

Cabinet

16 March 2016

Proposal for Changes to the Charging Policy for Non-Residential Social Care Services



Report of Corporate Management Team

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Purpose of Report

1. To seek Cabinet approval to begin consultation on proposed changes to the non-residential charging policy for people who receive social care services.
2. The proposed changes would apply to 'Disability Related Expenditure' disregards that we take into account in calculating what we charge for non – residential social care services where the service user is in receipt of the Severe Disability Premium (SDP).
3. These changes would bring the Council's policy in-line with other authorities in the region and it would mean that disregards for disability related expenditure are based on what people actually spend rather than a set notional amount, which would mean that all service users are treated fairly and equitably.
4. Subject to consultation, the proposed changes would be implemented for all new client financial assessments processed after 1 October 2016, delivering an estimated £1 million of savings as part of the Council's Medium Term Financial Plan (MTFP) across the period 2016/17 to 2019/20.

Background

5. As outlined in the Council's 2016/17 Budget and Medium Term Financial Plan report agreed by Full Council on 24 February, the financial outlook for the Council continues to be extremely challenging.
6. The impact on the Council's Medium Term Financial Plan is an additional funding reduction of £104.4 million over the four year period 2016/17 to 2019/20 with a £36.95 million reduction in 2016/17. The scale of the financial challenge faced by the Council is therefore very significant.

7. By 31 March 2016, savings of £153.2 million will have been delivered since the beginning of austerity in 2011/12 and it is forecast that this figure will exceed £257 million by 2019/20.
8. The Council's Non-Residential charging policy was reviewed in 2011 and again in 2013 when the following changes were implemented:
 - Charges for day care services were introduced in 2011/12;
 - Service users with savings over £23,250 were required to meet the full cost of their non-residential care services from November 2013.
9. The combined impact of these changes resulted in savings of £1.7 million being delivered across the period 2011/12 and 2013/14.

Current Charging Policy and Process

10. A local authority which intends to charge people in receipt of non-residential services has a duty to carry out a financial assessment to calculate how much they, in theory, should be able to afford to contribute towards the services they receive. The assessment is a 'means test' undertaken in line with statutory guidance and takes into account relevant income that the clients receive, including welfare benefits, plus any savings and assets that they may have.
11. The financial assessment is undertaken by telephone in order to ease the burden on service users in terms of completing a financial assessment form themselves by qualified and trained assessment officers, who have access to care assessment records undertaken by care and social work officers which identifies the individual's care needs and the care plan for how these needs should be met. The care assessment often takes place with a nominated carer or family member present and the social workers will ask whether anyone helps them with their finances and if they would like anyone involved in the financial assessment.
12. As part of the financial assessment, officers will identify where there may be gaps in eligibility for benefits and will prompt the service user to identify any disability related expenditure taking into account their care needs. Factsheets and guidance is provided on the financial assessment in advance of it being undertaken and the telephone based financial assessment is undertaken on a pre-arranged appointment basis. If at any time during the course of a financial assessment it becomes clear that the service user is struggling to understand or answer the questions or their carer or family member is not present then the assessment is rearranged and potentially a home visit arranged to undertake the assessment. A copy of typical DREs that are taken into account in the financial assessment is set out at Appendix 2.
13. Allowances and disregards are included in the financial assessment, depending on individual circumstances. The Government has also set a 'minimum income guarantee' and if income is below this level, service users are not required to pay for their services. The minimum income guarantee for older people in receipt of SDP is currently £213.05 per week

and for people over 25 but below pension age it ranges from £167.20 to £186.90 depending on the benefits received.

