

AGENDA MANAGEMENT SHEET

Name of Committee **Adult and Community Services Overview and Scrutiny Committee**

Date of Committee **18th April 2007**

Report Title **Fairer Charging – Care at Home Services**

Summary This report updates Members on the implementation of the revised charging policy and report on disability related expenditure allowed against income assessable for charging.

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Would the recommended decision be contrary to the Budget and Policy Framework? [please identify relevant plan/budget provision] No

Background papers Reports to Cabinet – 23 February 2006 and 2 November 2006.

CONSULTATION ALREADY UNDERTAKEN:- Details to be specified

- Other Committees Cabinet – 29 March 2007
- Local Member(s)
- Other Elected Members Councillor F McCarney, Councillor R Dodd, Councillor R Randev, Councillor Mrs J Compton
- Lead Cabinet Member Councillor A Farnell
- Cabinet Member Councillor C Hayfield
- Chief Executive
- Legal Alison Hallworth
- Finance David Clarke, Strategic Director of Resources

- Other Chief Officers
- District Councils
- Health Authority
- Police
- Other Bodies/Individuals

FINAL DECISION YES

SUGGESTED NEXT STEPS:

Details to be specified

- Further consideration by this Committee
- To Council
- To Cabinet
- To an O & S Committee
- To an Area Committee
- Further Consultation

**Adult and Community Services Overview and Scrutiny
Committee – 18th April 2007**

Fairer Charging – Care at Home Services

**Report of the Strategic Director of Adult, Health &
Community Services**

Recommendation

That the Committee considers the report on the continuance of the current process for assessing Disability Related Expenditure and the implementation of the revised charging policy.

1. Introduction

- 1.1 At its meeting on the 2nd November 2006 Cabinet approved proposals for a new charging policy and recommended a further report be brought back to Members to re-look at the items within Disability Related Expenditure allowed against income assessable for charging in response to concerns from clients with disabilities and carers. A further report was then taken to Cabinet on 29 March 2007 comprising paragraphs 2 to 6 below. Cabinet supported the continuance of the current process for assessing Disability Related Expenditure and noted the commentary on the implementation of the revised charging policy.
- 1.2 At the Overview and Scrutiny Committee Chairs Briefing on 14th March 2007, Members requested a progress report on Fairer Charging to be brought to its meeting on 18th April.

2. Disability Related Expenditure (DRE)

- 2.1 In paragraphs 2 to 4 below, I outline the current process for assessing DRE and the results of a questionnaire carried out with our CSCI comparator group.
- 2.2 The conclusion is that the current process is meeting the guidelines issued by the Department of Health in the Fairer Charging Guidance and is flexible enough to enable any extra costs of disability related expenditure to be considered as and when they are identified and no amendments to the current processes are necessary.

3. Background

- 3.1 In September 2003 the Department of Health introduced guidance on Fairer Charging for Home Care and other non-residential Social Services. The guidance required that where disability benefits are taken into account as income in assessing ability to pay charges, Council's should assess the individual user's disability related expenditure and take account of this expenditure when ensuring that the service users income is not reduced after charges are applied, below a minimum level of Income Support + 25%. Warwickshire has increased the minimum level to Income Support + 40% from January 2007.
- 3.2 In response to the guidance this authority produced a set of 'rules' to assist Assessment staff in identifying service users disability related expenditure. A copy of this document is attached as Appendix A.
- 3.3 The document takes account of the requirement of the Fairer Charging Guidance and includes as examples the most regularly cited items of disability related expenditure indicated by the Department of Health, the Disablement Income Group and the National Association of Financial Assessment Officers "Good Practice Guide".
- 3.4 Each assessment of disability related expenditure is individual to the service user and the Officers who visit the service users are skilled in encouraging the service user to identify expenditure, which can be allowed in the assessment of ability to pay. The guidance attached as Appendix A is a help to those Officers in assessing the disability related expenditure but the examples in these 'rules' are neither exclusive or exhaustive and any types of expenditure not included in these 'rules' would be considered to be allowed in the same way, if applicable.
- 3.5 As part of the assessment the Visiting Officer also carries out a benefit health check to maximise benefit income for the service user and their family. To date a total of over £4.5 million has been claimed for service users since April 2004 when records were comprehensively kept.
- 3.6 Part of the assessment of ability to pay includes the right of a review if the service user feels the assessment is incorrect. Since September 2002 over 9000 assessments have been carried out. Of these less than 200 reviews have been requested and less than 10 out of these 200 have gone to the second appeal stage. This would indicate the current assessment of the disability expenditure allowance is seen as fair and is accepted by our service users.

