

1. Topic of assessment

EIA title:	Charging Policy for Adult Social Care Services
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EIA author:	Tristram Gardner, Project Manager
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2. Approval

	Name	Date approved
Approved by	Dave Sargeant, Strategic Director, Adult Social Care	10/02/2015
Approved by	Adult Social Care Directorate Equality Group (DEG)	09/02/2015

3. Quality control

Version number	2	EIA completed	09/02/2015
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4. EIA team

Name	Job title (if applicable)	Organisation	Role
Toni Carney	Head of Resources	Surrey County Council	Project Team
Dina Bouwmeester	Policy Development Manager	Surrey County Council	Project Team
Lyndon Edwards	Information Officer	Surrey County Council	Chair of Directorate Equality Group

5. Explaining the matter being assessed

<p>What policy, function or service is being introduced or reviewed?</p>	<p>In April 2003 Surrey County Council adopted the current Fairer Charging Policy in order to adhere to statutory guidance issued under Section 7 of the Local Authority Social Services Act 1970 to help local councils to design reasonable and fair charging policies. The policy sets out in clear terms what services the Council will and will not charge residents.</p> <p>The policy affects all residents of Surrey who are assessed as needing care and support services. Any adult needing care and support is assessed to see if they need to contribute towards their care costs. The resident is informed of their assessed charge and how it was arrived at so they can plan their care.</p>
<p>What proposals are you assessing?</p>	<p>The specific proposals are outlined in a separate Cabinet report titled: 'Implementing the Care Act – charging policy' (24th February 2015); the proposed revised charging policy is titled 'Charging Policy for Adult Social Care Services'.</p> <p>Following public consultation, the proposed changes to the charging policy are as follows:</p> <ol style="list-style-type: none"> 1. The council exercises the power to charge for residential and nursing care and non-residential services. 2. The council will charge an administration fee in any case where the person is able to pay the full cost of their care and support for a residential or nursing home placement but nevertheless the person asks the council to make the arrangements for the placement under the council's usual terms and conditions. 3. The council will increase the percentage of available income taken in charges for non-residential services by 10% with effect from 1 April 2015 <p>Power to charge for residential and nursing care and non-residential services</p> <p>The Care Act 2014 and supporting regulations and statutory guidance will replace a raft of legislation and guidance that has been in place for many years. From 1 April 2015, the legal basis for charging will be a power rather than a duty to charge. This new power replaces the existing duty to charge under the National Assistance Act 1948 for residential and nursing provision and the power to charge for non-residential services (largely under the Chronically Sick and Disabled Persons Act 1970). This means that from April 2015 a local authority may make a charge for meeting needs under sections 18 to 20 of the Care Act but is no longer required to do so, that is, unless the person's resources are above the upper capital limit; the local authority is then precluded from paying towards the cost of care in a care home setting.</p>

	<p>Income from charging is an essential contribution to Adult Social Care's budget to help maintain front-line services and it is recommended that the council exercises the power to charge for all residential and nursing care and non-residential services unless it is prohibited from charging under the regulations or otherwise outside of our current policy</p> <p>Power to make a charge for putting arrangements in place</p> <p>From 1 April 2015, when a person has capital above the upper capital limit, (currently £23,250) and the council has a duty to make arrangements for their care and support needs to be met, the council may charge an arrangement fee to cover the cost of managing the contract with the provider and any administration costs. It is proposed that an administrative charge will be made. The administrative charge will reflect the cost incurred in putting the arrangements in place including any ongoing costs. It is estimated that the average set up cost of putting arrangements in place is equivalent to £265 per placement with an annual charge of £75. If agreed, these charges will take effect from 1 April 2015 and will be subject to annual review.</p> <p>Percentage of available income taken in charges</p> <p>For people in receipt of non-residential care and support, the financial assessment calculates the service user's total weekly income, less certain disregarded income, statutory allowances, certain housing costs and any disability related expenditure to determine the amount of net disposable income left over for charging. The Department of Health recommends that local authorities should consider whether it is appropriate to set a maximum percentage of disposable income which may be taken into account in charges. Many neighbouring local authorities take between 90% and 100% of available income. Surrey's current charging policy is to take 80% of net disposable income. If we increased the percentage of net disposable income by 10% to 90%, this would generate an additional £440k per annum income.</p>
<p>Who is affected by the proposals outlined above?</p>	<p>The proposals will affect all residents of Surrey who are assessed as having eligible care and support needs. The proposals will affect those who are currently receiving services who have already been financially assessed as well as those who are assessed as having needs in the future. Carers and families may be directly affected if they are funding care and support for their relative. Whilst most families not providing funded support will not be directly affected, they will need to understand the changes nonetheless when assisting their loved ones with care planning.</p> <p>In April 2016 the Care Act introduces a further change which will impact on residents who are moving into residential care and have assets of £118,000 or less as they will be assessed from that time as being below the capital threshold (currently set at £24,500). It is</p>

therefore anticipated that a group of residents who would have been funding their own care will approach the council for assessments and will be affected by the changes outlined in this impact assessment.

