

NORTH YORKSHIRE COUNTY COUNCIL

The Executive Member for Adult Services and Health Integration, in consultation with the Corporate Director Health and Adult Services

19 OCTOBER 2018

CONSULTATION ON CHARGES FOR THE COST OF ADULT SOCIAL CARE

Report of the Corporate Director – Health and Adult Services

1.0 PURPOSE OF REPORT

- 1.1 This report seeks to gain approval to consult on proposals regarding charges for transport and the cost of care.

2.0 EXECUTIVE SUMMARY

- 2.1 In February 2018, the Council approved a list of savings projects covering the period up to and beyond 2020. This paper deals with two of those initial projects (transport charges and contributions to the cost of care) and seeks approval to progress to a public consultation regarding these.
- 2.2 Work has been undertaken in recent months, including engagement sessions with people who use our service and providers. The proposals we are seeking to consult on are set out below.

3.0 BACKGROUND

- 3.1 People who use adult social care services receive a means-tested financial assessment to determine the extent to which they are able to contribute to the cost of their care. In 2013-2014, Health and Adult Services undertook a wide-ranging review of charging policy, resulting in a number of changes to the policy being made.
- 3.2 Since that review, Section 14 of the Care Act 2014 now gives Councils the power to charge adults for care and support where an adult has been assessed as having eligible needs. The ability to charge therefore remains discretionary, although other regulations and statutory guidance stipulate that certain types of care and support must be provided free of charge. The principles around charging previously found in the Fairer Charging Guidance are still applicable, namely that a person should only be required to pay what they can afford, that Councils are

clear and transparent so people know what they will be charged and apply the charging rules equally so those with similar needs or services are treated the same.

3.3 As part of the Council's budget challenge, Health and Adult Services identified a range of proposals relating to charging for community-based services to be further explored. These have developed into 2020 Transformation Projects as summarised below:

- Transport: Savings Target £250k. An Outline Business Case was approved by the Strategic Investment Board in October 2017 to strengthen application of existing policy through process improvement and further explore options for future charging levels and approaches.
- Personal contributions to care costs: Savings Target £100k. An Outline Business Case was approved on 19 June 2018 which set out proposals to look at including the full cost of care in any financial assessment which determines how much people should pay towards the cost of that service.

3.4 These targets have now been agreed by the County Council and incorporated into the MTFs with full implementation of all savings in 2019-20, subject to consultation and decision by Executive. A revised project now covers both aspects.

3.5 The Council currently has two policies for charges relating to adult social care. These are:

- Charging Policy for Residential Services
- Charging Policy for Community-Based Services

3.6 Any adoption of the proposals will impact on, and may require changes to, the Policy for Community-Based Services. A formal process, including appropriate consultation, will therefore take place.

3.7 This project aligns with the following NYCC strategic objectives:

- People in North Yorkshire live longer, healthier, independent lives
- Support is centred on the needs of people and their carers, enabling them to take control of their health & independence - we want people to have more choice and control over the support to meet their social care needs.

4.0 TRANSPORT PROPOSALS

- 4.1 Transport charges do not form part of the means-tested Adult Social Care (ASC) Assessment and theoretically therefore everyone who use services is expected to pay a contribution. The actual cost is heavily subsidised by NYCC. Current ASC transport costs of over £2.2m are reduced by income of £124k.
- 4.2 People who use services pay a flat rate of £2.70 per day, which of course is only a contribution to the full cost. The actual average cost per journey is over £18. There are 42 HAS contracts operated by fleet. All fleet buses operate for varying lengths of time and distance dependent on the areas they serve. The average cost of a fleet vehicle to HAS is £51k per annum. The fleet buses are accessible and have passenger assistants either for a specific need or to manage an accumulation of risk due to passenger need.
- 4.3 Work has been undertaken to look at increasing the charge to people who use services and therefore reducing the Council subsidy, with a current Medium Term Financial Strategy (MTFS) target of £200k per annum. The overall target for transport is £250k, but we believe that £50k will be achieved through improved collection of current charges without any changes to the current level of those charges.
- 4.4 Although the transport charge sits outside the means-tested assessment, any proposed increase will need to take into account the potential impact on peoples' ability and/or willingness to pay, and therefore recognise the possibility of people deciding to make alternative arrangements. The risk of reduced income (with no corresponding reduction in fixed costs) will need to be kept under review. There are currently 439 people for whom we provide transport.
- 4.5 As part of the Strength-Based Assessment approach, going forward we will continue to ensure that alternative transport options are explored – for example where people receive mobility allowance or where they might reasonably be expected to make other arrangements for attending care and support – before agreeing that NYCC will provide transport.
- 4.6 In deciding on an appropriate level of charge for the consultation, the following contextual information has been taken into account.

