

AGENDA MANAGEMENT SHEET

Name of Committee	Cabinet
Date of Committee	23 February 2006
Report Title	Fairer Charging – Care at Home Services
Summary	This report, in response to advice contained in the performance assessment report from CSCI and the 2004/05 Strategic Review of Older People, sets out a proposal for a revised charging policy options as a basis for consultation.
For further information please contact:	Martin Jones Head of Resources Management Tel: 01926-412083 martinjones@warwickshire.gov.uk
Would the recommendation decision be contrary to the Budget and Policy Framework? [please identify relevant plan/budget provision]	No. Cabinet is invited to approve new policy options as a basis for further consultation only at this stage.
Background papers	Department of Health Guidance: "Fairer Charging Policies for Home Care and other Non Residential Social Services". Reports to Cabinet (27 February 2003 & 13 March 2003) - "Implementation of a Fairer Charging Policy for Home Care and other Non Residential Social Services". Report to Social Care & Welfare Overview & Scrutiny Committee – 20 January 2004 – "Implementation of Fairer Charging – Progress Report". Report to Cabinet – 2 February 2006 – "Star Rating Action Plan".

CONSULTATION ALREADY UNDERTAKEN:-

Details to be specified

- Other Committees
- Local Member(s)
- Other Elected Members
- Cabinet Member Cllr Colin Hayfield, Adult and Community Services
- Chief Executive
- Legal Jane Pollard, Assistant County Solicitor
- Finance
- Other Chief Officers
- District Councils
- Health Authority
- Police
- Other Bodies/Individuals

FINAL DECISION No

SUGGESTED NEXT STEPS:

Details to be specified

- Further consideration by this Committee A recommended revised charging policy will be brought to Cabinet following a statutory consultation exercise.
- To Council
- To Cabinet
- To an O & S Committee Adult & Community Services Overview and Scrutiny.
- To an Area Committee
- Further Consultation Council has a statutory duty to consult on changes proposed to its charging policy for non-residential social care services.

Cabinet – 23 February 2006

Fairer Charging – Care at Home Services

Report of the Interim Director Adult Social Care

Recommendations

That Cabinet:

- 1) Notes the issues highlighted by the Commission for Social Care Inspection regarding the Council's existing approach to care at home charges.
- 2) Approves the proposed revised charging policy options as a basis for a statutory consultation exercise.
- 3) Notes that the feedback from the consultation exercise and a recommended revised charging policy will be reported to a future meeting of Cabinet.
- 4) Invites the relevant scrutiny committee to consider the consultation response and advise on further progression of the revised charging policy framework.

1. Introduction

- 1.1. The Council budgets to collect £2.4 million per annum from charges made for the home care services that it provides or arranges. The Council's existing charging policy for home care has been in place since April 2003. Whilst, strictly, the existing charging policy is compliant with statutory guidance, the advice in the Strategic Review of Older People Services undertaken by Dame Yve Buckland which reported to Cabinet in June 2005 was that it should be revised and simplified
- 1.2. There were particular concerns within the Strategic Review which concluded that the local approach not as equitable as it could be and that revision and simplification was needed. These conclusions were endorsed during the assessment of the Council's performance in providing adult social care by the Commission for Social Care Inspection (CSCI) during the 2005 year.
- 1.3. Cabinet, at its meeting of 2 February 2006, considered a report setting out a short and medium term action plan to improve the Council's performance rating in this area. This included a review of the Council's charging policy which is required to incorporate a statutory consultation exercise.

- 1.4. This report outlines the need for change and proposes a revised framework as a basis for further consultation with users preparatory to scrutiny consideration and executive determination.

