

Proposal	Proposed Change	Rationale	Impact
1	<p><b>The Charging Formula.</b> Proposal to adjust the charging formula which determines an individuals contribution towards care and support at home.</p> <p><i>Current formula:</i>  <b>Step1</b> - Weekly Income such as Welfare Benefits, pensions, disability benefits, are taken into account.  <b>Step 2</b> – Deductions are made for:</p> <ul style="list-style-type: none"> <li>• Individual Daily Living Costs + 25% buffer.</li> <li>• Housing costs</li> <li>• Mobility income</li> <li>• Individual Disability costs</li> </ul> <p><b>Step 3</b> – disposable income is found by calculating the figure at Step 2 and deducting this from the figure at Step 1.  <b>Step 4</b> - The Council currently views 97% of disposable income as a weekly contribution towards care and support services. The proposal is to move from 97% to 100%.</p>	<p>This would support the transfer of care between local authorities and ensure the care accounts from 2016 under The Care Act are consistent and clear, especially for those able to pay the full cost of their care services.</p> <p>Cheshire East Council consulted on the proposal to amend the charging formula to 100% in 2011 and decided to defer this change until 2012. The change was not taken forward in 2012 and the level of disposable income taken as a charge has remained at 97% since 2011.</p> <p>100% of disposable income would bring CEC in line with many other local authorities practice, including near neighbour Council's.</p>	<ul style="list-style-type: none"> <li>• 2580 people already pay the maximum charge for the care they receive and will not be impacted by this change.</li> <li>• 1370 people are unable to contribute and this will not change.</li> <li>• 360 people will see a 3% increase in their contribution as they are assessed as able to afford to make this contribution – the price increase would be no more than a few pounds per week.</li> <li>• Customers receiving their care through a direct payment (paid net of the customer contribution) who contribute towards their care and support will see a reduction of 3% in their personal budget as their charge increases by 3%.</li> <li>• Should anyone experience hardship a financial review would be offered.</li> </ul>
2	<p><b>Revised Home Care Charges.</b> Current charges for home care services have been set taking account of Care4CE provision which is known to be a higher cost to the Council than commissioned services. This proposal would set a fairer charge for people who chose externally commissioned home care services which cost the Council less and the Council would then add a 3% administrative fee to the charge rate for administration and overhead costs.</p> <p>For example for a person who is assessed to pay the full cost:</p> <p>1 hour home care is charged at £20.34 but could reduce to £13.00.</p>	<p>This proposal would support customer choice and deliver equity in charging arrangements. This is a benefit to many customers.</p> <p>It is recommended that this option is introduced alongside implementation of revised market rates.</p>	<p>The impact of this change based on current market prices is as follows:</p> <ul style="list-style-type: none"> <li>• 410 people currently do not contribute towards their home care services and therefore will be unaffected by this change.</li> <li>• 540 people are receiving care which costs more than they are able to pay and therefore, these people will see no impact from this proposal.</li> <li>• 38 people, who are able to pay the full cost of their services, will see a reduction in their care costs.</li> <li>• 159 people who are assessed to pay towards their home care services will benefit from this change with a reduction in charges.</li> </ul>

<p>3</p>	<p><b>Revised process for identifying individual disability related costs.</b>                  Currently all customers are awarded an automatic amount within the community financial assessment which is intended to cover any disability costs over and above ordinary living costs. The automatic rate is £10 or £4 depending on what level of disability benefit is in payment.</p> <p>A disability related cost could include for example: additional laundry or heating costs, where such costs are incurred to enable an individual to remain at home with a disability.</p> <p>This disregard can be reviewed at the customers request if they consider they incur higher levels of expenditure due to their disability.</p> <p>This proposal would move away from automatically assuming all customers have additional disability costs in addition to the package of care provided by the Council, to a system where the customer is invited to provide evidence of their disability costs. The disregard will then be appropriately applied.</p>	<p>This proposal would ensure those in need are supported properly through an individual assessment. Current practice assumes that all customers living at home have additional disability related costs, whereas many of these costs may already be addressed in the social care package of support.</p> <p>There are very few people who challenge the automatic disregard of £10 or £4 per week and where customers do challenge this (4/5 per year) it is generally found that the customer has greater needs and additional costs have been incurred due to their disability.