14. The Care Act 2014 states “*where disability-related benefits are taken into account, the local authority should make an assessment and allow the person to keep enough benefit to pay for necessary disability related expenditure to meet any needs which are not being met by the local authority.*” This is on top of the minimum income guarantee.
15. For service users in receipt of SDP or with an underlying entitlement to SDP, which is currently £61.85 per week, rather than undertake an individual assessment of the individual's actual disability related expenses (DREs), we currently make an automatic disregard in the financial assessment of 50% of the SDP of £30.93 per week. If a service user identifies DREs which are greater than half of SDP during the financial assessment, then the greater amount will be allowed although in practice this does not often happen. A service user can also ask to have their DREs reviewed at any time should their circumstances change.
16. The exception to this is people who are living in situations where there is 24 hour support available e.g. people in Supported Living, Shared Lives and Extra Care schemes. In these situations, because their care is available 24 hours, we take all of the actual SDP benefit into account in the financial assessment and all of the actual costs of disability are allowed in the financial assessment.
17. SDP is paid to people living alone who claim the ‘care component’ of Disability Living Allowance or Personal Independence Payment at the middle or highest rate or Attendance Allowance, providing no-one else is claiming Carer's Allowance for them. Couples can receive SDP providing both receive one of the benefits above. It is intended as a contribution towards the cost associated with obtaining care in the home where there is no one else in the house who could reasonably provide that care. So there could be 2 people with similar care needs, one who qualifies for SDP and one who does not because they live with partner.
18. Not everyone who has SDP receives a social care service. Some people will arrange and pay for their own care and support or rely on family members for support. Also, some people in receipt of SDP would not consider themselves disabled as this benefit is also paid to people who require care and support because they are old and frail and cannot care for themselves.
19. There are many service users in receipt of social care services and whom have had a financial assessment and are contributing to their cost of care that are or would consider themselves to be at least as disabled as some of the service users in receipt of SDP but who don't qualify for the SDP payment from DWP. These service users do not benefit from an automatic disregard of £30.93, but instead have an individual assessment of their DRE needs.

Proposal Policy Changes

20. Durham is the only authority in the region to automatically disregard 50% of SDP in the financial assessment calculation for disability related expenditure. It is proposed that the Council's policy is amended, to end the current practice of automatically disregarding the £30.93 (50%) of the SDP in non-residential financial assessments for all new claimants and instead offer them an individual assessment of their disability related expenses in all cases, as we do now for all other service users. This would be done as part of the financial assessment that is already undertaken so there would be no additional transaction costs for the Service.
21. For people already receiving the benefit of the £30.93 (50%) SDP disregard, it is proposed that we do not revisit their financial assessment should the current policy ultimately be amended.
22. Automatically allowing people to keep half of their SDP allowance towards the costs of their disability related expenditure is also considered to be inconsistent because all other service users who do not receive SDP, but who could have exactly the same conditions, only have an allowance for their actual costs for their disabled related expenditure.
23. Analysis of caseload data shows that on average, the service users in receipt of SDP receive non-residential care services for approximately three years, after which they may have moved on to residential care or passed away. Therefore, applying this policy change to new service users only will mean that after a three year period all financial assessments will likely be based on an actual assessment of DRE rather than an automatic £30.93 (50%) SDP disregard for service users in receipt of SDP.
24. Should these proposed changes to the charging policy be agreed, it is estimated that the Council would save in excess of £1 million a year after the three year transitional period based upon the following profiled estimate:

Year	MTFP Saving £000
2016/17	167
2017/18	333
2018/19	333
2019/20	167

Regional Position

25. Other Authorities in the region have also reviewed their charging policies over the last few years including their allowances for disability related expenses and the policies in place in 9 of the other 11 Association of North East Councils are not at the same level as Durham. Two authorities currently allow slightly more in their financial assessment but both these authorities are currently reviewing their policies. The table below shows the current regional position (names redacted), although some of them are likely to also be reviewing their policies again:

Authority	Individual Assessment?	Allow a Set Amount / Value (£)
1	YES	NO
2	Upon request	£20.60
3	YES	NO
4	YES	NO
5	Upon request	Allow £5 DRE disregard in the financial assessment calculation.
6	Upon request	High rate DLA/AA - £47.20 Low AA/mid-rate DLA - £20 Low rate DLA/none - £5
7	YES	NO
8	Upon request	High DLA/AA plus SDP - £35 Low AA/mid-rate DLA plus SDP - £30 High DLA/AA no SDP - £15 Low AA/mid-rate DLA no SDP - £5
9	YES	NO
10	YES	NO
11	YES	NO

Analysis of Existing Servicer Users

26. We currently have 1,851 people who are not in receipt of SDP entitlement and have therefore had an individually assessed DRE. The amount of DRE currently being allowed in the financial assessment for these service users varies from service user to service user, depending on their individual circumstances and what expenses they can identify and demonstrate, and ranges from 10p per week (which reflects service users' costs of buying a wheel chair over 10 years) to £129.80 per week for a service user with a high level of need.
27. Some service users have no allowance for DRE as they do not identify any specific additional costs they incur as a result of disability during the financial assessment. Of the existing 1,851 people who have had an assessed disability related expenditure assessment; 1094 pay a contribution towards their costs and 757 were either assessed as nil contribution or they did not have a service in the week their cases were analysed.

