

Report To: **Cabinet**

Date of Meeting: **26 April 2016**

Lead Member / Officer: **Councillor Bobby Feeley / Phil Gilroy**

Report Author: **Siobhan Cuddeford**

Title: **Financial Assessment and Charging under the Social Services and Well-being (Wales) Act 2014**

1. What is the report about?

To advise Members of mandatory and discretionary changes regarding Financial Assessment and Charging as per the requirements of the Social Services and Well-being (Wales) Act 2014

2. What is the reason for making this report?

To provide information to Members changes regarding financial assessment and charging under the Social Services and Well-being (Wales) Act 2014 and to request a decision to introduce the discretionary change to an Income Disregard for non-residential financial assessments in July 2016, after a period of pre-communication with current recipients.

3. What are the Recommendations?

- 3.1 That Cabinet notes the mandatory changes in the Act of a non-residential financial assessment and capped contribution of £60.00 per week for person's receiving short term/respite care of less than 8 weeks.
- 3.2 That Cabinet approves the proposal to introduce the discretionary change to the Income Disregard for non-residential financial assessments in July 2016, after a period of pre-communication with current recipients.

4. Report details

- 4.1 The Social Services and Well-being (Wales) Act came into force on 6th April 2016. The Act brings together local authorities' duties and functions in relation to improving the well-being of people who need care and support, and carers who need support, into a single piece of legislation. New Regulations and a Code of Practice in relation to financial assessment and charging come into force, replacing the existing statutory frame work which will cease to have effect. This requires a change to our policies and procedures in line with the Act to ensure that our staff within Community Support Services and partner agencies are aware of the implications the new legislation brings.
- 4.2 Work has been undertaken to identify areas of significant change and also areas which will allow the Authority to apply additional charges to help alleviate the budget pressures facing Community Support Services.

4.3 This report draws attention to the two areas of significant impact to the Authority contained within the Legislation, the capping of fees for Short Term/Respite Care and changes in Disability Living Allowance (DLA) (Care) and Attendance Allowance (AA) income disregard.

4.4 Section 9.3 of the Code of Practice

Where a person is a short-term resident (ie a stay not exceeding eight weeks) in a care home and a local authority uses its discretion to charge for this, it **must** undertake any financial assessment of a person's means to do this as if the person were receiving non-residential care and support (domiciliary care), or receiving direct payments for non-residential care and support. Non-residential care and support fees are capped at £60.00 per week which is significantly less than the authority's short-term residential fees and it has been calculated that **this will result in a loss of income of £120K per annum.**

4.5 Section 11 of the Code of Practice

This section relates to 'Charging for care and support in the community including a person's own home'. It brings in a significant change which sees the removal of the income disregard of £27.20 between the higher and middle rate of DLA or AA. This means that people in receipt of higher DLA or AA benefit could be charged or asked to contribute up to an additional £27.20 per week towards their care and support costs. However, after charging local authorities **must** leave a person who is being charged with a minimum income amount (MIA).

4.6 The potential income generation opportunity for the Authority will not be fully known until all recipients have been financially reassessed, but it is anticipated that this will compensate for the loss of income due to the changes for charging for short term/respice care.

5. How does the decision contribute to the Corporate Priorities?

5.1 The priority for Community Support Services is that vulnerable people are protected and are able to live as independently as possible with the overarching priority of modernising the council to deliver efficiencies and improve services for our customers.

5.2 If the loss of £120k income from the mandatory change to charging for short-term care is not recovered then both of these priorities would be compromised.

6. What will it cost and how will it affect other services?

6.1 The capping of short term/respice care fees at £60 per week will result in an estimated income reduction of £120K per annum unless this is offset by implementing the disregard for DLA and AA.

6.2 A financial reassessment of all service users affected would need to be undertaken but it is felt that this work could be accommodated within the existing resources allocated to the Finance, Income and Assessment Team.

6.3 It is estimated that 95 Individuals who previously were financially assessed to make no contribution currently towards their care and support will be asked to contribute from

£1.00 up to a maximum of £27.20 per week. All Individuals currently receiving this income disregard will be provided with information on how they will be affected and also how to apply for a Waiver if they feel that this increase to their contribution will cause them hardship. This resultant added workload can be managed within Community Support Services.

7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report

The changes are a result of new national legislation, for which the Equality Impact Assessment is the responsibility of Welsh Government.

8. What consultations have been carried out with Scrutiny and others?

Welsh Government have confirmed that implementing changes in line with the Act, Regulations and Code of Practice do not require separate consultation with citizens, as a full consultation process was undertaken by Welsh Government whilst implementing the Act.

9. Chief Finance Officer Statement

The cost implications are potentially significant if not offset by compensating discretionary changes. The implications should be contained within existing service resources in the current financial year and reviewed as part of the budget process going forward.

10. What risks are there and is there anything we can do to reduce them?

10.1 If the discretionary changes are not agreed, there will be a loss of £120k income to the Council. This could result in a reduction of services available to vulnerable people

10.2 Individuals may not understand or agree with the changes to their contributions towards the cost of the care and support. However, implementation of the changes to the Income Disregard is planned for July 2016 and this will allow time for the Finance, Income & Assessment Team to publicise the changes and assess the impact on individuals and notify them of this. It will also provide an opportunity for care and support recipients to raise questions and concerns ahead of the implementation.

10.3 Whilst the changes are a result of new national legislation, the implementation is being undertaken locally by each authority. Bringing this change in from July will also align Denbighshire regionally with other authorities' implementation of changes under the Act.

11. Power to make the Decision

The Social Services & Well-being (Wales) Act 2014 gives Local Authorities discretionary powers to charge for care and support services.