

REPORT TO CABINET

Title: CHARGING AND CONTRIBUTION POLICY WITHIN ADULT SOCIAL CARE

Date: 11 February 2010

Member Reporting: Councillor Dudley

Contact Officer(s): Alan Abrahamson (3197)

Wards Affected: All

1. SUMMARY

- 1.1 This report requests the approval of a new policy for determining how much a resident can afford to contribute towards the cost of their social care, this is known as the "Contribution Policy", and for approval to new charges for Council run social care services. Both the new policy and the new charges arise from the implementation of the Department of Health policy of "Transforming Social Care". This report follows earlier reports to cabinet in June and September 2009 on personalisation in Adult Social Care.
- 1.2 At its meeting in September 2009 Cabinet agreed to consult on a draft contribution policy. This report sets out the outcome of the consultation.

2. RECOMMENDATION: that

- i) **the response to the consultation on the draft contribution policy is noted;**
- ii) **the revised draft contribution policy as attached in Appendix A is approved;**
- iii) **the proposed charges for Council provided and Council arranged services as set out in Appendix B is approved;**
- iv) **mitigation against the impact of additional contributions be considered on a case by case basis.**

What will be different for residents as a result of this decision?
A contribution policy will be in place, and charges set, these together enable the delivery of self directed support and personal budgets to meet social care needs as required by the Department of Health's policy for transforming social care. Thus Borough residents will be able to benefit from the empowerment, equity and transparency inherent in this policy.

3. SUPPORTING INFORMATION

Background

- 3.1 The Department of Health (DH) has introduced a policy entitled “Transforming Social Care” whereby all Councils in England are required to change how they deliver care and support to their residents. The Council’s policy under the DH “Fair Access to Care” guidance is that residents assessed to have critical or substantial needs are eligible for support. Under “Transforming Social Care”, eligible residents are encouraged to have “self directed support” and will have “personal budgets” to help achieve that. A personal budget will be set from an assessment of care needs, at a level that should enable residents to achieve their social care outcomes. A personal budget may be managed by the Council on behalf of the resident or managed directly by the resident or their financial representative. A resident will use their personal budget to purchase services such as homecare, daycare or meals on wheels, that they require in order to meet their care needs, or they may use this budget to meet their requirements in other ways that suit their individual circumstances.
- 3.2 There are number of social care services that are inappropriate for the personal budget methodology, for instance where these services are to be provided as a matter of urgency, or where the Council does not have the power to charge for services. The main services that will be excluded from the process will include intermediate care services provided for up to 6 weeks, community equipment provision, the Ways into Work service, and the “Bridge that Gap” café service in the Town Hall reception. Residential care services are also excluded from this methodology. However in the longer term Councils may provide residential care by means of a personal budget, and this is an option the Council could consider in the future.
- 3.3 The concept of a personal budget is a fundamental change to the delivery of personal social services. Until now services have been allocated to residents according to their assessed needs. Contributions were required towards the cost of some services. Homecare services were subject to a financial assessment, and flat rate charges applied to other services such as meals on wheels, and no charges at all made for day services without meals. This methodology will be replaced over several months commencing in February 2010, with that of Personal Budgets. The main change from the current policy is the broadening of the scope of the financial assessment to cover an entire care package that is funded from the personal budget. The timetable for the introduction of self directed support and personal budgets is as follows;
- | | |
|-----------------|---|
| From Feb. 2010 | Older people, excluding those with mental health needs, newly assessed as eligible for social care support will be given a personal budget and offered self directed support. |
| From March 2010 | People with a learning disability, and those with newly assessed as eligible for social care support will be given a personal budget and offered self directed support. |

From April 2010	People with a physical or sensory impairment and those over 65 with mental health needs newly assessed as eligible for social care support will be given a personal budget and offered self directed support.
From June 2010	People under 65 with mental health needs. Existing service users will be transferred from their current allocated package of care onto self directed support and personal budgets.
May 2012	All service users to be on self directed support and have personal budgets.

- 3.4 A service user may have financial resources of their own, that after paying for daily living expenses and costs related to their disability, could allow them to afford to contribute towards their Personal Budget. If the service user's financial resources are less than their Personal Budget then the Council will fund the difference by topping-up the service users own resources to the level of their Personal Budget.
- 3.5 The Council must have a policy under which a residents financial resources are assessed, in order to decide how much that resident can afford to spend on their social care. This is termed a "Contribution Policy". The Council currently operates a "Non-residential Charging policy", this includes a detailed methodology for assessing the maximum a service user can afford per week to contribute towards their homecare services. This policy has operated smoothly for several years. This policy forms the basis of the proposed financial assessment methodology within the new "Contribution policy".

Direct Payments

- 3.6 Where a Personal Budget is managed directly by the service user or their financial representative, and a Council top-up is due, there is encouragement for that person to receive the Council top-up by a cash transfer to their bank account. This is known as a "Direct Payment". Indeed it is now a duty on Councils to offer Direct Payments to the majority of its service users. The option will be available for some of the Council top-up to the Personal Budget to be paid by Direct Payment, and the balance to be managed by the Council on behalf of the service user.
- 3.7 Direct payments are currently made to number of service users to enable them to purchase their care. The transfer of these service users onto self-directed support should have less impact than the majority of current service users, for this reason this group of service users may be amongst the first of current service users to be transferred onto the new policy. These service users are currently paid the full amount they are assessed to need to purchase their package of care. They are invoiced for their contribution towards this package. One change envisaged under the new policy is to simplify the process whereby the service user in future will only be paid the sum they require as a top up to their own contribution towards their care package. This will avoid the need to invoice service users for their contribution. Current recipients of Direct Payments will be consulted on this proposed change before implementation.

Budget Context

- 3.8 The Department for Health expects council's to exercise their power under Section 17 of the 1983 HASSASSA Act to require contributions be paid by their residents towards the cost of the social care they receive. Councils are expected to be able to show that the required charge or contribution is reasonable. However as this is a power rather than a requirement, a Council may decide not to charge for all or some of the services, or packages of care, that it provides. Currently circa £1.35m is raised from charges to service users, and over £1m of this arises from charges for homecare following a detailed financial assessment. Such a significant sum is a key component within the Directorate's budget, should this sum be reduced then it would be necessary to identify equivalent service savings in order to balance the budget. For this reason the option of reducing charge income is not pursued further. Indeed in its assessments of councils' financial requirements, and the distribution of Revenue Support Grant, the DCLG assumes that councils generate income from contributions towards the cost of Social Care.
- 3.9 The Department of Health expects sums raised through charges and contributions to be used to fund Social care rather than be used to fund other Council services. In most years, since the commencement of the Department of Health's requirement to introduce contribution policies in line with its then new policy known as "Fairer Charging" in 2002, additional income has been raised by the Council. Much of this additional income has arisen from the work of the Council's "Finance & Benefit's" (FAB) Team in respect of their assistance to service users in maximising their DWP and other benefits. This income has been used in full to fund additional social care services.

Consultation

- 3.10 Cabinet agreed to consult on a new Council policy for contributions towards the cost of Social care at its meeting in June 2009. The draft policy was reviewed in the light of new Department of Health guidance issued in July 2009 and consultation commenced in October 2009. The consultation ran for 8 weeks to Friday 18th December 2009. Current users of non-residential care services and their carers, staff and partner organisations including voluntary organisations, the PCT, Housing Associations, the CAB, MENCAP and Age Concern were given the opportunity to comment on the proposed policy. The full list of consultees is included in Appendix C to this report. This included the 700 current service users who are likely to be affected by the new policy. In total 1092 consultation "packs" were distributed and 108 responses have been received, at least 50 of these were from service users. The consultation methodology and an analysis of responses are also set out in Appendix C to this report.
- 3.11 As part of the consultation process the Learning Disability Partnership Board, consisting of service users, their representatives, advocates and voluntary organisation representatives, were given a presentation on the proposed policy and its implications. All members of the Older Persons Partnership Board were sent copies of the consultation documents.

- 3.12 As noted above, the draft consultation policy was based upon the current financial assessment policy that has been in force since 2002 with minimal change. A number of respondents, 8%, commented that they were happy with the current policy and did not want a change. The majority of responses, 53%, indicated agreement to the proposed approach, whereas 23% disagreed that the proposed policy was fair. 16% did not offer an opinion. A number of respondents requested clarification of the implications for residential respite contributions. This service overlaps both the non-residential contribution policy, which was the subject of the consultation, and residential care contribution policy, which was not subject of the consultation.
- 3.13 Given the level of response, the complexity of the issues, and the fact that the impact of the new policy on an individual will not be clear until a personal budget is awarded and a financial assessment completed, it is difficult to draw conclusions from the consultation. As a result of the responses to the consultation a small number of clarifications, (see para 3.14 below) have been made to the draft policy and a revised draft is appended to this report, Appendix A. The changes are shown as “tracked” in this Appendix.