Proposals for Consultation

28. It is proposed that the Council seeks the views of key stakeholders and the wider public, including relevant disability charities and Community and Voluntary Sector groups, through consultation on a proposed change to the treatment of new clients in receipt of SDP entitlement:
- (i) To cease the automatic disregard of £30.93 (50%) a week of SDP in non-residential financial assessments for all new service users and instead undertake an individual assessment of their DRE as part of the financial assessment;

- (ii) For current service users in receipt of SDP, it is proposed to protect these service users and not withdraw the £30.93 (50%) a week of SDP disregard.
- 29. Some examples of how service users could have been impacted by these proposals had they been applied to existing recipients are shown in Appendix 3.
- 30. It is proposed that consultation would begin 4 April 2016 and run until 26 June 2016. A further report would then be presented to Cabinet in September 2016 to enable Members to make a final decision on these proposals, taking into account the outcome of the consultation.

Support for Service Users

- 31. Advice and support is always given to help service users to maximise their income and benefit entitlement where ever possible during the financial assessment. This is undertaken through joint work between the Financial Assessments Team and Welfare Rights, who also undertake the appeals.
- 32. Care management and social work staff will have carried out a care assessment and identified any care needs and together they will draw up a care plan to identify how these needs should be met. Should service users consider that their charges are prohibitive and subsequently decline a service, then a reassessment of the service user's care plan could be undertaken.
- 33. Service users who are unhappy with the contribution they would be assessed to make will be offered a further review of their financial assessment on request through our fast track review process. The appeal would be considered by an independent officer and with the support of the Welfare Rights team.
- 34. In line with general charging principles there is the potential to consider the waiving of charges in exceptional circumstances due to severe hardship or if care management / social work staff consider a person to be at risk.

Equality Impact Assessment

- 35. An Equality Impact Assessment (EIA) has been undertaken to assess the impact on the groups most likely to be affected by the proposals. The EIA is attached as Appendix 4 and has been based on analysis of the application of the policy to the current recipients of the £30.93 (50%) SDP disregard and assuming the disability related expenditure assessment results are based upon the actual costs being incurred in the cases who are not in receipt of severe disability premium entitlement.
- 36. At this stage it is clear that existing service users are more likely to be older and female. It can be anticipated that future service users will form a similar age and gender profile. Overall these groups are more likely to be adversely affected through the financial impacts of additional charging as a result of this policy change. These impacts will be mitigated through the support to service users detailed above.

37. The Equality Impact Assessment will be updated following the consultation.

Conclusion

38. This report sets out proposals to amend the Council's non-residential charging policy for social care services for new clients in respect of the allowances made for Disability Related Expenditure disregards where people are in receipt of SDP.
39. SDP is paid to people living alone who claim the care component of Disability Living Allowance or Personal Independence Payment at the middle or highest rate or Attendance Allowance, providing no-one claims Carer's Allowance for them. Couples can each receive SDP providing both receive one of the benefits above. In these cases, where both receive social care services, then both will currently receive the £30.93 (50%) SDP disregard. SDP is intended as a contribution towards the cost associated with obtaining care in the home where there is no one else in the house who could reasonably provide that care.
40. The proposal is to cease the Council's policy of automatically disregarding £30.93 (50%) of the weekly SDP for non-residential financial assessments for all new clients seeking to receive non-residential social care services and instead offer an individual assessment of DRE, as we do for all other non SDP service users. This would mean that disregards are based on what people actually spend rather than a set amount which would mean that all service users are treated fairly and equitably. This will also bring the Council's treatment of this element of income in line with the majority of other local authorities in the region. Durham is the only authority to automatically disregard 50% of SDP in the financial assessment.
41. There are many service users in receipt of social care services and whom have had a financial assessment and are contributing to their cost of care that are or would consider themselves to be at least as disabled as some of the service users in receipt of SDP but who don't qualify for the SDP payment from DWP. These service users do not benefit from an automatic disregard of £30.93, but instead have an individual assessment of their DRE needs.
42. For people already receiving the SDP disregard, it is proposed that we do not revise their financial assessment.
43. Whilst the disability related expenditure being awarded in the financial assessment of current service users who are not in receipt of SDP is only based on the actual expenditure they incur, it is suggested that we do not remove the £30.93 (50%) SDP automatic disregard from those cases who already receiving the benefit of this disregard.
44. Analysis of caseload data shows that on average the service users in receipt of SDP receive services for approximately three years and therefore, applying this policy change to new service users only will mean that after a three year period it is likely that all cases will be based on an

actual assessment of DRE rather than an automatic £30.93 (50%) SDP disregard for service users in receipt of SDP.

