |
| <input type="checkbox"/> Agree          | <input type="checkbox"/> Disagree |  |

### **Q. What impact do you feel this may have on you or your family?**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> A very positive impact   | <input type="checkbox"/> No impact at all         | <input type="checkbox"/> A very negative impact |
| <input type="checkbox"/> A fairly positive impact | <input type="checkbox"/> A fairly negative impact | <input type="checkbox"/> Don't know             |

### **Q. If you disagree, or have any comments, impacts, suggestions or alternatives you feel we should consider, please provide details:**

## ***Proposal 5: Introducing charges for transport***

This will affect customers who pay the full cost. This will not affect customers who pay a contribution or those using Direct Payment.

Up to now, if we have arranged transport as part of packages of care, we have not charged for it at all. This is unusual – most councils charge for transport.

From April 2024, we propose to start charging for the cost of transport if we arrange it for you.

For more detail on Proposal 5, please read Appendix 5.

### **Q. To what extent do you agree or disagree with the proposed change?**

- |   |                                   |  |
|---|-----------------------------------|--|
| <input type="checkbox"/> Strongly agree | <input type="checkbox"/> Neither  | <input type="checkbox"/> Strongly disagree |
| <input type="checkbox"/> Agree          | <input type="checkbox"/> Disagree |  |

### **Q. What impact do you feel this may have on you or your family?**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> A very positive impact   | <input type="checkbox"/> No impact at all         | <input type="checkbox"/> A very negative impact |
| <input type="checkbox"/> A fairly positive impact | <input type="checkbox"/> A fairly negative impact | <input type="checkbox"/> Don't know             |

### **Q. If you disagree, or have any comments, impacts, suggestions or alternatives you feel we should consider, please provide details:**

## ***Proposal 6: Increasing the administration charges for processing deferred payment loans***

This will affect customers who pay the full cost. This will not affect customers who pay a contribution or those using Direct Payment.

This proposed change would only apply to you if you enter into a deferred payment loan agreement with the council from April 2024 onwards. Deferred payment loans are an option for people who need to move into a care home permanently, and have assets over £23,250 which are all tied up in a property which they do not want to sell. Deferred payment loans are only suitable for a very small number of people.

We charge administration fees to cover the cost of setting up and operating the deferred payment loan agreement. We are proposing to increase these fees for new deferred payment loan customers from April 2024.

For more detail on Proposal 6, please read Appendix 6.

### **Q. To what extent do you agree or disagree with the proposed change?**

- |   |                                   |  |
|---|-----------------------------------|--|
| <input type="checkbox"/> Strongly agree | <input type="checkbox"/> Neither  | <input type="checkbox"/> Strongly disagree |
| <input type="checkbox"/> Agree          | <input type="checkbox"/> Disagree |  |

### **Q. What impact do you feel this may have on you or your family?**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> A very positive impact   | <input type="checkbox"/> No impact at all         | <input type="checkbox"/> A very negative impact |
| <input type="checkbox"/> A fairly positive impact | <input type="checkbox"/> A fairly negative impact | <input type="checkbox"/> Don't know             |

### **Q. If you disagree, or have any comments, impacts, suggestions or alternatives you feel we should consider, please provide details:**



## ***Proposal 7: Changing the “Minimum Income Guarantee” rate used for new customers aged between 60 and state pension age.***

This will affect customers who pay a contribution and use Direct Payment. This will not affect customers who pay the full cost.

This proposed change would not apply to you if:

- a) You are in a care home, or
- b) You are aged 60 and over, and were financially assessed by Southampton City Council before April 2024

We carry out a financial assessment to work out what you can afford to pay towards the cost of your care. As part of that process, we have to make sure that you are left with a specific amount of money to cover your day-to-day living costs. This amount is set by the government and is called a “Minimum Income Guarantee” or MIG.

The MIG amount varies depending on your age group and the kind of benefits you receive. The highest MIG amount is for people of state pension age and over.

Up to now we have given the highest MIG amount to anyone aged 60 or over. From April 2024, we propose to revert to the normal age threshold. This means we would not apply the highest MIG amount until someone reaches state pension age, usually at the age of 66 or 67.

For more detail on Proposal 7, please read Appendix 7.