Revised Draft Policy

- 3.14 The draft Contribution policy has been updated as a result of the consultation, and also to encompass other developments in preparation to deliver “self-directed-support”. The following minor amendments to the draft policy will be found within the proposed Contributions Policy set out in Appendix A to this report;
- clarification of the treatment of residential respite care; (see paragraphs 1.5 & 2.9).
 - a concession in contributions required for residential respite care, this change simplifies matters from both the citizen’s and administrator’s perspectives. (para 2.9)
 - clarification of the treatment of carers and carers services; (para 2.8.2)
 - a concession in contributions required for the first 2 weeks of care when eligibility for intermediate care is being determined. (para 2.8.1)
 - clarification of the treatment of carers allowance (para 3.3)

Impact of new policy

- 3.15 The change to the new contributions policy is not anticipated to significantly change the aggregate income contributed by service users towards their package of care. Whether an individual will pay more, pay for the first time, pay less, or not pay at all under the new policy will depend upon their current financial assessment if they receive homecare, and upon the type and volumes of service they receive. Service users commence and leave services, their packages vary as their needs change, and their financial circumstances change, this ever moving tableau makes it difficult to analyse the impact of the new policy. However detailed modelling of the impact has been undertaken and it is predicted that the greatest impact will be on the two particular groupings of service users described below.

- 3.16 Service users paying flat rates for services such as meals on wheels, daycare and residential respite care, who are already paying their maximum weekly contribution or who under a financial assessment are not be able to afford any contribution, will no longer be required to contribute the flat rate sums. There are an estimated 150 such service users, predominantly older people. On average their saving will be £18 per week, an annual loss of income to the Council of £135,000.
- 3.17 Service users currently receiving daycare, but not homecare, who are assessed under the new policy to be able to contribute towards the cost of their care will now contribute. There are an estimated 70 such service users, 50 of whom are people with a Learning Disability and 20 are older people. The actual impact on this group of service users is difficult to estimate as they do not undergo a financial assessment under the current policy. The people with a learning disability impacted upon will be those living at home with family rather than those in supported living accommodation as the latter will already be contributing an assessed sum towards their care support in their home. Estimations as to the benefit entitlement of the service user impacted upon indicate that a weekly charge of circa £40 may be due under the new policy. These estimations are from extrapolations and as such are a paper exercise, monitoring of the real impact over time will be undertaken. The additional income raised by this is estimated at £40,000 from older people and £100,000 from people with a learning disability. The table below summarises the financial impact of the proposed changes.

Changes in Income arising from proposals.

- £135,000	Older people – due to deletion of flat rate contributions
+ £40,000	Older people – contributions from assessments including daycare
+ £100,000	Learning Disability - contributions from assessments incl. daycare.
- £5,000	Older people – nil charge for 2 weeks to those with immediate needs (para 3.14 above refers.)

- 3.18 Though there is no change expected in the aggregate contribution from service users towards their care package there is an increase in contribution expected from Learning Disability service users due to the fact that a financial assessment will determine whether they can afford to contribute towards the cost of their daycare, a service that is currently provided free of charge. This is expected to raise £100,000 of additional contribution. This additional income is expected to be offset by a reduction in income from older people. All people paying more will have had a full financial assessment. The assessment includes a disability related expenditure assessment, that reduces the financial contribution they make. Some of these people will have access to the Independent Living Fund (para 3.22 below), and there will be the opportunity for waiver of all or some of the additional contribution under the proposal set out in paragraph 3.24 below.

Equality Impact Assessment

- 3.19 Under the Disability Discrimination Act there is a duty not to discriminate against people with a disability. Indeed, there is also a duty to promote disability equality. All people affected by this policy will have some form of disability or frailty, therefore the

equality impact assessment must also consider the relative impact on those with a different type of disability. Diversity issues have also been considered in the construction of the new policy. The EIA performs an important role in respect of the change of policy. An equality impact assessment (EIA) has been undertaken in respect of the new policy. The new policy is considered not to have an adverse impact of the target groups as it has been constructed to treat all people equally.

- 3.20 A second EIA has been undertaken in respect of the change from the current policy to the new policy. There are two reasons where it could be considered that people were treated unequally under the current policy. Firstly the current policy requires older people to contribute towards their daycare, which includes one full meal and other refreshments, whereas daycare is provided free of charge to people with a learning disabilities. Secondly people receiving homecare must have a full financial assessment or pay the full cost of the service, where people receiving daycare are not asked to contribute other than a flat rate where meals are provided. Thus the removal of this perceived inequality by the new policy, will remove the advantage that two categories of people currently enjoy. Thus the change to the new policy will have a negative impact on these two categories of people.
- 3.21 It has been noted above that the major impact of the new contribution policy will be on people with a learning disability, living at home, who require daycare services. The mitigation options for this group of people are considered below, however it should be noted that people with a severe learning disability may have the advantage of receiving support from the Department of Health's Independent Living Fund (ILF).
- 3.22 Where service users have a package of social care that exceeds £320 per week they may apply for funding from the Independent Living Fund (ILF). ILF funding can be for up to £455 per week with the combined funding up to £785 per week for the first 6 months. Applicants must be entitled to the higher rate of disability living allowance and be between 16 and 64 on application, with savings under £23,000. A number of RBWM service users are in receipt of ILF funding, this will be separate and additional to their personal budget. A service user receiving direct payments for social care may add this sum to their ILF funding when deciding how best to meet their outcomes.
- 3.23 When considering mitigation it should also be noted that as a part of each financial assessment a "Disability Related Expenditure" (DRE) assessment is carried out to ascertain how much expenditure a service user generally incurs above that assumed within income support levels. This is fully taken into account when calculating much a service user can afford to contribute towards their care.
- 3.24 EIA legislation and Department of Health guidance require the Council to consider whether it is appropriate to mitigate the effect of this negative impact. In this respect there are three options available. Firstly the view could be taken that as the new policy is considered fair then no mitigation is appropriate. Secondly, the impact of the change could be phased in over a period of time. Or thirdly, **the negative impact could be considered on a case by case basis and where appropriate officers should use their delegated authority to waive all or some of the contribution for an appropriate period of time (recommended).**

- 3.25 The first of these options could give rise to a legal challenge, as there clearly is a negative impact on some people of the introduction of the new policy. The second option would be administratively cumbersome and confusing for service users as this will introduce yet another variable into the calculation of their contribution. Therefore it is proposed that the third of these options is followed.
- 3.26 The policy will impact upon people with various disabilities and upon the BME communities. The impact on those with a learning disability has been discussed above. The impact on “diversity” is also an important issue, indeed the diversity impact within the learning disability group will be of importance. Overall 12.0% of all Social Services service users are from minority ethnic groups, whereas 17.4% of those with a learning disability are from minority ethnic groups. The impact of the new policy will be closely monitored with particular attention paid to its impact on equality, and on diversity.

Charges

- 3.27 Having accessed a personal budget a citizen will use these funds to purchase the care or other services they require to meet their outcomes. A support planner will work through the care package options with the citizen, this process will help ensure that there is a coherent plan to meet the citizen’s outcomes, that personal budget is sufficient to meet those outcomes, and that the councils resources are being properly used.
- 3.28 The personal budget may be used to purchase services provided or arranged by the Council, or services provided by private or voluntary organisations, or even to assist informal care to be arranged perhaps via family or friends. As the budget may be used to purchase services provided or arranged by the Council, it is necessary to set up a schedule of charges for these services. Each of these services is considered below and a charge is proposed in each case. These are summarised in Appendix B to this report.
- 3.29 When setting charges it is proposed that only direct costs of service are taken into account. Thus Directorate and Corporate overheads should be excluded. If these overheads were included within the charge then the personal budget would have to be set at a level that could pay these overheads. Should a personal budget holder then decide to buy services from elsewhere then the funding for Council overheads would be lost to the Council.
- 3.30 The question as whether the Council can sell services to personal budget holders of other Councils is currently under consideration, and legal advice has been sought. Dependent upon this advice, and depending upon the legality of setting differential prices for personal budget holder of other councils, it is proposed to set a schedule of prices for such service users should this be required. As noted in 3.26 the proposed charges to RBWM personal budget holders generally recover the direct costs of the service provision in full but will not recover overheads. In order to avoid subsidising personal budget holders from other Councils it is proposed to add an across the board 25% to the RBWM personal budget holder rate. The level of overheads that a particular service should attract could vary considerable with the method of overhead

apportionment applied and therefore the 25% should not be seen as an accurate value of the overhead applicable to a particular service.

3.31 Learning Disability Respite Care – Allenby Road.

A charge based upon the direct cost of the service would be comparatively high at approximately £300 per night. If funding at this rate was included in a personal budget then several current users of this service may look for alternative ways to meet their outcomes from this funding. This would reduce the occupancy of the unit and thus further increase the unit cost. Therefore it is proposed that a rate is set at which full occupancy can be achieved. In setting this rate, charges from neighbouring authorities have been researched. A rate of £150 per night is proposed. This rate would be appropriate for pre-booked accommodation. The level of charge, and thus subsidy, will be reviewed during the year and adjusted for 2011/12 if appropriate.

