

CABINET

12 JULY 2011

REPORT OF THE CABINET MEMBER FOR HEALTH AND ADULT SERVICES

Title: Towards a Fairer Contributions Policy for adult social care: Consultation responses and final proposals	For Decision
<p>Summary: Adult social care is under considerable financial pressure as a result of demographic pressures, increased numbers of people with complex needs, increased expectations and reduced funding from central Government. These pressures are recognised nationally and the Dilnot Commission is expected to report to the Government with recommendations on these matters in July 2011. This will form the subject of a Cabinet report in October 2011.</p> <p>On 15 March 2011, Cabinet approved consultation on a set of proposals designed to increase income for adult social care through the contributions made towards the cost of non-residential social care services, in order to maintain quality service provision which is good value for money, without putting an unacceptable financial burden on local residents.</p> <p>The proposals for the Fairer Contributions consultation were as follows:</p> <ul style="list-style-type: none">• Including all community based services in line with Government guidance• Increasing the proportion of disability related benefits included as income• Protecting people on lower incomes by only taking up to 75% of their disposable income• Increasing waived charges from £1 to £5• Guaranteeing an extra £10 a week for people aged over 85• Protecting people by introducing a staged maximum increase in their contribution for the next two and a half years (transitional protection). <p>The proposals were reviewed by Health and Adult Social Care Select Committee (HASSC) on the 20 April 2011.</p> <p>This report collates the responses from the consultation and provides recommendations for agreement by Cabinet. These recommendations will still mean that residents in the London Borough of Barking and Dagenham are better off than those in Redbridge and Havering.</p> <p>If agreed, the revised proposals will be introduced on 1 October 2011.</p> <p>Wards Affected: All</p>	
<p>Recommendation(s)</p> <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none">• Note the consultation	

- Consider the recommendations from HASSC
- Consider the suggested changes following consultation
- Agree the recommendations listed at Appendix 7

Reason

In order to continue to provide services to our most vulnerable people, the contribution to the cost of those services needs to be increased.

New guidance has been issued by the Department of Health which requires substantial changes to be made to the existing charging and contributions policy for non-residential care. We have reflected the responses from the consultation to modify the proposals to protect residents with high needs and low incomes.

Comments of the Chief Financial Officer

The comments appear below in Section 3.

Legal Comments

The comments of the Legal Officer appear below in Section 4

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1. Background

- 1.1 Adult social care is under unprecedented pressure as a result of demographic changes and increased numbers of people with complex needs living longer. This is against a backdrop of increased expectations in levels and quality of care and the significantly reduced funding available as a result of Government review of spending allocations for Councils.
- 1.2 The Government have recognised the national dilemma and set up the Commission on Funding of Care and Support – this is an independent body responsible for the review of the funding system for care and support in England. Launched on 20th July 2010, the Commission is chaired by Andrew Dilnot with Lord Norman Warner and Dame Jo Williams as fellow Commissioners. The Commission will be building on the extensive body of work that has already been done in this area and provide recommendations and advice on how to implement the best option to Government by July 2011. This will be reported to Cabinet in October 2011.

- 1.3 This report considers the consultation responses to the proposals to reform service user contributions to the costs of non-residential care. The consultation proposals were agreed by Cabinet on 15 March 2011 in a report which also detailed the current banded system for home care charging, the reasons for change and descriptions and implications of the new proposals.
- 1.4 The proposals were designed to:
- Make sure people on lower incomes have enough money to meet the rising costs of living
 - Give additional protection to people aged 85 and over
 - Increase charges gradually for current service users
 - Raise enough income so that we can continue to provide quality services to our vulnerable residents
- 1.5 The proposal also stated the following principles would remain:
- Only pay for services if you can afford it
 - Not levying a charge on savings between £14,250 and £23,250
 - Continue to provide free community based services for family carers.

