

1 June 2010

The Executive of North Ayrshire Council

Subject: Social Services Charging Policy

Purpose: To seek Executive approval for alterations to Council's charging scheme.

Recommendation: That the Executive agrees the revised charging scheme as attached in appendix

1. Introduction

1.1 The Council introduced a charging policy for Social Care Services in 1998. Apart from ceasing to charge for services classified as free personal care in July 2002 and for meal preparation in November 2006, since 1998 there has been no fundamental revision of charging arrangements. Previously rates had been updated as required however there have been no increases for inflation since consideration of this new policy commenced.

1.2 The Social Work (Scotland) Act 1968, as amended, and the Mental Health (Care & Treatment) (Scotland) Act 2003 allow councils to charge for certain social care and housing support services. Potentially charges constitute a significant support to maintaining social care services and reducing service reductions.

1.3 COSLA issued updated guidance for 2010 (appendix 1). The proposed charging scheme follows COSLA charging guidance closely, i.e. all services that it is proposed to charge for are identified by COSLA as chargeable.

1.4 The COSLA guidance sets out a set of principles to underpin charging policies. The COSLA guidance does not take the form of a national prescription. The COSLA guidance does not require councils to charge nor does it prevent them from adopting more generous treatment of service users' circumstances than it recommends. It does provide a framework that aims to maintain local accountability and discretion while supporting councils to follow best practice in determining charges.

2. Current Position

2.1 The Council's current social care charging policy does not charge for a

number of services identified by COSLA as chargeable. While the policy does take account of the requirement not to charge for "personal care" services for people aged 65 as required by the Community Care (Scotland) Act 2002, it is inconsistent in the way in which it deals with people aged under 65 and also in how it treats people receiving housing support services.

2.2 The Mental Health (Care & Treatment) (Scotland) Act 2003 introduced additional service areas where charges could be levied. This has not been addressed until now, in part as there seemed to be little appetite to do so elsewhere in Scotland.

2.3 It is estimated that incorporating the foregoing areas of service into the charging policy could increase income by approximately £0.5M per annum. To address the additional workload arising from extended charging, two additional grade four posts would be required at an annual cost of £40,000.

3. Proposals

3.1 It is proposed that charging or increased charges will apply to the following services. All are currently charged for except where this is indicated:

Children & Families Service

- Residential care
- Fostering services
- Respite for young adults with disabilities aged 16 or over

Community Care Service

- Housing support (not currently charged for)
- Care at home (not personal care for people aged 65 and over)
- Day care (adults aged under 65 not currently charged for)
- Disabilities aids & equipment (not currently charged for)
- Adaptations (not currently charged for)
- Community alarms/telecare
- Meals on wheels
- Intermediate care
- Use of sheltered housing guest accommodation
- Services provided via direct payments or through self-directed care
- Blue badges

Other Services

- Reports provided under civil court procedures (not currently charged for)
- Assessment and reports provided through inter-country adoptions

- Reports commissioned on behalf of independent lawyers (not currently charged for)
- Care management on behalf of other local authorities
- Hire of disability equipment cleaning machine

3.2 The proposed charge for particular services is as outlined at appendix

3. The proposed charges have been determined after consideration of:

- Best value
- Other Local Authority Charges
- Private Sector Charges
- Income Generation

3.3 Where the costs of levying the charge would be close to or greater than the charge to be recovered, it is not proposed that any charge will be made.

3.4 Where a charge may be levied for an ongoing service, a financial assessment form will be completed. This financial assessment will identify what income and capital is or is not taken into account when calculating charges. It will be used to establish how much a service user can afford to pay towards the costs of services they will receive. Integral to this process will be identification of unclaimed benefits. Where benefits are provided to meet the cost of care, they will only be taken into account where they are claimed, though every effort will be made to ensure that benefit claims are maximised.

3.5 Each year a weekly income threshold will be set for single service users and for couples, linked to whether they are over or under age 60. (COSLA recommends that this threshold age is used for the moment as this is consistent with Department of Work and Pensions practice). Service users with income below the threshold will not be charged for services. The thresholds are based on the minimum income guaranteed by the Department of Work & Pensions. Consistent with COSLA guidance for all service users there is an additional "buffer" of 16.5% on top of the threshold to avoid hardship. The draft charging policy (appendix 2) lays out in detail the means by which ability to pay is assessed.

