

## **Committee: Cabinet**

### **Date:**

## **Subject: PROPOSED CHANGES TO THE NON RESIDENTIAL ADULT SOCIAL CARE FAIRER CONTRIBUTIONS POLICY**

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### **Recommendations:**

- A. To approve changes to the non residential care fairer contributions policy for adult social care

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## **1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1 The integration and implementation of assistive technology is a cost-effective method of meeting the care and health needs of Merton's growing population of older and disabled people. Merton's assistive technology is provided by MASCOT an in house team within the Community and Housing Directorate.

Assistive technology helps people maintain their independence by enabling them to remain at home and also reduces the need for people to receive ongoing social care funded support, ensuring that longer term services are targeted at people with higher support needs.

Assistive technology is not included in Merton's Fairer Contributions policy and therefore it is a barrier for care managers to routinely suggest telecare to service users due to the additional cost to them.

A means tested charge for monitoring and response services as part of an overall package of telecare support will enable Merton to offer an effective preventative service to a greater number of people. In order to achieve this, it is proposed to include assistive technology within the current Fairer Contributions policy, for those eligible under FACS (Fair Access to Care Services).

- 1.2 This report sets out the options available.

## **2 DETAILS**

- 2.1 With the introduction of self directed support and Personal Budgets the Department of Health issued new guidance to local authorities on the

assessment of financial contributions towards the costs of care services. The London Borough of Merton introduced a Fairer Contributions Policy in April 2011. The Fairer Contributions Policy applies to those who receive non-residential care services from the London Borough of Merton either directly or through a Personal Budget. Assistive technology and Meals on Wheels are not included in the policy

- 2.2 The Adult Social Care Financial Assessment team carries out a financial assessment, which is a means-tested process, to determine a service user's ability to make a contribution towards the cost of their care. The Policy ensures that a service user's income does not fall below the Government's "Minimum Income Guarantee". If a service user demonstrates that they have disability related expenditure then the Council will consider further disregards to their financial assessment. MASCOT is included as Disability Related Expenditure and allows the customer a £10 per week disregard. Once the support plan and financial assessment are completed the Council will confirm in writing the amount of the personal budget and any contribution that the service user may be required to make for their individual care package. The service user then has the choice of either the Council managing their personal budget to arrange all the care and support they need or they may opt for their personal budget to be provided to them which they can then use to make their own arrangements for their care needs.
- 2.3 MASCOT provides telecare to 1,306 residents of Merton, 8 Registered Social Landlords Housing Schemes and 145 out of borough clients. MASCOT has a pricing schedule that charges out of borough customers a higher rate than Merton clients in order to cover additional overheads for the delivery of the service.
- 2.4 MASCOT carries out an independent financial assessment for all Merton customers, with the exception of self-funders. Customers who are on pension credit are assessed to pay £2.00 per week and full payers from £7.59 up to £10.59 per week. MASCOT use the same principles as the Financial Assessment team when carrying out an assessment. MASCOT customers who also receive non-residential care services from Merton are subject to financial assessments by both the Social Services Financial Assessment team and MASCOT.
- 2.5 MASCOT customers who are also in receipt of non-residential services can be charged by both MASCOT and by Social Services. This could result in a customer's net income being below the Government's "Minimum Income Guarantee". No customer should be expected to contribute any more than the financial assessment shows is reasonably practicable for them to pay.
- 2.6 Investigation regarding charges shows that most other local authorities include the community alarm and telecare services in their 'Fairer Contributions Policy'.
- 2.7 It is not intended to include Meals on Wheels in the Fairer Charging Policy as this is an essential cost of living and food would still need to be purchased even if the service user did not receive the service.

## ALTERNATIVE OPTIONS

### A. STAYS OUTSIDE FACS

#### 1) No Change

To take no action would mean that the 'Fairer Contributions Policy' would not be applied equitably across services provided by Merton. If FACS eligible service users could not afford the additional MASCOT charge they may wait until crisis point and require higher cost services such as residential care.

#### 2) Charge all Service Users Full Cost

MASCOT would apply the full charge (£7.59 to £10.59) to all 1,306 service users. If all 1,306 service users continued with the service, this would increase income by approximately £133k per annum. It was found that 74 service users stopped using the service when the charge for people on 'Pension Credit' was raised from no charge to £2.00 per week in April 2011. Therefore, it is unclear that if a full charge was applied to all service users that they would continue to use MASCOT telecare and therefore the increased income would be reduced.

