



Report of the Cabinet Member for Health & Well-being

Cabinet – 15 February 2018

Annual Review of Charges (Social Services) 2018/19

Purpose:	<p>To review changes to the Council's Charging Policy (Social Services), and to agree upon a list of charges to apply in 2018/19.</p> <p>Details of charges are laid down in the following link: Charging Policy (Social Services)</p>
Policy Framework:	<p>Social Services, in accordance with the detailed code of practice and regulations under Parts 4 & 5 of the Social Services and Well-being (Wales) Act 2014.</p> <p>The report accompanies the annual review of charges for social services in Swansea (Appendix 1), with a set of recommendations for changes to the Council's Charging Policy (Social Services), and in particular the List of Charges to come into effect in April 2018.</p>
Consultation:	<p>Access to Services, Finance, Legal.</p>
Recommendations:	<p>It is recommended that:</p> <ol style="list-style-type: none">1) The updated report on the Annual Review of Charges for Social Care by the Chief Social Services Officer is accepted2) A general uplift of 5-6% for all social services charges, and an above inflation increase to home care charges is applied.3) A charge for Day Services- Older People is introduced4) A charge for Day Services- Adults/ Special Needs is introduced5) A charge for respite at home is introduced and aligned with the charge for other forms of home care.6) The List of Charges to apply in 2018/19 is agreed.7). Cabinet notes the amendments and approves the Charging Policy (Social Services).

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1. Introduction

- 1.1 This report provides a summary of the Chief Social Services Officer's annual review of charges (social services), and sets out the recommendations arising from this review cycle, following the Council's budget consultation exercise.
- 1.2 Swansea Council, under Parts 4 & 5 of the Social Services and Well-being (Wales) Act 2014, has to work within a single social services charging policy framework, and to set out a list of charges to be applied to Swansea citizens in the year ahead.
- Under the Act, a local authority can only charge:
- up to the cost of providing the service
 - what the person can afford to pay for an assessed for service
- 1.3 Swansea's Charging Policy (Social Services) was approved by Council in April 2016, and the first annual review was carried out last year.
- 1.4 The full report of the Chief Social Services Officer on the second annual review of charges -social services 2017/18, is appended to this report to Cabinet (see Appendix 1).
- 1.5 This latest report provides the detail on annual review process, it summarises the feedback from the consultation process, how the charges could impact on citizens and vulnerable population groups, how this can be addressed and a set of recommendations to meet the Council's current strategic priorities.
- 1.6 A revised List of Charges, to apply in 2018/19, is also appended to this report (see Appendix 2).

2. Background to Annual Review of Charging Report

- 2.1 Swansea Council has to have a Charging Policy (Social Services), and is expected to review the list of charges, as they are applied, annually. This report summarises the findings of this annual review. The revised charging policy is appended to this report (Appendix 4).
- 2.2 The Council operates this charging policy, in accordance with the framework set out in the Social Services and Well-being (Wales) Act 2014, in particular the Parts 4 & 5 regulations, codes of practice and statutory guidance.

[Part-4-and-5-code-of-practice-charging-and-financial-assessment](#)

- 2.3 The arrangements for paying for social care in Wales has to balance public sector and individual contributions through charging. This remain a matter of debate and controversy, and though some reform has taken place, there is still room for Local Authority discretion and policy making. Public funding of social care is under pressure as Council budgets are squeezed, demand for services is increasing and all care providers face new financial challenges, including the introduction of the National Living Wage.
- 2.4 Non-residential social care services such as domiciliary care, respite care or day care services are either directly provided, or commissioned from external agencies by the Council. Under the current policy, and the framework of the Social Services and Well-being (Wales) Act 2014 (SSWB Act), a local authority can only charge:
- up to the cost of providing the service
 - what the person can afford
- 2.5 Welsh Local authorities have discretion over whether to make charges for these services, although almost all do. The scope and levels of any charges set by each Local Authority, are only constrained by legislation, specifically the Social Services and Wellbeing (Wales) Act 2014 and in particular the Care and Support (Charging) (Wales) Regulations 2015 which are amended annually. This coming year, the Maximum Weekly Charge applicable in non-residential charging is to be increased from £70 to £80 per week.
- 2.6 Swansea Council also has a corporate financial policy for setting charges covering all services, that, where appropriate, a principle of full cost recovery should apply. The charging policy and financial assessment of each person subject to charging should ensure there is no cross-charging for services. This is taken to mean that the charge can only cover services to meet an assessed need, and that the charge does not exceed the cost of the service.
- 2.7 All social services charges are reviewed on an annual basis, to support the Council's financial and charging plans. Some in-year reviews for new or existing charges can also take place during the financial year. Also considered is whether local charges should reflect social care inflationary pressures, and any additional costs likely to apply in 2018/19.