45. If implemented, the proposals set out in this report are estimated to deliver savings of approximately £1 million across the period 2016/17 and 2019/20, profiled as follows:

Year	MTFP Saving £000
2016/17	167
2017/18	333
2018/19	333
2019/20	167

Recommendations

46. It is recommended that the Council undertakes consultation on the proposal to end automatically disregarding £30.93 (50%) of the weekly severe disability premium in non-residential financial assessments for all new clients seeking to receive non-residential social care services, and offer an individual assessment of disability related expenditure as we do for all other service users who are not entitled to severe disability premium payments. This would bring the Council in-line with the majority of other authorities in the region.
47. For people already receiving this disregard it is recommended that we do not revise their financial assessment.

Background Papers

Care Act 2014

Charging Policy for Non-Residential Care Services

CAS MTFP Proposals / MTFP6 Reports to Cabinet

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Appendix 1: Implications

Finance - If this proposal was implemented then savings in the region of £1m would be achieved. Implementation would be in October 2016 and apply to the financial assessments of new service users only, therefore, based on average caseload and customer turnover, savings would accrue across the period 2016/17 to 2019/20.

Staffing – None. Financial assessments are already undertaken and this policy change will be applied to new assessments for new service users in receipt of SDP and implemented as part of business as usual.

Risk – Should service users consider that their charges are prohibitive and decline a service then a reassessment of the service user's care plan could be undertaken.

There is a risk that service users could consider that their charges are prohibitive and decline a service. If the social worker considered that there could be risks to the service users' well-being as a consequence they would need to carry out a risk assessment and consider reviewing the care plan or if there are sufficient risks to consider waiving charges.

Equality and Diversity/Public Sector Equality Duty - A full impact assessment would need to be carried out as part of the consultation. An Equality Impact Assessment screening has been undertaken and is attached to this report.

Accommodation - None

Crime and Disorder - None

Human Rights - None

Consultation — This is a significant policy change which requires consultation.

The Council will therefore seek the views of key stakeholders and the wider public, including relevant disability charities and Community and Voluntary Sector groups, through consultation the proposed change to the treatment of new clients in receipt of severe disability premium entitlement.

Consultation will begin 4 April 2016 and run until 26 June 2016. A further report would then be presented to Cabinet in September 2016 to enable members to make a final decision on these proposals, taking into account the outcome of the consultation.

Procurement - None

Disability Issues – This would affect people with a disability.

Legal Implications – People in receipt of non-residential services are required to have a financial assessment to calculate how much they can afford to contribute towards the services they receive. The assessment is a means test, is undertaken in line with statutory guidance and takes into account income, including welfare benefits, savings and assets that the person receives.

Allowances and disregards are included in the financial assessment, depending on individual circumstances. The Government has set a minimum income guarantee and if income is below this level service users are not required to pay for their services. The minimum income guarantee for older people in receipt of Severe Disability Premium (SDP) is currently £213.05 per week and for people over 25 but below pension age it ranges from £167.20 to £186.90 depending on the benefits received.

The Care Act 2014 states “where disability-related benefits are taken into account, the local authority should make an assessment and allow the person to keep enough benefit to pay for necessary disability related expenditure to meet any needs which are not being met by the local authority.” This is on top of the minimum income guarantee

Legal advice is that consultation is required. Care Act guidance states - *“Those likely to be adversely affected by a policy change must have sufficient opportunity to consider the proposal and make comments and the council should take those comments into account when deciding on the policy.”*