2 Recommendations

2.1 Consultation and scrutiny

- 2.1.1 The proposals were scrutinised by the Health and Adult Services Select Committee on the 20 April 2011.
- 2.1.2 The proposals also went out to consultation to members of the public, service users and their representatives and local organisations. The consultation process involved a number of methods of consultation over a two month period; these included-
- On-line questionnaire
 - Postal questionnaires
 - Consultation with key stakeholders
 - Telephone helpline
 - Individual Appointments and Home Visits
- 2.1.3 A different response to the proposals was received depending on the method of consultation. Broadly, once people had the opportunity to discuss the proposals, the rationale behind them and the impact on their individual circumstances, the meetings indicated a broad acceptance of the proposals and support for the various protections offered to people on lower incomes and our older residents.

Conversely, the questionnaires indicated a broad acceptance of some of the protections and a reluctance to accept any changes, including those designed

to protect people on lower income levels such as the maximum contribution levels or the transitional protection.

Further consultation took place with a small random sample of questionnaire respondents to explore why they had commented on some of the proposals in the way that they had. Where further explanation was given, over half of respondents who had responded negatively to the proposals the first time changed their mind.

2.1.4 Health and Adult Services Select Committee

The Select Committee commented that the non-residential charging policy had not been updated over many years and considered the new proposals to be not only overdue but fair and justified. A recommendation was made that the policy should be kept under regular review. The policy will be reviewed annually from April 2012 and at other times – such as where there are significant changes to the benefit system, to ensure that the key principles of the policy are adhered to.

HASSC also recommended that consideration is given to introducing the changes in October 2011, and then increasing annually in October 2012 and October 2013. The original proposal was to increase charges in April of every year in line with the updating of benefits and charges set as part of the Council's budget. This is discussed further at 2.2.8.

HASSC recommended further publicising of the hardship waiver. The proposed policy should avoid people falling into hardship. However, the financial assessment will be tailored to help pick up any issues of people in hardship as a result of the Fairer Contributions Policy and will ensure that the reductions and waiver policy is utilised at that point. In extreme cases, service charges can be waived at the discretion of the Corporate Director.

2.1.5 Meetings with Key Stakeholders

Owing to the complexity of the proposals, officers visited a number of groups and forums in order to facilitate comments on the proposals through presentation, discussion and question and answer sessions. The groups and forums were attended by a combination of individuals representing themselves and organisations and individuals representing various relevant interest groups. This enabled in principle discussions to take place as well as individual case examples based on personal circumstances to be explored either individually or within the meetings.

Information was circulated to a wide variety of forums and meetings for comment and officers requested invitations to the meetings to consult on the policy. The following meetings were attended:

- Disability Equality Forum
- Carers Networking Group
- Practitioners Forum
- Personalisation Customer Reference Group

- Advisory Partners
- Carers Coffee Morning
- Forum for the Elderly

Where people were able to ask questions and explore the implications of the proposals, residents' and their representatives responded to the proposals more favourably. The feedback from the forums is included alongside the proposals.

2.1.6 Questionnaires

The consultation opened at the beginning of April with an on-line consultation on the London Borough of Barking and Dagenham homepage. This was publicised by an article in the News and followed up with a postal questionnaire to 1,900 service users who could be affected. The mail out included:

- The proposals (Appendix 1)
- The questionnaire (Appendix 2)
- A stamped addressed reply envelope

A week later the same mail out was sent to 1,000 people registered to Barking and Dagenham's Local Involvement Network.

460 people completed the questionnaire on-line or by post of which:

- 245 (53.3%) were service users
- 53 (11.5%) were carers
- 162 (35.2%) did not identify themselves or were neither service users nor carers.

Appendix 3 provides further information about the respondents. An analysis of respondents shows that there was a slight under-representation of older people and an over-representation of disabled people, particularly those with learning disabilities and sensory impairments. Given the impact of the changes on disabled people, this over-representation is to be welcomed.

2.1.7 Appointments, Visits and Telephone Feedback

Appointment sessions were offered so that residents could discuss how the proposals would affect them. A member of the benefits team attended to give advice.

