
CLIENT CONTRIBUTION AND CHARGING POLICY FOR SOCIAL WORK SERVICES 2015/16

Report by Depute Chief Executive People

SCOTTISH BORDERS COUNCIL

20 November 2014

1 PURPOSE AND SUMMARY

- 1.1 **This report seeks approval for an updated Scottish Border Council Contribution Policy following the Comprehensive Review of Charging Project.**
- 1.2 The updated charging review sets out amendments to specific charges for Social Work Services following a process of: stakeholder engagement; impact analysis; comparisons with other local authorities; and, consideration of national guidance/legislation.
- 1.3 A full review was required due to a number of significant changes in legislation, guidance and changes in service provision, including the introduction of Self Directed Support (SDS).
- 1.4 The report details the consultation process and findings of the review. Following this a revised Charging/Contribution Policy has been produced which is attached in Appendix A. This details the range of Social Work services that are provided by the People Department and sets out those that will be free at the point of delivery; and, those that will require a contribution from those people using the service.

2 RECOMMENDATIONS

- 2.1 **I recommend that Scottish Borders Council:-**
 - (a) **Agree the universal application of the principles on which the Charging Policy is based, including fairness, equity, transparency and consistency.**
 - (b) **Agree adoption of a revised Social Work Contribution and Charging Policy to be implemented with effect from 1st April 2015.**

3 BACKGROUND AND SCOPE

3.1 The current Social Work Policy on Fees and Charges was last reviewed in 2010. The resulting Schedule of Fees and Charges has been updated annually in respect of inflation and COSLA guidance. Since 2010 however, a number of factors have emerged which has highlighted the requirement for a fundamental and comprehensive review of all Social Work services. These factors include:

- A substantial increase in the number of Older People, People with Learning or Physical Disabilities or Mental Health Needs and Children requiring looking after or accommodating over the last 4 years
- The emergence of Self-Directed Support as a popular and legislatively required alternative to the provision of traditional council-managed care to clients
- Sustained increases in the costs of providing care to clients such as pay inflation, increased market provider rates for the provision of homecare, etc
- A range of new types of care and support, such as Extra-Care Housing, Housing with Care
- A culture change amongst clients in terms of the services they want to achieve outcomes which meet their assessed need and the impact on existing, traditional services
- With ongoing pressure on public services funding, the need to make savings / generate additional income to ensure services remain affordable and sustainable
- The development of community capacity in local areas
- The emergence of new assistive technologies

3.2 Under the existing 2010 charging policy, there are two ways that charges are applied. One is through a financial assessment based on income and expenditure. The second is through flat rate charges which are applied irrespective of income. Client contributions are currently made towards the cost of the provision as detailed below:

<i>Service</i>	<i>Basis of Charge</i>	<i>No. of Clients</i>
Care at Home	Assessed	1,967
Direct Payments	Assessed	205
Residential Care	Assessed	718
Residential Respite	Assessed	288
Housing Support	Assessed	556
Extra Care Housing	Flat Rate	43
Day Services	Flat Rate	325
Lunch Clubs	Flat Rate	Lunch clubs = 1
Transport	Flat Rate	Journeys p.a. = 18,234
Night Support	Flat Rate	74
Housing with Care	Flat Rate	22
Alarms	Flat Rate	3,100

3.3 Similarly, there are currently a number of Social Work services provided by the Council for which, under the 2010 charging policy, no client contribution is currently made. These include:

- All Children's Services Provision of Care
- Self-Directed Support
- Criminal Justice Services
- Assessment, Care Management, Information and Advice
- Night Support
- Meal Equipment Rental
- Ability Equipment
- Housing with Care
- Clients in Palliative Care
- Adults with Incapacity or detained / on treatment order under Mental Health Act
- Clients receiving care within 42 days of discharge from hospital

3.4 A comprehensive review of charging was undertaken, which focussed on the interests of clients and aims to deliver a number of key benefits:

- Sustainability of Services – The review recognises the unsustainability of ongoing increased demand for services and cost inflation which over time would present a high risk of unaffordable services, service cessation or rationalisation and/or a deterioration in the quality of client outcomes. In order to provide assurance over the ongoing sustainability of existing care and support, a target for increasing income from client contributions by £400k was set as part of the 2014/15 Financial Planning process.
- Fairness and Equity – Further development of a client contribution policy which is applied equitably across all client groups and which promotes the basis of a charge which renders no particular client or clients unfairly disadvantaged is paramount.
- Consistency of Application – Any policy for charging client contributions for care or support should be applied universally across all clients regardless of what care/support is provided, how need is assessed and the mechanism of funding this care/support.
- Consistency across Services – All Social Work services have been reviewed to ensure comprehensive and consistent application of the policy in a single, holistic and all-encompassing way.
- Compliance with Legislation – Any policy on charging requires to be fully compliant with legislation in relation to Scottish Borders Council's powers and/or duty to charge and the basis on which such charges are calculated and applied e.g. Scottish Government Charging for Residential Accommodation Guidance, as well as consistency with any national government or professional guidance and recommendations on charging such as COSLA guidance.
- Ensuring full application of the Council's Policy on External Fees and Charges formed a key reference point throughout the review and in evaluation of its outcomes.

3.5 Central to the review was a dialogue with key stakeholders. To achieve this, the Council followed COSLA's guidance and a co-production approach was adopted involving all key stakeholders. These are detailed below:

Cross-Council Core Group	A Core Group of key members of staff was established and has been meeting weekly since May 2014 to look at emerging themes, identify actions, and consider issues and to drive forward the project.
User Surveys	A survey was developed for service users to gather views on current policy and suggestions for a way forward. There were 300 surveys returned.
Staff Surveys	A survey was developed for Cross-Council staff to gather views on current policy and suggestions for a way forward. There were 42 surveys returned.
User and Carer Engagement	Throughout June, July and early August 2014 a series of Co-Production sessions (12) were held across the Borders as part of the 'Stakeholder Engagement' phase of the project. These sessions involved service users, family members, carers and external providers and gave individuals an opportunity to participate in the development of the new Contribution Policy.
Provider Engagement	A number of co-production workshops were held specifically with a range of 3 rd sector provider organisations including B.V.C.V. (e.g. Red Cross, Encompass, Cornerstone), the Carers Centre (with carers) and Brothers of Charity (with users and families).

3.6 This stakeholder engagement process has provided important feedback which has been incorporated into the review. Key themes emerged including:

- the efficiency and effectiveness of invoicing when collecting charges
- greater understanding and transparency of the financial assessment process
- the need to ensure consistency and equity
- quality of service needs to be maintained
- the importance of a client's financial means and ability to pay

4 REVIEW OUTCOMES

4.1 The charging review examined each Social Work service which is currently provided by SBC. For each service provided, including SDS, evaluation was made as to whether service users should be required to make a client contribution and if so, the basis of what this charge should be. In undertaking this evaluation, a number of factors were considered:

- Basis of Charge – an assessed charge based on financial means and ability to pay or any alternative bases, such as a flat rate
- Legislation such as Free Personal Care or external guidance on charging bases for specific services e.g. residential home care
- The Council's Policy on External Fees and Charges
- The views of all stakeholders, and importantly, clients and carers
- The services for which client contributions are currently made and their current level
- A benchmark of what other local authorities currently / propose to charge and at what levels
- External market rates

4.2 The review team also completed a number of pieces of additional assurance work aimed at ensuring that any recommendations made are those which are deliverable and which preserve and promote the key objectives of fairness and equity. This additional work included:

- Extensive modelling of different bases and levels of charging for each service
- Sensitivity analysis of what different charges would mean in terms of impact on clients

Analysis and comparison of how different scenarios would impact on a clients with a range of different financial means in terms of their residual income after making a contribution towards the cost of their care and support.

4.3 The proposals brought forward on the conclusion of the review therefore are, in their entirety, those options which best meet the aims of the charging review in terms of delivery of the required level of additional income and the over-arching objectives outlined in 4.2 above.