3.33 Learning Disability Day Centres – Oakbridge & Brunel.

A number of charge rates are required for services provided during the day to people with a learning disability as the cost of providing such services will vary with the type of service provided, as to the need level of the service user, and as to whether transport is required. The charges are based upon the direct costs of the service. The risk of personal budget recipients using their funds to purchase alternative services is considered low as there are currently few appropriate alternative services available. Therefore no subsidy is proposed for this service. The charges detailed in Appendix B are grouped according to those services provided within the daycentre premises, those provided in the community by daycentre staff, and the lunchtime care. An additional charge is set for transport. Activity costs such as Leisure Centre charges are also additional. Within these groups a range of charges are set according to the staff/service user ratio in respect of the service user and the activity. These range from one member of staff to 10 service users, to one member of staff to one service user. These rates would be appropriate for pre-booked services with the expectation that a regular booking would be made for each week of a financial year.

3.34 Older Persons Daycentres – Windsor Day Centre & Gardner House.

A charge based upon the direct cost of the service is proposed. As with Learning Disability daycare the risk of personal budget recipients using their funds to purchase alternative services is considered low as there are currently few appropriate alternative services available. The proposed charge of £58 per day recovers all direct costs without subsidy. An additional charge of £5 per journey is proposed for transport. Thus transport to and from would receive a charge of £10. A daily charge would not exceed £10. These rates would be appropriate for pre-booked services with the expectation that a regular booking would be made for each week of a financial year.

3.35 Homecare

The service provided in-house is seen as premium service and therefore should have a charge higher than that of private sector supplied homecare, which is expected to be £16 per hour. A charge 25% above this, that is £20 per hour is considered appropriate to apply to this premium service. A charge based upon the direct cost of the service would be comparatively high at over £40 per hour. If funding at this rate was included in a personal budget then several current users of this service may look for alternative ways to meet their outcomes from this funding. This would further

reduce the demand for the service and thus further increase the unit cost. Therefore it is proposed that a rate is set at which staff would be fully employed and also approximates to the market rate for this service. Again, these rates would be appropriate for pre-booked services with the expectation that a regular booking would be made for each week of a financial year.

3.36 Meals on Wheels

The contract for this service with the WRVS is under review as the number of meals provided is falling and thus the unit cost of provision is increasing. The current charge for the service is £3.40 per meal delivered to the home, whereas the current cost is £5.50 There is a risk that increasing the charge above this rate would further decrease the demand and thus jeopardise the future of the service. Therefore it is proposed to retain the current charge of £3.40 for the time being and explore strategies for the delivery of this service as the social care landscape evolves under transforming social care.

3.37 Residential Respite Care

Currently there are very few providers of residential respite care and almost all of the provision in RBWM is purchased by the Council. These bedspaces are blocked purchased and due to the nature of the service full occupancy is not attainable. The funding for residential respite care will be included within the personal budget. Due to the nature of the market it is proposed that service users will use their personal budget to purchase a respite care bed from the Councils “stock” that it has from its block contract. This will enable the Council to set a standard price. Based upon current purchase price, and accounting for actual occupancy levels, a rate of £700 per week is proposed for this service.

Future Commissioning Arrangements

3.38 As “self-directed support” becomes better understood service users are likely to want to meet their needs other than by the transitional menu of services outlined above. Therefore the viability of these services will need to be regularly reviewed and the ways in which personal budgets are used will need to be monitored. The community will require information in respect of new services that grow up as a response to personal budget holders requirements.

4. OPTIONS AVAILABLE AND RISK ASSESSMENT

4.1 Options

	Option	Comments	Financial Implications
1	Introduce the new Contributions Policy and charges as proposed	This will enable the implementation of Self Directed Support (SDS) policy to commence and meet Dept. of Health targets in this respect. Residents will benefit from partaking in this new	The budgeted commissioning saving anticipated from the introduction of the new policy should be achievable.

	Option	Comments	Financial Implications
		policy and enjoying the freedoms & empowerment the policy provides.	
2	Do not introduce the policy and charges as proposed.	Delays in the introduction will prevent the Council from meeting a number of Dept. of Health targets, will delay residents from benefiting from the SDS policy, will require a rescheduling of the project plan for introduction of all policies and procedures proposed under Transforming Social Care.	The commissioning savings anticipated from the introduction of the new policy would not be achievable as budgeted, potential additional commissioning savings in future years would also be delayed.
3	Agree waiver process	Enable appropriate action to be taken in cases of genuine hardship	See below.
4	Do not agree waiver process	May give rise to a legal challenge, or result in a refusal by a resident to accept to a necessary service thus giving rise to safeguarding issues.	The proposal set out in the report is seen as the lowest cost option that gives rise to the appropriate level of safeguarding.

4.2 Risk assessment

4.2.1 There are two significant risks in respect of the proposals set out in this report.

4.2.2 Firstly, the contribution policy envisages assessed contributions to be required from people with a learning disability receiving daycare. In many cases this will be a charge to a service user in respect of services currently provided free of charge. The contribution proposed will be requested after a full financial assessment of the service users financial circumstances and after taking into account the additional costs a service user may incur due to their disability. Where such payments may result in hardship there is a process proposed within this report that will enable all or some of the charge to be waived. It is necessary to introduce this charge due to the methodology of personal budgets, in that contributions are required towards the personal budget itself rather than towards the cost of individual services.

4.2.3 Until the processes in respect of self-directed support including the financial assessment have taken place it is unclear exactly as to the impact on service users. The ability to waive charges as appropriate will allow for flexibility in the introduction on the policy and to address individual circumstances. Close monitoring of the impact of the policy will enable a review at the appropriate time to address any shortfalls that may become apparent over time.

4.2.4 Secondly, the process whereby the budget for a service will progressively be given to citizens in their personal budget, who will then be “expected” to purchase that

service, gives rise to a risk should they decide to use their personal budget to meet their needs by other means.

- 4.2.5 For example, taking daycare for older people, provided by the Windsor Day Centre and Gardner House, all the budget for the direct costs of this service will eventually be given to citizens in their personal budgets. The daycentre becomes a trading account. If these citizens use their personal budget to meet their daycare needs by visiting a leisure centre or a cinema then the daycentre will not earn the income they require in order to recover their costs and the daycentre would run at a loss.
- 4.2.6 Following this example it can be seen that the price of the service is important in ensuring a service does not run at a loss. If the price is too high and demand is diverted to other activities then vacant daycentre places will be loss making. On the other hand, if a subsidy is given to a service in order to produce a lower price then this distorts the market, may prolong the provision of an uneconomic service, and lowers the incentive for service users to look for more cost efficient and innovative ways of meeting their needs.
- 4.2.7 The demand for, and the price of, services provided “in-house” will be regularly monitored and reviewed, as noted in para 3.38 above.

5. CONSULTATIONS CARRIED OUT

A major public consultation has been carried out. See paragraphs 3.10 to 3.14 above and Appendix C to this report.

COMMENTS FROM OVERVIEW AND SCRUTINY PANEL

To be reported verbally to Cabinet following the meeting of the Services Overview & Scrutiny Panel on 26 January 2010.

IMPLICATIONS

The following implications have been addressed where indicated below.

Financial	Legal	Human Rights Act	Planning	Sustainable Development	Diversity & Equality
yes	yes	yes	N/A	N/A	Yes

Background Papers:

Department of Health; Fairer Contributions Guidance, published 14th July 2009
www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_102471.pdf

Department of Health; Putting People First Guidance – Personal Budgets for Older People, Making it Happen, published January 2010-01

www.dhcarenetworks.org.uk/library/Resources/Personalisation/Personalisation_advice/PSSOP.pdf
 Report to Cabinet; Personalisation within Adult Socialcare, 25th June 2009
 Report to Cabinet; Personalisation within Adult Socialcare, 24th September 2009

Authorisation:

	Legal	Finance	Planning	Property	Procurement	DMT
Name:	R Avery	A Abrahamson	N/A	N/A	N/A	C Shawcross
Date Approved:	awaited	14/1/10				14/1/10

	Directors Group	Lead Member	Ward Cllrs (if Appropriate)	Leader's Office	Scrutiny Panel
Name:	Agreed	Cllr Dudley		Cllr Burbage	A&CS
Date Approved:	20/1/10	14/1/10		22/1/10	Tba 26/1/10

Royal Borough of Windsor and Maidenhead

**Policy for Calculating an Individual's
Contribution to their Personal Budget**

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Section 1 – Context

1.1 The Department of Health has introduced a policy known as “Self Directed Support” whereby all Councils in England are required to change how they deliver care and support to their residents. Under this policy citizens will receive a Personal Budget to meet their eligible social care needs. A Personal Budget may be managed by the Council on behalf of the citizen or managed directly by the citizen or their financial representative.

1.2 A citizen may have financial resources of their own with which they can contribute towards their Personal Budget. If the citizen’s financial resources are less than their Personal Budget then the Council will fund the difference by topping-up the citizen’s own resources to the level of their Personal Budget. When a citizen or their representative is managing their Personal Budget, this top-up may be made by a Direct Payment to the citizen.

1.3 This document sets out how the Council will assess a citizen’s financial resources, and calculate their ability to contribute towards or fund their Personal Budget.

1.4 A citizen will use their personal budget to purchase services such as homecare, day care meals on wheels, that they require in order to meet their care needs, or they may use this budget to meet their requirements in other ways that suit their individual circumstances.