Home visits were also offered to explain the proposals in more detail and support local residents to complete the questionnaire. This was offer taken up by 13 residents.

The Council also responded to residents' queries over the phone and one letter was received detailing outstanding concerns following their individual appointment.

2.2 Recommendations

2.2.1 The Fairer Contributions consultation contained 6 key proposals which people were invited to comment on. Of these, there was almost unanimous support for two proposals and a variety of views on the remaining 4 proposals.

2.2.2 The proposals that received unanimous support from both questionnaires and meetings were that :

- People should not pay charges of £5 or less
- People aged over 85 should have an additional £10 added to the minimum guaranteed income.

It should be noted, however, that some people thought that it was unfair that only older people should be offered additional protection, and there was a view that this should be extended to people with complex needs from carers of people with learning disabilities.

2.2.3 Recommendation 1: Increase the waiver from £1 to £5

Currently the Council do not charge people (waive charges) where their contribution is assessed as £1 or lower.

The Council consulted on increasing this to £5. This will mean a loss in income of £9,500 but provides valuable protection to approximately 75 residents on the lowest income.

This proposal was well received and supported and it is recommended that this is implemented as part of the Fairer Contributions Policy.

Recommendation 1– The Council should provide free services to people who are assessed as needing to make a contribution of less than £5.

2.2.4 Recommendation 2 : People aged 85 and over should receive an extra £10 per week.

As part of the financial assessment, the Council ensures that everyone has a “guaranteed minimum income”. This is a nationally determined amount based upon income support levels plus 25% which ensures that people have enough money to meet their every day needs. The Council only asks people to contribute towards the cost of their care if they have disposable income above this amount.

In 2011/12 the guaranteed minimum weekly income levels for residents are:

Table 1 - Guaranteed Minimum Income

Age	2011/12
85+ (Barking and Dagenham)	£181.88
60+ (nationally)	£171.88
25-59	£138.00
18-24	£120.44

The Council proposed that an extra £10 protection was added for those aged 85 and over. This will mean that anyone aged 85 or over will have a protected weekly income of £181.88 before they are asked to contribute anything towards the cost of their care services.

This proposal was supported both through written responses and at the various forums, although some people thought it should also be extended to other groups. It is therefore recommended that the Fairer Contributions Policy includes this extra £10 for older people aged 85 and above.

Recommendation 2– The Council should build in an extra £10 protection into the guaranteed minimum income for people aged 85 and over.

2.2.5 Recommendation 3 and 4: Change how the Council treats disability related income

Currently the Council disregards 75% of both Severe Disability Premium/Allowance and Disability Living Allowance in the financial assessment.

Consultation took place on including 100% of Severe Disability Premium/Allowance in line with national guidance, and reducing the disability disregard from 75% to 25%.

Consultation feedback revealed concerns that the new proposals would mean that people with complex needs or high levels of disability would not have enough money to meet all of the additional costs of living with a disability – e.g. a special diet or wear and tear on clothing. Some people felt that there should be extra protection for people high levels of disability as there is for residents aged 85 and over.

It is therefore proposed that level of disability related benefits disregarded in financial assessments is changed from 75% to 65% for people on the higher levels of Disability Living Allowance or Attendance Allowance. This revised proposal will effectively give an extra £7.36 on top of the minimum guaranteed income to people with the most complex needs.

Table 2 - Disability related benefits included in financial assessments

Disability Related Benefit	Level	2011/12 benefit level	March 15 proposal	Revised proposal	Income not chargeable
Disability Living Allowance	Higher	£73.60	£55.20	£47.84	£25.76
	Medium	£49.30	£36.98	£36.98	£12.32
	Lower	£19.55	£14.66	£14.66	£4.89
Attendance Allowance	Higher	£73.60	£55.20	£47.84	£25.76
	Lower	£49.30	£36.98	£36.98	£12.32

When we compare the modelling on who contributes to the costs of their care, this will mean that an additional 61 people will continue receiving free services.