### **Q. To what extent do you agree or disagree with the proposed change?**

- |   |                                   |  |
|---|-----------------------------------|--|
| <input type="checkbox"/> Strongly agree | <input type="checkbox"/> Neither  | <input type="checkbox"/> Strongly disagree |
| <input type="checkbox"/> Agree          | <input type="checkbox"/> Disagree |  |

### **Q. What impact do you feel this may have on you or your family?**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> A very positive impact   | <input type="checkbox"/> No impact at all         | <input type="checkbox"/> A very negative impact |
| <input type="checkbox"/> A fairly positive impact | <input type="checkbox"/> A fairly negative impact | <input type="checkbox"/> Don't know             |

### **Q. If you disagree, or have any comments, impacts, suggestions or alternatives you feel we should consider, please provide details:**

## **Proposal 8: Improvements to the general structure and accessibility of the ASC Charging Policy document**

This will affect customers paying a contribution, those paying the full cost and those using Direct Payment.

We have suggested edits to the ASC Charging Policy to make it easier to read and understand. By making the policy easier to read, we hope that customers have a better understanding of how we work out what they can afford to pay, and how we calculate the amount on their invoices.

For more detail on Proposal 8, please read Appendix 8.

### **Q. To what extent do you agree or disagree with the proposed change?**

- Strongly agree                       Neither                       Strongly disagree  
 Agree                                       Disagree

### **Q. What impact do you feel this may have on you or your family?**

- A very positive impact                       No impact at all                       A very negative impact  
 A fairly positive impact                       A fairly negative impact                       Don't know

### **Q. Have you read the proposed draft policy?**

- Yes, all of it                       Yes, some of it                       No

### **Q. If you have read the proposed draft policy, to what extent do you agree or disagree with the following statements?**

	Strongly agree	Agree	Neither	Disagree	Strongly disagree
The draft policy is easy to understand	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The draft policy provides sufficient information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### **Q. If there were parts of the draft policy that you did not understand or you feel need more information, or simplified, please provide further details:**

## Overall feedback on the draft policy

**Q. To what extent do you agree or disagree with the proposed changes?**

- Strongly agree                       Neither                       Strongly disagree  
 Agree                                       Disagree

**Q. If the draft policy was to be implemented, what impact do you feel this may have on you or your family?**

- A very positive impact                       No impact at all                       A very negative impact  
 A slightly positive impact                       A slightly negative impact                       Don't know

**Q. Please use the following space to tell us more about the potential impact the draft policy and if there is anything else we should consider:**

## About you

**Which of the following describes your interest in this consultation?**

*Please tick all that apply.*

- |  |  |
|--|--|
| <input type="checkbox"/> As someone that is receiving care arranged or funded by the council               | <input type="checkbox"/> A private business  |
| <input type="checkbox"/> As family or a friend of someone receiving care arranged or funded by the council | <input type="checkbox"/> Public sector organisation  |
| <input type="checkbox"/> Resident of Southampton   | <input type="checkbox"/> Third sector organisation (e.g. voluntary or community groups and charities, etc) |
| <input type="checkbox"/> Resident elsewhere  | <input type="checkbox"/> Employee of Southampton City Council  |
| <input type="checkbox"/> Someone that works, visits, or studies in Southampton                             | <input type="checkbox"/> Political member  |
|  | <input type="checkbox"/> Other   |

If other, please specify:

**Which of the following best describes how your care or the care of your family member or friend is funded?**

- |   |   |  |
|---|---|--|
| <input type="checkbox"/> Direct payment (Receive a payment from the council every 4 weeks and arrange own care) | <input type="checkbox"/> Pay the full cost of care (Invoiced monthly)                   | <input type="checkbox"/> I don't know      |
|   | <input type="checkbox"/> Pay a contribution towards the cost of care (Invoiced monthly) | <input type="checkbox"/> Prefer not to say |

**What is your postcode?**

*This is used for geographical analysis only and will not be used to identify or contact you.*

**What is your sex?**

- Male                                       Female                                       Prefer not to say

**Is the gender you identify with the same as your sex registered at birth?**

- Yes  No  Prefer not to say

If no, please write in your gender identity:

**What is your age?**

- Under 18  35 - 44  65 - 74  
 18 - 24  45 - 54  75+  
 25 - 34  55 - 64  Prefer not to say

**What is your ethnic group?**

- Asian or Asian British  White other  
 Black, Black British, Caribbean or African  Other ethnic group  
 Mixed or multiple ethnic groups  Prefer not to say  
 White British

If other, please specify:

**Do you have any physical or mental conditions or impairments, lasting 12 months or more, that have a substantial effect on your ability to carry out day-to-day activities?**

- Yes  No  Prefer not to say

***What happens next?***

The consultation closes on **5 November 2023**. After this date, all feedback will be analysed and considered before a final decision is made.

