

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**CABINET**

**20<sup>TH</sup> SEPTEMBER 2018**

**CHARGING FOR NON-RESIDENTIAL ADULT SOCIAL CARE**

**REPORT OF THE GROUP DIRECTOR, COMMUNITY & CHILDREN'S SERVICES IN DISCUSSION WITH THE RELEVANT PORTFOLIO HOLDER, COUNCILLOR GERAINT HOPKINS**

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**1. PURPOSE OF THE REPORT**

- 1.1 The purpose of this report is to update Cabinet on the feedback from a consultation about proposed changes to the Council's charging policy for non-residential adult social care concerning disability related expenditure and note the amendments made by Welsh Government to the maximum charge local authorities can make for non-residential adult social care effective from 9th April 2018.

**2. RECOMMENDATIONS**

It is recommended that the Cabinet:

- 2.1 agree that there be no change to the level of additional discretionary disregard currently applied to disability related expenditure;
- 2.2 note the amendments made by Welsh Government to the maximum charge local authorities can make for non-residential adult social care - this increased from £70 to £80 per week from April 2018. This will be implemented with effect from 1<sup>st</sup> October 2018 (see paragraph 6 of the report) rather than April 2018 to avoid imposing two increases in a six month period.

**3. REASONS FOR RECOMMENDATIONS**

- 3.1 If the proposal to withdraw the additional discretionary disregard was implemented it would deliver between £0.070M and £0.100M savings per annum as part of the Council Medium Term Financial. However, responses to the consultation confirm the potential impact on the disabled and older people and the Equality Impact Assessment has been prepared accordingly. In summary the proposal was felt to negatively impact on the recipients of care financially in terms of disability related expenditure and in terms of quality of life.

## **4. BACKGROUND**

### **Level of disregard for Disability Related Expenditure**

- 4.1 All Councils are required to carry out a financial assessment to determine if an individual will be required to contribute towards the cost of their care.
- 4.2 The financial assessment ensures that a standard amount, known as the 'Minimum Income Amount', is allowed for to cover day to day living costs and disability related expenditure. This rate varies depending on an individual's age but in all cases is 45% more than the basic entitlement to a relevant welfare benefit (e.g. incomes support). 10% of the additional 45% is to cover disability related expenditure. Disability related expenditure is the money that people spend on things which are essential to help with their disability. This is to allow for the additional costs relating to their disability that they might expect to incur in looking after themselves, their home and any transport/travel needs.
- 4.3 The Council's current charging policy applies an additional 5% discretionary disregard to any Attendance Allowance or Disability Living Allowance (Care) (AA or DLA) received by an individual. It applies to all individuals in receipt of AA or DLA irrespective of what extra expenditure they may incur. For someone in receipt of middle rate DLA this currently equates to an additional £2.87 per week; for someone in receipt of higher rate DLA this amounts to £4.28 per week.
- 4.4 The cost to the Council to apply this additional discretionary 5% disregard varies and is dependent on an individual's financial circumstances. In order to establish an accurate cost a full assessment of all individuals will need to be undertaken. It is estimated that the additional annual income in respect of this policy change could be between £0.070M and £0.100M per annum. No provision has been made within the 2018/19 budget or Medium Term Financial Planning.
- 4.5 Cabinet approved to initiate a consultation on the withdrawal of the additional discretionary disregard, the results of which would be presented to Cabinet at a later date to enable a decision to be made on whether or not and if so how it wishes to implement the proposal.

## **5. CONSULTATION OUTCOME**

- 5.1. Consultation on the proposal to withdraw the additional discretionary disregard took place with RCT Older Persons Advisory Group.
- 5.2 100% of the RCT Older Persons Advisory Group said they disagreed with the proposals. 100% also felt that the additional discretionary disregard should remain as it is and should not reduce, particularly as Welsh Government had increased the non-residential charge to £80 per week. The Group commented that it showed that the Council does care about older people and those with a disability.

- 5.3 Members of the Group were asked what impact the proposal would have on them or people they know. Comments related to less disposal income to the care recipient and less to spend on essentials like food and utilities which are increasing; reduction or withdrawal of care package; difficult financial climate and struggling to make ends meet and need to use more of savings to cover the cost of care.
- 5.4 Whilst all the recipients of non-residential care were not consulted separately regarding this disposal, Adult Social Care is aware that many people would also disagree with the withdrawal or reduction in the additional discretionary disregard applied by the Council and it is felt that this would be seen to have a negative impact with the proposal being seen to penalise people with long term health conditions and disabilities. A withdrawal or reduction in the additional discretionary disregard would inevitably lead to a greater number of appeals from care recipients claiming additional disability related expenditure incurred.