Appendix 2 – Examples of Typical Disability Related Expenditure

ITEM	AMOUNT	EVIDENCE
Community Alarm System	Actual cost unless included in Housing Benefit or Supporting People Grant	Bills from provider
Privately arranged care	Actual cost if Social Worker confirms requirement as part of the Care Plan and Council supported care is reduced accordingly	Signed receipts for at least 4 weeks using a proper receipt book
Private Domestic help	Actual cost if Social Worker confirms requirement as part of the Care Plan and Council supported care is reduced accordingly	As privately arranged care
Laundry/Washing Powder	£3.61 per week	Care Plan will have identified an incontinence problem. Identify more than 4 loads per week
Dietary	Discretionary as special dietary needs may not be more expensive than normal	Details of special purchases
Special clothing or footwear/ exceptional wear	Discretionary as may not be more costly or required more frequently than usual	Details of purchases and receipts
Basic Garden maintenance	Discretionary based on individual costs of garden maintenance	As privately arranged care
Wheelchair/mobility scooter	Actual cost divided by 500 (10 yr life) up to a maximum of £3.75 per week manual £9.12 per week powered	Evidence of purchase. No allowance if equipment provided free of charge
Powered bed	Actual cost divided by 500 (10 yr life) up to a maximum of £4.20 per week	Evidence of purchase if available
Turning bed	Actual cost divided by 500 (10 yr life) up to a maximum of £7.27 per week	Evidence of purchase if available
Powered reclining chair	Actual cost divided by 500 (10 yr life) up to a maximum of £3.30 per week	Evidence of purchase if available
Stair-lift	Actual cost divided by 500 (10 yr life) up to a maximum of £5.88 per week	Evidence of purchase without DFG input
Hoist	Actual cost divided by 500 up to a maximum of £2.88 per week	Evidence of purchase without DFG input
Additional heating costs	Actual cost less average heating costs – see table below	Evidence of bills of last year

ITEM	AMOUNT	EVIDENCE
Costs associated with holidays – once per year	Additional costs as a result of a disability e.g. ground floor room with wheel chair access would allow difference between that room and a standard room; additional leg room on flight etc.	Evidence of booking and costs
Other costs	Discretion in consultation with social worker and reference to the care plan	Evidence of expenditure
Social Care Activities where support from Carers/ Befrienders is required	<p>Social Care Activities are distinct from Leisure Activities. They must be included in the Care Plan/Social Activity Plan as essential to meet the care need. These are often to avoid social isolation and to help the service user integrate in local communities e.g. attending community led groups, church groups etc.</p> <p>Maximum of 2 x per week.</p> <p>Actual cost over a 3 month period divided by 13 weeks up to a maximum of £10.00 per activity.</p> <p>Leisure activities (e.g. cinema visits, access to entertainment/events, swimming etc.) are not allowable and are either accessed free via the Local Community or funded by the Service User.</p>	Evidence of purchase over a three month period
Cost of Meals for Carers/ Befrienders when supporting a Service User as part of a Social Care Activity	<p>Discretionary as part of a Social Care Activity. This must be detailed in the Care Plan and applies only where the Social Care Activity spans a period of 6 hours or more.</p> <p>Maximum of 2 x per week @ a maximum of £5.00 per meal.</p> <p>Meals are not allowable where Durham County Council funded care provision is in place for the same time period (e.g. Day Care).</p>	Evidence of purchase over a three month period.

Average Heating Costs	Annual Cost
Single person - Flat/Terrace	£1,304
Couple – Flat/Terrace	£1,719
Single person – Semi Detached	£1,385
Couples – Semi Detached	£1,824
Single – Detached	£1,684
Couples – Detached	£2,220

Appendix 3 - Examples of the Impact of Proposed Changes

Scenario 1

Mr K is 83 years old and lives with his wife in social housing. The couple are both in receipt of SDP and their current income is made up of:

State Pension & Pension Credit (which includes 2 x £61.85 SDP)	£423.25
Attendance Allowance	£110.20
Total income	<u>£533.95</u>

Mr K attends Day Care one day per week, his carers visit each morning except weekends and he has one monitored item of telecare equipment.

The full cost of this care is £95.80 per week. His contribution towards this is currently **£48.49 per week**.

If the SDP disregard is removed and his assessed DRE was less than £30.93, his contribution would increase by the difference between his assessed DRE and the current £30.93 disregard. If the assessed DRE was more than £30.93 then his contribution to the cost of his care would reduce.

Scenario 2

Miss T is 46 years old and lives alone. She recently moved from a residential care home into the community. Her income is made up of:

Employment & Support Allowance (which includes £61.85 SDP)	£186.90
Disability Living Allowance	£82.30
Total income	<u>£269.20</u>

Miss T has Support & Recovery Service 3.5 hours per week and monitored telecare equipment.