3. Main Findings

- 3.1 The Chief Social Services Officer's annual review of charges follows the steps as suggested by Wales Audit Office, in that it considers:
- strategic context,
 - statutory framework and financial policy
 - current charges/fees for commissioned services,
 - comparisons of charges with other Welsh Local Authorities
 - current unit costs of providing the service in house

3.2 An updated annual review report (Appendix 1) sets out findings within the following

- Background to Current charging proposals
- Feedback from budget consultation
- Assessment of impact linked to changes/ EIA
- Proposed actions to address issues/ impact
- Recommendations

3.3 **Summary of feedback on budget proposals relating to charges**

- i) A general uplift of 5-6% for all charges to reflect inflationary pressures
55.5% of people who responded to the survey disagreed, or strongly disagreed with this proposal
Comments range from people accepting increasing costs of home care, and the need to pay decent wages, to other stating that what amounts to a 50% increase is outrageous.
- ii) Day Services - Older People's (new charge)
72.2% of people who responded disagreed or strongly disagreed with this proposal
Comments include that day services are vital and how much people look forward to attending but that the charge per day is too high.
- iii) Day Services -Adults with special needs day services (new charge)
74.6% of people who responded disagreed or strongly disagreed with this proposal
There has been strong comments from carers and service users on this proposal, which will impacts on a range of target population groups, and vulnerable adults: Mental Health, Learning Disability, Physical Disabilities, Sensory Impairment and Carers. These groups are also the most economically challenged, or marginalised.
A number of parent/ carers have said they will pull the cared for person out of the service rather than pay a charge or allow them to be the subject of a financial assessment.
- iv) Respite at home service (new charge)
59.6% of people who responded disagreed or strongly disagreed with this proposal
Comments include by offering more support to those family carers that do the care, such as an hour or 2 respite, can help enable them to continue to provide long term personal care/meal provision, being proactive in preventing residential care admissions or hospital stays.
- v) Home Care (increase in hourly charge)
59.7% of people who responded disagreed or strongly disagreed with this proposal.
Comments range from people accepting increasing costs of home care, and the need to pay decent wages, to other stating that what amounts to a 50% increase is outrageous.

3. Equality and Engagement Implications

- 3.1 Swansea Council's Charging Policy (Social Services) is applied equally, in that all assessed needs for care and support services, where they are broadly the same, are treated as the same.
- 3.2 The EIA undertaken identified some potential impacts, however the impacts to each of the different protected characteristic will be fully considered in each individual circumstance. If the new charges are agreed, each individual will have to undertake a financial assessment. The assessment will fully consider the social care assessment which contains an individual's personal profile details. As the individual's assessment is unable to be carried out prior to the introduction of a new/increased charge, the full impact can't be assessment until after implementation.
- 3.3 The Council's budget consultation responses showed some potential impacts such as:
- Impact on people receiving benefits or with low income
 - Impact on carers, and their relationship with cared for person
 - As a disincentive to people accessing social care services
 - Impact on the most vulnerable people/ target population groups such as older people, people with mental health needs, people with learning disabilities, people with physical disabilities, people with sensory impairments, people with complex health needs/ chronic conditions, young people reaching a transition to adult social services
- 3.4 Actions to mitigate against these potential negative impacts include:
- Where citizens or service users are considered to be eligible for a charge, then a financial assessment is offered to determine their means to pay. In Wales, under the Act, there is a maximum weekly charge for homecare and other non-residential, community based, social care services.
 - The current maximum charge from 10 April 2017 is £70 per week, and this is reviewed annually by the Welsh Government (set to increase to £80 in 2018/19).
 - The Parts 4 & 5 Code of Practice guidance advises Local Authorities that: "because a person who receives care and support outside a care home will need to pay their daily living costs such as rent, food and utilities, the charging framework seeks to ensure they have enough money to meet these costs".
-“As a result after charging local authorities must leave a person who is being charged with a minimum income amount”.
 - Where a person is lacking capacity to fully understand the charges, they may still be assessed as being able to contribute towards the cost of their care and support.