2. 'Fairer Charging' Guidance

- 2.1. Councils have a discretionary power to charge for non-residential social care services. This is a separate power from that which governs charging for residential care for which statutory guidance on how to charge is largely prescriptive. In October 2002, new regulations came into force that set out certain conditions to which Councils must adhere when charging service users for non-residential services. This guidance is commonly referred to as 'Fairer Charging'. Its principal aims were two fold: to secure a measure of geographical consistency in basis for care at home charges and ensure that after contributing towards personal care costs people still had enough to live on. The guidance requires that:
 - charges collected should not reduce service user's income below a defined threshold equal to the basic levels of 'Income Support plus 25%'
 - account should also be taken of any additional costs of disability for each service user
 - welfare benefits advice should be provided when charges are assessed
 - charges are reviewed
- 2.2. The minimum income guarantee that the Fairer Charging guidance determines can be increased by Councils over and above the 'Income Support plus a 25%' buffer.
- 2.3. All Councils charging for non-residential services are required to adhere to this guidance. This ensures there is consistency across authorities in the means test that is applied to determine minimum income guarantees to service users. However, the levels at which Councils set charges continues to vary, which will reflect local needs and circumstances, subject to the Fairer Charging ceilings that apply.
- 2.4. The guidance also requires Councils to keep their frameworks under review. The recent assessment suggests that it would be timely to do so now consistent with the Council's approach of balancing the costs between service users and council tax payers and to keep local arrangements fully up to date.

3. The Council's Charging Policy

- 3.1. The Council charges for home care on the basis of those hours that are planned to be delivered each week using a system of banded rates as follows:

	<u>£</u>
Less than 2 hours	4.83
2 hours but less than 4	9.70
4 hours but less than 6	19.07
6 hours but less than 8	28.05
8 hours but less than 10	36.92
10 hours but less than 12	39.21
12 hours but less than 14	45.80
More than 14 hours (increase in bands of 2 hours) – for each band an extra	13.52

- 3.2. A system of banded rates has been used since the new charging framework was adopted. This was partly due to the intention at that time to provide for some consistency in the level of charges that individual service users experienced. It can be seen that the average hourly rates across bands are inconsistent
- 3.3. The lack of a consistent hourly rate across charging bands and the continued policy of charging on planned hours, albeit with charges being waived when actual hours fall significantly, are the reasons that the Council's existing policy is seen as being in need of updating. This is accepted and the task is to align more fully with national guidance and to make it easier for people to understand.
- 3.4. The Council recovers contributions (subject to the minimum income guarantee provided by Fairer Charging), according to planned hours and not those that are actually delivered. The current policy does, however, ensure that when a service user's actual hours delivered in a week fall below 50% of those planned, any charge for that week is waived. Changing this arrangement is not easy. This is because the Council does not yet have electronically based systems for recording actual hours delivered by home care staff (directly employed or contracted) that can be easily integrated with charging systems. The alternative is manual adjustment which would be time consuming, expensive, and likely to lead to delays.
- 3.5. There are plans to develop and introduce electronic time recording systems. Such systems are not expected to be in place in the forthcoming year. The technology is still in development and the experience of some councils has been that there can be consumer resistance to use of telephone based systems. In the interim the Council can reasonably continue with an approach based on planned hours subject to adjustments, in specified circumstances where the service has not be received.

- 3.6. It is also worth noting that the average hourly rate (weighted by actual planned packages charged for) is currently £3.69. This falls well below the calculated average cost to the Council of providing one hour of home care of £13.59. Hence, for those people who can afford to pay, the Council supports approximately 73% of the cost of care. Any continuation of support at this level needs careful consideration. In particular, there is a need to be alert to risks of pressure for intensive home care packages when care might be more appropriately given in a care home or extra care housing setting offering 24 hour care.

4. A Proposed Revised Charging Policy Framework

- 4.1. The Fairer Charging guidance issued by the Department of Health requires Councils who review their charging policies to undertake a formal consultation exercise. Appendix A to this report provides a draft set of principles that are proposed as underpinning any new charging policy.
- 4.2. More specifically, the proposed changes for the Council's charging policy, upon which consultation is required, are as follows:
- increase the minimum income guarantee above the minimum threshold prescribed in statutory guidance, or
 - discontinue care at home charges for people in receipt of income support or the Guarantee Credit of Pension Credit.
 - discontinue the system of banded rates
 - adjust the level of support met by the Council whilst at the same time ensuring everyone receiving care at home services gets a measure of support from the council
 - operate an hourly rate for home care cost recovery that reflects a set proportion of the cost of care at home
 - continue to apply a threshold for savings/capital above which service users would be automatically assessed to pay this full hourly rate
 - consider a separate hourly rate derived from reduced council contribution to avoid for users in receipt of an intensive home care package arranged where care needs are assessed as being best met in a care home
 - charge users on the basis of care delivered but continue to ensure flexibility within the system so as to avoid over proliferation of variations in weekly charges for individuals
 - re-alignment of any maximum weekly charge with the cost to the Council of providing residential care