Surrey County Council staff will not be directly affected by the changes; however they will need to understand the new policy and any new procedures which come out of the proposals. Staff in frontline teams will also need to understand the policy so they can provide appropriate advice and guidance during assessments.

External organisations will not be directly affected; however they will need to have an awareness of the changes to the charging and deferred payments policies so that they are able to provide correct advice and guidance to their customers.

6. Sources of information

Engagement carried out
<p>Consultation on the proposed changes to the council's charging policy took place from 15 December 2014 for a period of 7 weeks. We issued consultation documents to 6,400 people in receipt of non-residential chargeable services. We received 1,662 completed questionnaires; a response rate of around 23%. The consultation documents included an accessible version.</p> <p>The consultation was also published online on the county's consultation hub www.surreysays.co.uk, circulated to key partners and networks, and was publicised through local newsletters, partnership board meetings, the directorate's weekly e-brief and posters in public libraries.</p> <p>Further to the above, over 500 comments were received, including from Action for Carers and Surrey Coalition of Disabled People. An analysis of the responses received is attached at Annex 1 of the separate Cabinet report titled: 'Responses to the consultation summary' (24th February 2015).</p> <p>Separate, ongoing consultation with Surrey residents and council staff has also been undertaken in relation to the Care Act and its implementation in the county. This has included consultation on the charging section of the legislation as follows:</p> <ul style="list-style-type: none"> • Hosting two Care Act consultation events for both residents and staff in July 2014. During both days, held in east and north Surrey, we ran four workshops specifically focussing on charging and deferred payments. These were attended by a mixture of service users, residents, staff and interested groups from District and Borough councils, Carers groups, Health colleagues from Virgin Care and NHS, Surrey Coalition for Disabled People and care providers. • At the same time as the above we encouraged residents to respond to the national consultation on the Care Act via our web site and postal addresses and have a generic Care Act e-mail address where concerns and questions can be raised. • We have run staff road shows during November and December 2014 with all frontline social care staff informing them of the changes and giving the chance to feedback concerns and answer questions. Charging was a part of these road shows. • We have been engaging early with local empowerment boards, the Health and Wellbeing Board, partnership boards and other user-led organisations and networks to inform them of the impending changes.
Data used
<p>The following data has been used to inform changes to the charging policy.</p> <ul style="list-style-type: none"> • Department of Health Impact Assessment on the Care Act 2014. • Surrey County Council in house financial modelling on the impact of the Care Act • Surrey County Council in house data from the Adults Information System (AIS) database on client characteristics • Joint Strategic Needs Assessment (JSNA) data on the profile of Surrey's population

broken down by the protected characteristics.

7. Impact of the new/amended policy, service or function

7a. Impact of the proposals on residents and service users with protected characteristics

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 213</p> <p style="text-align: center;">Age</p>	<p>1) <i>Exercising the power to charge for residential and nursing care and non-residential services</i></p> <p>This new power is in line with the council's current policy which is to charge residents for these services. This will therefore have little impact on Surrey residents who are either current or future clients.</p> <p>2) <i>Power to make a charge for putting in place the arrangements</i></p> <p>People who ask the council to make arrangements for them may benefit from decreased rates of payment as the council is able to bulk buy services at reduced rates compared to the rates which private buyers are able to achieve. Even if an administration fee is charged this may be smaller than the savings achieved, though this would not be known for sure until the scheme is in operation.</p>	<p>1) <i>Exercising the power to charge for residential and nursing care and non-residential services</i></p> <p>No negative impacts identified as this is not a change from our current policy.</p> <p>2) <i>Power to make a charge for putting in place the arrangements</i></p> <p>This may preclude self funding clients from accessing our professional services to arrange care and support as they do not want to pay an administration charge.</p>	<p>1) <i>Exercising the power to charge for residential and nursing care and non-residential services</i></p> <p>The majority of people who returned the questionnaire either agreed that the council should use the new power to continue to charge for residential and nursing care, or did not express a view on the matter. Approximately 34% disagreed with the proposal.</p> <p>2) <i>Power to make a charge for putting in place the arrangements</i></p> <p>The majority of people who returned the questionnaire either agreed that the council should charge an administrative fee, or did not express a view on the matter. Approximately 40% of respondents disagreed with the proposal.</p>