- The local authority has put in place policies regarding how they communicate charges, how they carry out financial assessment and how they apply charges in practice.
- If a service user declines to receive a service to meet their needs because of the imposition of new charges, then the care and support plan will still have to address their needs, with their agreement.
- Alternative care and support arrangements may be sought out in this situation, including the offer of direct payments, carers support services or other local support arrangements.

3.5 There are clear principles, in the current Council's charging policy (social services), that states that a person's ability to pay should not preclude access to care and support, or that the charges for care and support should not exceed the costs of provision.

3.6 **Council's budget consultation process**

The Council's budget consultation period was open for six weeks between 14th Dec. 2017 up to 26th Jan 2018, and later extended by one week to 2nd February 2018. Within the period the following activities took place

- Council opened up a budget consultation survey on the public website and paper copies of the survey were made available in public libraries and buildings.
- A letter from Chief Social Services Officer was given to services users attending day services, informing them about the budget proposals and the consultation on new charges, together with directions for the internet survey (approx. 960 service users)
- Hard copies of the letter, the consultation survey and answers to a set of Frequently Asked Questions were also provided to service managers and service users/carers on request.
- Day Services managers and staff were briefed to support service users in how to complete the consultation survey. Some information sharing events were also held in day services involving service users and carers, on request from the service.
- Social Services also identified those citizens who are most likely to be impacted by all of the proposed changes e.g. people who have received a financial assessment (open case), and a letter on behalf of the Chief Social Services Officer (approx. 2920 households).
- A small number of people receiving direct payments in lieu of day services who may not have received a financial assessment were also sent letters (approx.. 7 people)
- Some calls and letters were received and responded to by officers directly, though people were supported and asked to complete a survey response
- The responses received as part of the survey, which closed on 2nd February January 2018, and through consultation events held in services have helped to inform this annual review of charges.

A petition of **2221** signatures, against the proposed charges for day services, was received by Swansea Council on 26th Jan. 2018.

- 3.7 The full EIA for a revised Charging policy is attached to this report (Appendix 3).

4. Financial Implications

- 4.1 Welsh Government has maintained a view that, within local authorities, implementing the Social Services and Well-being (Wales) Act 2014 should be seen as cost neutral. The Act changes the charging arrangements for respite care, as the maximum charge (currently £70 per week) now applies for this service, rather than the standard residential care rate charges applied in the past. The Act grants further discretionary powers to local authorities, on what services can be charged for and the rates at which these are charged, provided that these do not exceed the cost of providing the service.
- 4.2 Swansea Council has a corporate charging policy based on the principles of full cost recovery as reflected in the principles and findings of this review.
- 4.3 The maximum charge arrangements significantly limit the financial impact on individual citizens of any changes to charges for community services. The charges will bring the Council more in line with other local authority published charges by category
- 4.4 The maximum weekly charge arrangements will inevitably limit both the detrimental impact on individuals, and also the level of additional income the Council would otherwise receive. Any additional change to the weekly maximum charge for 2018/19 will likely have a further impact on both individuals and the level of income recovered by the Council.
- 4.5 Changes to be fully incorporated into the financial assessment process by our corporate Social Care Income and Finance Team (SCIFT) and the Abacus system.
- 4.6 Changes to the charges and use of long term residential care charges are also likely to have more of an effect on income generated, through any loss of income has to be considered alongside national changes to the capital limit.
- 4.7 In terms of inflationary pressures, a standard 5 to 6% uplift for this year reflects the many social care cost pressures affecting the care sector at present- living wage, energy costs, national standards and qualifications frameworks, etc.

5. Legal Implications

- 5.1 The Social Services and Well-being (Wales) Act, and the associated Regulations and Codes of Practice came into force on 6th April 2016, and these set out how financial assessments and charging for social care services should be managed by local authorities. Whilst the Welsh Government retains

the power to set caps and thresholds for charges, it is necessary for each Local Authority to publish their charging policy, and to establish a process to review, set and consult upon the list of charges to be applied.

- 5.2 The introduction of any new charges for care and support services, and proposals to significantly increase charges above inflation, will require specific consultation, equalities impact assessment and Cabinet decision.

Background Papers: None.

Appendices:

- Appendix 1 - Report on the Annual Review of Charges (Social Services) – To be updated by Chief Social Services Officer dated February 2018
- Appendix 2 - Proposed List of Charges -Social Services for 2018/19
- Appendix 3.Full Equalities Impact Assessment
- Appendix 4 - Swansea Council Charging Policy –updated, with amendments to come into effect in April 2018