</p>	<p>This proposal would affect all customers who are able to contribute towards community services. The Council would be mindful of the impact on individuals and would ensure this move is applied fairly and in a phased way at care review for existing customers to ensure care needs and disability costs are considered together. Processes and information would be reviewed to ensure a fully transparent system where the customer is clearly notified of their right to claim disability costs through submission of evidence. Training of Care Management staff would ensure that any clear disability related costs were identified through care assessment and communicated to the Financial Coordinator who undertakes the financial assessment. Where an individual is impacted significantly by any reduction in their disability related expenditure, care would be taken to introduce this in a phased way over a number of billing periods to lessen any impact.</p>
<p>4</p>	<p><b>Introduction of an Administrative Fee for people who are able to fully fund their own care.</b></p> <p>Customers who have capital over the upper threshold (£23,250) are currently viewed as able to fully fund their own care and have the choice to source care from the open care market or to opt for a Council arranged package of care. Those who choose Council arranged care benefit from the Council's provider rates and our administrative systems. This proposal is to charge a flat rate fee of £3 per week to any person who is deemed able to pay the full cost and who chooses the Council to manage care on their behalf.</p>	<p>There is a choice for the customer to select care from the open market or for the Council to arrange services on their behalf. Customers would always be supported to find appropriate care services privately or through a commissioned service by the Council.</p> <p>In the future under 2016 changes within The Care Act – more individuals with high capital will present to the Council for Care Accounts – this would be an additional administrative duty.</p>	<p>200 customers hold capital over the upper threshold and ask the Council to commission services on their behalf. These people would be required to pay a flat rate administrative fee of £3.00 per week or be supported to purchase their care privately and independently.</p>

<p>5</p>	<p><b>Care4CE Charge Review.</b> Work has been undertaken by independent consultants to determine the true cost of providing internal services through Care4CE. This has demonstrated that current charges for Care4CE services are heavily subsidised. This proposal would be to pass the true cost of the care to the customer where they have the means to pay – customers who did not wish to pay would be supported to alternative provision in the open care market.</p>	<p>To remove subsidy in charges for Care4CE services.</p> <p>It is recommended that this option is introduced alongside implementation of revised market rates for independent sector provision, to ensure consistency and fairness in charging.</p>	<p>Please refer to the Impact Tables set out on Page 15 of the Charging Consultation “Proposals and Impact” document.</p> <p>The impact of this change is as follows:</p> <ul style="list-style-type: none"> <li>• 222 people would not be required to pay any more towards their care because they are either paying their maximum charges or are not able to contribute.</li> <li>• 8 people would see a dramatic increase in Care4CE charges and if required would be supported to alternative care provision privately.</li> <li>• 266 people could choose to continue to receive Care4CE services and pay less than £10 extra per week.</li> <li>• 63 people would see an increase of more than £10 per week and would be offered supported to source alternative care services should they feel their revised charges were unacceptable.</li> </ul>
<p>6</p>	<p><b>Revised Deferred Payment Admin Charge.</b></p> <p>Cheshire East Council currently charges £400 admin charge for a deferred payment agreement, against the cost to the Council of £2,687 per agreement. The proposal to move the admin fee to £2,500 - costed to account for actual costs and additional work brought by the Care Act:</p> <p>This price fairly reflects the cost to the Council of operating deferred payments and accounts for additional work brought about by the Care Act 2014. All customers have the choice, if they own a property and are entering long term care, to request a deferred payment, along with other ways to pay for care which would be clearly explained should someone wish to avoid the Council’s costs.</p>	<p>From April 2015 each new deferred agreement includes an increased administrative charge to cover the costs to Cheshire East Council of land registry searches, legal charges being placed, renewed and removed, legal and administrative time as well as to cover the additional administration required by The Care Act in producing six monthly equity statements and overseeing interest charges.</p>	<p>Approximately 5 new deferred arrangements are made each billing period. The proposed revised administration fee is £2,500 which would form part of the deferred charges to be settled at the end of the agreement with the Council from the customers disregarded capital.</p>