1.5 This policy does not encompass citizens in temporary Residential and Nursing Care who have exceeded the 28 day annual Residential Care respite allowance, or who are in permanent Residential or Nursing care. These citizens are required to be financially assessed under The Department of Health’s ‘Charging for Residential Accommodation Guide’ (CRAG). For more detail regarding the financial contribution for the first 28 days of respite care see paragraph 2.9.

1.6 This policy does not encompass citizens who are yet to enter the “My Care, My Choice” self-directed support process.

Statutory Framework

1948 National Assistance Act
Local Authority Social Services Act 1970
HASSASSA 1983
Nov 2001 & Sept 2003 ‘Fairer Charging Guidance’

Consideration of

Disability Discrimination Act
Human rights Act

Section 2 - The Financial Assessment Process

2.1 When will the Financial Assessment process commence?

2.1.1 The financial assessment process will begin once a citizen's care assessment has been completed and it is confirmed that they meet the Council's eligibility criteria. At this stage the citizen will be informed of the need to complete a financial assessment and provided with guidance notes explaining the Council's contribution policy and the financial assessment process. The Council's Financial Assessment and Benefits (FAB) Team will contact the citizen within 5 working days following completion of the care assessment in order to arrange for the financial assessment process to begin.

2.2 How will a Financial Assessment be carried out?

2.2.1 Citizens will be offered assistance with the completion of the financial assessment form either by phone or by a home visit. Where appropriate the citizen will be offered welfare benefits advice. The FAB team may help with the completion of benefit applications including Pension Credit, Income Support, Employment and Support Allowance, Attendance Allowance, Disability Living Allowance, Carers Allowance, Housing Benefit and Council Tax Benefit.

2.2.2 Following the completion of the financial assessment, the citizens will be advised in writing how much they are required to contribute towards the cost of their social care Personal Budget, along with a statement of how the contribution has been calculated. In some cases citizens may be required to fund in full their Personal Budget. Citizens have a right to be re-assessed should their circumstances change.

2.3 The Role of the Care Manager and the Financial Assessment Team

2.3.1 The Care Manager will ensure that the citizen is provided with guidance and advice when completing the Care Assessment.

2.3.2 The Financial Assessment and Benefit team will be responsible for ensuring that the citizen is fully supported in the understanding and completion of the financial assessment form.

2.4 Waivers

2.4.1 Where a citizen believes they cannot afford to pay their assessed contribution, they may contact the Council for consideration to waive part or all of their assessed contribution. Where the citizen is unable to act for themselves a request to waive may come directly from carers, staff, an advocate or others involved in the support of that citizen.

2.4.2 Council social care staff who consider a waiver is appropriate should contact their Head of Service/ Unit Manager. If the Head of Service/ Unit Manager considers that there are reasonable circumstances to reduce or waive the contribution then these must be recorded in writing. This decision should be reviewed on an annual basis.

2.4.3 Each agreed waiver will be recorded in an appropriate log held by the Finance team.

2.5 Annual Review

2.5.1 The financial assessment will be reviewed annually to take account of increases in benefits and other incomes which generally take place in April.

2.5.2 Where the citizen is in receipt of benefits paid at standard rates the new up-rated amount will be substituted. Benefits paid at non standard rates will be increased by the same inflator used by the Department of Work and Pensions (DWP) to up-rate benefits.

2.5.3 For other component parts of the financial assessment, such as occupational pensions, disability related expenditure, rent and council tax, a percentage increase linked to Retail Price Index (RPI) will be applied.

2.5.4 Changes resulting from the annual up-rating or the application of a revised 'buffer' will apply from the date assigned to these changes.

2.5.5 An explanation and full details of the revised assessment will be sent to the citizen, who will be asked to check the figures and contact the Financial Assessment and Benefits Team if they are not an accurate representation of the citizen's circumstances.

2.6 Reviews and Changes in a citizen's circumstances

2.6.1 Changes in a citizen's financial position that may affect the amount of their contribution are required to be reported to the Financial Assessment and Benefits Team. This specifically includes receipt of a new benefit, other changes of more than £5 a week to their income, changes of more than £5 in weekly expenditure, and changes of more than £1000 to savings.

2.6.2 Citizens may inform lesser changes at any time and should do so promptly if they believe that a change will result in a reduction to their financial assessment and wish that to be applied immediately.

2.6.3 Citizens who are financially assessed will be asked to complete a new statement of their financial circumstances every 2 years. At which point a further welfare benefits check can also be provided.

2.6.4 Following notification of a change or a review visit, a new financial assessment will be completed using the information provided.

2.6.5 If the revised assessment results in an increase in the weekly contribution of £5 or less, the citizen will be notified of the revised charge and the charge not backdated

2.6.6 If the revised assessment results in an increase in the weekly contribution of £5 or more, the citizen will be notified of the revised contribution and this will be backdated to the date the change in circumstances occurred.

2.6.7 If the revised assessment results in a decrease in the contribution, this will be applied from the date of notification.

2.6.7 As a general rule decreases in contributions will not be backdated. However each case will be considered on its merits. The discretion to backdate will be exercised by the manager of the Financial Assessment and Benefits Team with the agreement of the Resources Directorate Chief Services Accountant.

2.7 Appeals against the Financial Assessment

2.7.1 If the citizen disagrees with their financial assessment they should contact the Financial Assessment and Benefits Team who will explain how the contribution was calculated, and try to resolve any concerns.

2.7.2 If the citizen is still dissatisfied they should use the Adult Care Services complaints procedure. If this does not resolve the complaint, citizens should contact the Local Government Ombudsman.

2.7.3 More information regarding the complaints procedure can be found in the Adult Care Services leaflet 'Your Guide to making a Compliment, Comment or Complaint'

2.8 Exempt Services

2.8.1 The following services are exempt from a contribution:

- After-care services provided under Section 117 of the Mental Health Act 1983.
- Advice and assessment.
- Services provided to sufferers of Creutzfeldt Jacob Disease (CJD).
-
- Occupational Therapy Equipment

For those citizens requiring assessment for social care support, consideration will be given as to whether they have immediate needs, or their care needs can be met subsequent to the self-directed support process. For those who have immediate care needs there may be some uncertainty if they are entitled to intermediate care services, which are free of charge for up to 6 weeks. For simplification, all services allocated in these circumstances will be free of charge for the first 2 weeks. If the criteria for intermediate services is met the citizen will continue to be exempt from charge for up to a total of 6 weeks.

2.8.2 RBWM has used its discretionary powers to not ask for contributions to the following services:

- Carer's Services provided directly to the Carer as a result of a carers assessment.
- Exceptionally, such as where a citizen has refused a care assessment, services provided to the "cared for" following a carer's assessment.

2.9 Community and Residential Respite Care

- Community Care Respite in the home will be funded within the personal budget, and the weekly assessed contribution will apply.
- Community Care Respite in an extra care housing setting will be funded within the personal budget, and the lesser of the weekly assessed contribution or the standard charge for Residential Respite* will apply.
- For Residential Respite for up to 28 days per annum funded from the Personal Budget, the lesser of the weekly assessed contribution and the standard charge for Residential Respite* will apply.

NB: Citizen's who have capital over the CRAG capital limits, (see appendix B), will be entitled to receive up to 28 days respite per annum at the standard charge*. They will not be financially assessed under this policy but they will be required to contribute the standard charge for Residential Respite.

* The standard charge for Residential Respite is set annually in accordance with the levels of the basic pension or income support applicable to the citizen less the standard personal expense allowance.

2.10 Delays in completing the Financial Assessment

2.10.1 If a citizen unreasonably delays completing the financial assessment they will be required to contribute to the full cost of their Personal Budget, until a financial assessment is completed. If a financial assessment results in a lower contribution, consideration will be given to refunding the difference depending on the circumstances of the case. A Direct Payment cannot be made unless a financial assessment is completed.

2.10.2 'Unreasonable delay' will be determined on a case by case basis, but as a general rule the Council will expect the individual or representative to be available for a visit within 2 weeks of contact by a Financial Assessment and Benefit's Team Officer. Where the individual or representative prefers to complete the statement of financial circumstances by post then it is expected that this will be returned within 2 weeks.

2.10.3 If further information is required then it is expected that this will be provided within 2 weeks of the date it was requested.

2.11 People who refuse to claim benefits to which they are entitled.

2.11.1 There will be occasions where a citizen is clearly entitled to an additional benefit. If, following advice from the Council's Financial Assessment and Benefits Team, a citizen refuses to claim a benefit within a reasonable time scale, the Council may calculate the citizen's contribution as if the citizen were in receipt of this benefit.

2.11.2 This will take effect from the date the citizen was advised to apply for the benefit or would first become entitled to that benefit, whichever is the later.

2.12 Projected Contribution Assessments

2.12.1 Where the Financial Assessment and Benefits Team assists with the application for a new benefit, the Financial Assessment and Benefit Team will complete an additional financial assessment based on the anticipated result of the new benefit application. The citizen will be notified of the effect the new benefit will have on their contribution. The increased contribution will be backdated to the date the Personal Budget commenced or the date of award of the new benefit, which ever is later. Payment of the increased contribution will not be requested until confirmation is received that the new benefit has been awarded.

2.13 Deprivation

2.13.1 If a citizen knowingly reduces their capital by, for example excess spending or gifting, in order to avoid paying their contribution, this will be taken into account when carrying out the assessment. The contribution may be calculated as if the citizen still holds the capital that had been given away or disposed of.

