



EAST RENFREWSHIRE
HEALTH AND SOCIAL CARE
PARTNERSHIP



Meeting of East Renfrewshire Health and Social Care Partnership	Integration Joint Board	
Held on	21 September 2022	
Agenda Item	10	
Title	Charging for Services 2023/24	
Summary		
To provide members of the Integration Joint Board with a position update on charging related matters including; individual contributions, charging policy updates and the draft proposed annual charges report for the financial year 2023/ 24, which is considered annually by East Renfrewshire Council cabinet in November.		
Presented by	Lesley Bairden Head of Finance and Resources (Chief Financial Officer)	
Action Required		
The Integration Joint Board is asked to:		
<ul style="list-style-type: none"> • Note the issues raised in this paper. • Agree that any additional income through government initiatives that individuals may receive towards the cost of living is disregarded in financial assessments. • Comment on the draft annual proposed inflation increases to existing charges for 2023/ 24 for remit the attached paper to East Renfrewshire Council's Cabinet in November 2022. • Consider the contribution element of the individual budget calculator. • Approve the addition of a new clause to the Non Residential Charging Policy to include treatment of compensation. 		
Directions	Implications	
<input checked="" type="checkbox"/> No Directions Required <input type="checkbox"/> Directions to East Renfrewshire Council (ERC) <input type="checkbox"/> Directions to NHS Greater Glasgow and Clyde (NHSGGC) <input type="checkbox"/> Directions to both ERC and NHSGGC	<input checked="" type="checkbox"/> Finance <input checked="" type="checkbox"/> Policy <input type="checkbox"/> Workforce <input checked="" type="checkbox"/> Equalities <input type="checkbox"/> Risk <input type="checkbox"/> Legal <input type="checkbox"/> Infrastructure <input type="checkbox"/> Fairer Scotland Duty	

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EAST RENFREWSHIRE INTEGRATION JOINT BOARD

21 September 2022

Report by Head of Finance & Resources (Chief Financial Officer)

CHARGING FOR SERVICES 2023/24

PURPOSE OF REPORT

The purpose of this report is to provide members of the Integration Joint Board with a position update on charging related matters including;

- Inflationary increases to existing charges.
- Individual contributions; potential new charges.
- Charging policy updates.

RECOMMENDATION

1. The Integration Joint Board is asked to:-
 - Note the issues raised in this paper.
 - Agree that any additional income through government initiatives that individuals may receive towards the cost of living is disregarded in financial assessments.
 - Comment on the draft annual proposed inflation increases to existing charges for 2023/24 for remit the attached paper to East Renfrewshire Council's Cabinet in November 2022.
 - Consider the contribution element of the individual budget calculator.
 - Approve the addition of a new clause to the Non Residential Charging Policy to include treatment of compensation.

BACKGROUND

2. The setting of charges for services is not delegated to the IJB. The legislation supporting the integration of health and social care determines that the authority and approval for setting charges for social care remains with the Council.
3. East Renfrewshire Council determines all charges for its services annually through reports considered at Cabinet in November of each year.
4. The IJB normally receives a draft of this report at its meeting prior to November and is asked to agree the submission of report to Cabinet.
5. The IJB also considers annually any revisions to the charging policy for the HSCP.

REPORT

6. The economic climate and associated cost of living challenges we are facing is unprecedented within the lifetime of the IJB. This is particularly pertinent to those individuals we support, many of whom will be impacted in particular by the rising cost of utilities where temperature will specifically impact on health and wellbeing.
7. The usual process for increasing charges is linked to inflation so in the current climate there is a very real tension between inflation related increases that will further impact on the cost of living challenge for many people. The inflation increase used in the 2022/ 23

charges was 3.7% based on information at November 2021. Were this to be restated to reflect the position now, it would be 10.4%; however there is no proposal to revise charges in the current year. The inflation rate per the annual process is identified at 12.3% for 2023/ 24 and this is the figure currently reflected in the draft report to Cabinet included at Appendix 1.

