

County Council – 22 October 2021

Item 9(d) - Notice of Motion by Cllr Milne

Adult Social Care Charges - Briefing Note

Review of Service Finance and the Service Improvement Plan

1. Introduction

1.1. Service Finance delivers services to support the financial management relating to Adult Social Care including financial assessments, welfare benefits advice to support individuals to maximise the level of benefits that they receive and the provision of support for those people who are unable to manage their financial affairs and have no family or friends in a position to do so.

1.2. Service Finance plays a key role in ensuring that vulnerable adults:

- Are safeguarded against the risk of financial abuse.
- Access appropriate welfare benefits to support their care and support, and
- Make financial contributions towards the cost of their care and support, in line with their financial assessment.

The delivery of these services supports the sustainability and best use of resources in the delivery of adult social care services to the residents of West Sussex.

1.3. The Care Act 2014 sets a statutory duty for local authorities to provide care and support services that meet the assessed eligible care needs of an individual, in financial terms this means that the local authority must provide funds sufficient to purchase or procure these eligible assessed needs. In this sense, the support and care services provided are demand led.

1.4. Adult Social Care sets a charging policy for adult social care services in line with the guidance and requirements set out within the Care Act 2014. The statutory guidance sets out national requirements which all adult social care local authorities must follow and adhere to when charging individuals for contributions towards the cost of the adult social care and support received.

1.5. Financial contributions are determined on an individual basis, in accordance with the Adult Social Care Charging Policy and the Care Act 2014 guidance, reflecting an assessment of the individual's ability to pay. This financial assessment takes into account the income and household related and disability related expenditure of an individual, including the welfare benefits that they receive, other income streams, e.g. pensions, savings or investments but guarantees that each individual will be left with a minimum income, at a level set by Government within the charging guidance.

1.6. There is some discretion available to local authorities within this guidance, such as whether to seek financial contributions or not, recognising that this may be to the detriment of either the local Council Tax payer i.e. they may consequently be required to pay more towards the cost of delivering appropriate adult social care and support to those with assessed eligible care needs, or in recognition that the cost of recovery may exceed the value of income received. Currently there are no local authorities in England that choose

not to charge for adult social care services. In the case of West Sussex County Council, if charging was not applied it would equate to a loss of income of £55.4m per year (£15.8m non-residential and £39.6m residential), which would consequently have to be funded from additional savings elsewhere.

1.7. In 2021/22 the Minimum Income Guarantee (MIG) is as defined as follows:

- If you are single and have reached State Pension age, the MIG is £189.00 a week.
- If you are a member of a couple and one or both of you has reached State Pension age, your individual MIG is £144.30 a week.
- If you both receive care and support services from the local authority and one or both of you are over State Pension age, you should each have a MIG of £144.30 a week.
- If you or your partner receive Carer’s Allowance, an extra £43.25 a week is included in your MIG.
- If you are single and over State Pension age and receive disability benefits, such as Attendance Allowance, Disability Living Allowance care component (high or middle rate) or Personal Independence Payment daily living component, you can ask that a disability addition of £40.35 a week to be added to your MIG.

1.8. The value of the MIG is based upon the level of welfare benefits support available in 2015, the year in which the Care Act 2014 came into effect. The national guidance relating to charging under the Care Act 2014 is updated annually by via a Local Authority Circular issued by the Department of Health and Social Care.

1.9. West Sussex County Council exercised discretion until 2019 to increase the level of guaranteed income to working age West Sussex residents above the level of the MIG. In 2018 the Council made the decision to remove this additional, discretionary buffer for working age non-residential service users and apply the national MIG with effect from April 2019, which brought the policy for working age and pension age individuals into line with each other. Table 1 below provides a comparative example of the financial impact arising from the decision made in 2018. Appendix 1 provides further details of the value of the MIG levels in 2021/22.