Section 3 – The Financial Assessment

3.1 Overview

3.1.1 The financial assessment compares income against specified weekly expenditure allowances to determine the income available to contribute towards social care costs. See table.

Capital & Savings*		+ Income
Individuals Income& Benefits		+ <u>Income</u>
Total		+Total Income
Less:	Allowances	- Allowance
	Disability Related Expenses	- Allowance
	Allowable Housing costs	- <u>Allowance</u>
		= Max Weekly Contribution

Capital Limits and Savings tariffs are shown on Appendix B

3.2 Capital and Savings

3.2.1 General

3.2.1.1 A citizen who has capital/ savings in excess of the maximum figure as set out in the Charges for Residential Accommodation Guidance (CRAG) will not be eligible for financial support from the Council. Please see Section 3 ‘Eligibility for financial support’ for more details.

3.2.1.2 For couples, twice the CRAG maximum capital limit will be applied to determine if the citizen is above the CRAG limits and not eligible for financial support

3.2.1.3 There is no requirement to ascertain additional details of the citizen’s financial circumstances once it is established that their capital/savings exceed CRAG limits.

(See Appendix B for the current CRAG limits).

3.2.1.4 When the CRAG capital limits change, the Financial Assessment and Benefits Team will write to all people whose services are arranged by the Council and who have capital over the CRAG limit, to advise them of the new limits.

3.2.1.5 Capital and savings can include cash, funds held in a bank, building society and Post Office accounts, saving bonds, premium bonds, stocks and shares, ISAs, Peps, and the value of land or property (other than the citizen's main residence). This list is not exhaustive.

3.2.1.6 Ex-gratia payments made to former Far Eastern prisoners of war and payments made under the Vaccine Damage Payment scheme will be disregarded entirely as per guidance in CRAG.

3.2.1.7 The treatment of different types of capital/savings will be in strict accordance with the guidance set out in CRAG.

3.2.2 Property

3.2.2.1 The value of property not deemed the citizen's main residence (For example, if they own two properties) will generally be counted as capital. However it may be disregarded in certain circumstances as defined in CRAG.

3.2.2.2 Where a citizen moves out of a property that they own, into alternative accommodation, the owned property will no longer be regarded as the main residence, and will be considered as a capital asset for the purposes of the financial assessment.

3.2.2.3 Where the citizen's contribution towards the cost of their social care increases due to the inclusion of this asset within the financial assessment, the increased contribution may be deferred until the property is sold, or for 6 months from the date of the change of address, whichever is sooner.

3.2.2.4 If the citizen moved into the alternative accommodation on a trial basis, and returns to their owned property within 6 months of moving out, then the Council may waive this increased contributions if requested by the citizen.

3.2.3 Home Reversion Schemes (HRS)

3.2.3.1 Under these schemes a home-owner will transfer the ownership of all or part of their home to a commercial or 'not for profit' organisation. Depending on the terms of the HRS, the funds released may be paid to the home-owner in full on the date of the transfer, or may be translated into an annuity, or a combination of these.

3.2.3.2 Where an HRS results in the home owner receiving an annuity or where payments are made by instalments be they for life or for a fixed period then all such payments will be treated as income, unless any of the following provisions set out in this paragraph apply.

3.2.3.3 Where certain detailed conditions set out in CRAG relating to annuities are met, then specified amounts comprised within the gross income from the annuity can be disregarded, namely, the component of the gross income which represents the weekly amount of interest on the loan (net or gross of income tax, where applicable).

3.2.3.4 Where any part of the income or capital derived from an HRS plan is used to fund capital developments or disability related works to the property in question, the income so used may be disregarded from the financial assessment. The citizen must produce evidence to this effect in order to claim such a disregard.

3.2.3.5 Where the released funds are paid in instalments the total value of all the instalments outstanding will be added to the total value of all other savings held by the citizen.

3.2.3.6 If this total exceeds the current CRAG upper capital limit, the instalments will be treated as income and taken into account over a period equivalent to that which it represents, e.g. a payment due to be made calendar monthly is taken into account for a calendar month.

3.2.3.7 If this total is less than the current CRAG upper capital limited, each instalment will be treated as capital.

3.2.3.8 In exceptional circumstances a citizen's capital may be fully or partly disregarded where they have a particular need for their savings. This discretion is with the Director of Adult and

Community Services and the Head of Finance, and is delegated to the relevant service manager and the Resources Directorate Chief Services Accountant.

3.3 Calculating an individual's Income

3.3.1 Periodical payments and income accruing from personal injury compensation capital, including where personal injury capital is held in trust or administered by a Court, will be taken fully into account in the financial assessment. This will also apply to periodical payments or income accruing from personal injury compensation capital resulting from an injury at birth.

3.3.2 The following income will always be disregarded in the contribution assessment;

- Earnings
- Statutory Sick Pay, Statutory Adoption Pay and Statutory Maternity Pay or Allowance
- the mobility component of Disability Living Allowance
- the night time element of the care component of Disability Living Allowance and Attendance Allowance unless night time care is provided by Adult Care Services
- War disablement pension and War Widows Pension in line with local Housing Benefit scheme, however any Constant Attendance Allowance paid will be included
- Charitable Income and Voluntary Payments
- Savings Credit element of Pension Credit
- Working Tax Credit
- A partner's disability related benefits
- Sub tenants – apply disregards as per CRAG
- Boarders - apply disregards as per CRAG
- Winter Fuel and Cold Weather payments

NB – carers allowance paid to a carer will not be taken into account in the citizen's financial assessment.

3.3.3 Individuals whose capital/ savings are less than the maximum figure as set out in CRAG (See Appendix B) but above the CRAG lower limit (See Appendix B) will have a tariff income assumed calculated in accordance with the rules specified in CRAG. The capital limits will be doubled where the citizen applying for social care financial support is a member of a couple.

3.3.4 Currently income of £1 a week is assumed for every £250 of capital above the CRAG lower limit.

3.3.5 All other income will be taken into account within the assessment along with any tariff income from savings/capital and unless stated otherwise in this document, the treatment of such income will follow the Department of Health's CRAG.

3.4 Allowances

3.4.1 To calculate a weekly allowance figure the following should be allowed according to the citizens circumstances.

- Basic Income Support or Pension Guarantee Credit (Applicable amount plus most premiums but not including Severe Disability Premium), plus a percentage buffer on this sum of not less than 25%.
- Assessed levels of disability-related expenditure
- Housing Costs

3.5 Disability Related Expenditure

3.5.1 Allowances will be made for disability-related expenditure in accordance with the Disability Related Expenditure scheme, attached at Appendix C.

3.5.2 The overall aim is to allow for reasonable expenditure needed for independent living by the disabled citizen. Items where the user has little or no choice other than to incur the expenditure, in order to maintain independence of life will normally be allowed.

3.5.3 Costs arising simply from a matter of personal choice, where a reasonable alternative is available at lesser cost, will not normally be allowed.

3.5.4 The care manager or other professional may be required to confirm the need for disability-related expenditure.

3.5.5 Evidence of expenditure will be requested and there will be a requirement for evidence to be provided at each review.

3.5.6 Items for which a Social Fund Community Care Grant has been paid will not be allowed in the assessment.

3.5.7 In some cases only a percentage of expenditure may be allowed if it is joint expenditure. If the expenditure is due to the fact that a carer is not able to undertake the task due to the amount of time they are caring then 100% of the expenditure will be allowed.

3.6 Allowable Housing Costs

3.6.1 The following may be allowed depending on the citizen's circumstances.

- **Rent** (Net of Housing Benefit) where a citizen is paying rent to a relative, an allowance for this amount will not automatically be allowed. This situation could arise when a citizen is living in a relative's house and is being charged rent, or where a relative rents a house to the citizen. Housing Benefit principles will be followed to determine whether a commercial arrangement is in place, in which case an allowance for housing costs will be considered.
- **Council Tax** (Net of Council Tax Benefit)
- **Mortgage** (Net of amounts paid through Income Support or Pension Credit). The insurance element of an endowment mortgage will be allowed. If the citizen is repaying arrears as part of their regular mortgage payment or is making an increased payment to reduce the length of their mortgage, then the additional amount will not be allowed except where the citizen has no choice but to make these payments. Where the citizen is receiving payment for their mortgage via their Income Support or Pension credit, but are required to make additional payments to their lender, these additional amounts are allowable as housing costs.
- **Service Charges** - An allowance may be made for service charges that must be paid for under the terms of the lease and which relate to the provision of adequate accommodation. Accordingly an allowance may be made for items such as management fees, insurance, repairs and cleaning of communal areas.

Allowances will not be made for items that are considered normal day to day living expenses e.g. heating, laundry or meals. An allowance for eligible service charges will only be considered if they are not already covered by Housing Benefit, Income Support, Pension Credit, or Supporting People.

Where allowances are made they will be made in line with Housing Benefit regulations.

- **House Building Insurance** for owner occupiers - an allowance will be made for building insurance. No allowance can be made for contents insurance.

- **Home Maintenance Allowance** for owner-occupiers - (£11.00 for 2009/10). This will not be reduced proportionately for joint-owner occupiers except where an individual assessment is made for a citizen who is a member of a couple.