8. There will be some government support for individuals recognising the increase in utility costs and the IJB is asked to agree that this should be disregarded when a financial assessment is undertaken to establish the ability to pay charges.
9. The increases to charges based on the 12.3% increase, rounded up or down to the nearest £0.05 is:

Service	2022/23 Charge	Proposed Change	2023/24 Proposed Charge
	£		£
Community Alarms (per week)	2.75	Increase by £0.35 (12.7%)	3.10
Meals 2 courses	4.90	Increase by £0.60 (12.2%)	5.50
Meals 3 courses	5.10	Increase by £0.60 (11.8%)	5.70
Room Hire (per day)	6.90	Increase by £0.90 (13%)	7.80
Day care Charges to Other Local Authorities (per day)	122.50	Increase by £15.10 (12.3%)	137.60
Blue Badges (per application)	20.00	No change proposed	20.00
Bonnyton Residential Care (per week)	778.50	Increase by £95.80 (12.3%)	874.30
Inclusive Support Holiday Programme (per day)	38.00	Increase by £4.70 (12.4%)	42.70

10. The impact to the income budget is illustrated below, however it needs to be recognised that as we work through Covid-19 recovery there will be impact of service redesign to consider, possible attrition from services and we also need to factor in the impact of any debt. Given the nature of some of the services we cannot simply cease these in the event of non-payment.

Service Charged For	Budget 2022/23	Inflationary %	Additional Income
	£'000	Increase	£'000
Community Alarms	325	12.73%	41
Meals	24	12.24%	3
Other Local Authorities - Daycare	22	12.33%	3
Blue Badge (statutory)	34	0.00%	0
Bonnyton House	429	12.31%	53
Inclusive Support Holiday Programme	10	12.37%	1
Total	844		101

11. Some IJB members will recall the previous agreement to include a 5% contribution as part of the Individual budget calculator and the decision, pre-pandemic, to defer the introduction as this was likely to be at odds with expected government policy on non-residential charging. We also agreed that there would need to be a lead in time to ensure that any introduction of this charge would be equitable across all care groups.
12. The individual budget calculator will be reviewed as one the projects within our Recovery and Renewal programme and will need to take cognisance of the revised Self Directed Support guidance due to be published by the Scottish Government, expected in the autumn. The current National Care Service seems likely to determine policy changes around non-residential charging along with national criteria, so any introduction of this charge may be time limited.

13. The same tension exists here, where any new charge will add to many individuals impacted by the current cost of living crisis. This however needs to be balanced with the current savings challenge we have and the expectation of a significant further funding gap in 2023/ 24. The illustration below gives a scenario of potential income that could be generated. However further work is required to refine the free personal care elements that will be included across options 1, 2 and 3 but not specifically recorded as such. Similarly respite costs will be part of many Option 1 care package costs and will need to be excluded. For the scenarios below the assumptions used are:
- A reduction of 20% within Learning and Physical disability and older people to allow for further free personal care not specifically identified as a care cost element.
 - A further 10% reduction for respite / carers care commitments which are non-chargeable as above.
 - The 25% estimate linked to the ability to pay is a broad brush approach to allow for the combination of financial assessment, the cap on high cost care packages and potentially some attrition. Significant work will be required to refine this across every individual care package and needs to be linked to a review. In the current climate it is likely in at least some cases that costs may also increase particularly where environmental factors such as heating need to be considered.

Non Residential Care (Excluding FPC and Short Break Respite specifically identified)	Commitment £'000	Further FPC Estimate 20% £'000	Carer / Respite Estimate 10% £'000	Contribution 5% £'000	Ability to pay Estimate 25% £'000
Learning Disability	13,578	2,716	1,358	475	119
Mental Health	1,863	373	186	65	16
Physical Disability	1,833	367	183	64	16
Older People	3,105	621	311	109	27
Total	20,379	4,076	2,038	713	178

Note: Every 1% contribution equates to £143k and translates to £36k when assumed at 25% ability to pay

