

Report to: **Adult Social Care and Community Safety Scrutiny Committee**

Date: **8 September 2011**

By: **Director of Adult Social Care**

Title of report: **Impact of the Review of Fairer Contributions**

Purpose of report: **To update the Scrutiny Committee on the impact and progress to implement the changes to how our financial assessments consider people's disability related expenditure to a banding system of £15 per week and £25 per week**

RECOMMENDATION

The Scrutiny Committee are recommended to provide their views on the impact and progress to implement the changes to how our financial assessments consider people's disability related expenditure to a banding system of £15 per week and £25 per week

1. Financial Appraisal

The current cost of administering the financial assessments of service users in both residential care and helped to live at home is approximately £580,000. The table shows the income levels increasing significantly from 2008/09 to the forecast for the current year.

	Actual 2008/09 £000	Actual 2009/10 £000	Actual 2010/11 £000	Forecast 2011/12 £000
Residential	19,917	22,482	23,096	23,500
Fairer Contribution	2,247	3,608	4,922	6,100
Total	22,164	26,090	28,018	29.600

2. Background and Supporting Information

2.1 In July 2009 the Department of Health (DH) updated the guidance to reflect the implementation of Putting People First: "Fairer Contribution guidance". In April 2010 East Sussex implemented Self Directed Support, providing services to meet user's needs against Personal Budgets. Fairer Charging transferred to Fairer Contributions, which sought the implementation of contributions against service users' Personal Budgets rather than a charge for service activity.

2.2 The DH guidance affords for all service users to have a base level of income that is disregarded before any assessment of their contribution towards their care is made. For service users with disabilities, the guidance provides for related expenditure due to their disability (Disability Related Expenditure (DRE)) to be allowed, to ensure they retain sufficient funds to pay for these costs.

2.3 A consultation took place from 5 January 2011 to 23 February 2011 on the potential move to bandings so that an allowance of either £15 or £25 would be automatically allowed based on the entitlement to disability related benefits. The main benefit identified by respondents to the questionnaire was the simplification of the administration process, the impact on service users would be no longer maintaining receipts of expenditure for a year, and not having to respond to intrusive questions regarding their disability, and therefore reduced time spent having a financial assessment completed.

2.4 An Equality Impact Assessment (EIA) on the proposed changes was completed, and the impacts identified were neutral to all groups. The EIA recommended that information clearly explaining what DRE is and how the new system of allowances work should be available in community languages and accessible formats, and this is available on request.

2.5 The decision to implement the changes to how our financial assessments consider disability related expenditure to a banding system of £15 per week and £25 per week, was made by Lead Member on 21 March 2011. The low and high rates of Attendance Allowance and Disability Living Allowance (Care) are used to identify the banding that will apply, where a service user feels their costs are higher they can request a full disability related assessment.

2.6 In the first 4 months of this year we have found that 35% of service users incurred Disability Related Expenditure (DRE) and of these 48% accepted the DRE banding level of DRE allowance. Of the 52% that requested a full DRE assessment, 31% were assessed as incurring costs above the banding level.

2.7 The Council is able to utilise officers time more efficiently and complete more financial assessments in an average week. At the moment the reduction in average assessment time is approximately 20-25 minutes and we expect this to increase giving a greater saving in time and therefore being able to undertake more assessments in the coming weeks as the new process becomes more bedded down. As we do not charge for services until an individual has had a financial assessment completed, this will help to make sure that people are charged the right contribution for the services they receive right from the start.

2.8 Early feedback from service users is positive. We have received five complaints about the application of the DRE banding to date. All five complaints have related to the service users new assessed charge being higher because their old DRE allowance was higher than the current policy allows. Where charges are increasing a full DRE assessment is being made available.

2.9 As the demand for services increases the demand for financial assessments will increase and the aim of this review was to enable the increased demand to be dealt with at no increase or reduced costs, ensure Visiting Officers maximise service user income from benefit take up and to ensure the department makes best use of the Fairer Contribution guidance to increase the level of income received.

2.10 A separate report is being drafted on the issues that arose for respite care and charging for services to carers.

3. Conclusion and Reasons for Recommendations

3.1 A transition process has been underway to implement the Disability Related Expenditure (DRE's): changes so that it is consistently taken into account with an automatic DRE banding allowance being made. The low and high rates of Attendance Allowance and Disability Living Allowance (Care) are used to identify the banding that will apply. A full DRE assessment is still available if someone does not feel that the banding takes sufficient account of their needs.

3.2 The full implementation of the bandings to allow Disability Related Expenditure is now underway. Early feedback from service users is positive. The increasing levels of income and numbers of financial assessments being undertaken suggests that the change in process is achieving the objectives set.

3.3 In the light of the forecast increase in demand for support, coupled with the reduction in resources it appears that this change in process to simplify the financial assessment process will contribute to improvements in the efficiency and quality of the service.

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