This change will mean a loss of income of :

2011/12 -	£12,000
2012/13 -	£49,000
2013/14 -	£77,000

It is recommended that the Council includes 100% of Severe Disability Premium/Allowance in line with national practice. It is further recommended that a two tier disability disregard is implemented as a response to the concerns expressed by respondents. This will mean that people who receive higher levels of DLA and AA because of the level of their needs have an extra £7.36 to meet the additional costs of living with a disability.

Recommendation 3 – The Council will include 100% of Severe Disability Premium/Allowance in the financial assessment in line with national guidance

Recommendation 4 – The Council will reduce the disability disregard from 75% to 25% for people on lower levels of DLA and AA. The Council will reduce the disability disregard from 75% to 35% for people on the higher levels of DLA and AA.

2.2.6 Paying for all community based services

At the moment, people only contribute towards the cost of home care if they have enough weekly income. The Government has issued statutory guidance which states that Councils must charge for the care package as a whole, not for individual services.

The Council therefore consulted on whether this was fair or not. Those consulted in meetings recognised that it was unfair to charge for home care and not other services. However, there was concern about the financial impact of this on the overall family income, particularly for families with someone with a severe learning disability. Once case examples were worked out, and people understood the proposals, this proposal was accepted.

However respondents who used the questionnaires showed a high level of disagreement with this proposal on the basis that they may have to pay more for services they were currently receiving. Although the consultation document did make this clear, the Council will need to ensure that the implementation process enables our service users and carers to understand that this is a response to Government guidance.

Recommendation 5 – The Council will ask for contributions towards the cost of the care package not individual services, as required by Government guidance.

2.2.7 75% rather than 100% of disposable income

The Council currently operates a banding system for charging for home care. The banding system requires that service users are charged for home care according to the number of hours they receive with a maximum payment of £25.10. Whilst this policy was devised with the best of intentions, subsequently it has been discovered that it is unfair for people with very low incomes who pay the same as people on higher incomes. Some people on low incomes may contribute most, or all, of their disposable income towards the cost of their care. The Council therefore wanted to make changes to protect people on lower incomes by making sure that no-one is ever charged more than 75% of their disposable income.

The response to this proposal from questionnaire respondents was negative. It is suspected that this proposal was misunderstood by the respondents who thought that the questionnaire asked whether the Council could ask for 75% of their entire weekly income as opposed to 75% of their disposable weekly income. Disposable weekly income is what people have left after the minimum guaranteed income, housing costs and the disability disregard has been deducted.

A small random sample of 20 respondents were contacted to explain this proposal further to ascertain whether this response was due to misunderstanding the question. After explanation, 11 thought it was fairer and 3 were still unsure. The remaining 6 people did not want to pay more.

The feedback from meetings was broadly in support of this, with the exception of the Disability Equality Forum where this concern was linked with meeting the additional costs of living with a disability.

Because of the response from local residents, further benchmarking was undertaken to ascertain the levels of protection afforded to local residents. If the Council further decreased the maximum amount available for contributing to the costs of care from 75% of disposable income, the Council would be out of line with the majority of other local authorities – currently 76 of 82 local authorities take 80% or more of an individual's disposable income into consideration when establishing the level of contribution. The London Borough of Redbridge currently takes up to 100% of disposable income, and

the London Borough of Havering takes up to 90%. Only 6 councils charge less than 75%.

The Disability Equality Forum also requested that the Council compare the proposals with the Fairer Contributions Policy of the London Borough of Hackney. The London Borough of Hackney did not respond to the benchmarking previously described.

The London Borough of Hackney consider up to 50% of disposable income and 33% of disability related benefits in determining the level of contribution that service users pay. However, Hackney do not have any transitional protection in place nor do they include an additional £10 for older people or a minimum charge of £5. The policies were compared using a number of scenarios based on actual cases. Overall, the combination of protections offered by the Council mean that the majority of residents will be better off as a result of the current proposals rather than adopting the current Hackney policy for 2011-2.