14. In addition to the review work that would be required a process will need to be established across our network of providers to introduce the contribution model and will most likely mean a combination of deduction at source and /or billing for the contribution. Even if deducted at source any non-payment will ultimately fall to the HSCP under current legislation. As discussed above in the event of non-payment a service cannot be withdrawn. This will involve significant additional work and whilst the longer term intention is that this would ultimately be absorbed within the HSCP transitional resource would be required to introduce and establish this change.
15. Significant engagement work was undertaken with individuals and family members in development of the individual budget calculator, including the contribution element. Given the impact the introduction will have, further consultation would be required to manage and support this process.
16. The IJB is asked to consider the implications around the contribution approach and whether it wishes to proceed with this as part of the 2023/24 budget. This will also inform the parameters of the review of the Individual Budget Calculator.
17. The charging policy is included at Appendix 2 and has been revised for 2022/23 to allow for the annual changes in DWP rates and the change in name to Adult Disability Payment (previously Personal Independence Payment) and the disregard of government initiative funding for the cost of living (subject to IJB agreement).
18. A new clause has also been added to the policy, subject to IJB approval, to include the treatment of compensation payments. Treatment of compensation payments should be considered where the breakdown of any compensation award includes provision for the cost of care. Any such element should be included in assessment and the ability to pay, subject to legal advice and agreement to ensure the financial assessment is accurate and fair.

CONSULTATION AND PARTNERSHIP WORKING

19.

IMPLICATIONS OF THE PROPOSALS

Finance

20. The financial implications are included in the report. For the charging contribution modelled above this is at a very high level and will require significant further work should this proceed.

Workforce

21. None at present although additional work relating to any review would require reprioritisation of the existing workforce

Infrastructure

22. None.

Risk

23. There is a risk that the increase in charges and introduction of the contribution model will adversely impact some people given the current cost of living crisis.

24. There are potential reputational risks resulting from changes to charging.

Equalities

25. A full equalities impact assessment was completed on introduction of the individual budget calculator. This will require review to reflect any changes.

Policy

26. None.

Legal

27. None.

Fairer Scotland Duty

28. None.

DIRECTIONS

29. There are no directions.

CONCLUSIONS

30. There are clear tensions at present between increasing existing charges, introducing new charges. The IJB are asked to consider the information in this report to inform ongoing work required to support the charging for services agenda across a number of areas of work.

RECOMMENDATIONS

31. The Integration Joint Board is asked to:

- Note the issues raised in this paper.
- Agree that any additional income through government initiatives that individuals may receive towards the cost of living is disregarded in financial assessments.
- Comment on the draft annual proposed inflation increases to existing charges for 2023/24 for remit the attached paper to East Renfrewshire Council's Cabinet in November 2022.
- Consider the contribution element of the individual budget calculator.
- Approve the addition of a new clause to the Non Residential Charging Policy to include treatment of compensation.

REPORT AUTHOR AND PERSON TO CONTACT

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Chief Officer, IJB: Julie Murray

BACKGROUND PAPERS

https://www.eastrenfrewshire.gov.uk/media/5993/IJB-Item-12-22-September-2021/pdf/IJB_Item_12_-_22_September_2021.pdf?m=637668671039870000

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EAST RENFREWSHIRE COUNCILCABINETNovember 2022Report by Chief Officer – Health and Social Care PartnershipHEALTH AND SOCIAL CARE PARTNERSHIP - CHARGING FOR SERVICES 2023/24**PURPOSE OF REPORT**

1. To update Cabinet on the proposed charges within the Health and Social Care Partnership (HSCP) for financial year 2023/24.

RECOMMENDATION

2. The Cabinet is asked to:
- (a) Note this update on charging within the HSCP; and
 - (b) Agree the proposed increase to existing charges

BACKGROUND

3. This report is produced annually and identifies the proposed charging increases for 2023/24. The legislation supporting the integration of health and social care determines that the authority and approval for setting charges for social care remains with the Council, this function was not delegated to the Integration Joint Board.

4. The Integration Joint Board received this charging report at its meeting on 21st September 2022 **and agreed / or not** to remit the 2023/24 charging increases to Cabinet for approval.