Please return completed surveys to:

*Consultations,  
First Floor, West Wing,  
Civic Centre,  
Southampton,  
SO14 7LY.*

Alternatively, please hand completed surveys back to any Southampton City Council-run library.

The information collected about you during this survey will only be used for the purposes of research. We may use it to contact you about this. We will only share your information with other organisations or council departments if we need to. We may also share it to prevent, investigate or prosecute criminal offences, or as the law otherwise allows. Please be aware that any comments given on this form may be published in the report. However, the council will endeavour to remove any references that could identify individuals or organisations. Our Privacy Policy (<http://www.southampton.gov.uk/privacy>) explains how we handle your personal data, and we can provide a copy if you are unable to access the Internet.

## ***Appendix pages.***

### ***Appendix 1 - Proposal 1 more detail***

#### **What is being proposed?**

The process for assessing how much a person can afford to pay toward the cost of their care is:

- a) work out the person's income (the Care Act statutory guidance tells us which types of income are included and which are ignored)
- b) subtract an amount that represents what the person needs to live on. This is called the "Minimum Income Guarantee" and is set by the government annually. It varies by age, circumstances and level of need.
- c) the balance is "net disposable income" which we are entitled to ask the person to pay towards the cost of their care.

If a person receives non-residential care, and is in receipt of a disability benefit, they are entitled to ask the council to take into account any extra day-to-day living expenses they incur due to their disability. These are called disability-related expenses, or DREs. Once DREs are approved they reduce the amount a person is charged towards the cost of their care.

We are proposing to change the process for dealing with DRE applications in a number of ways:

- a) The DREs would be assessed as part of the financial assessment. Currently they are dealt with after the financial assessment is completed. Instead, this means that people's charges would take account of DREs from the outset. The online financial assessment would be amended to allow DREs to be recorded alongside other financial data. The indicative charges provided by that online system would be subject to a review of the DREs being claimed. Appeals against DRE decisions would follow the same process as appeals against financial assessment outcomes.
- b) The proposed policy and the rates document explain more about the reasonable checks we would apply to DRE requests. This is done in the interests of transparency and to reduce the number of unrealistic requests we receive.
- c) The list of expenses considered in the draft policy has been shortened to remove those which are rarely used. However, there is always an "other" option for individual cases.
- d) The list of expenses in the draft policy has been enhanced to show which costs we typically accept, which costs are excluded and what evidence we need.
- e) We are proposing to use standard rates for DREs where possible. This ensures consistency and speeds up the decision-making process. To establish typical expenses for heating, food, laundry etc, we will use external sources including:
  - the Office for National Statistics
  - NAFAO (the National Association of Financial Assessment Officers). Annually updated NAFAO guidance is used by many councils to set the standard for DRE rates. This helps us to assess how much of a person's expenses are above the typical level. NAFAO also recommend standard rates, for example the cost of purchasing and maintaining different types of specialist equipment.
- f) The draft policy explains on what basis the rates will change annually.

## What would be the impact?

This change would apply to anyone who is paying a contribution towards the cost of their care, and is receiving care at home, or short stays in a care home.

On 4th May 2023, 378 people were claiming DREs. This is around 23% of our non-residential care customers. However, we know that 70% of non-residential customers are claiming a disability benefit. This suggests that the option to reduce charges by claiming DREs is under-used.

We hope that the proposed overhaul of the DRE process would have a positive impact by:

- a) raising awareness of DREs. We want to ensure that everyone who might be eligible for DREs knows how to make a claim. This may help people who are adversely impacted by other changes being proposed in the new policy
- b) making it clear which kinds of expense are eligible, and how much we consider is reasonable. Customers can then assess for themselves what DREs they are likely to be granted
- c) demonstrating that all customers are treated fairly and consistently
- d) ensuring that DREs are built-in to the person's charges from the outset, instead of charging them a higher amount and having to adjust this down after the DRE application is processed.
- e) allowing customers to see (via the online financial assessment) their likely charge, including their DREs, at a much earlier stage of the process.
- f) maintaining a route for individual cases to be considered outside of the stated rates and guidelines
- g) merging the DRE appeal process with the financial assessment appeal process so that all concerns can be addressed together.

Staff guidelines relating to DREs would also be overhauled to ensure that customers receive consistent and correct advice about DREs.