4. Comparisons with other Local Authorities

- 4.1 We have carried out a survey of how the other authorities in our CSCI group assess disability related expenditure. We asked each authority how they would allow different types of expenditure and use the Warwickshire 'rules' as per Appendix A.

4.2 The outcome was as follows:

15 authorities were contacted. We asked each authority how they would treat most regularly cited items of DRE for Community Care (laundry, gardening, private care, extra heating). 13 of the 15 authorities all would allow DRE in a similar way to Warwickshire, ie. follow the Department of Health Fairer Charging guidance and the NFAFO Good Practice Guide. Of the other 2 authorities, 1 does not normally allow DRE allowances except on appeal. The other disregards Attendance Allowance/DLA as income and therefore is not required to offer a DRE allowance.

4.3 In addition Warwickshire voluntarily takes part in the Financial Assessments Benchmarking Club arranged by CIPFA which each year compares our performance of the assessment process with other participating authorities. For the 2005/06 year 61 authorities took part.

4.4 One of the indicators produced in this exercise (the results of which are available should any Member wish to see it) is a comparison of the average disability related expenditure allowance per service user in each authority. The average figure for all participating authorities for 2005/06 was £18.73 per week. Warwickshire's figure for the same year was higher at £20.32 per week.

4.5 From the comparisons it can be seen that Warwickshire is not out of line with other authorities in how it assesses disability related expenditure. In addition we have a more favourable average disability related expenditure per service user than the authorities participating in the Benchmarking exercise (and also the survey with other Local Authorities)

5. Implementation of the Revised Charging Policy

5.1 The revised charging policy for care at home charges came into force on 1 January 2007. The new policy was intended to do more for people on low income and to increase the Department's income by a further £1 million.

5.2 3,747 service users have been reassessed under the charging rules on their ability to pay according to the revised policy and informed of their new charges before the end of December 2006.

5.3 The table below analyses the charges following the introduction of the new charges:

319 clients came out of charging, including 87 Day Care only.
510 had charges reduced by an average of £11.46 per week.
711 had charges increased by an average of £16.32 per week.
809 remain as full cost payers increasing by an average of £30.63.

Analysis of Changes

Assessment Before	Assessment After	Average Change £	Variance Type	No of Clients
DAY CARE ONLY				
> Nil	> Nil	-	Day Care – Chargeable	229
Nil	Nil	-	Day Care	301
> Nil	Nil	-	Day Care – New No Charge	87

Assessment Before	Assessment After	Average Change £	Variance Type	No of Clients
HOME CARE/DAY CARE COMBINED				
Nil	Nil	-	Home Care	859
> Nil	Nil	(9.27)	Home Care – New No Charge	232
> Nil	< Before	(11.46)	Home Care – Reduced Charge	510
> Nil	> Before	16.32	Home Care – Increased Charge	711
		30.63	Full Cost Increased Charge	809
		(0.62)	Full Cost Reduction in Charge	9
				3,747

5.4 In total some 1,479 clients are now not charged at all for services.

6. Complaints

6.1 There were over 750 telephone calls regarding the new charges. For simplicity the type of calls have been categorised as follows with the corresponding percentage in each category:

Happy/accept new policy	39%
Unhappy/accept new policy	30%
Unhappy/angry	19%
Very unhappy/may cancel or reduce services	12%

6.2 As at 9 March, in addition to phone calls there had been 66 formal complaints dealt with through the Complaints Procedure, and these are still being received. These have mainly been from the full charge payers complaining about their increase.