REPORT

5. The standard rate of inflation, identified as part of the Council process, of 12.3% is the basis of increase to the existing charges within the HSCP. As with prior years this has been rounded up or down to the nearest £0.05. The proposed treatment of each existing charge is set out below:

Service	2022/23 Charge	Proposed Change	2023/24 Proposed Charge
	£		£
Community Alarms (per week)	2.75	Increase by £0.35 (12.7%)	3.10
Meals 2 courses	4.90	Increase by £0.60 (12.2%)	5.50
Meals 3 courses	5.10	Increase by £0.60 (11.8%)	5.70
Room Hire (per day)	6.90	Increase by £0.90 (13%)	7.80
Day care Charges to Other Local Authorities (per day)	122.50	Increase by £15.10 (12.3%)	137.60
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Inclusive Support Holiday Programme (per day)	38.00	Increase by £4.70 (12.4%)	42.70

6. The proposed charges above represent a significant increase for individuals, Bonnyton

House in particular, however there will be some mitigation as a financial assessment will determine the ability to pay.

7. The proposed contribution level for Individual Budgets was previously agreed at 5% of the chargeable element of the budget. Where an individual budget is in place the contribution will supersede any charge for individual aspects of a care package listed above. This was not implemented pre pandemic and the review of the Individual Budget calculator was postponed during the pandemic. This work is included as a project within the IJB Recovery and Renewal Programme and will need to take cognisance of the revised Self Directed Support guidance to be published by the Scottish Government, expected in the autumn. The current National Care Service seems likely to determine policy changes around non-residential charging along with national criteria. [IJB recommendation on this to be added]

8. The HSCP has a non-residential care charging policy in place to support the charges above. This was reviewed and agreed / or not by the IJB at its meeting on 21st September 2022.

FINANCE AND EFFICIENCY

9. All financial issues are included in the report above. The proposed charges, as set out in the table above, could generate a potential £101,030 income when the uplifts are applied to income budgets; in real terms the income achieved will likely be significantly lower as this will be linked to the ability to pay and is also dependent on service delivery and demand.

CONSULTATION

10. A full consultation and equalities impact assessment were undertaken prior to implementation of the Individual Budget proposals and any revision to the calculator will require a further equalities impact assessment.

PARTNERSHIP WORKING

11. The setting of fees and charges remains a responsibility of East Renfrewshire Council under the legislation.

IMPLICATIONS OF THE PROPOSALS

12. A full equalities impact assessment was undertaken as part of the development of the Individual Budget implementation.

13. There are no implications in relation to staffing, property, legal, sustainability or IT as part of this paper.

CONCLUSIONS

14. The proposed increases to existing charges are in line with inflation however there needs to be recognition that the income that may be generated is subject to the ability to pay, through financial assessment.

RECOMMENDATIONS

15. The Cabinet is asked to:

- (a) Note this update on charging within the HSCP;
- (b) Agree the proposed increase to existing charges;

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REPORT AUTHOR AND PERSON TO CONTACT

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Chief Officer, IJB: Julie Murray

BACKGROUND PAPERS

Need to update for 2021

IJB 25.09.2020 – Charging for Services 2020/21

https://www.eastrenfrewshire.gov.uk/media/3202/Integration-Joint-Board-Item-11-23-September-2020/pdf/Integration_Joint_Board_Item_11_-_23_September_2020.pdf?m=637354314865830000

IJB 26.06.2019 - Individual Budget Update

https://www.eastrenfrewshire.gov.uk/media/2262/Integration-Joint-Board-Item-11-26-June-2019/pdf/Integration_Joint_Board_Item_11_-_26_June_2019.pdf?m=637351721070000000

IJB 27.06.2018 - Individual Budgets Self Directed Support Update

CABINET 28.11.2019 - HSCP Charging for Services

https://www.eastrenfrewshire.gov.uk/media/2157/Cabinet-Item-03-v-28-November-2019/pdf/Cabinet_Item_03v_-_28_November_2019.pdf?m=637350899335870000