## ***Appendix 2 - Proposal 2 more detail***

### **What is being proposed?**

We only charge for cancelled care if we incur costs. Recent changes in our provider terms and conditions allow us to simplify the way this is explained in the draft policy, and provide clearer examples of when someone may likely be charged. Key points are:

- a) We propose not to charge for care which is cancelled because people are unexpectedly admitted to hospital, if the care is:
  - home care
  - day care
  - supported living
  - miscellaneous services (for example, transport)

This is a change from the existing policy when people could be charged for up to 7 days.

- b) People who cancel their home care, day care or miscellaneous services for reasons other than an unexpected hospital stay, without giving 24 hours' notice to the provider, may still be charged for one day. This will only apply if we have to pay for the cost of staff who could not be re-allocated.
- c) People who are away from care settings which the council continues to pay for during their absence, would still be charged for their care. This is usually because we need to keep their facilities open, for example placements in care homes, residential educational placements and Shared Lives.

### **What would be the impact?**

This proposed change affects all customers but is most relevant to people receiving home care. This is because home care visits are most likely to be extended, cut short or cancelled, and generate a lot of invoicing queries.

During October, November and December 2022, 106 people had 1381 home care visits cancelled due to short spells in hospital of up to a week. These visits were charged for in many cases. In future, we propose they will not be.

We expect the impact to be positive because:

- a) Anyone being admitted unexpectedly to hospital could have peace of mind that they will not be charged for any non-residential care which they are missing.
- b) Non-residential customers would now understand that they need to give their provider 24 hours' notice, to avoid being charged when they cancel their own care.

## ***Appendix 3 - Proposal 3 more detail***

### **What is being proposed?**

In cases where council-arranged care is required, we aim to get the care in place as soon as possible. However, the financial assessment (which works out how much the person can afford to pay for their care) can take longer. It may be a few weeks after care started before we establish how much the person will be charged.

For residential care, we can charge a temporary, minimum amount while the financial assessment is taking place. However, this is not possible for non-residential care.

The main reason for delays in the financial assessment process is that people fail to provide the data we need. Work is underway to improve the support provided to help people understand what is needed and engage with the process. However, if no data is provided, we eventually have to start charging the full cost of the care.

We are proposing changes to the policy to make it simpler and clearer how this works. The key points are:

- a) If the financial assessment data is provided within 8 weeks of the council requesting it, we would complete the financial assessment. We would then issue charges dating back to the start date of the care.
- b) If 8 weeks have passed since the financial assessment data was requested, and we have not received the data or heard from the person explaining the delay, we would issue charges at the full cost of the care, dating back to the start date of the care. (Previously we only started charging from a maximum of 8 weeks before the financial assessment data was requested).
- c) After we start charging at full cost, if the person sends in their financial data, we would carry out the financial assessment. If this concludes that the person can only afford to pay a contribution to the full cost, we would adjust the charges already issued, back to the start of care, to reflect the new contribution amount. (This ensures that we do not leave any full-cost charges in place once we have established that the person cannot afford to pay them).

### **What would be the impact?**

We anticipate the impact of this change to be very small. Only a few customers are not financially assessed within 8 weeks of their care starting. This is usually because they have not provided the required information or explained the delay, even after several polite reminders have been issued.

In such cases, those customers would be issued with full cost charges, backdated to the start of their care. Previously charges would have been backdated by at most 8 weeks. However, there would be very few cases where this makes a material difference.

The more positive impact is that if a financial assessment is completed after we start charging at full cost, and shows that the customer cannot afford to pay the full cost, their charges will be corrected right back to the start of care. Previously, they would only have been corrected back by at most 8 weeks, potentially leaving some full cost invoices still to be paid.

### **How can we mitigate the impact?**



We now have an online financial assessment which offers two benefits relating to this policy change:

- (i) Customers could get an indicative amount of their contribution very early on, so they would know what their charges are likely to be while they wait for the financial assessment to be finalised, and can budget accordingly, and
- (ii) Customers could submit their data and documents online which speeds up the financial assessment process considerably.

In addition, we plan to improve the level of support provided to people who seem to be unwilling or unable to take part in the financial assessment process. The FAB team and social workers will work together to provide help, guidance and reassurance, with the aim of reducing the number of people who are charged at full cost “by default” to as close to zero as possible.

## ***Appendix 4 - Proposal 4 more detail***

### **What is being proposed?**

We are changing the way we define the cost of non-residential care. Currently, in any given week, the cost of care is calculated as the actual amount of care delivered, multiplied by an average rate.