GRAEME BETTS
Strategic Director of Adult, Health &
Community Services

Shire Hall
Warwick

February 2007

**WARWICKSHIRE COUNTY COUNCIL
HEALTH & SOCIAL CARE**

**RULES FOR THE ASSESSMENT OF DISABILITY RELATED
EXPENDITURE 2006/07**

There are four over-riding principles that govern the assessment of Disability Related Expenditure (DRE) as agreed by the “Fairer Charging” Working Party on 30 September 2002.

1. Where there is another adult residing in the home that would ordinarily have an **equal responsibility** for the maintenance and upkeep of the property, the Council would expect them to assume an equal proportion of the costs incurred.
2. If a **relative is residing** with the service user, then the Council would not normally accept payments to that relative as DRE.
3. **Validation and verification** of claimed expenditure will only be sought where the amount of DRE being claimed exceeds the discretionary amounts specified within these rules.
4. Principles of **Reasonableness** are to be applied and consideration given to whether claimed expenditure is likely to be necessitated by the person's disability, taking account of the care plan as prescribed in “Fair Access to Care Services”. Some discretion is needed as care plans may not always record specialty items required by the service user, nor take account of items purchased prior to assessment or to meet needs that have arisen since the care assessment. In all cases assessments of DRE should be made taking account of the service users' views and requesting where necessary that future receipts be kept for later verification or re-assessment. Should there be any doubt as to the appropriateness of any item claimed as DRE; reference should be made to the relevant Social Worker for clarification.

These over-riding principles seek to achieve a balance between the requirements of the Fairer Charging Guidance and a minimisation of the “intrusiveness” of the assessment. They are designed to limit “Verification” requirements whilst allowing flexibility for individual circumstances where extraordinary costs are being incurred.

The following paragraphs list items as identified for inclusion and consideration. The list is neither exclusive nor exhaustive but represents what are the most regularly cited items as indicated by the DoH Guidance “Fairer Charging”, the Disablement Income Group and the National Association of Financial Assessment Officers “Good Practice Guide”.

1. FUEL

Additional fuel costs are calculated by comparing the service users' actual costs over a 12 month period with the **average** costs for a similar household. West Midlands average costs exceed national average by 7% therefore we take the national average plus 7% to determine the **average** cost. The actual costs are then compared to the **average** and the difference (calculated to a weekly amount) is taken into account as DRE. West Midlands **averages** (including the additional 7%) for the Financial Year 2006/07 are shown below:

Accommodation Type	1 Occupant	2 Occupants	Each additional Occupant (Not to include Children)
Flat/Terraced House	£607.00	£799.00	£192.00
Semi Detached House	£644.00	£846.00	£202.00
Detached House	£783.00	£1020.00	£237.00

2. COMMUNITY ALARM SCHEME

The actual cost of a Community Alarm is taken into account as DRE as evidenced either by bills or verification with the service provider. It should be noted that the cost will differ throughout the County dependant on the area and service provider.

3. PRIVATE CARE

The actual cost of private care where it is provided "Professionally" can be taken into account where evidence is produced in the form of invoices or receipts and the service user's Care Plan indicates that it is "reasonably required".

4. PRIVATE DOMESTIC HELP

The actual cost of private domestic help is to be allowed where the care plan identifies it is reasonably required and, appropriate invoices or signed receipts are available.

Where informal domestic help is claimed, a maximum of 2 hours per week at £5.53 per hour can be calculated as DRE without verification. That is a total maximum of £11.06 each week.

Where ironing is claimed in addition to domestic help receipts must be seen supported by a short report.