CABINET 30.11.2017 - HSCP Charging for Services

https://www.eastrenfrewshire.gov.uk/media/3279/Cabinet-Item-07-v-30-November-2017/pdf/Cabinet_Item_07v_-_30_November_2017.pdf?m=637383706570130000

East Renfrewshire Health and Social Care Partnership

Non Residential Care Charging Policy 2022/23

Author:	Lesley Bairden, Head of Finance & Resources (Chief Financial Officer)			
Creation Date:	September 2019			
Review Dates:	Date of last review:	September 2022	Date of next review:	September 2023

Introduction

1. This Charging Policy explains how East Renfrewshire Health and Social Care Partnership (HSCP) considers and calculates the contribution to cost that people who use services will be expected to pay towards the services they receive from the HSCP.
2. Charges apply whether the service is provided directly from the HSCP, or by an external provider commissioned to provide services on the HSCP's behalf or where a person receives an individual budget (direct payment) and arranges their own support.
3. There are some services for which charges do not apply:
 - a) Criminal Justice social work services
 - b) Children in need, including; children subject to statutory and voluntary supervision arrangements, or are involved with social work under section 12 or section 22
 - c) People with mental health problems who are subject to community care or supervision and / or criminal court orders
4. There are some services which are provided free of charge:
 - Care at Home on discharge from hospital for a period of reablement
 - Free Personal Care and Free Nursing Care
 - Carers; some services to support unpaid carers will not be chargeable
 - Palliative care
 - Residential Rehabilitation; will not incur any individual contribution given the timing and nature of this service
5. The charges are set in line with statutory requirements and National Guidance, are remitted by the Integration Joint Board of the HSCP to East Renfrewshire Council to be approved by elected members and reviewed on an annual basis through the budget setting process.
6. The policy to support annual charges will be reviewed annually referencing the relevant legislation and guidance, including but not limited to the COSLA National Strategy and Guidance on charging for non-residential care. The key points from this guidance can be summarised:
 - a) The threshold for single people and couples be based on Income Support Personal Allowance, the Pension Credit – Standard Minimum Guarantee and a buffer of 25% of the thresholds to be up-rated on an annual basis, using the figures announced in November each year. Charging policies that reduce users' net income below these basic levels are not acceptable and undermine social inclusion policies.
 - b) The level of charge, which the service user will pay, will be determined by individual Local Authorities. Any charges should not exceed the cost of providing the service.

189

- c) Local Authorities should consider adopting a common approach to the treatment of income used to establish the threshold figure. This would take account of net earnings, all social security benefits with the exception of the mobility component of the Disability Living Allowance.
 - d) Local Authorities should ensure equality in charging irrespective of their financial circumstances, and widening client access to income maximisation.
 - e) Local Authorities should exercise discretion to disregard some forms of income
 - f) Where the service user has dependent children, recognition should be afforded to the costs associated with raising and maintaining children. To this end, all benefits paid for, or on behalf of a dependent child, will be disregarded.
 - g) Local Authorities should adopt capital rules similar to those applied in respect of Income Support, but without an upper level beyond which people would be refused service. This guidance does not prevent local authorities from using a higher capital threshold should they wish.
 - h) Where a service user has difficulty in meeting the approved cost of the service, due to their financial circumstances, it is recommended that councils use their powers to abate or waive charges. Local authorities should provide adequate information in their policies on waiving and abating charges.
 - i) It is recommended that all Local Authorities be pro-active in promoting benefit take up for service users. Where possible, local authorities should ensure that there are dedicated staff to promote and assist with Income Maximisation processes for service users.
 - j) All councils should provide clear and concise public information to service users on what elements of the service are free, what can be charged and what the level of charge will be.
7. Charges are linked to an individual's ability to pay. How we determine this is through a Financial Assessment with supporting detail in Appendix 1 to this policy.
8. The Chief Officer and Chief Financial Officer of the HSCP have the delegated authority to waive a charge in exceptional circumstances.
9. When a person is in receipt of an individual budget a contribution towards the cost of care is an element of the budget calculator. This contribution will supersede any charge for individual service elements. The Chief Officer and Chief Financial Officer of the HSCP have the delegate authority to set this contribution level of between 5% to 10% of the chargeable elements of the individual budget, to be deducted at source.
10. Where a financial assessment is undertaken as part of an Individual Budget only the individual's income will be assessed, this is because the wider support is taken account of within the budget calculator.
11. Where there is a Technology Enabled Care element to a care package that is reliant on community alarm technology the charge normally levied for a community alarm will not apply.
12. Where bookings or cancellations are required these will be subject to local service arrangements.