Table 1 – Comparative Example of the Financial Impact of the Charging Policy Change

	Financial Year 2018/19	Financial Year 2019/20	Financial Year 2020/21
Assessable Weekly Income			
Employment & Support Allowance (ESA)	£127.15	£128.45	£130.65
Personal Independence Payment (PIP)	£85.60	£87.65	£89.15
Total Assessable Income	£212.75	£216.10	£219.80
Less Minimum Income Guarantee	£155.05	£151.45	£151.45

	Financial Year 2018/19	Financial Year 2019/20	Financial Year 2020/21
Assessed Financial Contribution	£57.70	£64.45	£68.35

2. Financial Assessments

- 2.1. Financial assessments need to be reviewed and updated regularly, which the national guidance indicates is likely to be annually or on a change in circumstances or at the request of the customer, to ensure that the financial circumstances of the individual are accurate and thereby ensuring that the assessed financial contribution is also accurate and in line with the agreed policy. This reflects that there are responsibilities for both the council and the individual, or their representative, to maintain accurate information about an individual's financial circumstances, to ensure that the financial assessment and the associated financial contributions are accurate and up to date.
- 2.2. Following on from the change in charging policy made in 2019, there was an unfortunate delay in being able to undertake these reviews, which resulted in some significant changes in financial circumstances becoming apparent when the reviews were completed in 2021. These changes were as a consequence of a range of factors, including the removal of the discretionary additional buffer to the MIG, welfare benefit changes and other changes specific to an individual and their particular circumstances. The current issues are primarily linked to the need to update an individual's financial circumstances, in many cases reflecting changes which occurred more than a year previously, which consequently meant a full review of the financial assessment was required.
- 2.3. Delays in updating the financial circumstances can lead to misunderstandings about the implication for the assessed financial contribution that an individual will be required to make, consequently resulting in decisions to use funds for alternative purposes, which can then result in anxiety or frustration once the financial assessment has been reviewed.
- 2.4. However there are also some aspects of the financial assessment that are dependent upon additional information being provided, such as disability related expenditure, which can also materially affect the outcome of a financial assessment. Disability related expenditure is expenditure incurred directly as a consequence of an individual's care and support needs and can potentially be discounted as income when undertaking the financial assessment. In order to ensure equity and transparency, the national charging guidance requires the local authority to verify the level and purpose of claims for disability related expenditure, consequently whilst this verification is taking place the financial assessment of the financial contribution to be made by an individual can be uncertain and potentially be within a wide range of outcomes. This uncertainty can also lead to anxiety and frustration until resolved, but we are committed to working transparently and in partnership with individuals in order to resolve these issues as soon as possible, for example we are actively looking at changes to practice and process in relation to the verification of disability related expenditure to ensure consistency and a standard approach that will ensure fairness and equity.

- 2.5. There are processes in place to address any outstanding concerns that an individual may have about their financial assessment, working in the interests of all parties to establish a common understanding for decisions made and the rationale behind them. In instances where an alteration needs to be undertaken, the decision will be backdated to the date of the original financial assessment and recovery action will have been paused whilst the appeal is considered, protecting the individual until the outcome has been established.

3. Service Finance Service Improvement Plan

- 3.1. The challenges encountered in undertaking the timely review of financial assessments following on from the change to the charging policy in 2019, led to a decision to return the service to the council from our outsourced provider in August 2020. This enabled the council to undertake the review of financial assessments and improve business processes. West Sussex County Council has established a series of checks and balances that protect an individual from an inaccurate financial assessment, including reviews of disability related expenditure and an appeals process. This is in accordance with the guidance and statutory duties set out within the Care Act 2014, in addition to this West Sussex County Council is committed to further improving the communication, information and understanding of what can be a complex process that can cause anxiety and frustration. As first steps towards improving the service, it was imperative to bring the financial assessments up to date and ensure accuracy of the financial circumstances used within those assessments. To facilitate that and to support on-going improvement in the service, Service Finance has established six new team leader posts alongside introducing a more efficient and effective business processes and reviewed all job roles and responsibilities.
- 3.2. In addition a more fundamental Service Finance improvement plan outcome is being implemented to ensure a robust, equitable, timely and customer focused service in the future.
- 3.3. The service improvement plan covers the following areas, which will be implemented over the course of the next twelve months:
- Automation of business processes where practicable.
 - Review of the use and management of prepaid cards.
 - Review of the Disability Related Expenditure assessment process and public information.
 - Review of public information and communication including published information, letters and correspondence, use of plain English, options for using different media to reach the broadest audience.
 - Review of training and development needs for staff within Service Finance.
 - Review of end to end business processes to ensure minimal hand-offs, the effective communication and collaboration between Service Finance and Social Work teams and effective information and support provided to individuals being financially assessed.
 - Review of the Service Finance operating model to ensure the most effective and efficient use of limited resources, whether those are human, administrative or data.
- 3.4. This improvement plan will be implemented over the course of the coming year and will complement closer working with Health Watch, with regular