- 4.3. Income Support has now been replaced by a new system of Guaranteed Credit, but this still allows for the intended threshold to be provided for within the means test that the Council performs. The Council's Anti-Poverty Strategy invites the Council to consider making the community care services free to more low-income service users. This invitation should now be taken up. People not liable to cost recovery in this group, would still receive benefits advice. It can be done in one of two ways:
- ✓ Deciding not to levy charges at all;
 - ✓ Use of an extended "buffer" to take people out of charging.
- 4.4. For illustration, the extension of the existing buffer from 'Income Support plus 25%' to 'income support plus 40%', would provide a free service to approximately 600 additional service users. Both options can be consulted on. Under the first people would not be means tested but would still have access to benefits advice. Under the second option means testing would still be involved.
- 4.5. Appendix B to this report provides a set of exemplifications of how the proposed changes to the Council's charging policy would affect individual services users, depending on their individual circumstances. It is proposed that worked examples will be required to ensure that the consultation exercise is made meaningful. It is important to stress however that the rates used are illustrative only at this point and would be influenced by the consultation exercise itself.
- 4.6. The effect of the implementation of the options proposed on existing service users is summarised in Appendix C to this report. It can be seen that the effect of each option proposed is to increase the numbers of service users who receive a free service, but that people who are not on lowest incomes are required to contribute at higher levels. The expected income yield for each option is broadly consistent.

5 The Benefits of the New Approach

The benefits of the new approach are:

- ✓ The Council can show it has kept its approach under review
- ✓ The concerns raised by external assessors are responded to effectively
- ✓ More people on low incomes are no longer required to contribute towards the cost of community care services (this does not apply to meals, transport etc which are an element of the cost of daily living and recognised to be different in the guidance)
- ✓ The system should be easier to understand and to promote
- ✓ Everyone gets some support with their care costs
- ✓ Perverse incentives are avoided between different care settings

5. Consultation Exercise

- 6.1. Prior to implementing revisions to its charging policy, the Council is required to consult interested parties. This is a requirement determined within statutory guidance.
- 6.2. Notwithstanding this requirement, it will be necessary to consult both service users and a representative sample of Council tax payers in order for the Council to reach an informed conclusion about the balance of contributions to the cost of care between consumers and tax-payer which is appropriate.
- 6.3. It is proposed to consult all service users on options proposed in this report. Separate consultation will be undertaken involving interest groups, including the voluntary sector, and through the Council's Citizen's Panel.
- 6.4. Results of consultation will be considered by the Adult and Community Overview and Scrutiny Committee prior to the final recommended option for charging being brought back to Cabinet for approval.

MICHAEL HAKE
Interim Director of Adult Social Care
Shire Hall
Warwick

23 January 2006

WARWICKSHIRE ADULT SOCIAL CARE SERVICES CHARGING POLICY PRINCIPLES

This paper outlines our approach to charging for care.

1. GENERAL PRINCIPLES

As a Council, and as part of our commitment to promoting independence, well being and choice, we aim to ensure fair arrangements are in place for care charges. All care charges will:

- ✓ Be in line with national guidance and regulations; and,
- ✓ Allow for agreed extra costs of disability where disability benefits are received; and:
 - Be easy to understand and follow;
 - Be worked out consistently, correctly and in a timely manner;
 - Be confirmed in writing and normally in advance;
- ✓ Reflect care priorities of the Council and the needs it seeks to meet;
- ✓ Avoid distortions or disincentives that might otherwise affect the choice of care services or the outcome of care for individuals.
- ✓ Be applied sensitively and reflect individual privacy and dignity
- ✓ Be kept under regular review
- ✓ Share the cost fairly between service users and council taxpayers;
- ✓ Ensure consistency with our anti-poverty strategy

2. ASSESSMENT OF CARE NEEDS

Publicly funded social care services may be provided only once a care assessment has been completed and agreed by a care manager employed or approved by the Council.