Contextual Information 1

Current prices for full-cost bus and taxi journeys in North Yorkshire¹:

Northallerton to Bedale (9 miles)

Bus: £4

Taxi: £27 - £32 (Hambleton DC charge sheet suggests this would be around £20 - £25)

Tadcaster to Selby (13 miles)

Bus: £7 - £10

Taxi: £35 - £50

Thirsk to Helmsley (14 miles)

Bus: £5

Taxi: £40 - £50 (Hambleton DC charge sheet suggests this would be around £30 - £35)

Hawes to Leyburn (17 miles)

Bus: £6

Taxi: £45 - £60

Scarborough to Whitby (20 miles)

Bus: £7

Taxi: £55 - £70

Contextual Information 2

Examples of charges made by other LAs

Cumbria: £1.50 per mile (min £3 per journey, max £22.50)

Northumberland: £2 per day (£1 one-way), but if person chooses where to go, will pay public transport rate or mileage rate

Durham Access Bus: £1.50 - £2.50 per journey

York: Maximum of £4 per journey

Lancashire: £2 - £10 per journey depending on mileage (e.g. 9 miles is £4 per journey, 19 miles is £10 per journey)

4.7 As part of the work, we have looked at a number of proposals including

- Increasing the current charge to a higher flat rate per day (regardless of number of journeys)
- To introduce a charge based on distance travelled

¹ Information from Rome2rio.com

- To charge for transport per journey instead of per day at the current rate.

- 4.8 We have also considered how any increase in charges might impact on those who pay them. We are therefore proposing to consult on a maximum weekly contribution to ensure that people's disposable income is not exhausted by paying the new rates.
- 4.9 There will, at least initially, be some additional administrative costs to ensure that all charges are recorded and collected. However we will also work on alternative arrangements, including use of technology.
- 4.10 We are not proposing to pass on the full cost of transport to people. However we will consult on an increase to the current contribution rate.
- 4.11 We have looked at what other local authorities do and have also considered the cost of public and private transport in the county. We have considered introducing a charge based on the distance people may have to travel, but feel that is not reasonable in a rural county like North Yorkshire.
- 4.12 We will also seek people's views on continuing with a flat rate, but based on a charge per journey, rather than per day.

5 CONTRIBUTIONS TO THE FULL COST OF CARE

- 5.1 The second part of the consultation will deal with proposals to ensure that the full cost of care is taken into account when assessing any personal contribution towards it. As part of the Strength-Based Assessment approach we will now ensure that alternatives to second (and other) carers are explored, noting the potential cost implications on people of the new arrangements. This will take into account innovations in equipment, technology or different moving and handling approaches.
- 5.2 It will also seek views on a revision to the charging policy and procedures which will ensure that the person makes a contribution to the whole package of care in accordance with their assessed ability to pay.
- 5.3 This may impact on people if they have two care workers supporting them at the same time as the Council currently only includes the cost of one of those in our calculation. If someone has two care workers supporting them (but at two separate times), they may be asked to contribute towards the costs of both. We do not think this is reasonable and, as other councils have done, are seeking to change this situation.
- 5.4 It is important to state however that anyone's actual contribution will only change if the amount they are able to pay is currently more than what they

actually pay. If someone is already paying the maximum they can afford, there will be no increase to them.

6. FEEDBACK FROM ENGAGEMENT AND NEXT STEPS

- 6.1 A number of engagement sessions have taken place in July, August and September with people who use services and service providers.
- 6.2 Although this engagement has been with a limited number of stakeholders, the feedback has suggested a willingness to review transport charges. Feedback on including the full cost of care in any financial assessment has been more mixed, with some concerns about the current system – which can be seen as unfair – and other anxieties about additional cost to those who have greater needs. We will need to be clear that the inclusion of the full cost of care in any calculation does not necessarily mean that everyone will have to pay more. We will also take steps to ensure that people have access to advice around benefits uptake and income maximisation.
- 6.3 Should approval be given to move to public consultation, this will take place from Monday 29th October 2018 to Monday 21st January 2019. A consultation paper is being finalised and will include an Equalities Impact Assessment.
- 6.4 After that, all responses will be reviewed and taken into consideration to inform any further progress of the proposals.
- 6.5 Any changes will require formal approval and, if approved, would be implemented from April 2019 onwards. A full report on the results of the consultation will follow and, should there be proposals which will change the policy and/or procedures, the impact of these changes will be identified before any final decision is made.

7. RECOMMENDATIONS

- 7.1 The Executive Member for Adult Social Care and Health Integration is asked, in consultation with the Corporate Director Health and Adult Services, to approve that:
 - A public consultation takes place regarding personal contributions to care costs and proposals which will ask for views on:
 - (i) increasing the charge made to people who use the service, while confirming that NYCC will continue to pick up the bulk of the cost, and
 - (ii) ensuring that the total cost of care and support is taken into account when determining the level of contributions paid by those people who use the service.

- The consultation takes place between 29 October 2018 and 21 January 2019; and that
- The results of this consultation feed into the project which is looking at these options and brings back a report of the consultation and recommendations, including any proposed changes, early in 2019.

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