collaborative meetings being scheduled every six weeks from the autumn of 2021 to allow the exchange of information and the possibility for collaborative working, for example in relation to the development of an effective communication strategy and the exploration of ways to quality assure service improvements.

4. Conclusion

- 4.1. The review of financial assessments undertaken during the last twelve months has highlighted a number of areas where improvements can be made, whether in relation to communications, business processes, automation or the timely updating of financial information. The service improvement plan will underpin this commitment and put in place a service foundation that can continue to be developed in the future, developing collaborative working relationships with Health Watch and other stakeholders.

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Appendix 1

Minimum Income Guarantee rates										
	Individual (no partner) - Charge sheet 1				One of a couple - one receiving service both individual and Joint benefits calc Charge sheets 1 & 2		Couple both receiving service or better off assessment for couples - one receiving disability benefits - Charge sheets 3 & 4		Couple both receiving service or better off assessment for couples - both receiving disability benefits - charge sheets 3 & 4	
	Up to 25	25+	Lone parent	Pensioner	both working age	one over pension age	both working age	one over pension age	both working age	one over pension age
Basic	£72.40	£91.40	£91.40	£189.00	£71.80	£144.30	£143.60	£288.60	£143.60	£288.60
Disability Premium	£40.35	£40.35	£40.35	N/A	£28.75	N/A	£28.75**	N/A	£57.50**	N/A
Enhanced Disability Plus additional	£19.70	£19.70	£19.70	N/A	£14.15	N/A	£14.15**	N/A	£28.30**	N/A
Carers	£43.25	£43.25	£43.25	N/A	£43.25	N/A	£43.25 (each*)	N/A	£43.25 (each*)	N/A
Children (each)*	N/A	N/A	£83.65	£83.65	£83.65	£83.65	£83.65	£83.65	£83.65	£83.65

*If applicable
 **For couples they can have a combination of one entitled to disability or both entitled and the same with Enhanced Disability

Disability Premium MIG
 Applies where the customer is **under pension age** and is either registered as blind or is getting one or more of the following:

- Disability Living Allowance (DLA)
- Personal Independence Payment (PIP)
- Armed Forces Independence Payment (AFIP)
- Working Tax Credit with a disability element
- War Pensioners Mobility Supplement
- Severe Disablement Allowance
- Incapacity Benefit
- On Income Based ESA and placed in the support group
- On Universal Credit and receiving the "Limited Capability for Work and Work-Related Activity amount"

Enhanced Disability Premium MIG
 Applies where the customer is **under pension age** and is in receipt of the following:

- On Income Based ESA and in receipt of the highest rate of DLA (Care) or enhanced rate of PIP (Daily Living) or placed in the support group (Therefore should be in receipt of the Enhanced Disability Premium)
- On Universal Credit in receipt of the highest rate of DLA (Care) or enhanced rate of PIP (Daily Living)
- On Income Support and in receipt of the highest rate of DLA (Care) or enhanced rate of PIP (Daily Living) (Therefore should be in receipt of the Enhanced Disability Premium)

Carers MIG

- **Working age only** - Must be entitled to Carer's Allowance whether in pay or have registered underlying entitlement and also be receiving income support; Income-based ESA or Universal Credit

Childrens MIG

- Must be the responsibility of the customer and live in the same household and should be under the age of 18 or if between 18 and up to 20 be in full time education and child benefit in pay (for couples only one allowance made per child)