No charge will be made for care assessments by care managers.

Care assessments will reflect our responsibilities and Fair Access priorities for help in meeting social care needs. These are set out in the local Long Term Care Charter.

3. FINANCIAL ASSESSMENT

All care help is subject to an individual financial assessment to determine ability to pay any care charges where these apply.

Direct Payments will be made having allowed for any care charges payable.

4. CUSTOMER SENSITIVITY

Specialist staff will normally undertake financial assessments and benefits advice work and not the care manager who makes the assessment of care needs.

We will seek to minimise any possible sense of intrusion or embarrassment subject to the need for an accurate and complete financial assessment based on a confidential, complete and proper disclosure of circumstances in every case.

5. FINANCIAL HARDSHIP

No one should be excluded from receiving assessed care services to meet essential needs because they lack money to pay care charges from income or savings.

If charges for care result in financial difficulty we will always look at them with the individual and see what can be done.

Deferred care charges may be possible in some cases.

6. CARE CHARGES

Care charges will be based on the number of care hours or services planned to be provided during a particular week. This will include a "variation" factor to allow for some care sessions being marginally longer or shorter than planned in some weeks.

All care charges will be calculated against the defined cost of providing that care to the Council for the relevant period.

No care charge should be greater than the value of the service provided subject to any regulatory requirements.

No care charge should bear a marginal cost of collection more than the income generated.

All care charges are normally payable from the first day of service and in some cases at the time the service is delivered.

7. NOTIFICATION OF INDIVIDUAL CARE CHARGES

Every service user paying care charges should have a clear understanding of the likely maximum amount payable before receiving a service and the entitlement to any financial assessment that would reduce that amount where such an arrangement applies.

Appropriate information will be included in relevant literature and confirmed in writing.

8. REGULAR REVIEW/UPRATING

All charges will be kept under periodic review.

Certain care charges will increase automatically in line with the:

- ✓ rate of inflation used by Government to up-rate state benefits for inflation. The up rating of the State Retirement Pension will normally be used for this purpose; and/or
- ✓ increases in the defined care costs subject to the maximum care charge

All people paying care charges may expect to receive one month's notice of changes to their individual care charges that arise from up rating or change to the charging framework

9. MINIMUM INCOME GUARANTEE LEVEL

No one, as a result of care charges, will be left with a disposable income [including use of any notional income from savings where this applies] that falls below the minimum disposable income levels we have set based on relevant government guidance for non-residential and residential charges.

[Note: This provision does not apply to meals and refreshments at day centres, clubs or received in the home or to travel, outings and trips we may arrange or where a charge is fixed by regulation or does not relate to social care. Full cost recovery will normally apply to provision of meals.]

10. DEFINED CARE COSTS

To ensure flexibility and choice in care all non-residential care charges will be based on a defined cost of care to the Council appropriate to the care service being provided. The defined cost will use the notional average cost and will take into account all relevant factors and costs the Council has to meet but not the cost of care assessment.

Defined care costs at a Care Home will reflect the cost of the place to the Council and will normally be the price the Council "usually expects to pay". The defined care cost will be uprated annually at the same time as implementation of benefit changes to reflect movement in costs.

Each non-residential care service will be regarded as a separate service and will have its own defined care cost for the purpose of calculating care charges.

Full cost recovery will apply to meals services.

11. PERCENTAGE CONTRIBUTIONS

Care at home charges will be based on individual ability to pay using a percentage of the "defined cost".

In some cases the Council may apply full cost recovery.

No care charge to individuals may be greater than the defined cost of social care service provided unless specified by regulation.

12. DISABILITY COSTS

Account will be taken of the additional costs of disability including the cost of privately arranged disability services to meet elements of assessed care needs having regard to guidelines issued by the Department of Health.

We will also take into account income received from disability benefits.