From April 2024 we propose to use the actual cost, which is the amount we pay the provider (excluding any VAT). This is generally higher than the current average rate.

The aim of this proposed change is to remove an anomaly, where non-residential customers who can afford to pay the full cost of their care, are having some of their care costs paid for by the council. This would free up funds which can be spent on providing care for people who cannot afford to pay the full cost of their care.

### **What would be the impact?**

Residential care customers would not be affected, because residential care has been charged using the actual cost for many years.

Most non-residential care customers would not be affected because they are either exempt for charging, or are paying a contribution towards the cost of their care (the maximum amount they can afford, worked out by the financial assessment).

There are two groups of non-residential care customers who would be affected:

Group 1: People who are expected to pay the full cost of their care but have still asked the council to arrange their care. (These people will have assets over £23,250 or have chosen not to have a financial assessment). This is approximately 6% of our non-residential care customers, around 80-100 people.

Group 2: People who are paying the cost of the care because the cost is less than their assessed contribution (the maximum amount they can afford to pay, worked out by the financial assessment). This is approximately 16% of our non-residential care customers, around 220 people.

A detailed analysis has been carried out to assess the impact of this change on these two groups.

The full-cost customers in Group 1 would see an increase in their charges averaging 28%, although the range of increases is wide both in terms of amount and percentage. People in this group can afford to pay the full cost of their care, however due to the average charging method we have used up to now, they have not been charged the true full cost. This proposed change would rectify the situation and free up council funds to spend on care for people who cannot afford to pay for it.

The customers in Group 2 would see an increase in their charges averaging 19%. These people are being charged less than the maximum they can afford, and in most cases even after the charges are increased, they will still be charged less than the maximum they can afford. The worst case, for about 30 people, is that the cost of their care will now exceed their assessed contribution amount (from the financial assessment), so they would be charged their contribution from now on.

Both groups would, going forwards, be affected by any change in the rates we pay providers.

### **How can the impact be mitigated?**

We recognise that any sudden increase in charges (even within the range of what people can in theory afford to pay) may cause difficulty for some people. There are several ways the impact could be managed:

- a) Between now and 1st April 2024 we would review the care provisions for the full-cost customers with the highest charges and the biggest increase in charges. We would check that the provision is proportionate and not more than they need. We would also encourage them to complete a financial assessment if there is any possibility that this will reduce their charges.
- b) Customers could ask to be moved to a cheaper provider if they wish
- c) Full cost customers could decide to arrange their own care if they wish
- d) Customers paying the cost of their care because it is less than their maximum contribution, could ask for a direct payment instead and arrange their own care
- e) Temporary payment plans could be considered, to help people smooth out the impact of a large increase in their charges.
- f) In exceptional cases the council could agree to waive the whole cost of care if necessary

The impact of exposing non-residential customers to changes in our provider payment rates, would be eased by explaining how we manage provider rates, and annual increases, in the policy. In the case of home care, providers can only increase their rates annually, but can (and do) reduce their rates mid-year to be more competitive.

## ***Appendix 5 - Proposal 5 more detail***

### **What is being proposed?**

Up to now, any transport services listed on people's support plans which have been arranged by the council, have been provided free of charge. We now propose to charge for transport at the actual cost. This would bring us into line with most other councils, where charging for transport is the norm. The most common use of transport is to take people to and from day care.

By asking people who can afford it, to pay for their transport, we have more funds for other care to be provided to people who cannot afford to pay for it. It should be noted that we are one of the very few councils who do not currently charge for transport.

### **What would be the impact?**

People who only pay a contribution towards the cost of their care, or are exempt from charging, would not be affected by this change.

The people who would be affected, are in the same two groups as in change 4 above :

Group 1: People who are expected to pay the full cost of their care but have still asked the council to arrange their care. (These people will have assets over £23,250 or have chosen not to have a financial assessment). This is approximately 6% of our non-residential care customers, around 80-100 people.

Group 2: People who are paying the cost of the care because the cost is less than their assessed contribution (the maximum amount they can afford to pay, worked out by the financial assessment). This is approximately 16% of our non-residential care customers, around 220 people.

The number of existing transport customers in these two groups is very small – less than 10 people. The main purpose of the proposed change is to ensure that we charge transport to new customers, so long as the total cost of their care is still within the range of what they can afford (according to the financial assessment).

### **How can we mitigate the impact?**

Firstly, the support planning approach is being reviewed to ensure that we are consistent in the way we define the need for council-arranged transport. Many customers have other options.

Secondly, the way we commission transport services is also under review, to ensure that we can obtain services at a competitive rate.