Where a service user's partner is caring full time for the service user the full amount can be allowed for domestic help and "Partner Caring" written on the DRE form under comments. However, where the partner is able to assist with domestic work the amount claimed is to be halved.

5. LAUNDRY

A fixed price of 89 pence per load is allowable for each load in excess of 2 each week for an individual and in excess of 4 loads each week for a couple. 2 loads each week is considered as the normal washload for an individual and 4 as the normal washload for a couple.

Where there is no access to a washing machine at home the full launderette price can be allowed minus the price that is considered as the normal washload. That is £1.78 for an individual and £3.56 for a couple

6. BEDDING

Where bedding requires to be replaced on a regular basis due to spillages or incontinence etc and no provision is made to the service user for this through the NHS, the full reasonable cost of replacement can be attributed to DRE.

7. DIET

This is discretionary and may be based on medical confirmation of special dietary needs and/or actual or estimated weekly expenditure where those needs are likely to improve or maintain the service user's health. For example fortification drinks not available on prescription or extensive nutritional aids such as Benecol. In cases where dietary requirements are claimed for conditions such as Coeliac Disease an estimation should be taken (from shopping receipts) as to the weekly cost of the service user's diet. The excess expenditure attributable to the service user can be calculated by deducting £24.68 for an individual from the service user's estimated weekly bill and the difference allowed as DRE.

8. CLOTHING

Any special clothing or footwear, particularly where these are specially made, or due to exceptional wear and tear caused by a person's disability can be allowed. Discretion should be used and reasonableness applied to cases where mental health problems and learning disabilities may cause tearing of clothing, staining or exceptional wear due to individuals' particular circumstances. Care should be taken to distinguish clearly between need based on disability as indicated in the care plan and "choice" where, for example, an individual may opt for "designer" rather than practical/functional items.

9. WATER

Additional metered costs of water, above the average levels for the area and housing type can be attributed to DRE where water consumption results in higher costs due to the individual's disability. The following table shows the average levels for the area and housing type including the overall average increase from April 05 of 17% as published by Severn Trent Water.

No. of Occupants	Flat/Terraced	Semi-Detached	Detached
1	£159.61	£182.21	£203.40
2	£238.70	£259.90	£281.09
3	£300.85	£322.04	£343.23
4	£353.13	£374.30	£395.49

10. GARDENING

£5.53 per week (2002/03 rates) can be allowed for basic maintenance without verification. Exceptional costs such as tree lopping and removal, hedge trimming etc are subject to verification by way of invoice/receipts. Discretion and reasonableness should also be applied in exceptional circumstances, for instance where a service user has a larger than average garden.

11. WHEELCHAIRS

Where an individual has had to purchase their own wheelchair we can allow the replacement cost, maintenance and service contract costs up to a weekly maximum of £2.93 each week (manual) and £7.11 each week (powered). This allowance should be calculated on a five year life expectancy and not have been purchased using the Motability facility.

12. POWERED BED

The actual cost of a powered bed not supplied by NHS or under the Disabled Facilities Grant can be allowed up to a maximum of £3.26 each week based on a life expectancy of 10 years. Where possible receipts should be verified, but as a minimum visual confirmation that the item is "in situ" is required. Annual maintenance costs for upkeep, service contracts and insurances for the item are to be aggregated and divided by 52 to determine a weekly amount to be considered as DRE.

NOTE: Where second hand equipment has been purchased DRE should be calculated over the remaining life expectancy of the equipment, EG if a 2 year old wheelchair has been bought for £200.00, this figure should be calculated over 3 years = 200 divided by 156 = £1.28 per week.

13. TURNING BED

The actual cost of a turning bed not supplied by NHS or under the Disabled Facilities Grant can be allowed up to a maximum of £5.68 each week based on a life expectancy of 10 years. Where possible receipts should be verified, but as a minimum visual confirmation that the item is “in situ” is required. Annual maintenance costs for upkeep, service contracts and insurances for the item are to be aggregated and divided by 52 to determine a weekly amount to be considered as DRE.

