

REPORT TO: Executive Board Sub Committee
DATE: 10th September 2009
REPORTING OFFICER: Strategic Director – Health & Community
SUBJECT: Review of the Fairer Charging Policy 2009-10
WARD(S) Borough-wide

1.0 **PURPOSE OF THE REPORT**

1.1 To present to the Executive Board Sub Committee the revised Fairer Charging Policy for 2009-10.

2.0 **RECOMMENDATION:**

That the Executive Board Sub Committee :

i) approve the Fairer Charging Policy.

3.0 **BACKGROUND**

3.1 The Fairer Charging Policies for Home Care and other non-residential Social Services guidance issued in September 2003 was designed for an era of traditional local authority social care provision where people received services arranged by a local authority. However, with the increasing numbers of people receiving Direct Payments and the introduction of Personal Budgets to support greater choice and control comes the need to consider how an individual's contribution, if any, towards the cost of non-residential services might be worked out in the context of Personal Budgets.

3.2 The Department of Health have published the 'Fairer Contributions Guidance – Calculating an Individual's Contribution to their Personal Budget' in July 2009. Within this guidance all councils with social services responsibilities are required to introduce a revised Fairer Charging Policy to take into account Personalised Budgets.

3.3 A Personal Budget is an upfront allocation of social care resources to a person who is eligible for support. A service user may choose to ask the Council to arrange all the care and support they need, they may choose to receive the whole amount of their Personal Budget as a Direct Payment so they can organise their care and support themselves, they may choose to have their Personal Budget paid to a third party, or they may choose to have a mix of the options available.

4.0 MAJOR AMENDMENTS

- 4.1 The current charging system is based upon the amount of care services received compared to the maximum weekly charge the service user is assessed as being able to afford. With a Personal Budget, the charging system must compare the amount of a service user's Personal Budget for the financial year with the maximum weekly charge they are assessed as being able to afford. This is a fundamental change as it affects the issue of charging a service user for a week when they do not receive service, either through choice or circumstance.
- 4.2 In the proposed policy, Section 3.1 'How we charge for services' states that a service users charge will be worked out for the financial year and will be payable unless the amount of their Personal Budget for that financial year changes.
- 4.3 Currently, if a service user has their care commissioned by the Council and does not have service for one week; no charge is made for that week. The essence of this change is to bring services that have been commissioned by the Council into line with Direct Payments. This is to allow all service users irrespective of how they choose to meet their care needs, to have the ability to 'bank' services, to use at a later point within the financial year, for example to purchase additional services while taking a holiday.
- 4.4 Example A: If a service user receives their Personal Budget as a Direct Payment, they may choose to not purchase service for one week so they can use the money to purchase additional services in another week.
- 4.5 Example B: If a service user asks the Council to commission care services on their behalf, there is still the option for the service user to 'bank' some care hours from one week to purchase additional hours in another week.
- 4.6 In both of the above examples, the service user is getting the full amount of their Personal Budget and so should be required to pay the full amount of their assessed contribution. Should a service user decide not to use their full Personal Budget, for example they go into hospital for a period of time; their contribution would be reduced in proportion to the unused element of their Personal Budget.
- 4.7 A summary of this change can be found in Appendix 1.
- 4.8 On the whole, the policy has been written with a view to ensuring any service user currently receiving care services will not be required to contribute an increased amount.

5.0 **POLICY IMPLICATIONS**

5.1 None identified.

6.0 **FINANCIAL IMPLICATIONS**

6.1 It is expected that the revised Fairer Charging Policy will neither increase nor decrease income from service users.

7.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

7.1 **Children & Young People in Halton**

None identified.

7.2 **Employment, Learning & Skills in Halton**

None identified.

7.3 **A Healthy Halton**

The provision of care services that meet people's needs improves their health and wellbeing.

7.4 **A Safer Halton**

The provision of care services that meet people's needs increases their safety and mitigates risks.

7.5 **Halton's Urban Renewal**

None identified.

8.0 **RISK ANALYSIS**

8.1 Legally, increases to charges can be justified if we can demonstrate the future provision needs to be more cost effective. The Local Government Act 2003 includes a general power for best value to charge for discretionary services i.e. those services that the authority has the power, but is not obliged, to provide. Guidance is issued under the power in section 93, which states charges are limited to cost recovery. The Department of Health's fairer Charging Policies for Home care and other Non-Residential Social Services Guidance, Sept 2003, states that where Councils charge for non-residential services, flat rate charges are acceptable.

8.2 Failure to achieve income targets places the Council under financial risk.

9.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF
THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.

Summary of the proposed change on how we charge for services.

	Ability to 'bank' services	Charged for full week of services not received
Current situation		
Services commissioned by Council	No	No
Services purchased by a Direct Payment	Yes	Yes, if services banked for future use, No if Direct Payment is reduced.
Proposed situation		
Services commissioned by Council	Yes	Yes, if banked for future use, No, if Personal Budget reduced.
Services purchased by a Direct Payment	Yes	Yes, if banked for future use, No, if Personal Budget reduced.