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
	<p><i>3) Increasing available income taken in charges from 80% to 90%</i></p> <p>Increasing the available income taken will mean that there will be a larger contribution paid towards the overall Adult Social Care budget which may help in the longer term to ensure that council services are sustainable or increased for vulnerable groups with the protected characteristics.</p>	<p><i>3) Increasing available income taken in charges from 80% to 90%</i></p> <p>This could have a negative impact in that it will reduce the disposable income of people who are charged for services. We do not know on an individual basis what people spend their disposable income on and consequently cannot analyse the impact of decreasing that amount.</p>	<p><i>3) Increasing available income taken in charges from 80% to 90%</i></p> <p>41% of people who responded either agreed that the council should increase charges, or did not express a view on the matter. 59% of respondents disagreed with the proposal.</p> <p>Respondents who currently pay a contribution will see an increase in their charge if this proposal is agreed. 44% of people who will be affected by this change either agreed that the council should increase the % of available income taken into account, or did not express a view on the matter. Approximately 56% of respondents who will be affected by this change disagreed with the proposal. It should be noted that there was generally a low response rate to the questionnaire; only 26% of people who will be affected by the increase returned the questionnaire.</p> <p>Comments were wide ranging from an understanding that government funding is not sufficient to meet the cost of services to others who vehemently disagree with charging. There were many comments about the treatment of savings and the concern that those people who have</p>

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
			<p>saved for their retirement are 'penalised' by having saved in comparison to those people who have not made not any provision for their needs in later life.</p> <p>The negative comments on charging were largely against the principle of charging for care and support and that personal care should be fully funded by the NHS or through existing taxation or National Insurance contributions. Several references were made to free care in Scotland. A significant number of people questioned the fairness of charging disabled people and there were a considerable number of comments about the government funding more help for the elderly.</p> <p>Many people commented that the proposed increase in charges seemed unfair and excessive, though others agreed that if people have the means to contribute towards their care and support then it was reasonable for them to do so. There were many comments about the cost of living generally increasing and income levels not keeping pace with these costs and the concern that the increase in charges would not reflect other increasing costs.</p>

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
			<p>There were comments from carers who raised concerns about the impact on them of the caring role.</p> <p>There were positive comments too, with people reporting that they were pleased with the support they received and were happy to pay more. Others were concerned about the private cost of care and suggested the Council could look to run more services to meet the demand for affordable care.</p> <p>Concerns were raised by the Surrey Coalition of Disabled People that increasing the percentage of income taken in charges would reduce affected residents' ability to participate fully in society, increasing isolation and potentially placing more pressure on formal public service provision to meet this need.</p> <p>AIS data</p> <ul style="list-style-type: none"> • There are currently just over 23,000 open clients on the AIS database and around 7,000 carers receiving support of some kind. <p>Joint Strategic Needs Assessment</p> <ul style="list-style-type: none"> • Data shows that Surrey has a higher

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
			<p>proportion of people over eighty five years old and estimates that this population is set to double by 2033. This will lead to a greater demand on council services and a higher number of people who are able to fund their own care seeking advice and support.</p> <ul style="list-style-type: none"> • In 2012 the estimated number of carers in Surrey was 106,700 or 10% of the population. An estimated 23,000 of these are thought to be over the age of 65. • There are an estimated 38,952 people over 65 in Surrey who are unable to manage at least one physical activity on their own. This includes going out of doors and walking down the road, getting up and down stairs, getting around the house, going to the toilet and getting in and out of bed. This number is predicted to rise to 46,883 in 2020.
Disability	Same as above	Same as above	Same as above
Gender reassignment	No impact	No impact	No impact
Pregnancy and maternity	No impact	No impact	No impact

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
Race	No impact	No impact	No impact
Religion and belief	No impact	No impact	No impact
Sex	No impact	No impact	No impact
Sexual orientation	No impact	No impact	No impact
Marriage and civil partnerships	No impact	No impact	No impact
Carers	Same as above	Same as above	Same as above

Page 218

7b. Impact of the proposals on staff with protected characteristics

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
Age	These proposals do not impact on staff, unless they are in receipt of services in which case see above.	These proposals do not impact on staff, unless they are in receipt of services in which case see above.	These proposals do not impact on staff, unless they are in receipt of services in which case see above.
Disability	As above	As above	As above
Gender reassignment	As above	As above	As above

Protected characteristic	Potential positive impacts	Potential negative impacts	Evidence
Pregnancy and maternity	As above	As above	As above
Race	As above	As above	As above
Religion and belief	As above	As above	As above
Sex	As above	As above	As above
Sexual orientation	As above	As above	As above
Marriage and civil partnerships	As above	As above	As above
Carers	As above	As above	As above