<p>7</p>	<p><b>To revise charges for telecare services</b> according to the level of service:</p> <p>Level 1 - for environmental sensors which would attract a non-means tested low flat rate fee of no more than £5.00 per week, which means people receiving this service will be expected to pay the flat rate charge and would not be financially assessed. Charging rules dictate that flat rate charges should not impact on protected income and the Council would be mindful to apply flat rate charges carefully in individual cases.</p> <p>Level 2 - for lifestyle telecare sensors which may require a responder visit if activated. As this service is more costly to provide, it is proposed that people would be financially assessed to determine their weekly contribution within a maximum charge limit.</p> <p>Level 3 - for advanced sensor responses, for people who may require support across a wide area, with ongoing monitoring. As the costs associated with providing this service are greater than that for customers who have lifestyle and environment sensors, it is proposed that people would be financially assessed to determine their contribution.</p> <p>To introduce free telecare services for anyone aged 85 year or over who is living alone in order to encourage take up and to ensure elderly people remain safe in their own homes.</p>	<p>It is recommended that this option is introduced alongside implementation of revised market rates to ensure consistency and fairness in charging.</p> <p>These proposals have been supported by Adult Social Care Overview and Scrutiny Committee.</p>	<ul style="list-style-type: none"> <li>• 420 people currently elect to pay the full cost of their telecare services (£1.14 per week) as they do not wish to undertake a financial assessment of their ability to pay towards their services. These people would move to a flat rate fee.</li> <li>• 1056 people would be required to either pay a flat rate fee per week under this proposal or may need a financial assessment to determine their ability to pay towards the Level 2 or 3 services depending on their needs.</li> <li>• 431 people would currently be determined as continuing to make their weekly contribution at it stands.</li> <li>• The Council currently provides 471 people with telecare services who are aged 85 or over some of whom may live alone and would benefit from free telecare services.</li> </ul>
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<p>8</p>	<p><b>Charging for Carers' Services.</b></p> <p>The Care Act recognises the importance of supporting Carers to maintain their caring role. From April 2015, new rights were introduced for carers, putting them on the same footing as the adults that they care for with new responsibilities for Councils to provide services to Carers.</p> <p>The Council consulted on the proposal to apply a small weekly contribution from the Carer and this was rejected through public consultation.</p> <p>It is recommended that Cabinet supports continuation of the current position of providing Carers Services free of charge.</p>	<p>This option was considered due to the anticipated increase in demand for Carers services. This demand has not materialised in great numbers since April 2015 and a slower up-take in demand is more likely.</p>	<p>The Council estimates there could be up to 12,000 carers who may seek support from personal budgets for carers' services depending upon eligibility.</p> <p>Since April 2015 the Council has received only 3 requests for funding support which cannot be met by existing universal services.</p>
<p>9</p>	<p><b>To Revise the Council's Direct Payment Offer.</b> Direct Payments are a cash amount offered to people in need of community care services as an alternative to the Council arranging care for the person in need. People can choose to take control of their care and support by arranging this themselves and choosing the right care and support for them within the parameters of their support plan. Current practice is to add to the direct payment 'start up' costs to cover initial costs such as; insurance, advertising, recruitment, debarring service checks, as well as to apply 8 weeks contingency (an additional 8 weeks of the customers direct payment for them to hold in case of emergency or the need to change carer), plus any fees associated with operating a managed account where the customer chooses an agency or individual to manage their direct payment for them.</p> <p>This proposal is to remove those additional costs and only apply them where needed.</p>	<p>Current practice can over-allocate Direct Payment funds which are not always needed by every individual and which are then recouped at annual audit.</p> <p>It is recommended that this option is introduced alongside implementation of revised market rates to ensure consistency and fairness in charging.</p>	<p>Cheshire East Council supports 720 people to receive their care through a Direct Payment. There would be no negative impact on existing or new customers as any additional need would be accounted for in the customers assessment of need and covered in the Direct Payment where needed.</p>