Recommendation 6 - The Council will take 75% of disposable income into consideration when setting the maximum level of contribution.

2.2.8 Introduction of transitional protection

Transitional protection was proposed to prevent existing service users experiencing an excessive hike in costs. The Council took the unusual step of building in transitional protection over 3 years – most Councils expect service users to pay the full cost immediately. A small minority have opted for a transitional increase in the first year only.

However, the response to this issue was negative from people who responded using questionnaires. Most people responded to this on the understanding that they would pay this increase regardless and so opposed it. Comments indicated that the respondents opposed any increase in charges rather than a capped increase.

Discussion with groups indicated that there was broad support for this method, especially when individual case examples were talked through and people could see how the transition worked. The only exception to this was the Disability Equality Forum where there was a suggestion that people should contribute £1 more each week until they reached the level they should be paying. For many people, however, this would mean that they paid more sooner.

HASSC also recommended that consideration is given to increasing charges annually from October 2011 rather than having a 6 month period followed by annual increases.

Benefit levels change every year in April and the Council also implements any inflationary increases from that date and so there is one change for service users every year. If we were to implement increases as a result of transitional

protection, people could be subject to revised increased contributions twice a year. Given that the feedback was that people were worried about increases to the level of their payment, rather than when it happened, it is recommended that this proposal remains with one change a year.

Recommendation 7 – The Council implements transitional protection of a maximum of £10 in October 2011 until March 2012 and a maximum increase of an additional £20 from April 2012 and an additional £20 from April 2013.

3 Financial Issues

£450,000 was collected from home care charging from April 2010 to March 2011.

The table below shows the money expected to be recouped through contributions from service users with and without implementation of the revised proposals.

Table 3 - Money recouped through contributions (please note these figures are based upon an updated cohort)

	Income without changes plus estimated inflationary uplift	Income with proposed changes	Additional income generated
Total Income 2011-12	£450,000	£600,000	£150,000
Total Income 2012-13 +2%	£459,000	£809,000	£350,000
Total Income 2013-14 +2%	£468,000	£1,018,000	£550,000

4. Legal Issues

The National Assistance Act 1948 created a duty to provide residential accommodation (s 21) and a duty to provide welfare services (s 29). The Chronically Sick and Disabled Persons Act 1970 ("CSDPA") set out duties placed on local authorities to provide for disabled adults. The National Health Service and Community Care Act 1990 ("NHSCCA") introduced the concept of care in the community.

The basic legal framework for community care services is as set out in Section 47(1) of NHSCCA 1990:

Where it appears to a Local Authority that any person for whom they may provide or arrange for the provision of community care services may be in need of any such services, the Authority

- (a) shall carry out an assessment of his needs for those services; and
- (b) having regard to the results of that assessment, shall then decide whether his needs call for the provision by them of any such services.

The full list of statutory provisions under which community care services are provided is contained in section 46(3) NHSCCA.

When carrying out assessments of need and making service provision decisions local authorities have a duty to act under national guidance. New guidance was issued in February 2010 "Prioritising need in the context of Putting People First: A whole system approach to eligibility for social care." However the new guidance cross-refers to *FACS*, and states that the original principles of *FACS* "hold firm."

In setting eligibility criteria councils have to take account of their resources, local expectations and local costs. *FACS* explains that councils should take account of agreements with the NHS and other agencies (paragraph 18) and consult users, carers and others (paragraph 20). Paragraph 12 of *FACS* has a specific reference to human rights and discrimination law, noting that when drawing up eligibility criteria for adult social care, councils should have regard to the Sex Discrimination Act 1975, the Disability Discrimination Act 1995, the Human Rights Act 1998, and the Race Relations (Amendment) Act 2000.