8. Amendments to the proposals

Change	Reason for change
N/A	

9. Action plan

Potential impact (positive or negative)	Action needed to maximise positive impact or mitigate negative impact	By when	Owner
Power to make a charge for putting in place the arrangements – might put off people who fund their own care from approaching the council for assistance	<p>Ensure people who fund their own care are aware of the potential charge by:</p> <ul style="list-style-type: none"> Updating our information and advice materials Ensuring staff are suitably trained and able to advise residents 	April 2015	Toni Carney
	Cost of charge may be offset by the reduced cost to people who fund their own care of paying for services when these are organised by the council – to review in light of the implementation of the 2016 Care Act cap on care costs, which is likely to increase demand on the council to organise services.	April 2016	Toni Carney
	In all other respects ensure frontline social care staff support people who fund their own care on an equivalent basis to those in receipt of local authority funding, including the offer of free assessments of their needs, universal information and advice, and signposting to appropriate sources of support, including family, friends and community support. To achieve this through staff training and ongoing development.	April 2015 and ongoing	David Sargeant
Increasing the amount of available income taken from 80% to 90% - will	Write to affected residents offering a reassessment of their financial situation if they feel the	1 st April 2015	Toni Carney

Potential impact (positive or negative)	Action needed to maximise positive impact or mitigate negative impact	By when	Owner
reduce the disposable income of residents who are charged for non-residential care and support	change is not financially sustainable.		
	Continue to support frontline social care staff to advise and signpost all residents requiring support, irrespective of their level of funding, on how they can access family, friends and community support, some of which may be free of charge at the point of access.	Ongoing	Shelley Head
	Continue to support frontline social care staff to identify, assess and support carers in their caring role, particularly in light of the new legal rights for carers in the Care Act. Continue to invest in early intervention support services for carers in Surrey.	April 2015 and ongoing	Sonya Sellar
	Continue to work with the provider market in Surrey to offer a wide range of services for vulnerable adults at different price points.	Ongoing	David Sargeant

10. Potential negative impacts that cannot be mitigated

Potential negative impact	Protected characteristic(s) that could be affected
Increasing the amount of available income taken from 80% to 90% (as above). Likely to reduce the disposable income of people who we charge for non-residential care and support.	Age, disability, carer

11. Summary of key impacts and actions

Information and engagement underpinning equalities analysis	7 week public consultation from December 2014 to January 2015, including writing to 6,400 people in receipt of non-residential chargeable services, publication of proposals online and circulation through networks.
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<p>Key impacts (positive and/or negative) on people with protected characteristics</p>	<p>1) <i>Exercising power to charge</i></p> <ul style="list-style-type: none"> This is in line with our current charging policy and therefore no positive or negative impacts have been identified. <p>2) <i>Power to make a charge of an administration fee where a person is able to pay the full cost of their care and support</i></p> <ul style="list-style-type: none"> This may have a positive impact on Surrey residents needing care and support who would normally have to make their own arrangements. This group will be able to access services at a lower rate which will offset any administration fee charged. A potential negative impact is that people who fund their own care may be put off using Surrey services due having to pay an administration fee. <p>3) <i>Increasing the amount of available income taken from 80% to 90%</i></p> <ul style="list-style-type: none"> Increasing the amount taken to 90% will bring greater income to Adult Social Care which may benefit vulnerable people using services which could be sustained or increased in light of the increase to income. A negative impact of this policy would be that the disposable income of vulnerable residents would be lowered if the council takes more in way of contributions to care.
<p>Changes you have made to the proposal as a result of the EIA</p>	<p>None</p>
<p>Key mitigating actions planned to address any outstanding negative impacts</p>	<p>2) <i>Power to make a charge of an administration fee where a person is able to pay the full cost of their care and support</i></p> <ul style="list-style-type: none"> Cost of charge may be offset by the reduced cost to people who fund their own care of paying for services when these are organised by the council – to review in light of the implementation of the 2016 Care Act cap on care costs, which is likely to increase demand on the council to organise services. In all other respects ensure frontline social care staff support people who fund their own care on an equivalent basis to those in receipt of local authority funding, including the offer of free assessments of their needs, universal information and advice, and

	<p>signposting to appropriate sources of support, including family, friends and community support. To achieve this through staff training and ongoing development.</p> <p><i>3) Increasing the amount of available income taken from 80% to 90%</i></p> <ul style="list-style-type: none"> • Write to affected residents offering a reassessment of their financial situation if they feel the change is not financially sustainable. • Continue to support frontline social care staff to advise and signpost all residents requiring support, irrespective of their level of funding, on how they can access family, friends and community support, some of which may be free of charge at the point of access. • Continue to support frontline social care staff to identify, assess and support carers in their caring role, particularly in light of the new legal rights for carers in the Care Act. Continue to invest in early intervention support services for carers in Surrey. • Continue to work with the provider market in Surrey to offer a wide range of services for vulnerable adults at different price points.
<p>Potential negative impacts that cannot be mitigated</p>	<p><i>Increasing the amount of available income taken from 80% to 90%</i></p> <ul style="list-style-type: none"> • The disposable income of vulnerable residents would be lowered if the council takes more in way of contributions to care. • The impact of this change can partly be mitigated by the above actions.

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