Finally, customers may choose to make use of friends / family / free community transport options to avoid having to pay these charges.

## ***Appendix 6 - Proposal 6 more detail***

### **What is being proposed?**

Deferred payment loans are an option for people who need to move into a care home permanently, and have assets over £23,250 which are all tied up in a property which they do not want to sell. They can apply for a deferred payment loan, and if approved, they will need to complete a deferred payment agreement. The council will pay for their care, having obtained a “first legal charge” on the property so that the council can recover the loan amount when the property is eventually sold.

Interest is charged at a small rate set by the government, and the Care Act 2014 permits the council to charge the customer for the administration costs of operating the loan.

We are proposing to increase the existing setup fee, introduce an annual fee and add other fees which will apply only when specific circumstances arise. In all cases these fees are simply covering our costs, and in all cases, they can be added to the loan if required.

We have taken note of other councils’ fees to ensure that our proposed fees are within a normal range and not excessive.

Specific changes being proposed are:

- a) The one-off setup fee of £730 is increased to £990. (This reflects a more systematic analysis of the workload and increases in staff hourly rates since 2019). An extra fee of £50 would be added if a discretionary meeting is required to discuss an applicant who does not meet the mandatory criteria (for example, if they already have a charge on the property).
- b) A new annual administration fee of £200, to cover the cost of regular maintenance work including producing statements.
- c) An extra fee of £200 for re-valuing the property when the loan amount reaches 80% of the original equity.
- d) Other variable legal fees charged as incurred, in rare cases
- e) All fixed fees would be listed in the rates document which accompanies the charging policy, and increased annually in line with latest costs
- f) Final invoice to attract interest of 4% over the base rate if not paid within 6 months of being issued

### **What would be the impact?**

People affected by this change would be the very small number of full-cost, residential customers who choose to enter a deferred payment agreement in the future. (Existing deferred payment customers would not be affected).

Typically, we have less than 10 new people per year who would experience the new, higher set up fee as well as the annual fees in due course.

Currently, the average weekly cost of care for the existing customers is £1008.37. Therefore, the new proposed fees, are small values compared with the annual cost of care.

In addition, customers have the option to defer payment of the fees by adding them to the loan.

## ***Appendix 7 - Proposal 7 more detail***

### **What is being proposed?**

When the financial assessment is carried out to assess how much someone can afford to pay for their non-residential care, a key element is the Minimum Income Guarantee, or MIG. This is the amount of a person's weekly income, which they need to keep for day-to-day living costs. It is set annually by the government, and takes into account the person's age and level of disability (based on the kind of benefits they are claiming).

The most generous MIG rate is reserved for people of state pension age and over. However, for many years the council has been using this rate for any customers aged 60 or over.

We propose that from April 2024, any new customers, and any existing customers aged 59 and under, would not be allocated the highest MIG rate until they reach state pension age, which will be at the age of 66 or 67. Instead they would be allocated the lower MIG rate for people aged 25+.

### **What would be the impact?**

Existing customers aged 60+ would not be impacted – we would continue to use the higher rate MIG they have already been allocated.

New customers aged 60-66 (there were 32 of these in 2022-23), and existing customers who turn 60 (there were 19 in 2022/23), would simply wait longer before they are allocated the higher MIG rate. This means their charges would be higher than they would have been without the proposed change, but would still be affordable, according to the government-set MIG rates.

No individual person would see any reduction in their MIG rate or increase in charges because of this proposed change.

The increased income raised by this proposed change would help fund other care packages.

## ***Appendix 8 - Proposal 8 more detail***

### **What is being proposed?**

The charging policy is based on the Care Act 2014 regulations and statutory guidance, which means it can be challenging to read and understand.

The Council has suggested edits to the document to make it more accessible by:

- a) simplifying the wording
- b) changing the order of information in the document so that it reflects the order of events for a new customer
- c) including more diagrams and examples
- d) including a glossary to explain terms which some people might not know
- e) collecting all the rates and fees we use into one Rates Document.
- f) explaining how these rates and fees are updated each year.

### **What would be the impact?**

All adult social care customers are affected by the proposed changes. This includes people whose care is arranged by the council, people receiving a direct payment, and carers.

The intention is that by making the policy easier to read, customers have a better understanding of how we work out what they can afford to pay, and how we calculate the amount on their invoices.

We would also produce an Easy-Read version of this description of the changes, to ensure that people with Learning Disabilities are not excluded from understanding how charging works.