The recent Birmingham Judgement (*R (W) v Birmingham City Council* [2011] EWHC 1147 called into question the provision made for those with disabilities and any prospective changes to the provision of care, it also highlighted the importance for local authorities to have due regard to the disability equality duty pursuant to the Disability Discrimination Act 1995 s 49A

Section 49A General duty

- (1) Every public authority shall in carrying out its functions have due regard to-
- (a) the need to eliminate discrimination that is unlawful under this Act;
 - (b) the need to eliminate harassment of disabled persons that is related to their disabilities;
 - (c) the need to promote equality of opportunity between disabled persons and other persons;
 - (d) the need to take steps to take account of disabled persons' disabilities, even where that involves treating disabled persons more favourably than other persons;
 - (e) the need to promote positive attitudes towards disabled persons; and
 - (f) the need to encourage participation by disabled persons in public life.

R (W) v Birmingham CC [2011] Admin (Walker J): "The council's decision to restrict eligibility for adult care services to critical needs only had been unlawful because (1) in breach of section 49A of the Disability Discrimination Act 1995, the material provided to decision makers contained no attempt to assess the likely adverse impact on those with "only" substantial needs and the likely effect of the council's proposed mitigating steps, and neither did it draw attention to the duty to have due regard to the needs set out in section 49A when considering what decision to reach, (2) the consultation process failed to attempt to elicit information about the likely adverse impact of the proposed changes and failed to provide consultees with adequate information about the precise nature of the proposed change in eligible needs and about the financial."

The equality impact assessment (EIA) in Appendix 5 gives the Council the opportunity to ensure that there is a systematic assessment of the likely effects on service users in the community of the proposed changes to the charging policy. The EIA is an integral part of this review. Members in considering the recommendations to this report must have due regard to the findings of the EIA including whether opportunity has been taken to promote equality as well as whether any negative or adverse impacts have been effectively mitigated or removed.

Throughout the process the impact on the individual circumstances has been recognised through anonymous real life case studies and the offer, as part of the consultation process, to examine the impact of the proposals on peoples' own circumstances. This, together with consultation with key stakeholders , has resulted in a recommended change to the original proposals.

As part of the implementation of the policy, there will continue to be opportunities for individual assessments through planned surgeries and home visits and officers will monitor the impact of the changes, and in line with best practice, keep the policy under review.

In order not to fetter the authority's discretion, it is proposed that the Corporate Director of Adult and Community Services, can as now, waive or reduce charges

5. Other Implications

The majority of our service users have an impairment of some kind which means that they require adult social care. This is most apparent in terms of the numbers of people who receive disability-related benefits and access support services. The changes in how disability benefits are treated means that some disabled people will be expected to increase their financial contribution or begin to contribute towards meeting their support needs.

Disability related benefits are provided to meet the costs of living with a disability such as meeting support needs. However, consultation with individuals and key stakeholders highlighted the circumstances of individuals with complex needs where there may be some needs that would not be met through adult social care, such as dietary needs. In these circumstances, the response was that 25% disability disregard would not be sufficient for people with complex needs to meet all the additional costs of their disability. The proposed disregard has therefore been adjusted to 35%

Local people will still be comparatively better off in comparison with national practice.

Consultation with individuals, different groups and forums is reflected in this report and the full Equalities Impact Assessment (appendix 5).

5.1 Risk Management

Traditionally people on low incomes are reliant on state benefits and will regard any additional disability benefits as part of their overall household accommodation.

The phasing in of payments and the transitional protection will help people manage their household costs. Where people withdraw from services as a result of increased contributions, further investigation will take place to ensure that they are not at risk.

In order not to fetter the authority's discretion, it is proposed that the Corporate Director of Adult and Community Services, can as now, waive or reduce charges.

5.2 Customer Impact

Officers have carried out detailed analysis of the impact of the proposals on the people who currently receive home care services where we have detailed financial information. This is because this group of service users are financially assessed. We have also predicted the number of people who will be charged because of the requirement to include all services.