If service users also receive FACS eligible care services from Merton, they would be required to pay the full cost of MASCOT on top of their assessed contribution for care. This may put some service user's income under the "Minimum Income Guarantee". It is likely that some service users would cancel their MASCOT package and then need more expensive interventions.

#### 3) Free service to residents over 85

Other local authorities are offering free telecare to residents over 85 years, on the grounds that it helps prevent escalation to more costly services.

The UK population is ageing, and in the London Borough of Merton the number of people over 85 is 3,400 projected to increase by 17.6% to 4,000 over the next five years. It is predicted that 938 over 85's will have dementia and 2,454 will have a limiting long term illness over the next five years.

MASCOT would offer free telecare to residents that are new to the service and do not have access to another community alarm or warden service. MASCOT currently has 620 service users that are over 85 years old. The income collected per annum from service users over 85 is £160k.

We are uncertain of the potential uptake of the free service. If all residents who were not living in a care home or have access to another community alarm or warden service decided to take up the offer the initial cost of providing a free telecare service to the remaining 3,000 residents would amount to approximately £1m. The cost of a standard installation of assistive technology is £339.97. There would be a need to have an increased mobile response team in order to respond to the additional calls at an additional cost of £400k.

Cost of Installation of Typical Telecare Package - 2014	
Description	Cost
Initial Assessment	£46.76
Lifeline connect Box plus Amie Pendant	£99.00
Smoke Detector	£40.80
Bed/Chair Occupancy Sensor Mat	£78.00
Temperature Extreme Sensor	£46.96
Installation of Equipment	£28.45
Total First year costs	£339.97

## **B. GOES INTO FACS**

### **1) Standard Way**

MASCOT customers who are also in receipt of non-residential services will be financially assessed and contribute towards their care.

Possible savings can be made, an example follows:

A FACS eligible service user was financially assessed as contributing £90.54 per week to the Council for homecare. In addition, the service user pays £7.59 per week to MASCOT for the mobile response service. The service user wanted to cancel the homecare afternoon call and have assisted technology in the form of a medication and inhaler prompt. In order to have the assisted technology the service user would be required to pay an additional £3.00 per week to MASCOT. The most that the service user would pay towards her community care would be £90.54; therefore it was preferable for the service user to keep the carers than pay £3.00 more for the equipment.

The actual cost of providing afternoon homecare for the service user during 2012 was £224.36 per four week period. The cost to Merton to provide the medication and inhaler prompt would have been a 'one off' cost of approximately £150.00. If MASCOT had been included in the charging policy, Merton would have saved £2,370.92 per annum for one service user.

Actual cost of Evening Homecare Calls per annum	£2,916.68
Loss of MASCOT Income per annum	-£395.76
Cost of MemRabel and Med Dispenser	-£150.00
Possible Savings	£2,370.92

If MASCOT had been included in the policy the service user would not have been required to pay the additional cost of £3.00 per week and would have been happy to have the equipment installed.

## **2) Offered free for 6 weeks as part of the Re-ablement Service**

Re-ablement has been defined by Department of Health's Care Services Efficiency Delivery (CSED) Programme as 'Services for people with poor physical or mental health to help them accommodate their illness by learning or re-learning the skills necessary for daily living.' Re-ablement offers personalised support services over a short period of time to people leaving hospital or residential care following illness or an accident.

Merton provides a re-ablement service, which is part of MILES: Merton Independent Living and Engagement Service. The team is comprised of occupational therapists, social workers, re-ablement staff and care workers who provide a service for up to six weeks. The team promotes a person's health, well-being and independence in their own home, reducing the need for on-going care and admissions to care homes or hospitals.

MASCOT would offer free assistive technology as part of the re-ablement service for the first six weeks. Local Authorities who have introduced this have found that re-admissions to hospital are reduced and family members are reassured. Dudley Council introduced the free service as part of their re-ablement package in 2010. The outcomes are as follows:

3 service users avoided hospital admission - £1,770 efficiencies
3 service users had a shorter stay in hospital - £600
1 service user avoided admission to a step down bed from hospital, instead returned home with telecare - £500
52 service users avoided readmission to hospital within the 30 days - £30,680
15 service users required no care after 6 weeks, they were left with telecare to continue to support them to live independently at home
63 service users experienced a supported hospital discharge with the use of telecare - £12,600
7 service users experienced a supported discharge from an intermediate care setting - £1,400
15 service users experienced a supported discharge from residential reablement settings - £3,000
18 service users were supported in terms of falls management. All felt able to return home with telecare as they had the reassurance that they could summon help if they experienced a fall when returning home - £10,620
83% of all service users requesting to keep telecare were private tenants generating an increased annual income for the council of £6,478
The initial investment £20,000 – current spend on equipment is £15,642 (£4,357 remaining)
Total efficiency savings: £61,170

After six weeks service users would be given the option of continuing the service. If the service user requires a higher level of service during or after the 6 months free trial MASCOT would contact the service user and help them choose the right equipment and service level.