4.4 Every Social Work service was examined as part of the review. For some services which no client contribution is currently made, based on all the considerations previously outlined, it has been recommended that the future charging policy should not provide for introducing new charges at this time, for reasons specific to each service including the risk of clients or children excluding themselves from receiving services, stakeholder sensitivity around certain services and evidence that the introduction of charging would result in certain clients being unfairly disadvantaged. It is proposed that the following services will not incur a client contribution charge:

- Provision of care - Children's Services
- Criminal Justice social work services
- Information and advice
- Needs assessment

- Care management
- Services to people with a mental illness who are detained in hospital and on community treatment order under the Mental Health Care and Treatment (Scotland) Act 2003
- All services received by people subject to compulsory supervision, detention or treatment orders
- Personal care for people 65 years and over
- Homecare Services for 42 days on discharge from hospital
- Intermediate Care / Reablement for the first 42 days
- All services received by people in receipt of Palliative Care (where a DS1500 form has been completed by the person's doctor)
- Minor adaptations
- Night support service for the first 42 days
- Laundry services for people who have severe incontinence
- Services to people under where the Chief Social Work Officer is the guardian under the Adults with Incapacity (Scotland) Act 2000.

4.5 It is not proposed to change the existing basis of charging for a number of services to the cost of which a client contribution is currently made. Reasons include compliance with legislation and guidance, existing charging arrangements within the wider Council's charging policy, where an increase in charge may result in a client's inability to pay or where evidence exists that any change to the basis on which a charge is made for a service would be perceived as resulting in a charge that was unaffordable. These services include:

- Care at Home (Excluding the change to Taper rates)
- Residential Care
- 24 Hour Support
- Residential Respite
- Shopping Service

4.6 In line with guidance, the Council does not currently charge clients for care at home in the first 42 days on discharge from hospital for Intermediate Care and Reablement. Following the principles of universal application of the charging policy and the need for equity and consistency how clients are treated, it is proposed to extend this policy to include all clients, regardless of whether they have been discharged from hospital or have come from their own home.

- 4.7 Based on the work undertaken during the view, the options evaluated and wider considerations such as stakeholder views, there are a number of services where an existing client contribution is made and where it is proposed to change the basis of charging or to increase the current level of contribution where it is believed that this is appropriate, compliant with guidance and policy and will not leave any particular client unfairly disadvantaged. These services include:
- Day Care
 - Bordercare Alarms
 - Meal Services – Delivery of Meals and at Day Care
 - Transport
 - Taper Rates
- 4.8 Similar in principal to 4.7 above, there are a number of services for which, on completion of the review, it is believed to be appropriate to introduce a new client contribution charge, set initially at the level proposed, consistent with legislation and guidance and the Council’s charging policy. These are:
- Housing with Care
 - Equipment
 - Night Support
- 4.9 Run as a pilot scheme since summer 2014, Self-Directed Support now has 232 clients. Since the inception of the pilot scheme, no client contribution has been required apart from some flat rate charges. In line with the review aims of consistency, fairness and equity all clients, regardless of whether they receive traditional care or self-directed support will be required to make a client contribution based the same charging principles, as the policy is phased in.

5 THE PROPOSED SOCIAL WORK CHARGING POLICY 2015/16

5.1 The revised proposed charging policy is attached to this report as Appendix A.

5.2 Basis of Assessment – An Assessed Charge

Following the financial modelling exercises, sensitivity analysis and stakeholder consultation, it is proposed to implement a basis of charging, where applicable, based on an assessed charge. This means that, with a few exceptions, client contributions towards the cost of the care and support they receive will be based on an assessment of their means and the outcome of this assessment will determine the maximum limit up to which they will be required to pay for all the services they receive. Whilst a number of alternative charging bases were considered, based on the work undertaken, the views of clients and wider stakeholders and with emphasis on fairness and equity, an assessed charge for the majority of income-generating services is the preferred option from the review.

5.3 Taper Rate

To determine the maximum amount a client can afford to contribute towards the cost of their package, the following calculation is completed:

Total Assessed Income (A)	- includes income and other capital
Less Applicable Housing Costs (B)	- rents, council tax, mortgage interest, etc
Less Applicable Disregards (C)	- weekly equivalent total of all of the items of income partially or fully disregarded ¹
Less Relevant Personal Allowance (D)	- DWP set
Equals Residual Income (E)	
The maximum assessed charge is therefore equal to residual income (E) multiplied by a taper rate, currently 43.5%.	

5.4 The Taper Rate therefore is the proportion of a client's residual income that can be used to make a contribution towards the cost of their care or support. It is proposed that SBC change the Taper Rate to 55%. The national average Taper Rate in Scotland is around the 60% level.