For privately arranged care disability expenditure is limited to the level of service that we would have bought to meet assessed needs.

The costs for additional levels of service would not be a factor to be used in assessing care charges for services we buy in terms of minimum income.

We will disregard assistance at night elements of relevant benefits and any expenditure associated with night care as we do not normally provide social care night care services.

Where payment is made for help or support but appears to be a means of reducing disposable income to avoid care charges we reserve the right to disallow such costs. A right of review will be available under our hardship procedure if this happens.

13. CONSULTATION

Before significant changes to this policy or to care charges generally are made we will consult on and publicise any proposals for change.

People paying charges are welcome, at any time, to comment on arrangements for care charging.

14. BENEFITS ADVICE

Users of social care services will receive advice on benefits to which they may be entitled and receive advice and/or help in applying for them.

When requested or where it seems more appropriate we will put people in touch with relevant advice agencies where they wish to receive independent advice on entitlement to benefits or a financial assessment we have made.

This charging policy is consistent with the overall approach within the Council's Anti Poverty Strategy

15. LINKS TO LONG TERM CARE CHARTER

This policy will be included in and form part of the Warwickshire Long Term Care Charter.

Cmh/090106.

Proposals for Changes to Charges - Warwickshire

APPENDIX B

Current All services Users assessed, ISAA + 25%, Charge at Banding Levels, Capital over £20,500 = Full Charge

Proposal A Those in receipt of IS/GC exempt from charging, ISAA + 25%, Charge @ Flat Rate £9.10 per hour (or part hr)

Proposal B ISAA + 40%, Charge at Flat Rate of £9.10 per hour (or part hr) up to 18 hrs, £13.59 per hr above 18 hrs.

Income	Client A			Client B		
	Current	Proposal A	Proposal B	Current	Proposal A	Proposal B
SRP	£104.72	£104.72	£104.72	£85.60 Inc Ben	£85.60	£85.60
Occ Pen	£27.83	£27.83	£27.83	£15.60	£15.60	£15.60
DLA/AA	£0.00	£0.00	£0.00	£16.05	£16.05	£16.05
IS/GC	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Savings	£5,480.00	£5,480.00	£5,480.00	£24,580.00	£24,580.00	£24,580.00
Tariff Inc.	£0.00	£0.00	£0.00	£49.00	£49.00	£49.00
Total Income	£132.55	£132.55	£132.55	£166.25	£166.25	£166.25
Housing Costs & DRE						
Rent/Mortgage	£0.00	£0.00	£0.00	£6.21	£6.21	£6.21
Council Tax	£0.00	£0.00	£0.00	£2.15	£2.15	£2.15
DRE	£0.00	£0.00	£0.00	£3.47	£3.47	£3.47
Total Expense	£0.00	£0.00	£0.00	£11.83	£11.83	£11.83
IS/GC Plus Buffer	£136.81	£136.81	£153.23	£113.69	£113.69	£136.43
Calc of Avail Income						
Income	£132.55	£132.55	£132.55	£166.25	£166.25	£166.25
Less:						
Housing Costs & DRE	£0.00	£0.00	£0.00	£11.83	£11.83	£11.83
IS/GC Plus Buffer	£136.81	£136.81	£153.23	£113.69	£113.69	£136.43
Avail. for Charging	-£4.26	-£4.26	-£20.68	£40.73	£40.73	£17.99
Service Received:	Hrs	Total	Hrs	Total	Hrs	Total
Banding System	7	£28.05	7	£63.70	13	£45.80
£9.10 per hour		£0.00	7	£63.70	13	£118.30
13.59 per hour		£0.00		£0.00		
Max Charge	£28.05	£63.70	£63.70	£45.80	£118.30	£118.30
ACTUAL CHARGE =	NIL	NIL	NIL	£40.73	£40.73	£17.99

Proposals for Changes to Charges - Warwickshire

APPENDIX B

Current All services Users assessed, ISAA + 25%, Charge at Banding Levels, Capital over £20,500 = Full Charge

Proposal A Those in receipt of IS/GC exempt from charging, ISAA + 25%, Charge @ Flat Rate £9.10 per hour (or part hr)

Proposal B ISAA + 40%, Charge at Flat Rate of £9.10 per hour (or part hr) up to 18 hrs, £13.59 per hr above 18 hrs.