### **3) Full charge for non FACS eligible customers**

MASCOT would apply full charge for non FACS service users. This would increase income by approximately £90k if all customers continued with the service. It is unclear that if a full charge was applied to all service users that they would continue to use MASCOT telecare and therefore the increased income would be reduced.

Options B1 and B2 are recommended. The changes for options B1 and B2 will meet the needs of existing FACS eligible service users and help contribute towards the savings that are required through telecare.

A decision will need to be taken for option B3:

- No change in to the existing MASCOT charging policy or
- Full cost to all existing MASCOT customers or
- Introduce full cost to new customers.

## **4 CONSULTATION UNDERTAKEN**

4.1. Charging Policy Group – 31<sup>st</sup> July 2013

## **5 TIMETABLE**

5.1. Cabinet xxx 2014

If the policy amendment is agreed the change would be made from (date to be agreed).

## **6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

6.1 If the change to the charging policy is implemented the department will be able to increase the number of service users helped to live at home through the use of assistive technology in order to enable people to live more independently for longer and reduce the costs of care and support. For 2014/15 there is a target saving of £70k. It will also have an effect on the amount of income received by the Council, but this will outweighed by the savings that can be gained by implementing assisted technology in a care package.

6.2 A reconciliation of FACS eligible MASCOT customers was undertaken by the Social Services Financial Assessments team. It was found that MASCOT would lose income of £14,932.64 per annum if the service users were included in the Fairer Contributions Policy. There are 286 MASCOT customers who are FACS eligible and receive non-residential care through Merton. The savings shown in B1 above will more than outweigh the shortfall in income.

MASCOT customers who also receive a community care service as at 1st Dec 2013		
Number of Customers who pay full/part cost	169	£12,503.47
Number of Customers who pay reduced cost	117	£2,429.17
<b>Projected Loss of Income</b>		<b>£14,932.64</b>

6.3 There are no resource or property implications

## 7 LEGAL AND STATUTORY IMPLICATIONS

7.1 Section 17 of the Health and Social Services and Social Security Adjudications Act 1983 gives local authorities discretion to make charges for certain community care services as are reasonable, subject to the right of an individual satisfying the local authority that he or she should not pay more than it is reasonably practicable to pay.

7.2. Non residential home care services are provided under s29 National Assistance Act 1948. The power to charge for home care services is provided by s17 Health Services Social Security Adjudication Act 1983, which states that an authority providing a service to which the section applies may recover such charge for it, if any, as they consider reasonable.

7.3. Guidance has been issued under s7 Local Authority Social Services Act 1970 to which the Council must have regard when exercising these statutory functions, the Fairer Charging Policies for Home Care and other non-residential Social Services (2003) ('Fairer Charging'). Fairer Charging provides guidance on the way in which local authorities should deal with capital and income when assessing a person's ability to contribute to their care costs.

## 8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1 The proposals contained within this report will assist the Community and Housing Department to provide telecare and response services that prioritise future need and meet requirements of all diverse sections of the community.

8.2 The Fairer Contributions policy clearly applies only to people who are in receipt of social care services. This can include people from any of the specific equality groups. The policy does not have a differential impact on people in these groups as it is applied in a consistent manner.

**9 CRIME AND DISORDER IMPLICATIONS**

9.1. None directly relating to this report.

**10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

10.1. None directly relating to this report.

**11 BACKGROUND PAPERS USED TO COMPILE THIS REPORT**

11.1 Fairer Contributions Guidance – Calculating an Individual’s Contribution to their Personal Budget – Department of Health July 2010

11.2 [http://www.merton.gov.uk/health-social-care/adult-social-care/financialassessment/fairer\\_contributions\\_policy](http://www.merton.gov.uk/health-social-care/adult-social-care/financialassessment/fairer_contributions_policy)

11.3 Charging for Residential Accommodation Guidelines – Department of Health

11.4 POPPI - Projecting Older People Population Information System, Sep 2012

<http://www.tunstall.co.uk/Uploads/Documents/Telehealth%20Times%20Issue%2039%20web.pdf>

[www.hillingdon.gov.uk](http://www.hillingdon.gov.uk)

<http://www.westmidlandsiep.gov.uk/text.php?page=774>