3.6 It is proposed that the following are exempt from charges:

- People whose chargeable income falls below the weekly threshold (including buffer) set for charging.
- Children & young people aged under 16
- People who are terminally ill

- People with a mental illness who have no choice about receiving services where the Council imposes these services through a compulsory treatment order or through guardianship
- Criminal Justice Services (with exception of housing support linked to Criminal Justice Services). People receiving housing support offered on a short-term basis due to:-
 - Domestic violence
 - Homelessness
 - Drugs and alcohol rehabilitation
 - Young vulnerable people
 - Ex-offenders
 - Refugees

3.7 A short-term service is defined by Scottish Government as a service lasting two years or less. Where the above short term housing support services are actually provided for two years a financial assessment will then be undertaken and a charge applied from the date of the financial assessment.

3.8 The proposed charging policy includes provision to waive charges in unusual circumstances where the application of the charging scheme would be considered to be particularly onerous. Likewise if application of charges would cause hardship in the particular circumstances of the person, charges could be waived. Charges will only be waived in advance of a charge being levied.

3.9 It is proposed that write-off of charges would only be considered following full application of the normal internal Council debt recovery procedures. Thereafter, write-off would be considered where :-

There are social grounds and pursuance of the debt would be to the detriment of the persons well-being.

Where there are financial reasons e.g. the person has died and left no estate, or the person has absconded.

3.10 As is the case at the moment, residential services are currently charged for. The charging scheme does not propose any change to charges for residential services. Residential charges are included to ensure that the new charging scheme embraces all Social Services charges. Residential charges are uprated annually and this would continue.

4. Implications

Financial Implications

4.1 It is difficult to anticipate precisely how the imposition of charges will impact on uptake of services. It is likely that for a time some people will refuse services however previous experience suggests that most people do return to receiving services. This aspect will require to be carefully managed.

Human Resource Implications

4.2 Given that the range of charges to be imposed has broadened somewhat there will be additional work involved in collecting these charges. Two additional grade four posts at a total annual cost of £40,000 will be required to service this agenda. These additional costs would be met from the charges realised.

Legal Implications

4.3 The Council's Chief Legal Officer has considered the proposals and he advises that there are no legal issues. Additionally, all proposed charges are consistent with COSLA guidance.

Equality Implications

4.4 An equality impact assessment is currently being carried out. It is anticipated that it will demonstrate that all persons in receipt of services are treated on the basis of equality while taking account of legislation. In particular it is likely to highlight that persons with disabilities more frequently have community care needs than their prevalence in the general population might suggest, and are therefore more likely to be charged. This potential inequality is moderated by ensuring that people being charged have their income maximised and by the scheme having a 'buffer' to ensure that due to charging a person's income never falls below an agreed point. Charging is carried out consistent with legislation, i.e. where people with needs are being charged, parliament intended this outcome.

Environmental Implications

4.5 None identified.

Implications for Key Priorities

4.6 The proposed charging policy contributes to the Council's key priority of 'using our resources more efficiently and effectively'. It also supports the Social Services priority of 'developing and implementing a financial strategy that balances the need for an efficient use of resources with appropriate

models of care for service users'.

5. Consultations

5.1 Consultation has taken place with staff involved in the provision of the full range of services to ensure an equitable approach to charging and to confirm that charges can be levelled in a manner that generates income rather than resulting in additional costs. In each case, close account has been taken on the impact of charges on uptake of services and consideration has been given to how this will be managed. Staff from Corporate Finance have been involved in consideration of this policy.

5.2 The Community Development team are leading on consultation with groups likely to be directly affected by the policy. This will inform the equality impact assessment however could not proceed until the Executive had considered the proposed policy.

5.3 Consultation has taken place with the Corporate Communication Team as explanation of the policy is essential.

5.4 Consideration of charging has also taken place at the Social Services Review Group, with Portfolio Holders, with political groups and at the Change Sounding Board.

6. Conclusion

6.1 Changes to legislation and guidance have broadened the base over which Scottish authorities can charge for services. Given the significant financial challenges facing the Council it is necessary to broaden the base of charging to assist in the continued delivery of services.

6.2 The Executive is asked to approve the alterations to the Council's Charging Policy.

BERNADETTE M DOCHERTY
Corporate Director (Social Services and Health)

Reference : CH/JB

For further information please contact Colin Hamilton, Principal Manager, Adult Services , on telephone number 01294 317789

Charging Guidance for Non-residential Social Care Services 2010-11,
COSLA