Income	Client C			Client D		
	Current	Proposal A	Proposal B	Current	Proposal A	Proposal B
SRP	£98.35	£98.35	£98.35	£0.00	£0.00	£0.00
Occ Pen	£38.62	£38.62	£38.62	£0.00	£0.00	£0.00
DLA/AA	£0.00	£0.00	£0.00	£40.55	£40.55	£40.55
IS/GC	£0.00	£0.00	£0.00	£135.10	£135.10	£135.10
Savings	£20,120.00	£20,120.00	£20,120.00			
Tariff Inc.	£31.00	£31.00	£31.00	£0.00	£0.00	£0.00
Total Income	£167.97	£167.97	£167.97	£175.65	£175.65	£175.65
Housing Costs & DRE						
Rent/Mortgage	£0.00	£0.00	£0.00	£0.00		£0.00
Council Tax	£12.41	£12.41	£12.41	£0.00		£0.00
DRE	£0.00	£0.00	£0.00	£0.00		£0.00
Total Expense	£12.41	£12.41	£12.41	£0.00	£0.00	£0.00
IS/GC Plus Buffer	£136.81	£136.81	£153.23	£113.69		£127.33
Calc of Avail Income						
Income	£167.97	£167.97	£167.97	£175.65		£175.65
Less:						
Housing Costs & DRE	£12.41	£12.41	£12.41	£0.00		£0.00
IS/GC Plus Buffer	£136.81	£136.81	£153.23	£113.69		£127.33
Avail. for Charging	£18.75	£18.75	£2.33	£61.96	£0.00	£48.32
Service Received:	Hrs	Total	Hrs	Total	Hrs	Total
Banding System	9	£36.92	9	£81.90	10	£39.21
£9.10 per hour			9	£81.90		
13.59 per hour						
Max Charge	£36.92	£81.90	£81.90	£39.21	£0.00	£91.00
ACTUAL CHARGE	£18.75	£18.75	£2.33	£39.21	EXEMPT	£48.32

Proposals for Changes to Charges - Warwickshire

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Proposal B ISAA + 40%, Charge at Flat Rate of £9.10 per hour (or part hr) up to 18 hrs, £13.59 per hr above 18 hrs.

Income	Client E			Client F		
	Current	Proposal A	Proposal B	Current	Proposal A	Proposal B
SRP	£91.20	£91.20	£91.20	£90.17	£90.17	£90.17
Occ Pen	£57.93	£57.93	£57.93	£0.00	£0.00	£0.00
DLA/AA	£40.55	£40.55	£40.55	£40.55	£40.55	£40.55
IS/GC	£0.00	£0.00	£0.00	£59.43	£59.43	£59.43
Savings	£10,105.00	£10,105.00	£10,105.00	£2,915.45	£2,915.45	£2,915.45
Tariff Inc.	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Total Income	£189.68	£189.68	£189.68	£190.15	£190.15	£190.15
Housing Costs & DRE						
Rent/Mortgage	£0.00	£0.00	£0.00	£0.00		£0.00
Council Tax	£0.00	£0.00	£0.00	£0.00		£0.00
DRE	£28.02	£28.02	£28.02	£38.49		£38.49
Total Expense	£28.02	£28.02	£28.02	£38.49	£0.00	£38.49
IS/GC Plus Buffer	£136.81	£136.81	£153.23	£136.81		
Calc of Avail Income						
Income	£189.68	£189.68	£189.68	£190.15		£190.15
Less:						
Housing Costs & DRE	£28.02	£28.02	£28.02	£38.49		£38.49
IS/GC Plus Buffer	£136.81	£136.81	£153.23	£136.81		£153.23
Avail. for Charging	£24.85	£24.85	£8.43	£14.85	£0.00	-£1.57
Service Received:	Hrs	Total	Hrs	Total	Hrs	Total
Banding System	8.5	£36.92	8.5	£81.90	3.5	£9.70
£9.10 per hour			8.5	£81.90	3.5	£36.40
13.59 per hour						£0.00
Max Charge	£36.92	£81.90	£81.90	£9.70	£36.40	£36.40
ACTUAL CHARGE	£24.85	£24.85	£8.43	£9.70	EXEMPT	NIL

Proposals for Changes to Charges - Warwickshire

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Proposal B ISAA + 40%, Charge at Flat Rate of £9.10 per hour (or part hr) up to 18 hrs, £13.59 per hr above 18 hrs.