3.6.2 NB: Where any housing cost includes items which are considered normal living costs e.g. water charges, fuel costs, food etc, and then this element should not be treated as a housing cost. Housing Benefits guidance should be followed.

3.7 The Maximum Weekly Contribution

3.7.1 The assessment will compare the calculated income against the specific weekly expenditure allowances to determine the income available to contribute towards the social care costs. This identifies the maximum weekly contribution the citizen can make.

3.7.2 The Council will set maximum contribution threshold. The threshold will ensure no one contributes greater than this to their Personal Budget. The current maximum weekly sum is £350.

3.8 Eligibility for financial support

3.8.1 National guidance states that a Council may refuse financial support in respect of social care to any individual with savings above the capital limit set out in the Charging for Residential Accommodation Guidance. The CRAG capital limit is shown in Appendix B

3.8.2 People with savings above the CRAG capital limit will be responsible for funding their care and support in full without financial support from the council

3.8.3 Where a citizen is deemed not able to manage their own social care arrangements, the Council will arrange and commission services on their behalf. The individual will be required to contribute the full cost of these services.

3.9 Assessment of Couples

3.9.1 Where the citizen requiring social care is living as a member of a couple, the Council is entitled to consider in individual cases whether each spouse has an equitable right to the capital/savings and income of their partner. RBWM will consider in each case whether one partner has an equitable right to their partner's resources. Where they live together as part of a household then this will be an indication that they have such an equitable right. For the purposes of the financial assessment the Council's starting point will be the assumption that half of the couple's total capital and income is available to each partner and a declaration of the total capital and income of both members of the couple will be required. If either partner can show evidence of a different intention the Council will consider this in assessing liability to contribute.

3.9.2 An Individual Assessment for a member of a couple

3.9.2.1 Under this assessment half of the couple's total income is taken to be available to the person. A declaration of the total income of both members of a couple will be required in line with the equitable rights principles described above.

3.9.2.2 Disability Related Benefits e.g. Attendance Allowance, Disability Living Allowance and the Severe Disability component of Income Support and Pension Credit are payable specifically to cover extra expenses incurred by the person to whom they are payable. Consequently a partner's Disability Related Benefits will not be considered available to the citizen applying for social care financial support.

3.9.2.3 Allowances will be based on:

- The appropriate single person's basic income support or pension guarantee credit,
- The citizen's disability related expenditure
- Half of any housing costs.

3.9.2.4 If treating the citizen as single person results in a nil contribution, no further assessments will be necessary.

3.9.3 A Joint Assessment for a couple

3.9.3.1 This assessment takes account of the income of both members of the couple, excluding the partner's Disability Related Benefits.

3.9.3.2 Allowances will be based on:

- Basic income support or pension guarantee credit for a couple,
- The citizen's disability related expenditure
- Their joint housing costs.

3.9.3.3 The financial assessment, which results in the lowest contribution, will become the citizen's contribution.

3.10 Where both partners are receiving Social Care support

3.10.1 Where the above assessments result in a contribution a further assessment is required if both partners are receiving social care. In this scenario the couple will be treated as one entity and a single contribution for both services calculated.

3.10.2 This assessment differs from the joint assessment as account will be taken of both partner's disability related benefits and disability related expenditure.

3.10.3 The contribution calculation most favourable to the citizen will be the one applied

3.11 Financial Assessment of families that include dependant children

3.11.1 Where the citizen's family includes dependant children a comparative assessment is necessary.

3.11.2 Where income is received in respect of the child(ren) which equals or exceeds the child(ren)'s basic Income Support allowances plus the appropriate buffer percentage, the child(ren) will not be included in the financial assessment.

3.11.3 Where the income received in respect of the child(ren) is less than the income support allowances appropriate to the child(ren) plus the buffer, then the child(ren) and any income paid in respect of them will be included in the financial assessment.

3.11.4 This ensures that the family as a whole is not left with less than basic income support plus the percentage buffer appropriate at the time.

Section 4 – The calculation of the contribution towards a Personal Budget

4.1 Calculation of citizen's contribution to their Personal Budget

4.1.1 Where the financial assessment shows

- a) The citizen is not able to contribute; the care package will be entirely funded by Adult Care Services.
- b) The Maximum annual contribution (maximum weekly x 52 weeks) is more than the Personal Budget, the citizen will contribute the full cost of the care package e.g. the care package will be entirely funded by them.
- c) The Maximum annual contribution (maximum weekly x 52 weeks) is less than the Personal Budget, the citizen will contribute the maximum annual contribution and the council will fund the remainder of the Personal Budget.

4.1.2 Where the citizen is in receipt of a Personal Budget but elects not to complete a financial assessment they will be required to contribute the full amount of their Personal Budget.

4.1.3 Since the full Personal Budget is liable for contribution then services that are exempt, as detailed above in Section 2 will not be included in the Personal Budget

- If the citizen has savings over the CRAG limits, and they are able to arrange their own services, they will be provided with information that will assist them in making their own arrangements.
- If the citizen has savings over the CRAG limits but is not able to arrange their own services, Adult Care Services will organise the service, but as the citizen is not eligible

for financial support they will be required to contribute the full cost of the services provided.

Section 5 – How the Contribution will be collected

5.1 The method of collection will be determined by which means the citizen chooses to deploy their Personal Budget.

5.1.1 Direct Payments

If they choose to deploy some or all of their Personal Budget via a Direct Payment and the Direct Payment amount is greater than the contribution amount, the contribution will be netted from the Direct Payment amount. E.g. the 4 weekly Direct Payment amounts will be paid less the calculated 4 weekly contribution amount.

5.1.2 Personal Budget managed by the Council (Virtual budget)

Those citizens who choose for the council to manage their Personal Budget including the commissioning and paying for the services will be invoiced over 13 four weekly periods in arrears. The 4 weekly sum is calculated by dividing the citizens agreed annual contribution by 13 periods

Appendix A: Contribution Collection for Personal Budgets

Example 1

- Annual Personal Budget = £5,000
- Annual contribution is £2,000 so Social Services fund £3,000
- As part of their support plan the citizen requests commissioned services of £2,500 and a Direct Payment of £2,500.
- The citizen's contribution of £2000 will be offset against the Direct Payment.
- The Council funds and commissions services of £2,500, and a Direct Payment of £500 which on a standard basis would be equally over the year or as per a payment schedule agreed with the individual.

Example 2

- Annual Personal Budget = £5,000
- Annual contribution is £2,000 so Social Services fund £3,000
- As part of their support plan the citizen requests commissioned services of £4,000 and a Direct Payment of £1000.
- The citizen is required to fund the £1,000 Direct Payment through their contribution and no Direct Payment amount is paid
- In addition a contribution of £1000 per annum towards the cost of their commissioned services of £4,000 is required. The Council will raise an invoice for every 4 week period to collect the £1000 ($\frac{£1000}{52} \times 4$ every 4 weeks), unless an alternative contributions collection schedule has been agreed
- The Council funds £3000 of commissioned services.

Example 3

- Annual Personal Budget = £4000
- Annual contribution is £2,000 so Social Services fund £2,000
- As part of their support plan the citizen decides to purchase 8 weeks respite care at £500 per week, to be taken throughout the year, all commissioned by Adult Care Services.

- The citizen will be invoiced for £2000/52 X 4 every 4 weeks, , unless an alternative contributions collection schedule was agreed
- The Council funds £2000 of commissioned services.

Example 4

- Annual Personal Budget = £4,000
- Annual contribution is £2,000 so Social Services fund £2,000
- As part of their support plan citizen requests a Direct Payment for all of their Personal Budgets
- The citizen receives their Direct Payments net of their contribution. No other contribution is collected e.g. Payments totalling £2000 to the citizen , paid 4 weekly

Example 5:

- Annual Personal Budget = £4000
- Annual contribution is £2,600 so Social Services will fund £1,400.
- As part of their support plan the citizen decides to purchase 8 weeks respite care at £500 per week, to be commissioned by Adult Care Services
- The citizen is invoiced for £2600/52 X 4 every 4 weeks, unless an alternative contributions collection schedule was agreed

Appendix B - CRAG Capital limits

These capital limits are applicable for both traditional packages of care and Personal Budgets.

ITEM	2009/10	Review Process
Upper capital limit	£23,000	Department of Health
Lower capital limit	£14,000	Department of Health

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Appendix C - Disability Related Expenditure (with effect from w/c 06/04/09)

This guidance on Disability Related Expenditure is equally applicable for both traditional packages of care and Personal Budgets.