The full cost of her care is £67.99 per week. Her contribution towards this is currently **£59.62 per week**.

If the SDP disregard was removed and her assessed DRE was less than £22.56, her maximum contribution would increase beyond the cost of her care and she would be required to pay the full cost of her care service, a £8.37 increase. If the assessed DRE was more than £30.93 then her contribution to the cost of her care would reduce.

Scenario 3

Mrs K is 92 years old and lives alone in social housing. Her current income is made up of:

State Pension & Pension Credit (which includes £61.85 SDP)	£187.85
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Occupational Pension	£25.20
Attendance Allowance	£55.10
Total income	£268.15

Her carers provide 5.25 hours of home care support. The full cost of this care is **£61.48 per week**. Her current contribution is **£48.22**.

If the SDP disregard was removed and her assessed DRE was less than £17.67, her maximum contribution would increase beyond the cost of her care and she would be required to pay the full cost of her care service, a £13.26 increase. If the assessed DRE was more than £30.93 then her contribution to the cost of her care would reduce

Scenario 4

Mr J is 59 years old and lives alone. His current income is made up of:

Employment & Support Allowance (which includes £61.85 SDP)	£186.90
Disability Living Allowance	£55.10
Total income	£242.00

His carers visit 6 times per day, providing 17 hours and 25 mins service per week. The full cost of this service is £203.99 per week. His current contribution is **£79.32 per week**.

If the SDP disregard removed and his assessed DRE was less than £30.93, his contribution would increase by the difference between his assessed DRE and the current £30.93 disregard. If the assessed DRE was more than £30.93 then his contribution to the cost of his care would reduce.

Scenario 5

Mrs R is 92 years old and lives alone. Her current income is made up of:

State pension	£176.34
Durham County Council pension	£170.53
Attendance Allowance	£55.10
Total income	£401.97

She also has savings just below our upper capital limit of £23,250. Mrs R has an underlying entitlement to SDP but her income is above the limit to receive this benefit however we make an allowance of half SDP in the financial assessment.

Her carers provide care for 38.5 hours per week. The full cost of this service is £450.84 per week. Her current contribution is **£202.38 per week**.

If the SDP disregard was removed and her assessed DRE was less than £30.93, her contribution would increase by the difference between her assessed DRE and the current £30.93 disregard. If the assessed DRE was more than £30.93 then her contribution to the cost of her care would reduce.

Appendix 4

Durham County Council – Altogether Better Equality Impact Assessment Form

NB: Equality impact assessment is a legal requirement for all strategies plans, functions, policies, procedures and services. We are also legally required to publish our assessments.

You can find help and prompts on completing the assessment in the guidance from page 7 onwards.

Section One: Description and Initial Screening

Section overview: this section provides an audit trail.

Service/team or section: **Resources – Financial Services**

Lead Officer: **Paul Darby**

Start date: **November 2016**

Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)

Proposal for changes to the charging policy for non-residential social care services – financial assessments

People in receipt of non-residential services are required to have a financial assessment (means tested) to calculate how much they can afford to contribute towards the services they receive. The financial assessment is undertaken by telephone (on a pre-arranged time and date), in order to ease the burden on service users in terms of completing a financial assessment form themselves, by qualified and trained assessment officers, who

have access to care assessment undertaken by care and social work officers which identifies the individuals care needs and the care plan for how these needs will be met.

All financial assessments comply with the Government's Care Act Guidance which will ensure that no-one is asked to pay more than they can afford, in line with national guidelines. During this assessment a benefit maximisation check is also carried out for those who require it. It is not proposed to change the way in which financial assessments are carried out.

The assessment takes into account income, including welfare benefits, savings and assets. We also make allowances and disregards in the financial assessment depending on individual circumstances. The Government has set a minimum income and if the assessment income is below this level service users are not required to pay for their services.

Prior to the financial assessment people will have had a care assessment with a social worker and their care needs will be identified and a care plan will be drawn up with the service user to identify how these needs will be met. When undertaking the care needs assessment social workers will ask the service user whether they have someone who helps them with their finances and whether they want or need them present at the point of undertaking the financial assessment.

If at any time during the course of a financial assessment it becomes clear that the service user is struggling to understand or answer the questions or their carer or family member is not present then the assessment is rearranged and potentially a home visit arranged to undertake the assessment.

One of the allowances made in the financial assessment is to cover the costs of disability related expenditure (DRE's). Finance Officers can refer to the care plan when DRE's are identified during the financial assessment.