## **6. MAXIMUM WEEKLY CHARGE FOR NON-RESIDENTIAL CARE SERVICES**

- 6.1 At its meeting on the 18<sup>th</sup> July 2017, Cabinet also agreed to the implementation of future increases to the maximum charge for non-residential services in line with future year amendments made to Welsh Government Guidance.
- 6.2 Welsh Government has issued updated guidance revising the maximum level of charge to £80 per week. This will now be implemented within Rhondda Cynon Taff from the 1<sup>st</sup> October 2018. The additional income for 2018/19 (part year) is estimated to be £150k and this will be transferred into the Medium Term Financial Planning and Transformation Reserve. The full year impact from 2019/20 will be factored into the Medium Term Financial Plan.

## **7. EQUALITY AND DIVERSITY IMPLICATIONS**

- 7.1 Cabinet Members will be fully aware and mindful of the general equality duty introduced by the Equality Act 2010 and the specific public sector equality duties applicable to the Council as a local authority in Wales.
- 7.2 Section 149 of the Equality Act 2010 (Public Sector Single Equality Duty) requires public authorities to demonstrate in decision making that they have paid 'due regard' to the need to:
- eliminate unlawful discrimination, harassment and victimisation;
  - advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
  - foster good relations between people who share a protected characteristic and those who do not.

The relevant protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation.

- 7.3 Amendments made by Welsh Government to the maximum charge local authorities can make for non-residential adult social care does not require an Equality Impact Assessment. The charges proposed by the Council are in line with the legislation.
- 7.4 However, an Equality Impact Assessment (EqIA) has been undertaken in relation to the withdrawal of additional discretionary disregard relating to disability related expenditure. This identified a disproportionate impact on older adults, and those living with disability and could potentially affect many of the people's household finances. These groups are over represented as people who use services and are in receipt of disability benefits when compared to the Rhondda Cynon Taf population as a whole. The effect on all these groups is that, depending on their personal circumstances, they will have to make higher contributions, as will everyone affected by the proposals. The overall assessment in the EqIA is that there will be adverse impact on care recipients.
- 7.5 Mitigating actions have been identified that could minimise the potential impact and prevent financial hardship. Any changes to a person's living environment or care provision would involve consultation, discussion and agreement with the person in question and, where appropriate, their parents, families and carers, to ensure people retain choice and control over their lives.

## **8. CONSULTATION**

- 8.1 There is no requirement to consult about the amendments made by Welsh Government to the maximum charge local authorities can make for non-residential adult social care.
- 8.2 Consultation about the proposed changes to the Council's charging policy for non-residential adult social care concerning disability related expenditure is included in Section 5 above.

## **9. FINANCIAL IMPLICATION(S)**

- 9.1 The financial implications arising from the report recommendations are set out in the main body of the report.

## **10. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED**

- 10.1 There are no legal implications arising from this report.
- 10.2 Previous policies for both non-residential and residential charges have been brought together under the Social Services and Wellbeing Act 2014 and associated Code of Practice. Amendments made by Welsh Government to the maximum charge local authorities can make for

non-residential adult social care are effective from 9th April 2018 and this report confirms that this Council will charge care recipients in line with the recently amended charging for social care legislation.

**11. LINKS TO THE CORPORATE AND NATIONAL PRIORITIES AND THE WELLBEING OF FUTURE GENERATIONS ACT**

11.1 This report supports our corporate priorities i.e. living within our means and people - promoting independence and positive lives for everyone.

**12. CONCLUSION**

12.1 This report sets out the feedback from a consultation about proposed changes to the Council's charging policy for non-residential adult social care concerning disability related expenditure.

12.2 It further sets out for Members information the increase made by Welsh Government to the maximum charge local authorities can make for non-residential adult social care which will be implemented with effect from 1<sup>st</sup> October 2018.

**LOCAL GOVERNMENT ACT 1972**

**AS AMENDED BY**

**THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

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**Background Papers**

Cabinet – 18th July 2017

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