13. Treatment of compensation payments should be considered where the breakdown of any compensation award includes provision for the cost of care. Any such element should be included in assessment and the ability to pay, subject to legal advice and agreement to ensure the financial assessment is accurate and fair.

Financial Assessment – An Assessment of Ability to Pay

1. The Convention of Scottish Local Authorities (CoSLA) provides annual advice on the level of weekly income below which a person cannot be asked to pay charges. These are known as Minimum Income Thresholds and are updated each financial year in line with the Department of Work and Pensions (DWP) benefit up-rates.
2. If the assessable weekly income is less than the income threshold figure, there will be no charge for services other than any flat rate charges e.g. payment for trips and outings not part of a care plan.
3. If the assessable weekly income is more than the income threshold figure, the charge or contribution will apply. Any contribution to the Independent Living Fund will be taken into account and will not result in a “double contribution”.
4. Financial Assessments will be carried out by the HSCP’s Finance Support Officer and / or the Council’s Money Advice and Rights Team (MART). We will meet with service users and gather appropriate financial information to enable the charge to be determined.
5. Where individuals do not wish to claim benefits to which they are entitled they will be financially assessed as if they were in receipt of these benefits.
6. Where a financial assessment is declined the full charge or contribution for the service will be applied.
7. We will not ask you to pay more than you can reasonably afford. When we ask you about your income to see how much you can pay, this is known as a Financial Assessment.

Each year we will set a weekly income amount for single people and couples depending on their age as follows:

Single person under pension age	£142
Single person over pension age	£216
Couple under pension age	£228
Couple over pension age	£348

If your income is below this weekly amount, we will not charge you for services. This does not apply to any flat rate charged services described below.

- You will be asked to give information on your income every year.
- We look at your total weekly income from all sources including you capital and savings. (A set amount is ignored from your capital and savings).
- We disregard set amounts depending on your age as shown above.

Income Disregarded in the Financial Assessment

8. The following income sources are disregarded:

- Disability Living Allowance, Adult Disability Allowance (previously Personal Independence Payment (PIP)) and Attendance Allowance
- War Widows Pension and War Disability Pension
- Kinship Care/Residence payments
- Industrial Injuries Benefit
- Payments made from a Gallantry award
- Any pension paid from the Austrian or German Government as compensation
- Income derived from benefits paid for or on behalf of children
- Government funding for specific initiatives such as cost of living utilities support

We also disregard:

Any backdated benefits you receive as a result of a benefit check (for 52 week)
Any other charges applied by the Council (does not include the leisure trust)

Treatment of Capital:

- Capital such as savings, bonds, stocks and shares, ISAs etc. will be taken into account in determining charges for the service.
- Capital and/ or savings up to a set disregard threshold will be disregarded (this amount is reviewed annually) as will be any property owned and lived in by the service user.
- For service users with capital in excess of the disregard threshold, a tariff income is applied. For people over pension age, this is currently £1 for each band of £500 over the disregard threshold and for people under pension age, the tariff is £1 for each band of £250 over the disregard threshold. These amounts are added to assessed income.

Non-Disclosure or Incorrect Information Provided in Respect of Financial Assessment

If an individual does not wish to divulge financial information for the financial assessment, the HSCP will apply the full charge or contribution for the service.

If incorrect financial information has been provided the HSCP will seek to recover any amount due or will reimburse any amount overpaid. A new financial assessment will be undertaken and the correct charge applied.

The HSCP will have the right to pursue charges not paid through East Renfrewshire Council's corporate debt recovery process.