For service users in receipt of severe disability premium (SDP) or with an underlying entitlement to SDP, which is currently £61.85 per week, the Council currently makes an automatic allowance in the financial assessment of half of the value of the SDP (currently £30.93 per week) or the actual cost of their disability related expenses based on an individual assessment, whichever is greater. This means that we currently disregard 50% of their SDP income in assessing their contribution. Service users are provided with a fact sheet which gives an explanation and examples of DREs prior to the financial assessment and these are discussed during the financial assessment. Service users can request additional DRE's to be considered at any time.

Severe disability premium (SDP) is paid to people living alone who claim the care component of Disability Living Allowance or Personal Independence Payment at the middle or highest rate or Attendance Allowance providing no-one claims Carer's Allowance for them. Couples can receive SDP providing both receive one of the benefits above. It is intended as a contribution towards the cost associated with obtaining care in the home where there is no one else in the house who could reasonably provide that care. So there could be 2 people with similar care needs, one who qualifies for SDP and one who does not because they live with partner.

Not everyone who has SDP receives a social care service. Some people will arrange and pay for their own care and support or rely on family members for support. Also some people in receipt of SDP would not consider themselves disabled as this benefit is paid to people who require care and support because they are old and frail.

There are many service users in receipt of social care services and whom have had a financial assessment and are contributing to their cost of care that are or would consider themselves to be at least as disabled as some of the service users in receipt of SDP but who don't qualify for the SDP payment from DWP. These service users do not benefit from an automatic disregard of £30.93, but instead have an individual assessment of their DRE needs.

Automatically allowing people to keep half of their SDP allowance towards the costs of their DRE's is inconsistent because all other service users, who do not receive SDP, only have an allowance for their actual costs of their DRE's in the financial assessment, which ranges from 10p to £129.80 per week. It is also inconsistent with other authorities in the North as none allow service users to automatically keep half of their SDP.

It is proposed that the Council ends automatically disregarding half of SDP in non-residential financial assessments for new service users from 1 October 2016 and instead undertake an individual assessment of actual cost of DRE, as we do for all other service users. This will bring the Council's treatment of this element of income in line with other local authorities in the Northern region.

For people already receiving this disregard it is proposed that we do not revise their financial assessment.

It is not considered appropriate to remove the £30.93 (50%) SDP disregard from those already in receipt of it but instead apply this policy change to new assessments only. This will provide transitional protection to the current cohort of service users in receipt of SDP.

Analysis of caseload data shows that on average the service users in receipt of SDP receive services for approximately three years after which they could have moved into residential care or have passed away and therefore, applying this policy change to new service users only will mean that after a three year period it is likely that the vast majority if not all cases will be based on an actual assessment of DRE rather than an automatic £30.93 (50%) SDP disregard for service users in receipt of SDP.

This change to the charging policy is estimated to achieve in excess of £1m in savings through additional adult social charging income if implemented, across the period 2016/17 to 2019/20.

This proposal will require consultation and a Cabinet decision. It is proposed that a report is presented to Cabinet in March 2016 for approval to consult, with service user consultation taking place between April – June 2016. Legal advice has been sought regarding the length of the consultation period. We will undertake a 12 week consultation with key stakeholders and the wider public including relevant disability charities and CVS groups to inform the final decision, with a report to be presented to Cabinet in September 2016 for a final decision on any amendments to the policy, with any changes being effective from October 2016.

There are no HR implications linked to this saving.

Who are the main stakeholders: General public / Employees / Elected Members / Partners/ Specific audiences/Other (please specify) –

- General public
- Social workers and finance staff
- Relevant disability charities and Community / voluntary groups.

Is a copy of the subject attached? No

If not, where could it be viewed?

Documents are available upon request including:

- Care Act 2014 and Care Act Guidance
- Legislation and policy drivers
- Charging Policies for non-residential care services is available on the DCC web site

Information can be provided in various formats upon request including hard copy and electronic format.

Initial Screening

Prompts to help you:

Who is affected by it? Who is intended to benefit and how? Could there be a different impact or outcome for some groups? Is it likely to affect relations between different communities or groups, for example if it is thought to favour one particular group or deny opportunities for others? Is there any specific targeted action to promote equality?

Is there an actual/potential negative or positive impact on specific groups within these headings?