Income	Client G			Client H		
	Current	Proposal A	Proposal B	Current	Proposal A	Proposal B
SRP	£87.93	£87.93	£87.93	£93.45	£93.45	£93.45
Occ Pen	£53.66	£53.66	£53.66	£32.65	£32.65	£32.65
DLA/AA	£40.55	£40.55	£40.55	£40.55	£40.55	£40.55
IS/GC	£0.00	£0.00	£0.00	£1.15	£1.15	£1.15
Savings	£15,468.00	£15,468.00	£15,468.00	£19,560.00	£19,560.00	£19,560.00
Tariff Inc.	£12.00	£12.00	£12.00	£29.00	£29.00	£29.00
Total Income	£194.14	£194.14	£194.14	£196.80	£196.80	£196.80
Housing Costs & DRE						
Rent/Mortgage	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Council Tax	£14.42	£14.42	£14.42	£0.00	£0.00	£0.00
DRE	£8.65	£8.65	£8.65	£5.62	£5.62	£5.62
Total Expense	£23.07	£23.07	£23.07	£5.62	£5.62	£5.62
IS/GC Plus Buffer	£136.81	£136.81	£153.23	£136.81	£136.81	£153.23
Calc of Avail Income						
Income	£194.14	£194.14	£194.14	£196.80	£196.80	£196.80
Less:						
Housing Costs & DRE	£23.07	£23.07	£23.07	£5.62	£5.62	£5.62
IS/GC Plus Buffer	£136.81	£136.81	£153.23	£136.81	£136.81	£153.23
Avail. for Charging	£34.26	£34.26	£17.84	£54.37	£54.37	£37.95
Service Received:	Hrs	Total	Hrs	Total	Hrs	Total
Banding System	12	£45.80			20	£99.88
£9.10 per hour	12	£109.20	12	£109.20	18	£163.80
13.59 per hour					2	£27.18
Max Charge	£45.80	£109.20	£109.20	£99.88	£190.98	£190.98
ACTUAL CHARGE =	£34.26	£34.26	£17.84	£54.37	EXEMPT	£37.95

APPENDIX C

COMPARISON OF OPTIONS

a) Existing Charging Policy

Users receiving service free of charge	833	26.8%
Users whose charge is capped by Fairer Charging	368	11.8%
Users who have disposable income after charges	1,105	35.5%
Users paying full charge	804	25.9%
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	3,110	

b) Apply current Fairer Charging Matrix (IS + 25%) to an hourly rate charge of £9.10 (33% subsidy on PAF Indicator Cost of £13.59), but exclude users who receive Income Support/Guarantee Credit from the process (1,429 – 45.9% of users).

Users receiving service free of charge	1,913	61.5%
Users whose charge is capped by Fairer Charging	240	7.7%
Users who have disposable income after charges	153	4.9%
Users paying full charge	804	25.9%
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Users benefiting from a reduced charge	1,092	35.1%
Users who are unaffected by the change	953	30.6%
Users paying an increased charge	1,065	34.2%
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c) Apply an enhanced Fairer Charging Matrix (IS + 40%) to an hourly rate charge of £9.10 up to 18 hours per week, but charge £13.59 for additional hours

Users receiving service free of charge	1,453	46.7%
Users whose charge is capped by Fairer Charging	748	24.1%
Users who have disposable income after charges	105	3.4%
Users paying full charge	804	25.9%
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Users benefiting from a reduced charge	1,146	36.8%
Users who are unaffected by the change	833	26.8%
Users paying an increased charge	1,131	36.4%
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	3,110	