	Item	Amount	Expenditure
1	Community Alarm system	Actual weekly costs unless included in Housing Benefit or Supporting People Grant. (Lifeline alarm free to certain Maidenhead and Windsor Housing Association tenants, reduced cost to others.)	Bill from Provider
2	Privately arranged care services An allowance will not normally be made where the relationship between the citizen and the service provider is primarily personal rather than contractual. (See note 1)	Actual weekly average cost based on previous 4 visits, or 4 weeks whichever is the greater.	Signed receipts for at least four visits using a proper Receipt Book. Care Manager to confirm requirement as part of the Care Plan and Council supported care reduced accordingly. Maximum hourly rate £11.96 (see Note 2)
3	Additional laundry costs Higher costs due to incontinence or problem with personal cleanliness	Where laundry is done at home, for each additional load over 3 loads a week for a single person, allow £1.26 per load to a maximum of £3.78 weekly. Where citizen uses a launderette and incurs additional laundry costs due to disability, allow the additional weekly cost over and above 3 loads a week, averaged over previous 4 weeks Where the citizen is required to use a commercial laundry due to disability allow actual costs of commercial laundry averaged over previous 4 weeks.	The Care Plan will have identified a continence problem. Actual cost of launderette or laundry receipts
4	Contenance	Where items are not provided by NHS the cost of privately purchased items should be allowed. Actual weekly cost averaged over previous 4 weeks	The Care Plan will have identified a continence problem. Receipts
5	Additional costs of special dietary needs	Weekly actual additional cost of any special foods	May seek permission to approach GP.

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		averaged over previous 4 weeks.	Detail and verification of costs of special purchases to be supplied. Receipts
6	Special clothing or footwear	Discretionary depending on an individual's circumstances. Some items provided on NHS. As replacement of clothing & footwear is normally relatively infrequent allow actual expenditure. Weekly average based on previous year's expenditure	Reference within the Care Plan to abnormal wear and tear of clothing. Receipts
7	Additional costs of bedding;	Bed linen is not provided by NHS continence Service. As replacement of bedding is normally relatively infrequent allow actual expenditure. Weekly average based on previous year's expenditure	The Care Plan will have identified a continence problem. Receipts.
8	Any additional heating or fuel costs Where appropriate take into account any contributions to fuel bills from other members of the household.	Single in flat and terraced.....£ 997 Couple in flat and terraced..... £1313 Single in semi-detached..... £1058 Couple in semi-detached..... £1394 Single in detached..... £1287 Couple in detached..... £1696 Difference between actual and average (above) to be divided by 52. Average to be increased each year by RPI. For new services first chargeable from 11/04/05 onwards the maximum allowance for fuel will be 50% above the average fuel figure for the appropriate band.	Last 4 bills for all types of fuel
9	Reasonable costs of basic garden maintenance Will need to consider the circumstances of others	Discretionary based on individual costs of garden maintenance.	Signed receipts for at least four visits using a proper Receipt Book Maximum hourly rate £11.96 (See Note

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	<p>living in the household.</p> <p>An allowance will not normally be made where the relationship between the citizen and the service provider is primarily personal rather than contractual. (See note 1)</p>	<p>A very basic grass cutting & hedge trimming service is available free to MDHA tenants who are unable to maintain their gardens.</p> <p>Actual cost over previous year divided by 52</p>	2)
10	<p>Cleaning, or domestic help</p> <p>Consideration should be given to higher needs for cleaning as a consequence of disability and to the circumstances of others living in the household.</p> <p>An allowance will not normally be made where the relationship between the citizen and the service provider is primarily personal rather than contractual. (See note 1)</p>	<p>Actual weekly cost averaged over previous 4 weeks.</p> <p>If 'blitz' cleans are purchased irregularly the cost should be based on past expenditure over a year divided by 52.</p> <p>Where no housework allowed in care package up to 2 hours weekly to be allowed at WBT VO's discretion taking into consideration accommodation size, s/u disability and other members of household. At care managers discretion if more than 2 hours.</p>	<p>Requirement confirmed in the Care Plan and Council supported care reduced accordingly.</p> <p>Signed receipts for at least four weeks using a proper Receipt Book.</p> <p>Receipts for 'blitz' cleans Maximum hourly rate £11.96 (See Note 2)</p>
11	<p>Purchase, maintenance, and repair of disability-related equipment, if privately purchased</p>		
	Powered bed	Actual cost divided by 500 (10-year useful life).	Evidence of purchase
	Turning bed	Actual cost divided by 500 (10-year useful life).	Evidence of purchase
	Powered reclining chair	Actual cost divided by 500 (10-year useful life).	Evidence of purchase
	Stair-lift	Actual cost divided by 500 (10-year useful life). Allow actual amount of repayments of any DFG loans	Evidence of purchase – less Disabled Facilities Grant. Evidence of DFG loan repayment amounts
	Hoist	Actual cost divided by 500 (10 year useful life) Allow actual amount of repayments of any DFG loans	Evidence of purchase – less Disabled Facilities Grant. Evidence of DFG loan repayment amounts
	Wheelchair	Outdoor use only - Actual cost divided by 500 (10 year useful life). Indoor and outdoor use – Actual cost divided by 250 (5 year useful life).	Evidence of purchase if available. No allowance if equipment provided free of charge.
	Other equipment or aids	Actual cost divided by useful life	Evidence of purchase
12	Costs associated with privately purchased	Actual cost over previous year divided by 52	Receipts

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	equipment, e.g. insurance and servicing		
13	<p>Personal assistance costs</p> <p>An allowance will not normally be made where the relationship between the citizen and the service provider is primarily personal rather than contractual. (See note 1)</p>	<p>E.g. having to pay for meals or transport costs for personal assistants or carers</p> <p>Actual average weekly cost based on previous 3 months.</p>	<p>Receipts where possible</p> <p>Maximum hourly rate £11.96</p> <p>(See Note 2)</p>
14	<p>Other transport costs</p>	<p>Discretionary based on costs that are greater than those incurred by an able bodied person, e.g. taxi to go shopping, People to Places membership and charges.</p> <p>Actual weekly costs averaged over previous 4 weeks (over and above the mobility component of DLA where this is in payment and taking into account concessions provided by RBWM e.g. Taxi vouchers.)</p>	<p>Bills & Receipts</p> <p>Evidence in Care plan for the need for special transport.</p>
15	<p>Opticians & Dentist's home call charges</p>	<p>Where home visit is required as user is unable to access dentist's surgery or opticians. Actual weekly costs averaged over previous year.</p>	<p>Receipts. Allow additional costs of home visits over a year</p>
16	<p>Prescription charges (those 60 or over and on Income Support do not pay these charges)</p>	<p>Cost of an annual season ticket divided by 52 or actual cost of prescription, whichever is less.</p>	<p>Receipts</p>
17	<p>Holidays</p> <p>An allowance will not normally be made where the relationship between the citizen and the service provider is primarily personal rather than contractual. (See note 1)</p>	<p>Disability related supplements, additional cost of a companion. Any calculation of costs will assume a UK based holiday.</p> <p>Aggregate allowable costs for previous year divided by 52.</p> <p>For holidays organized specifically for people with disabilities i.e. Winged Fellowship where it is not possible to identify additional costs incurred due to disability allow excess over £ 474.60 per week.</p>	<p>Receipts</p> <p>Maximum of 14 days a year.</p> <p>Additional costs divided by 52 for the year following the holiday</p>
18	<p>Communications</p>	<p>Actual average weekly costs of communications specifically related to disability</p>	<p>Receipts</p>

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	Discretionary based on costs that would not usually be incurred. Telephone line rental, mobile phone costs, and internet access are now part of everyday life and would not normally be considered as disability related expenditure.		
19	Podiatry Where there is a genuine need that is not being met by NHS.	Actual average weekly costs	Receipts VO to confirm why not met by NHS
20	Osteopathy, physiotherapy, etc Where there is a genuine need that is not being met by NHS.	Actual average weekly costs	Receipts VO to confirm why not met by NHS
21	Chemist/Medical Items Where need arises from disability and not available under prescription.	Actual average weekly costs	Receipts
22	Privately arranged Respite Care To be allowed only where care manager agrees that this could be not funded from the Residential Respite Budget. A Abrahamson must be sent details of care manager's agreement.	To a maximum of what would have been funded by RBWM divided by 52 weeks.	Receipts
23	Hairdressing Where citizen is unable to wash own hair, and hair wash is not part of care package.	Actual average weekly costs	Receipts Maximum of £6.16 per hair wash
24	Other costs caused by illness or disability or that help the Citizen to live independently but only where additional costs are incurred over and above those that an able bodied person of the same age would reasonably incur	Actual average weekly costs	Receipts

Note 1

In line with Adult Care Services Direct Payments Guidance.

See also Judicial Review Stephenson v. Stockton-On-Tees, 12/10/04, which confirms that it is reasonable for councils not to make a Disability Related Expenditure Allowance in respect of care provided by family members.

Note 2

Each April as part of the annual reassessment the total amount awarded for Disability Related expenditure will be increased by the same RPI inflator used by the DWP to calculate benefit increases. Following a full review, normally at 2 yearly intervals, the Disability Related Expenditure will be recalculated and reset to confirm actual expenditure.

Any changes to the above DRE scheme will not impact on an existing Citizens contribution until the completion of that citizens 2 yearly Financial Assessment review.

RBWM PROVIDED AND ARRANGED SERVICES FEES/CHARGES
2010/11

Charges to Personal Budget Holders (PBHs) under Transforming Social Care Policy. OLA refers to Other Local Authorities.