Indicate :Y = Yes, N = No, ?=Unsure

Gender	Y	Disability	Y	Age	Y	Race/ethnicity	N	Religion or belief	N	Sexual orientation	N
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How will this support our commitment to promote equality and meet our legal responsibilities?

Reminder of our legal duties:

- Eliminating unlawful discrimination & harassment
- Promoting equality of opportunity
- Promoting good relations between people from different groups
- Promoting positive attitudes towards disabled people and taking account of someone's disability, even where that involves treating them more favourably than other people
- Involving people, particularly disabled people, in public life and decision making.

It is anticipated that this policy will be implement consistency across all new service users post October 2016.

What evidence do you have to support your findings?

This saving relates to an increase in charging income in respect of adult social care provision for those in receipt of SDP.

There are currently 1,826 service users receiving a chargeable service who are in receipt of SDP. The current caseload has been used as a proxy for future caseload in terms of this Equality Impact Assessment screening. For service users in receipt of SDP or with an underlying entitlement to SDP, which is currently £61.85 per week, rather than undertake an individual assessment of individual DRE's we currently make an automatic allowance/disregard in the financial assessment of 50% of the SDP (currently £30.93 per week) income.

Of the existing service users receiving this disregard:

17%	Aged 18-64
13%	65-74
29%	75-84
41%	85+

69% were female and 31% male

83% are aged 65+ and of these 18% of those had mental health issues (including dementia)

17% are aged 18 – 64 and of those 22% had a learning disability, 7.5% had a mental health issue and 70.5% have a disability or sensory impairment.

The service user's financial contribution is calculated following a financial assessment (means test) by finance staff. Financial assessments comply with the Government's Care Act Guidance which will ensure that no-one is

asked to pay more than they can afford, in line with national guidelines. During this assessment a benefit maximisation check is also carried out for those who require it. It is not proposed to change the way in which financial assessments are carried out.

At this stage it is clear that existing service users are more likely to be older and female and in need of some support with their daily living. It can be anticipated that future service users will form a similar age, gender and disability profile. Overall these groups are more likely to be adversely affected through the financial impacts additional charging as a result of this policy change. These impacts are planned to be mitigated through specific support for service users.

Support for Service Users

- Advice and support is always given to help service users to maximise their income and benefit entitlement where ever possible during the financial assessment. This is undertaken through joint work between the Financial Assessments Team and Welfare Rights, who also undertake the appeals.
- Care management and social work support will be available to service users if required. Should service users consider that the charges are prohibitive and decline a service, then a reassessment of the service user's care plan could be undertaken.
- Service users who are unhappy with the contribution they would be assessed to make would be offered a further review of their financial assessment on request through our fast track review process. The appeal would be considered by an independent officer and with the support of the Welfare Rights team. In line with general charging principles there is the potential to consider the waiving of charges in exceptional circumstances due to severe hardship.

Further Evidence

- Growing demand for social care services and demographic information as set out in the JSNA
- Views expressed via the consultation process (*to be included in revised assessment*).
- As more users of services are women, then the potential is for women to be more affected by any changes than men. (Source: SSID data).
- Most service users consulted will have some form of physical disability, mental infirmity, or general frailty due to old age.

Decision: Proceed to full impact assessment – Yes at decision stage following consultation

Date: 6.10.15

If you have answered ‘No’ you need to pass the completed form for approval & sign off.

Section two: Identifying impacts and evidence- Equality and Diversity


Section overview: this section identifies whether there are any impacts on equality/diversity/cohesion, what evidence is available to support the conclusion and what further action is needed.

	Identify the impact: does this increase differences or does it aim to reduce gaps for particular groups?	Explain your conclusion, including relevant evidence and consultation you have considered.	What further action is required? (Include in Sect. 3 action plan)
Gender			
Age			

Disability			
Race/Ethnicity			
Religion or belief			
Sexual orientation			

How will this promote positive relationships between different communities?

Section Three: Review and Conclusion			
Summary: please provide a brief overview, including impact, changes, improvements and any gaps in evidence.			
Action to be taken	Officer responsible	Target Date	In which plan will this action appear

When will this assessment be reviewed?	Date:	
Are there any additional assessments that need to be undertaken in relation to this assessment?		
Lead officer - sign off:		Date: 10/01/2016
Service equality representative - sign off:		Date:

Please email your completed Impact Assessment to the Equality team - equalities@durham.gov.uk.