

## CITY OF PLYMOUTH

**Subject:** Fairer Contributions Policy, Charging within a personalised system

**Committee:** Cabinet

**Date:** 13 July 2010

**Cabinet Member:** Councillor Monahan

**CMT Member:** Director for Community Services

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**Ref:**

**Part:** 1

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### **Executive Summary:**

#### **Charging for non-residential services**

The Department of Health has produced new guidance to councils on how they should charge people for non-residential adult social care services. The guidance requires that the new way of charging is implemented in 2010.

This revised policy paper sets out some of the changes that are needed to support a personalised system in Plymouth.

Section 17 of the Health and Social Services and Social Security Adjudications Act 1983 allows Councils to make a reasonable charge for non-residential services they provide. Under the Community Care Services for Carers and Children's Services (Direct Payments) (England) Regulations 2003 Councils are also required to treat people having a direct payment in the same way they would treat them if they were having a council provided service.

The original Fairer Charging Guidance (2003) was designed for an era of traditional local authority social care provision where people received services arranged by a local authority. However with increasing numbers of people receiving direct payments and the introduction of personal budgets through Putting People First (2007) there is a need to consider how an individual's contributions towards the costs of non-residential services should be assessed in the context of personal budgets.

We need to move from a system of charging linked to the costs of services to a contributions focussed system. This should be linked to an individual's personal budget and their ability to pay and not to the services that they ultimately utilise to meet their needs.

So, in summary, under personalisation an individual will make a contribution towards their personal budget which has been calculated to meet their needs and achieve their outcomes. This will be set out in an agreed support plan.

We also have a specific requirement to consult on component parts of a Fairer Contributions policy: such as how we plan to treat Disability Related Benefits and Disability Related Expenses.

### **Charging for Residential Services**

Charging for residential service is governed under a different set of guidelines: Charging for Residential Accommodation Guidance (CRAG). Other than annual adjustments to uplifts in financial levels CRAG rules still apply for people moving into long term residential placements. We will therefore not be consulting on charging for residential services as there is no change to CRAG.

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### **Corporate Plan 2010-2013:**

This report links directly to the Council's Corporate objectives outlined in Corporate Improvement Priority 3 (Helping People to Live Independently) and Corporate Improvement Priority 14 (Providing Better Value for Money)

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### **Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land**

The Council currently receives in excess of £3,300,000 income from charging for services under the existing Fairer Charging Policy. The proposed revisions will have a significant impact on the charging system. We will still need financial expertise to ensure that our service users maximise their income through the benefits system but the new way of working proposed will greatly reduce bureaucracy which will drive efficiencies within back office functions, whilst making it more open and transparent.

Initial assessments of the impact of the policy indicate that there is a potential for a reduction in income for the Council in the region of £320,000. However this will be partly offset by increased efficiencies in administering the system. As this policy is linked to the overall transformation of Adult Social Care the financial impact of this policy has to be assessed in a wider context. This will be undertaken and completed during the consultation process.

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### **Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.**

Equalities Impact Assessment has been completed

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### **Recommendations & Reasons for recommended action:**

We are seeking agreement to consult on the new guidance on charging for non-residential Adult Social Care services. Health & Adult Social Care Scrutiny Panel will be asked to review the outcomes of the consultation prior to them being presented to Cabinet.

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### **Alternative options considered and reasons for recommended action:**

None. There is a requirement to consult.

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**Background papers:**

Department of Health Putting People First: a shared vision and commitment to the transformation of Adult Social Care (2007)

Department of Health Fairer Contributions Guidance: Calculating an Individual's Contribution to their Personal Budget (2009)

Department of Health Fairer Charging Policies for Home Care and other non-residential Social Services: Guidance for Councils with Social Services Responsibilities (2003)

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**Sign off:**

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| Fin                                 | COS<br>F/AC<br>1011<br>003 | Leg | DS<br>1138 | HR |  | Corp<br>Prop |  | IT |  | Strat<br>Proc |  |
| Originating SMT Member: Pam Marsden |                            |     |            |    |  |              |  |    |  |               |  |