<u>Learning Disability</u>	RBWM PBHs	OLA'S PBHs
<u>Allenby Road</u> Residential Respite	£150.00	£187.50
<u>Brunel and Oakbridge</u> Day Centre session 1:10*	£8.10	£10.20
Day Centre session 1:5	£16.30	£20.40
Day Centre session 1:3	£32.60	£40.70
Day Centre session 1:2	£40.70	£50.90
Day Centre session 1:1	£81.50	£101.90
Community Session 1:10	£5.20	£6.60
Community Session 1:5	£10.50	£13.10
Community Session 1:3	£21.00	£26.20
Community Session 1:2	£26.20	£32.80
Community Session 1:1	£52.50	£65.60
Lunch Session 1:10	£5.10	£6.40
Lunch Session 1:5	£10.20	£12.70
Lunch Session 1:3	£20.40	£25.50
Lunch Session 1:2	£25.50	£31.80
Lunch Session 1:1	£50.90	£63.70
Transport single Journey to day centre / activity (max 2 charges per session)	£5.00	N/A

NOTE: Ratios show staff number to
The number of service users.
i.e. 1:10 is 1 staff to 10 service users.

Older Persons

<u>Windsor & Gardner Day Centres</u> Older Persons Day Centre – per day	£58.00	£72.50
Transport single Journey to day centre / activity (max 2 charges per session)	£5.00	N/A
<u>Homecare</u> – per hour	£20.00	N/A
<u>Meals on wheels</u> – per meal	£3.40	N/A
<u>Residential Respite Care</u> – in residential and nursing homes, arranged by the Council , per week,	£700	

Contribution Policy Consultation responses

Summary

A consultation on the new contribution policy beginning as a result of the Transforming Social Care agenda took place for 8 weeks between Monday 26th October and Friday 18th December 2009.

Service Users, carers, staff and our partners (a list of partners is below) were all given the opportunity to pass comment on the proposed changes. Consultation documents were either posted out, along with stamped, addressed envelopes or e-mailed. In addition all consultation papers and the full version of the draft policy were put onto the RBWM website, made available in the main council offices, libraries and leisure centres. Phone numbers of the Financial Assessment & Benefits team and e-mail addresses were provided so that everyone knew who to speak to with any questions. In total 1092 consultations were distributed, 902 by post and 190 by e-mail.

The consultation stated that currently some services are charged for and others are not. Some people are not assessed as to whether they can afford to contribute towards the cost of their care services. The proposal requires all service users to be assessed so as to ensure that in the future all residents will be assessed on exactly the same basis and it is therefore fair and equitable.

It was set out in an easy to follow format addressing the most likely questions to come from the public. Feedback was requested on whether the new policy was the right approach and if not why, also if anything else should be taken into account in setting the policy.

Responses

108 responses (10% of the distribution) were received to the consultation. Of these 20 of were telephone calls asking questions but not passing an opinion. Of the 88 other responses, 53% agreed that the new contribution policy was fair, 23% disagreed 8% were happy with the current approach and were asking for it not to change and 16% did not express an opinion either way, some making comment that they felt they did not have information on their individual cases so could not judge.

Table A below summarises the feedback from the consultation. It shows who the responder is and the service area that they are concerned about. The majority of the responses relate to Older Persons and Physical Disability (55%) and that it was mainly service users themselves who answered (57%)

TABLE A: Summary of Consultation Response by Care Group and Respondee

Service	Respondee	Agree that the Policy is Fair	Disagree that the Policy is Fair	Do not want Change as are happy with current policy.	Opinion on fairness not passed	Total Responses
Learning Disability	Service User	9	4	1	1	15
	Unpaid Carer	7	3	0	3	13
	Care Professional	0	0	0	0	0
	Not Provided	2	0	0	0	2
	Total LD	18	7	1	4	30
Older People / Physical Disability	Service User	17	5	4	5	31
	Unpaid Carer	6	4	1	1	12
	Care Professional	1	0	0	1	2
	Not Provided	2	1	0	0	3
	Total OP / PD	26	10	5	7	48
Service Not Stated	Service User	1	2	0	1	4
	Unpaid Carer	1	0	0	1	2
	Care Professional	0	0	1	0	1
	Not Provided	1	1	0	1	3
	Total not stated	3	3	1	3	10
	Total over all services	47	20	7	14	88
		53%	23%	8%	16%	100%

The quality of the responses varied from a small number who clearly understood the policy and had valid opinions to put across to those who took the opportunity to tell us their view of the all council activities and comment on the overall use of tax payers money. However most responses provided positive and constructive feedback.

Some of the more common comments received were around the fairness of contributions and why should those that have worked hard and saved their whole life be “penalised” for doing so. There were also concerns around what is perceived as the added pressure of managing a personal budget on individuals and the loss of purchasing power.

Some responses agreed that it was the right approach to make the process fairer but were still concerned as to the effect of the change on a personal basis.

The most common questions coming from the phone calls were from service users concerned that they would be able to continue receiving home-care from the council and those wanting further clarification of the major changes. Again there was concern around purchasing power of the personal budget. The issues raised from the all 20 telephone calls received are set out in Table B below.

Table B Summary of Telephone Responses to the Consultation

	Number of queries
Why have I received the consultation	2
Can I sign an assessment on behalf of my relative	1
Can I continue to receive home care from Council	8
Will this affect Council's bulk purchasing power	2
Clarification of purpose of consultation	4
Whose views required – carers or service users	1
Further clarification of major changes	8
A general query on Social care and other Council services	1
Who should I contact if I have a problem.	1
How will this impact on residential respite contributions	2
Effect on community equipment allocations	1
Will there be any impact on Council in-house services	1
Difficult for citizens to manage budgets	4

Conclusion

The conclusion drawn from the consultation responses received is that the policy perceived as fair. The responses did not indicate changes were required to any particular aspect of the proposed policy.

An extensive consultation was carried out over the 6 week period and consultation pack were sent to all of the “stakeholders” listed in Table C below.

Table C List of Stakeholders sent a Consultation Pack.
Social care users
General public
Staff
Councillors
Carers Partnership Board
Physical Disability and Sensory Impairment Partnership Board
East Berkshire Local Implementation Team
Learning Disability Partnership Board
Older Peoples' Partnership Board
Older Persons Advisory Forum
Adam Afriyie, MP
Theresa May, MP
Wokingham Borough Council
Slough Borough Council
Bracknell Forest Council

Crossroads
Windsor and Maidenhead Voluntary Action (WMVA)
Berkshire East Primary Care Trust (PCT)
Heatherwood and Wexham Park Hospital Trust
Royal National Institute for Deaf People
Department of Health
Barnardos
Choice Ltd
Care UK
WRVS
Leonard Cheshire Disability
Medico
Princess Royal Trust
Homecall
Lookahead
Mencap
Local Involvement Networks (LINks)
Turnstone
Age Concern Slough
People to Places
Berkshire Care Association
Owl Housing
Adult Dyslexia Centre
Advance Housing
Age Concern Windsor
Alzheimer's Society Maidenhead Branch
Appleberry Care
Applegarth Care Home
Ascot Nursing Home
Ascot Residential Homes LTD
Blue Bird Care
Bramerton
Burnham Lodge
Care Response
Careforce
Carewatch Care Services
Central & Cecil Head Office
Central and Cecil
Chalfont Lodge Nursing Home (Barchester Healthcare)
Chandos Lodge Nursing Home
Cherry Garden Nursing Home
Clara Court
Comfort Care Services
CONNEXIONS Thames Valley
Cookham Riverside Nursing Home

Creative Support
Eton House
Foxleigh Grove
Golden Rose
Harwood House Nursing Home
Herewards House Residential Home
Jigsaw Creative Care
King Edward VI Club
Larchfield Nursing Home
Larkland House
Leonard Cheshire Disability
Log On to Care
Longlea
Lynwood Nursing Home
Maidenhead Mencap
Manor House
MDHA
Meadowbank
Milbury Care (Southern Region)
Miller Care
Moor Cottage Residential Home
Old Windsor Day Centre
Primary Healthcare
Princess Royal Trust
Princess Royal Trust Core Services (BME)
REACH Disability Care
Rethink
Sandridge House Nursing Home
St Christophers Care Home (Ascot Res Home)
St Davids Nursing Home (Ascot Residential Home)
Thames Hospice Care
United Voices of Windsor & Maidenhead
Universal Care Ltd
Vansett Nursing Home
Whitelodge
Windsor Mencap Buddy Scheme
Community Partnership:
Legoland
Job Centre Plus
Royal Berkshire Fire & Rescue Service
South Central Ambulance Service
Federation of Small Businesses
Wraysbury Parish

Appendix C

Thames Valley Chamber of Commerce
Environment Agency
Community Council for Berkshire
Thames Valley Probation Services
National Trust
Centrica
Thames Water Local Regional Government Liaison
Berks Economic Strategy Board
Government Office South East (GOSE)
East Berkshire College Principal
Chamber of Commerce - Maidenhead
Housing Solutions
LiaseOnline Limited
Windsor and Maidenhead Community Forum (WAMCF)
Radian Housing
Family Friends
Citizens Advice Bureau
Windsor Housing Association
Housing Solutions Group
Berkshire College of Agriculture
Crown Estates
Berkshire Learning & Skills Council
Thames Valley Police
Community Council for Berkshire
Social Enterprise Berkshire
Transition Town Maidenhead
Coldstream Guards Community Engagement Group