5.5 Detailed below is a summary of the services for which it is proposed to change the charging policy, together with a summary of the additional income they are expected to generate against the £400k target required by the review. By their nature, these service charges are fixed rate but it is recognised that over time, the policy will focus on client contributions which are assessed through a financial assessment process. This will obviously also include all the other services in receipt by a client, for which it is proposed no change will be made to the charging basis for now, such as homecare and residential care.

Service	Current Charge/ Rate	Proposed Charge (£)	Charge Frequency	Charging Basis	Additional Income
Bordercare Alarms	2.50	3.00	<i>per week</i>	Flat Rate	48,850
Day Care	2.00	3.00	<i>per place</i>	Flat Rate	25,000
Day Transport	1.00	2.00	<i>per journey</i>	Flat Rate	18,000
Equipment	N/A	10.00	<i>per order</i>	Flat Rate	130,000
Housing with Care	10.00	*25.50/ 55.20	<i>per week</i>	Flat Rate	40,000
Meals Equip. Rental	N/A	0.50	<i>per item/wk</i>	Flat Rate	10,000
Night Support	N/A	10.00	<i>per week</i>	Flat Rate	35,000
Increase Taper Rate	43.50%	55.00%			167,250

* capital limit dependent

Universal application free Intermediate Care/ Reablement in first 42 days	-10,000
Total	464,100

¹ Disregard – a variety of income types such as maintenance payments, benefits, direct payments, tax credits, living fees and allowances, awards, supplements, expenses, ex-gratia payments, trust fund payments, grants, etc

Implementation

- 5.6 It is proposed that the Contribution and Charging Policy is implemented with effect from 1st April 2015. To ensure effective and timely delivery and full understanding and communication by service users and other key stakeholders, a full implementation plan will be developed and delivered during the remainder of the project prior to implementation date. Steps will be taken early within this plan to inform all users of the proposed changes and to provide support and advice on their individual impact and clarity over their assessment and future charge.
- 5.7 An appeals process is in place where any client's individual's circumstances can be fully considered and charges amended where appropriate.

6 IMPLICATIONS

6.1 Financial

Adoption of the revised Social Work charging policy with effect from the 1st April 2015 is projected to deliver £464k of additional income. This is against a targeted 2015/16 Financial Plan saving of £400k. It is proposed that an element of the additional income above target be used to increase the staffing resources required to collect/assess financial means information across all client groups, due to the increased number of assessments required. Projected savings net of this additional staffing resource therefore are estimated to be £435k, £35k above the initial Financial Plan target.

6.2 Risk and Mitigations

- (a) The risk of clients being excluded from services due to increased charges will be mitigated by the financial assessment process, effective information for clients around welfare benefits and regular engagement with Care Managers.
- (b) If adoption of the revised Social Work charging policy with effect from 1st April 2015 is not agreed then a number of key benefits as set out in paragraph 3.4 may not be realised.

6.3 Equalities

- (a) A full Equalities Impact Assessment has been carried out on this proposal and equalities featured heavily in the stakeholder engagement process. It is anticipated that there are no adverse equalities implications.
- (b) It is anticipated that there are no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals in this report.

6.4 Acting Sustainably

There are no significant impacts on the economy, community or environment arising from the proposals contained in this report.

6.5 Carbon Management

There are no significant effects on carbon emissions arising from the proposals contained in this report.

6.6 Rural Proofing

This report does not relate to new or amended policy or strategy and as a result rural proofing is not an applicable consideration.

6.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals contained in this report.

7 CONSULTATION

7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted and their comments have been incorporated into the final report.

7.2 Others to be consulted if required are –

- Corporate Equalities and Diversity Officer – for any new or revised policies/strategies to assure Equality Impact Assessment.
- Corporate Transformation and Services Director – any new or proposed changes to existing IT systems and telephones. This includes any office moves where pcs, printers and telephones are having to be moved.
- Corporate Communications – if what you are proposing involves likely media interest or high public information dissemination.

Approved by

Jeanette McDiarmid
Depute Chief Executive People

Signature

Author(s)

Name	Designation and Contact Number
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Background Papers: Service User Survey Analysis, Staff Survey Comments, Co-production Summary of Feedback, Financial Modelling Summary, Full-Equalities Impact Assessment, Rural proofing checklist

Previous Minute Reference:

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Frances Eneide can also give information on other language translations as well as providing additional copies.

Contact us at People Department, Scottish Borders Council, Newtown, St. Boswells, 01835 824000.