Based on this information, we have modelled the impact for 1,100 non residential service users:

- **53% of people will get free services or pay less**
 - 575 (52%) service users will still receive free services
 - 15 (1%) will pay less than they pay now
- **5% (51) of people will pay the same contribution to the cost of their care package**
- **41% of people will pay for the first time or pay more.**

All people who receive services also receive a full social care assessment and regular reviews. We will carefully monitor the impact on service users and any decisions to no longer use services because of the financial impact.

5.3 Safeguarding Children and Adults

There are no direct implications for safeguarding children, but where there are disabled parents the Fairer Contributions Policy may impact on the household income. Any safeguarding issues will be identified through the assessment process and a plan put into place to ensure the well-being of the family . This will require close working between Adults' and Children's services.

There may be implications for adults at risk in terms of safeguarding, particularly financial abuse. For example some family members could choose

to cancel services on behalf of relatives which could put service users at risk. Equally service users may also do this – where people have the capacity to do this, they are entitled to make unwise decisions.

Service cancellations will be monitored to ensure that where this does happen, risk assessments and further investigation will take place. Service users will also receive regular reviews to ensure that their needs are being met.

5.4 Health Issues

The implementation of the Fairer Contributions proposals will enable the Council to continue to provide quality services which maintain the health and well being of current and future service users.

If the proposals are not implemented then the continued provision of quality services will be unaffordable.

6. Options Appraisal

- 6.1 The 'do nothing' option will see the continuation of the banded system for charging for home care. This is not advisable for three reasons:
- The continued provision of non residential services will be unaffordable
 - The banded system would be contrary to the Government's Fairer Contributions Guidance
 - The exclusion of other non-residential services means that an unfair burden is on home care service users to pay for resident's social care
 - The unintended impact of the banded system is that it is generous for local residents but not fair for people on the lowest incomes

- 6.2 The Fairer Contributions Policy is an extremely complex policy as it aims to increase income whilst at the same time avoiding passing an unreasonable financial burden on to current and future service users.

The Policy could be designed to maximise income through:

- Charging carers
- Including 100% of disposable income in determining the financial contribution
- Not implementing a waiver at all or keeping the waiver of £1
- Using the guaranteed minimum income levels for all residents
- Expecting all residents to pay the revised full cost from the beginning.
- A disability disregard of 25% for all disabled people

This option is not recommended because the Council is committed to ensuring that local residents on lower incomes receive an element of protection to enable them to cope with the current economic pressures.

- 6.3 The Policy could be designed to generate less income through:
- A higher disability disregard

- A lower proportion of disposable income in determining the financial contribution
- A higher waiver
- Increased transitional protection
- Increasing guaranteed minimum income levels

This option is not recommended for two reasons. Residents in Barking and Dagenham will still be better off than residents in Havering or Redbridge when these changes are implemented. If we adjust the policy further Barking and Dagenham will be out of line with contributions policies across London.

Generating less income could lead to an early review of the Fairer Contributions Policy in order to generate more income or some reductions to service quality or activity levels.

7. Background Papers Used in the Preparation of the Report

1. R(W) v. Birmingham City Council, 19 May 2011.
2. Towards a Fairer Contributions Policy for Adult Social Care: Cabinet Report, 15 March 2011
3. Fairer Contributions Guidance: Calculating an individual's contribution to their personal budget. Department of Health, November 2010
4. Fairer charging policies for home care and other non-residential social services: guidance for Councils with Social Services Responsibilities – Department of Health, September 2003
5. Prioritising need in the context of *Putting People First: A whole system approach to eligibility for social support* - Department of Health, February 2010
6. Report of the Cabinet Member for Finance, Revenues and Benefits 'Fees and Charges 2011/12', LBBD, 21 December 2010

8. List of appendices:

Appendix 1 – The Proposals

Appendix 2 – The Questionnaire

Appendix 3 – Information on those consulted

Appendix 4 – Collated Questionnaire responses

Appendix 5 – Full Equality Impact Assessment

Appendix 6 – Fairer Contributions Policy

Appendix 7 – Summary of Recommendations