14. POWERED RISER/RECLINER CHAIR

The actual cost of the item if not supplied by NHS or under the Disabled Facilities Grant can be allowed up to a maximum of £4.57 each week based on a life expectancy of 10 years. Where possible receipts should be verified, but as a minimum visual confirmation that the item is “in situ” is required. Annual maintenance costs for upkeep, service contracts and insurances for the item are to be aggregated and divided by 52 to determine a weekly amount to be considered as DRE. Discretion and reasonableness may be required where an individual has had to obtain a customised chair to meet their particular needs.

If a manual reclining chair has been purchased life expectancy should be treated as 5 years.

15. STAIR-LIFT

The actual cost can be allowed up to a maximum of £4.57 each week where this has not been provided by NHS or under the Disabled Facilities Grant and based on a life expectancy of 10 years. Where possible receipts should be verified, but as a minimum visual confirmation that the item is “in situ” is required. Annual maintenance costs for upkeep, service contracts and insurances for the item are to be aggregated and divided by 52 to determine a weekly amount to be considered as DRE.

16. HOIST

The actual cost can be allowed up to a maximum of £2.26 each week where this has not been provided by NHS or under the Disabled Facilities Grant and based on a life expectancy of 10 years. Where possible receipts should be verified, but as a minimum visual confirmation that the item is “in situ” is required. Annual maintenance costs for upkeep, service contracts and insurances for the item are to be aggregated and divided by 52 to determine a weekly amount to be considered as DRE.

NOTE: Where second hand equipment has been purchased DRE should be calculated over the remaining life expectancy of the equipment, EG if a 2 year old wheelchair has been bought for £200.00, this figure should be calculated over 3 years = 200 divided by 156 = £1.28 per week.

17. HOLIDAYS

Additional costs in excess of normal costs for a similar holiday can be allowed usually based on 1 holiday per year. Discretion may be required where therapeutic aspects are involved resulting in more than 1 holiday per year and/or where the costs of carers/companions are a requirement.

18. PRESCRIPTIONS

Where the service user does not have an exemption from prescription charges the annual prescription fee can be allowed as DRE divided by 52 to give a weekly figure. Current annual fee is £95.30 therefore maximum weekly amount allowed = £1.83

19. TRANSPORT

Transport costs are discretionary dependant on the individual's needs and whether the Mobility component of DLA is in payment. Where the service user is incurring exceptional costs, as an example, due to a requirement for regular hospital outpatient visits and/or treatments, the costs above the level of DLA Mobility payments can be considered. Transport provided by Warwickshire County Council (for example to attend day care) is **not** to be included however exceptional costs for other social and recreational costs may be given consideration.

20. COMMUNICATIONS

Equipment for the enablement of communication is discretionary based on the individual's disability and established need. For example, large buttoned telephones, "Possum" specialist equipment, voice activated equipment and/or similar. Receipts/invoices should be seen as verification for all specialist equipment and the cost calculated over its life expectancy. Care should be taken to ensure that such equipment has not been provided or funded by NHS, Disabled Facilities Grant or charitable organisations.

21. CHIROPODY

The cost of services provided by a Chiropodist can be allowed up to a maximum of £21.55 per 6 weekly visits (£3.69 per week) where the NHS does not provide this.

22. DISABILITY EQUIPMENT

Items such as Zimmer frames, walkers, trolleys, specialised equipment, infra red systems etc that have not been provided by the NHS or Social Services Department can be allowed with the cost averaged over a 52 week period to provide an aggregated weekly amount of DRE. This includes surgical and support wear.

23. OTHER ITEMS

Discretion should be used at all times where the individual requires additional items of creams, lotions, non prescription items, homeopathic items etc particularly where skin conditions, incontinence and/or ulcerations are prevalent and the service user may wish to be taken into consideration.